



NAMCO BANDAI Holdings Inc.

Financial Highlights for the Interim Period of the Fiscal Year Ending March 2007

NAMCO BANDAI Holdings Inc. Consolidated Financial Results

1. Summary of Income Statement

(millions of yen)

	FY 2006.3			FY 2007.3						
	1st Half Results	2nd Half Results	Full Year Results	1st half initial plan	1st half Results	% v.s. prior period	% v.s. initial plan	2nd Half Forecast	Full Year Forecast	% v.s. prior period
Net Sales	218,873	231,956	450,829	210,000	206,636	94.4%	98.4%	263,363	470,000	104.3%
Gross Profit	77,526	79,039	156,565	74,500	75,739	97.7%	101.7%	89,260	165,000	105.4%
Operating Income	17,546	18,123	35,669	12,300	17,263	98.4%	140.4%	22,736	40,000	112.1%
Recurring Income	18,244	18,878	37,122	12,500	18,561	101.7%	148.5%	21,938	40,500	109.1%
Net Income	7,834	6,315	14,149	6,800	11,011	140.6%	161.9%	12,488	23,500	166.1%

2. Net Sales by Segment

(millions of yen)

	FY 2006.3			FY 2007.3						
	1st Half Results	2nd Half Results	Full Year Results	1st half initial plan	1st half Results	% v.s. prior period	% v.s. initial plan	2nd Half Forecast	Full Year Forecast	% v.s. prior period
Toys and Hobby	82,539	98,468	181,007	81,500	85,784	103.9%	105.3%	94,215	180,000	99.4%
Amusement Facility	42,001	39,293	81,294	44,600	43,216	102.9%	96.9%	46,783	90,000	110.7%
Game Contents	63,990	66,784	130,774	62,000	57,007	89.1%	91.9%	95,992	153,000	117.0%
Network	5,950	6,571	12,521	6,500	6,266	105.3%	96.4%	6,733	13,000	103.8%
Visual and Music Content	23,053	20,275	43,328	17,000	19,282	83.6%	113.4%	18,717	38,000	87.7%
Other	10,015	10,789	20,804	9,200	10,943	109.3%	118.9%	8,056	19,000	91.3%
Elimination and Corporate	-8,676	-10,225	-18,901	-10,800	-15,865	-	-	-7,134	-23,000	-
Total	218,873	231,956	450,829	210,000	206,636	94.4%	98.4%	263,363	470,000	104.3%

3. Operating Income by Segment

(millions of yen)

	FY 2006.3				FY 2007.3							
	1st Half Results	2nd Half Results	Full Year Results	Operating Income %	1st half initial plan	1st half Results	% v.s. prior period	% v.s. initial plan	2nd Half Forecast	Full Year Forecast	Operating Income %	% v.s. prior period
Toys and Hobby	8,397	10,688	19,085	10.5%	5,000	8,186	97.5%	163.7%	8,313	16,500	9.2%	86.5%
Amusement Facility	1,983	-95	1,888	2.3%	2,300	1,883	95.0%	81.9%	1,916	3,800	4.2%	201.2%
Game Contents	7,162	2,545	9,707	7.4%	2,500	1,853	25.9%	74.1%	11,146	13,000	8.5%	133.9%
Network	857	978	1,835	14.7%	900	540	63.1%	60.1%	609	1,150	8.8%	62.6%
Visual and Music Content	3,095	3,092	6,187	14.3%	2,500	4,516	145.9%	180.7%	2,483	7,000	18.4%	113.1%
Other	543	644	1,187	5.7%	300	899	165.6%	300.0%	100	1,000	5.3%	84.2%
Elimination and Corporate	-4,492	270	-4,222	-	-1,200	-617	-	-	-1,832	-2,450	-	-
Total	17,546	18,123	35,669	7.9%	12,300	17,263	98.4%	140.4%	22,736	40,000	8.5%	112.1%

4. Net Sales by Region (External sales after elimination)

(millions of yen)

