

Bandai Namco Group Information Meeting Fiscal Year Ending March 2025 1st Half Result Presentation

November 6, 2024

BANDAI NAMCO

Fun for All into the Future

FY2025.3 First Half Results

(billion yen)

	FY2024.3 First Half Results	FY 2025.3 First Half Forecast (as of Aug 8, 2024)	FY2025.3 First Half Results	Vs. Previous Year's Results		Vs. Previous Forecast
				Change	(%)	
Net sales	502.0	555.0	611.3	+109.3	121.8	+56.3
Operating Profit	65.4	82.0	113.6	+48.2	173.6	+31.6
Recurring Profit	73.9	88.0	115.5	+41.6	156.3	+27.5
Profit Attributable to Owners of Parent	52.1	60.0	80.7	+28.6	154.7	+20.7

First half's record-setting results far higher than last year's earnings while beating forecasts

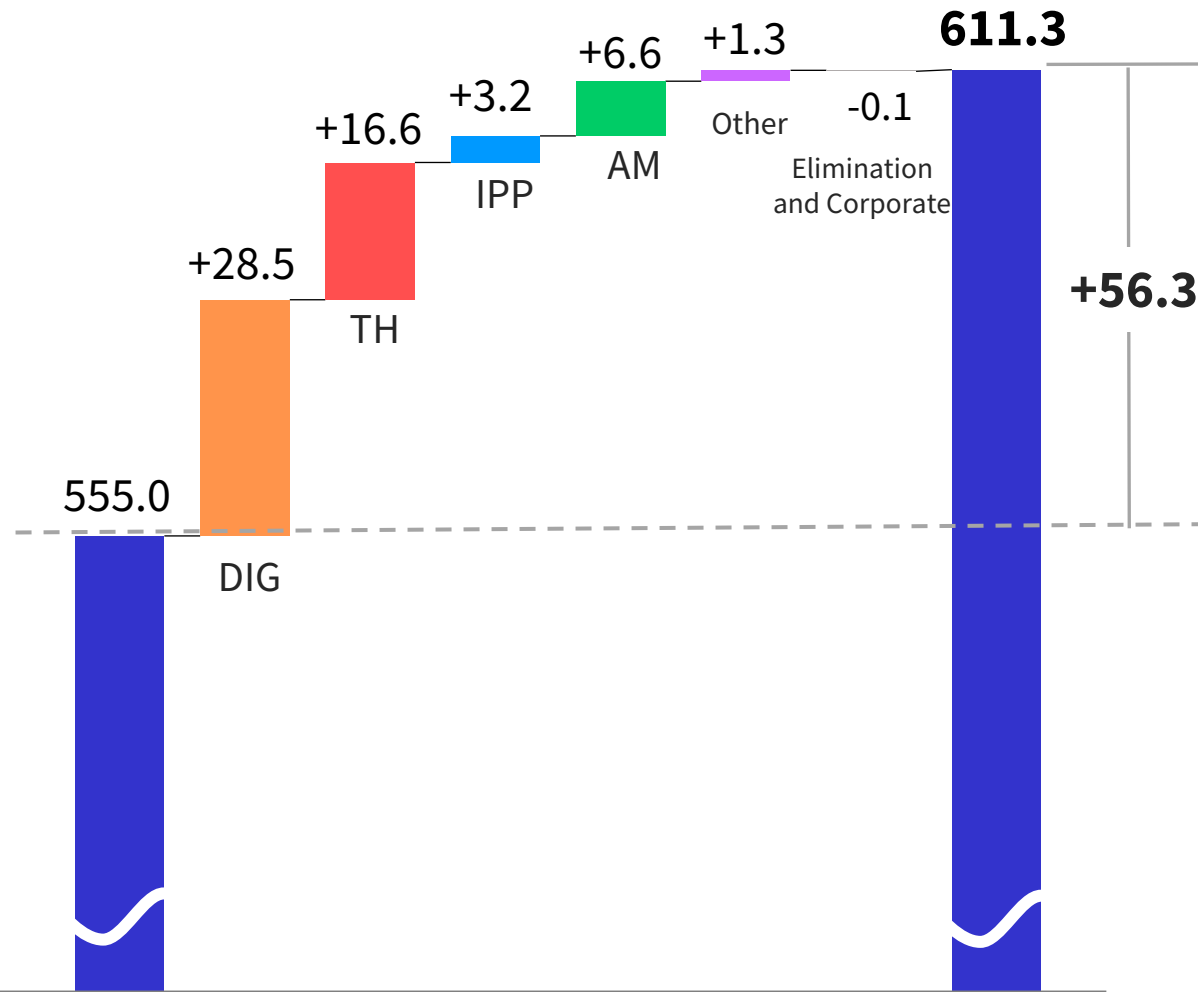
FY2025.3 First Half Results by Segment

(billion yen)

