

November 5, 2015

Name of listed company:
BANDAI NAMCO Holdings Inc.
Name of representative:
Mitsuaki Taguchi,
President and Representative Director
(Code Number: 7832 TSE 1st section)
Contact: Yuji Asako,
Director, Division General Manager
of the Corporate Planning Division

Notice Regarding Differences Between Consolidated Projections and Actual Results for the Second Quarter (Six Months) and Revisions to Consolidated Projections for the Full Fiscal Year

BANDAI NAMCO Holdings Inc. (“the Company”) hereby announces the following differences between the consolidated projections for the second quarter (six months) of the fiscal year ending March 31, 2016 (April 1, 2015 to September 30, 2015) that were announced on August 5, 2015 in the “Consolidated Financial Report for the First Quarter of the Fiscal Year Ending March 31, 2016” and the actual results that were announced today.

Furthermore, the Company also announces revisions made today to the consolidated projections for the full fiscal year ending March 31, 2016 (April 1, 2015 to March 31, 2016) that were announced on May 8, 2015 as described below.

1. Differences between consolidated projections and actual results for the second quarter (six months)
(1) Differences between consolidated projections and actual results for the second quarter (six months)
(April 1, 2015 to September 30, 2015)

	Net sales (¥ million)	Operating income (¥ million)	Recurring income (¥ million)	Profit attributable to owners of parent (¥ million)	Basic earnings per share
Previous projections (A)	255,000	25,000	25,500	17,000	¥77.39
<u>Actual results (B)</u>	<u>272,780</u>	<u>31,160</u>	<u>33,215</u>	<u>22,762</u>	<u>¥103.61</u>
Difference in amount (B-A)	17,780	6,160	7,715	5,762	—
Difference (%)	7.0	24.6	30.3	33.9	—
(Reference) Results for the previous second quarter (The second quarter of the fiscal year ended March 31, 2015)	259,333	31,875	33,389	21,272	¥96.83

(2) Reasons for differences

In the second quarter (six months), the Company realized results in its “IP (Intellectual Property: intellectual property of characters) Axis Strategy” to expand the value of its IPs by providing IP as the best products and services at the best possible times.

Specifically, in the Toys and Hobby Business, sales performed satisfactorily in Japan and the Asian region thanks to the popularity of long-established IP products such as *Mobile Suit Gundam*, products of *Yo-kai Watch*, and collectable toys for adults, and others. In addition to steady sales of key IP in North America and Europe, certain results were realized by changing to a system that controls functions such as planning and development in Japan. In the Network Entertainment Business, sales were strong for home video game software overseas, such as repeat sales of *DRAGONBALL XENOVERSE*, which was launched in the previous fiscal year, and new titles including titles of the BANDAI NAMCO Group and local third-party titles. Moreover, in network content such as social games, game applications for smartphones, and PC online games, key titles already existing in Japan retained stable popularity, and the new title *The iDOLM@STER Cinderella Girls: Starlight Stage* started favorably and contributed to performance. In the Visual and Music Production Business, products and services of *LoveLive! School Idol project*, which is IP for which visual content was developed in conjunction with music content and live events, and visual package software of *Mobile Suit Gundam THE ORIGIN I Blue-Eyed Casval* sold favorably.

In the second quarter (six months), each business performed favorably in Japan and the operating results of subsidiaries in the Asian region also improved. As a result, the Company has upwardly revised its projections for operating income, recurring income and profit attributable to owners of parent.

2. Revisions to consolidated projections for the full fiscal year

(1) Revisions to consolidated projections for the full fiscal year (April 1, 2015 to March 31, 2016)

	Net sales (¥ million)	Operating income (¥ million)	Recurring income (¥ million)	Profit attributable to owners of parent (¥ million)	Basic earnings per share
Previous projections (A)	530,000	45,000	46,000	30,000	¥136.56
<u>Revised projections (B)</u>	<u>560,000</u>	<u>50,000</u>	<u>52,000</u>	<u>34,000</u>	<u>¥154.77</u>
Change in amount (B-A)	30,000	5,000	6,000	4,000	—
Change (%)	5.7	11.1	13.0	13.3	—
Reference: Results for the previous fiscal year (The full fiscal year ended March 31, 2015)	565,486	56,320	59,383	37,588	¥171.10

(2) Reasons for revisions

In light of the actual results for the second quarter (six months), recent performance trends of each business segment, the business plan from now, and the unclear market environment, the consolidated projections for the full fiscal year have been revised from the previous projections announced on May 8, 2015.

* The above forward-looking statements are based on management’s estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.

End of notice