	FY 2006.3			FY 2007.3						
	1st Half Results	2nd Half Results	Full Year Results	1st half initial plan	1st half Results	% v.s. prior period	% v.s. initial plan	2nd Half Forecast	Full Year Forecast	% v.s. prior period
Japan	180,849	184,974	365,823	170,200	166,121	91.9%	97.6%	200,878	367,000	100.3%
Americas	20,048	22,721	42,769	22,000	19,975	99.6%	90.8%	34,524	54,500	127.4%
Europe	12,659	18,572	31,231	11,600	13,998	110.6%	120.7%	22,001	36,000	115.3%
Asia	5,315	5,690	11,005	6,200	6,541	123.1%	105.5%	5,958	12,500	113.6%
Elimination and Corporate	-	-	-	-	-	-	-	-	-	-
Total	218,873	231,956	450,829	210,000	206,636	94.4%	98.4%	263,363	470,000	104.3%

5. Operating Income by Region

(millions of yen)

	FY 2006.3				FY 2007.3							
	1st Half Results	2nd Half Results	Full Year Results	Operating Income %	1st half initial plan	1st half Results	% v.s. prior period	% v.s. initial plan	2nd Half Forecast	Full Year Forecast	Operating Income %	% v.s. prior period
Japan	22,377	15,237	37,614	10.3%	12,700	16,598	74.2%	130.7%	16,401	33,000	9.0%	87.7%
Americas	-3,226	-58	-3,284	-	-1,300	-867	-	66.8%	3,367	2,500	4.6%	-
Europe	1,791	2,539	4,330	13.9%	1,000	1,405	78.4%	140.5%	3,094	4,500	12.5%	103.9%
Asia	1,202	1,068	2,270	20.6%	1,100	1,373	114.2%	124.9%	1,126	2,500	20.0%	110.1%
Elimination and Corporate	-4,598	-664	-5,262	-	-1,200	-1,245	-	-	-1,254	-2,500	-	-
Total	17,546	18,123	35,669	7.9%	12,300	17,263	98.4%	140.4%	22,736	40,000	8.5%	112.1%

6. Other Data

(millions of yen)

	FY 2006.3			FY 2007.3						
	1st Half Results	2nd Half Results	Full Year Results	1st half initial plan	1st half Results	% v.s. prior period	% v.s. initial plan	2nd Half Forecast	Full Year Forecast	% v.s. prior period
Capital Expenditures	10,777	10,039	20,816	10,000	9,041	83.9%	90.4%	13,458	22,500	108.1%
Depreciation	8,743	10,401	19,144	11,000	8,988	102.8%	81.7%	13,011	22,000	114.9%
R&D Investments	17,337	14,913	32,250	19,000	16,014	92.4%	84.3%	16,985	33,000	102.3%
Advertising Expenses	15,359	15,696	31,055	17,500	14,038	91.4%	80.2%	18,961	33,000	106.3%
Personnel Expenses	16,880	16,873	33,753	17,500	17,653	104.6%	100.9%	17,846	35,500	105.2%

* Forward-looking Statements: This document contains figures that are based on the information currently available to management and estimates involving uncertain factors thought likely to have an effect on future results.

NAMCO BANDAI Holdings Inc.

Overview of Business Results for the Interim Period Ended September 30, 2006

Toys and Hobby Business

【Net Sales by Character (BANDAI non-consolidated)】

	(billion yen)	
	FY07.3 Interim	FY07.3 Forecast
Mobile Suit Gundam	8.6	20.0
Tamagotchi	7.0	14.0
Power Ranger Series	5.4	10.0
Anpanman	4.0	7.5
Masked Rider	3.5	7.5
DRAGON BALL Z	3.5	7.0
Pretty Cure	3.3	7.0
Cinnamoroll	2.2	4.2
Digimon	1.9	3.8
Ultraman	2.1	3.5
Pokémon	1.0	3.0
NARUTO	1.0	2.0

【Tamagotchi sales】 (unit: thousand)