		FY2024. 3 First Half Results	FY 2025.3 First Half Forecast (as of Aug 8, 2024)	FY2025. 3 First Half Results	Vs. Previous Year's Results	Vs. Previous Forecast
Digital	Segment sales	174.3	200.0	228.5	+54.2	+28.5
	Segment profit	15.5	27.0	44.7	+29.2	+17.7
Toys and Hobby	Segment sales	249.8	275.0	291.6	+41.8	+16.6
	Segment profit	45.7	50.0	59.7	+14.0	+9.7
IP Production	Segment sales	33.3	38.0	41.2	+7.9	+3.2
	Segment profit	2.3	6.0	6.7	+4.4	+0.7
Amusement	Segment sales	59.2	65.0	71.6	+12.4	+6.6
	Segment profit	6.9	5.5	7.2	+0.3	+1.7
Other	Segment sales	16.0	16.0	17.3	+1.3	+1.3
	Segment profit	0.6	0.3	1.2	+0.6	+0.9
Elimination and Corporate	Segment sales	-30.7	-39.0	-39.1	-8.4	-0.1
	Segment profit	-5.7	-6.8	-6.0	-0.3	+0.8
Consolidated	Net sales	502.0	555.0	611.3	+109.3	+56.3
	Operating profit	65.4	82.0	113.6	+48.2	+31.6

FY2025.3 First Half Results - Comparison with Previous Forecast -

Net sales

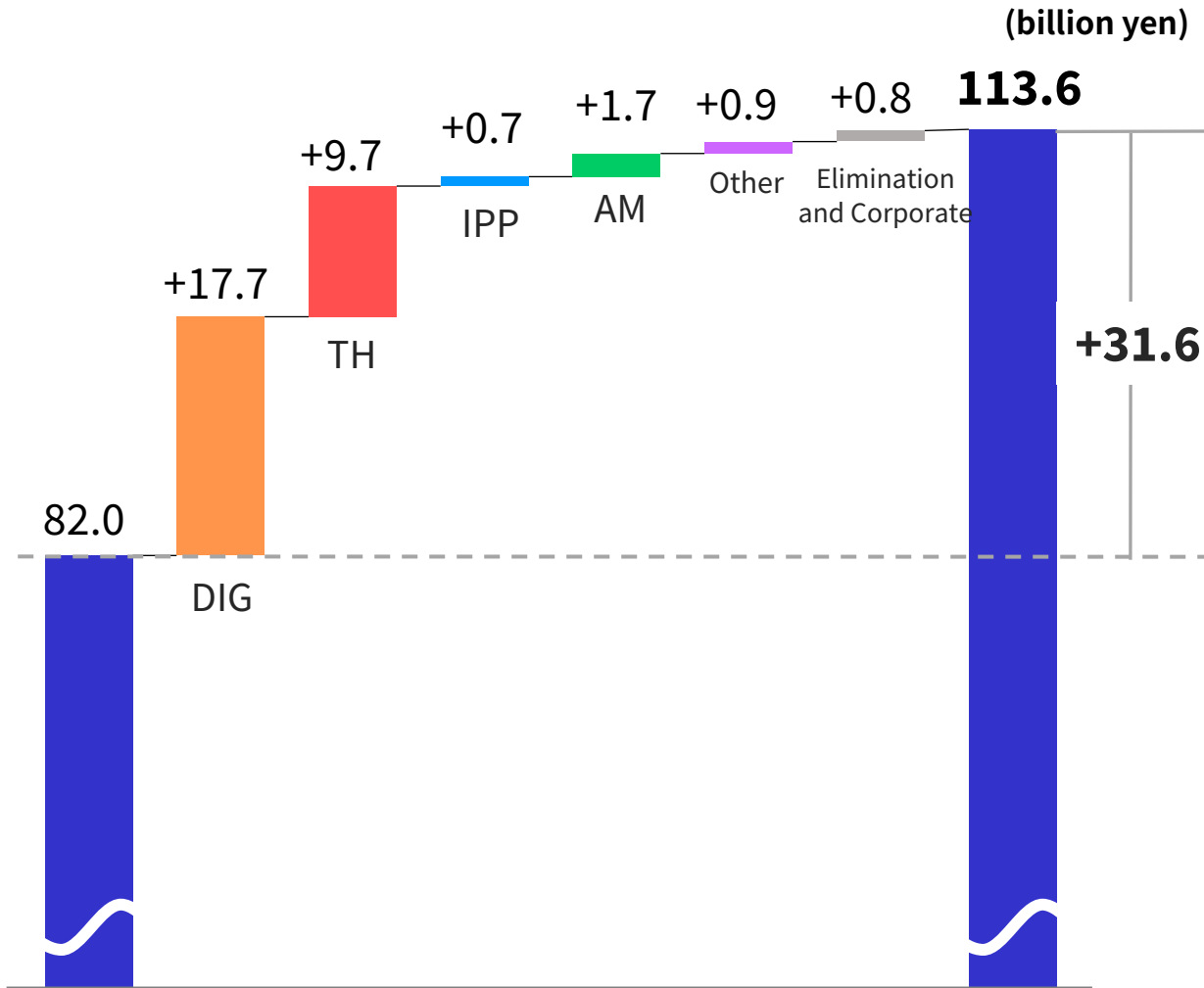


FY 2025.3 First Half Forecast (as of Aug 8, 2024)

FY2025. 3 First Half Results

Operating profit

DIG : Digital
TH : Toys and Hobby
IPP : IP Production
AM : Amusement



FY 2025.3 First Half Forecast (as of Aug 8, 2024)

FY2025. 3 First Half Results

Entertainment Unit

Digital Business

Home console games:

- Favorable results for downloadable content and repeat sales of the main title for *ELDEN RING*
- Good start for *GUNDAM BREAKER4*

→ Repeat sales volume for all titles: 15.07 million units; DL ratio to full package: 61%

Network content:

- Sales remain firm for main app titles around the world
- New app *THE IDOLM@STER Gakuen* off to a good start, winning new fans

Toys and Hobby Business

- Continued favorable results of model kits and other products for the mature fan base
- Trading card games, capsule toys, and confectionery products, and food products are performing well.
 - Expansion of touch points in each category, global business development
- Large contributions from *Gundam series*, *DRAGON BALL series*, *ONE PIECE*

IP Production Unit

- Recording of box-office revenue for *Mobile Suit Gundam SEED Freedom*, and *BLUELOCK - EPISODE NAGI-*
- Favorable results in global development of core IP content, video distribution, and licensing business
- Expansion in the number of live events to meet demand for real entertainment

Amusement Unit

- Japan Favorable results with facilities in large-scale shopping centers, facilities located in bustling districts, Bandai Namco Cross Store, activity facilities
→ Sales of existing-store in Japan: +8.8% year on year
- Overseas Favorable results with Bandai Namco Cross Store, card game shops
- Favorable sales of new series for amusement machines

Forecast for Full-Year of FY2025.3

(billion yen)

	FY2024. 3 Full-Year Results	FY2025.3 Full-Year Plan	FY2025.3 Full-Year New Forecast	Vs. Previous Year's Results		Vs. Previous Forecast
				Change	(%)	
Net sales	1,050.2	1,080.0	1,150.0	+99.8	109.5	+70.0
Operating Profit	90.6	115.0	160.0	+69.4	176.4	+45.0
Recurring Profit	104.1	119.0	163.0	+58.9	156.5	+44.0
Profit Attributable to Owners of Parent	101.4	81.0	110.0	+8.6	108.4	+29.0



- Revised to reflect earnings growth in first half, recent market conditions and business trends, and sales forecasts for second half
- Aim for record-high earnings for the full year

Forecast for Full-Year of FY2025.3 by Segment

(billion yen)

		FY2024. 3 Full-Year Results	FY2025.3 Full-Year Plan	FY2025.3 Full-Year New Forecast	Vs. Previous Year's Results	Vs. Previous Forecast
Digital	Segment sales	372.6	370.0	410.0	+37.4	+40.0
	Segment profit	6.2	30.0	55.0	+48.8	+25.0
Toys and Hobby	Segment sales	509.8	530.0	570.0	+60.2	+40.0
	Segment profit	78.6	80.0	98.0	+19.4	+18.0
IP Production	Segment sales	82.4	83.0	83.0	+0.6	±0
	Segment profit	10.0	12.0	12.0	+2.0	±0
Amusement	Segment sales	119.6	125.0	130.0	+10.4	+5.0
	Segment profit	6.8	7.0	8.0	+1.2	+1.0
Other	Segment sales	32.3	33.0	33.0	+0.7	±0
	Segment profit	0.9	0.5	1.5	+0.6	+1.0
Elimination and Corporate	Segment sales	-66.8	-61.0	-76.0	-9.2	-15.0
	Segment profit	-12.1	-14.5	-14.5	-2.4	±0
Consolidated	Net sales	1,050.2	1080.0	1,150.0	+99.8	+70.0
	Operating profit	90.6	115.0	160.0	+69.4	+45.0