	FY04.3	FY05.3	FY06.3	FY07.3 Interim
Japan	250	2,250	6,100	900
Overseas	0	3,250	6,900	3,300
TOTAL	250	5,500	13,000	4,200

【DATA CARDDASS: installed units】

As of end of September 2006:

12,950 units (Japan)

Amusement Facility Business

【Number of facilities】

	Japan			Americas			Europe		
	FY06.3 Full Year	FY07.3 1st half	FY07.3 2nd half Forecast	FY06.3 Full Year	FY07.3 1st half	FY07.3 2nd half Forecast	FY06.3 Full Year	FY07.3 1st half	FY07.3 2nd half Forecast
Start of Term	329	(*) 313	319	160	127	116	10	11	16
Openings	9	12	19	0	0	0	1	5	0
Closures	27	6	4	33	11	15	0	0	0
End of Term	311	319	334	127	116	101	11	16	16
Revenue Share	182	158	152	1,018	1,039	1,093	1	1	1
Theme Park	4	5	7	0	0	0	0	0	0
Spa Resort	1	2	3	0	0	0	0	0	0
Total	498	484	496	1,145	1,155	1,194	12	17	17

	Asia			Total		
	FY06.3 Full Year	FY07.3 1st half	FY07.3 2nd half Forecast	FY06.3 Full Year	FY07.3 1st half	FY07.3 2nd half Forecast
Start of Term	16	15	15	515	466	466
Openings	1	1	2	11	18	21
Closures	2	1	1	62	18	20
End of Term	15	15	16	464	466	467
Revenue Share	14	18	18	1,215	1,216	1,264
Theme Park	0	0	0	4	5	7
Spa Resort	0	0	0	1	2	3
Total	29	33	34	1,684	1,689	1,741

(*) Due to change in segment classification, 2 stores of *Kaikaya* are included in the Amusement Facility Business from the beginning of FY07.3.

【Same store year on year】

	Apr	May	Jun	Jul	Aug	Sep	Avg.
Japan	109.7%	101.8%	102.6%	103.6%	98.9%	98.2%	102.2%

	Jan	Feb	Mar	Apr	May	Jun	Avg.
Americas	102.3%	96.2%	96.7%	95.8%	91.1%	93.8%	96.3%

Game Contents Business

① Home Video Game Software:

【Home video game software titles and units sold】

(Unit: Thousand)

	FY 2006.3						FY 2007.3						
	1st Quarter		1st Half		Full Year		1st Quarter		1st Half		Full Year Forecast		
	Title	Units	Title	Units	Title	Units	Title	Units	Title	Units	Title	Units	
Bandai & NAMCO (Japan)	20	1,237	45	4,210	92	10,644	BNG (Japan)	19	1,697	41	4,623	87	11,540
(Home)	14	940	27	3,172	53	7,567	(Home)	11	928	18	1,912	47	6,875
(Portable)	6	297	18	1,038	39	3,077	(Portable)	8	769	23	2,711	40	4,665
Group (Japan)	3	363	7	1,343	16	2,462	Group (Japan)	1	97	4	418	18	2,200
(Home)	2	300	4	1,054	8	1,734	(Home)	0	13	1	144	10	1,518
(Portable)	1	63	3	289	8	728	(Portable)	1	84	3	274	8	682
Group (Americas)	0	2,253	18	4,259	40	6,402	Group (Americas)	12	1,105	16	2,202	44	6,770
(Home)		528	6	1,931	20	3,253	(Home)	7	686	10	1,492	31	4,817
(Portable)		1,725	12	2,328	20	3,149	(Portable)	5	419	6	710	13	1,953
Group (Europe)	6	1,946	10	3,525	28	6,726	Group (Europe)	0	611	7	1,762	14	4,400
(Home)	5	1,792	6	2,793	20	5,570	(Home)	0	421	4	1,065	5	2,300
(Portable)	1	154	4	732	8	1,156	(Portable)	0	190	3	697	9	2,100
Group (Asia)	2	235	13	399	32	638	Group (Asia)	1	75	12	203	40	440
(Home)	1	178	7	226	17	400	(Home)	1	52	1	85	26	118
(Portable)	1	57	6	173	15	238	(Portable)	0	23	11	118	14	322
Group Total	31	6,034	93	13,736	208	26,872	Group Total	33	3,585	80	9,208	203	25,350
(Home)	22	3,738	50	9,176	118	18,524	(Home)	19	2,100	34	4,698	119	15,628
(Portable)	9	2,296	43	4,560	90	8,348	(Portable)	14	1,485	46	4,510	84	9,722
Localized versions	7		36		80		Localized versions	7		34		97	