Entertainment Unit

Expect year-on-year growth in earnings in Digital and Toys and Hobby businesses, beating previous forecasts

Digital Business

- Some overseas-developed title had a rough start, but *DRAGON BALL: Sparking! ZERO* saw outstanding sales
- Strengthening promotions, including collaborative development with popular titles and *Dragon Ball DAIMA*
- Expect repeat sales to be near pre-pandemic level

Toys and Hobby Business

- Strengthening promotions and events to bolster popular categories
- Aggressively invest in initiatives for the medium to long term growth
- Depreciation on a number of new *DATA CARDDASS* machines

IP Production Unit

- Progressing in line with initial targets

Amusement Unit

- Plan to aggressively open facilities, invest in amusement machines → increase in depreciation

Advance measures for the medium to long term growth

- Change to structure that oversees WW marketing in Japan and North America
- Portfolio committee decides priority of initiatives to build an optimal portfolio, tighten up screening in development process based on indicators for title quality, development costs and delivery deadlines
- Generate excitement about *THE IDOLM@STER* brand



◀ 3 million unit sales within 24 hours of launch!



▲ Link apps and home console games with the anime *Dragon Ball DAIMA*



▲ Achieved 2 million downloads

Entertainment Unit

Expect year-on-year growth in earnings in Digital and Toys and Hobby businesses, beating previous forecasts

Digital Business

- Some overseas-developed title had a rough start, but *DRAGON BALL: Sparking! ZERO* saw outstanding sales
- Strengthening promotions, including collaborative development with popular titles and *Dragon Ball DAIMA*
- Expect repeat sales to be near pre-pandemic level

Toys and Hobby Business

- Strengthening promotions and events to bolster popular categories
- Aggressively invest in initiatives for the medium to long term growth
- Depreciation on a number of new *DATA CARDDASS* machines

IP Production Unit

- Progressing in line with initial targets

Amusement Unit

- Plan to aggressively open facilities, invest in amusement machines → increase in depreciation

We aim for the medium to long term growth

- Rapidly expand diverse IP across a wide range of categories
- Broaden global reach of popular categories



Complete construction of a new factory at the Bandai Hobby Center in January 2025

ONE PIECE CARD GAME

ワンピース カードゲーム



Launch new series of trading and digital card games, and strengthen fan engagement

Focus on younger fans, nurture future fans

Entertainment Unit

Expect year-on-year growth in earnings in Digital and Toys and Hobby businesses, beating previous forecasts

Digital Business

- Some overseas-developed title had a rough start, but *DRAGON BALL: Sparking! ZERO* saw outstanding sales
- Strengthening promotions, including collaborative development with popular titles and *Dragon Ball DAIMA*
- Expect repeat sales to be near pre-pandemic level

Toys and Hobby Business

- Strengthening promotions and events to bolster popular categories
- Aggressively invest in initiatives for the medium to long term growth
- Depreciation on a number of new *DATA CARDDASS* machines

IP Production Unit

- Progressing in line with initial targets

Amusement Unit

- Plan to aggressively open facilities, invest in amusement machines → increase in depreciation

IP Production Unit



VR videos



Launch of worldwide streaming



Anime second phase



Asia tour of live events



Strengthen ability to create IP
Improve personnel training inside and outside company

Amusement Unit



Collaborate on IP and product brands



Enhance facilities for kids and families

Create appealing venues and maximize the utilization of deployable strengths



Developing THE IDOLM@STER TOURS



Favorable results for activity facilities

Entertainment Unit

Expect year-on-year growth in earnings in Digital and Toys and Hobby businesses, beating previous forecasts

Digital Business

- Some overseas-developed title had a rough start, but *DRAGON BALL: Sparking! ZERO* saw outstanding sales
- Strengthening promotions, including collaborative development with popular titles and *Dragon Ball DAIMA*
- Expect repeat sales to be near pre-pandemic level

Toys and Hobby Business

- Strengthening promotions and events to bolster popular categories
- Aggressively invest in initiatives for the medium to long term growth
- Depreciation on a number of new *DATA CARDDASS* machines

IP Production Unit

- Progressing in line with initial targets

Amusement Unit

- Plan to aggressively open facilities, invest in amusement machines → increase in depreciation

IP Production Unit



VR videos



Launch of worldwide streaming



Anime second phase



Asia tour of live events



Strengthen ability to create IP
Improve personnel training inside and outside company

Amusement Unit



Collaborate on IP and product brands



Enhance facilities for kids and families

Create appealing venues and maximize the utilization of deployable strengths



Developing THE IDOLM@STER TOURS

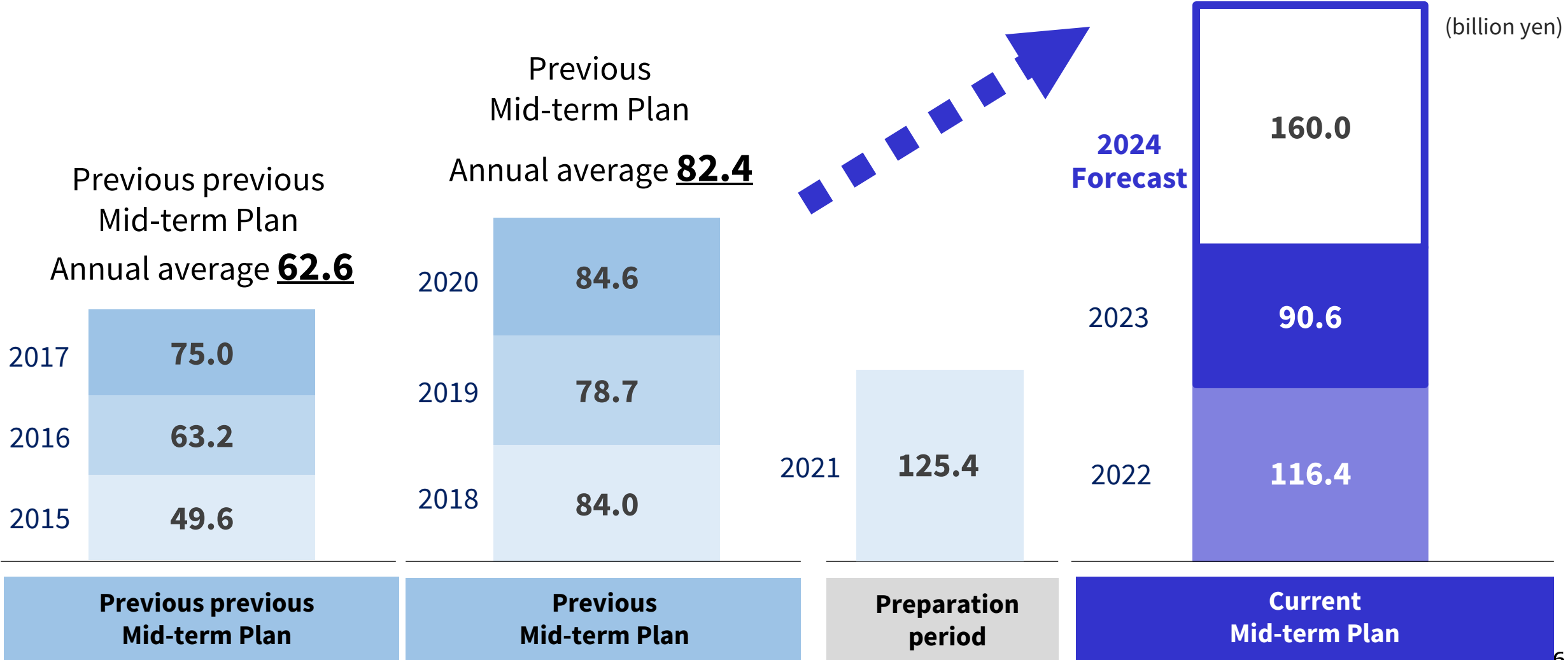


Favorable results for activity facilities

Progress on Mid-Term Plan: Reinforcement of Stable Earnings Base

< Group Consolidated Operating Profit >

Current
Mid-term Plan
Annual average **122.3**



Bandai Namco's Purpose

Fun for All into the Future

Bandai Namco exists to share dreams, fun and inspiration with people around the world.

Connecting people and societies in the enjoyment of uniquely entertaining products and services, we're working to create a brighter future for everyone.



Note on Projections

This document contains forward looking statements and information related to the Bandai Namco Group that are based on our knowledge as well as various assumptions made on the basis of information currently available. The words “forecast,” “plan,” “target,” “estimation,” “projection,” “intend,” “will” and similar expressions, as related to the Group, are intended to identify forward looking statements and information. Actual results could differ materially from those projected in such forward-looking statements.

This document is a translation of the Japanese original. Bandai Namco Holdings Inc. provides this translation for your reference and convenience only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy, the Japanese original shall prevail.

Bandai Namco Group Information Meeting Fiscal Year Ending March 2025 1st Half Result Presentation

November 6, 2024

BANDAI NAMCO

Fun for All into the Future