※After elimination of localized versions

Group Total	24	6,034	57	13,736	128	26,872
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※After elimination of localized versions

Group Total	26	3,585	46	9,208	106	25,350
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【Net sales by main titles and by platforms for the 1st half of FY2007.3】

(Unit:Thousand)

Region	Platform	Title	Units
J	NDS	Tamagotchi Cornershop 2	726
E	PS2	TEKKEN5 (Lower Priced Version)	360
J&E	PSP	DRAGON BALL Z SHIN BUDOKAI	334
J	PS2	DRAGON BALL Z Sparking ! NEO	315
J	PSP	SD GUNDAM G GENERATION PORTABLE	277
US	Multi	CURIOUS GEORGE	276
J	PS2・GC	BATTLE STUDIUM D.O.N	243
J	PS2	SUPER DRAGON BALL Z	218
J&A	PS2	Xenosaga Episode III	208
J	NDS	Digimon Story	200
J	PS2	.hack//G.U. Vol.1	156

J: Japan, US:United States, E: Europe, A:Asia

(Unit:Thousand)

Platform	Product		Royalties		Total	
	Titles	Units	Titles	Units	Titles	Units
PS2	23	4,053	2	90	25	4,143
GC	3	244	1	76	4	320
Xbox	1	85	3	12	4	97
PS3	0	0	0	0	0	0
Xbox360	0	12	0	18	0	30
Wii	0	0	0	0	0	0
PSP	19	1,696	11	304	30	2,000
NDS	14	2,039	0	9	14	2,048
GBA	1	349	0	113	1	462
PC	1	23	1	76	2	99
Other	0	9	0	0	0	9
Total	62	8,510	18	698	80	9,208

②Arcade Game Machines: Net Sales

【NAMCO BANDAI Games】 (unit: million yen)

Product Category	FY06.3 Interim Results	FY07.3 Interim Results
Small-sized Video Games	592	910
Medium-sized Video Games	4,513	5,303
Electrical-Mechanical Games	1,799	3,117
Medal Games	1,579	495
Other	2,115	3,665
TOTAL	10,598	13,490

【BANPRESTO】 (unit: million yen)

	FY06.3 Interim Results	FY07.3 Interim Results
Game Machines	1,382	2,733

【Overseas】 (unit: million yen)

	FY06.3 Interim Results	FY07.3 Interim Results
NAMCO America and NAMCO Europe	2,298	3,131

Note: Figures include transactions among Group Companies

Network Business

【Number of Subscribers】

As of September 30, 2006

(unit: thousand)

	Games	Sound	Character	Other	TOTAL
BANDAI NETWORKS	1,550	920	950	150	3,570
NAMCO BANDAI GAMES(*)	1,060	-	-	-	1,060
TOTAL	2,610	920	950	150	4,630

(*) Results for mobile content distribution service of NAMCO BANDAI Games Inc. is posted in the Game Contents Business.

Visual and Music Content Business

【Net sales breakdown and percentage by type of business】

(unit: millions of yen)

	Visual Package	Production, License	Other	TOTAL
FY06.3	28,971	8,570	5,787	43,328
Results	66.9%	19.8%	13.3%	-
FY07.3	14,762	4,520	0	19,282
Interim Results	76.6%	23.4%	0.0%	-