



BANDAI NAMCO Holdings Inc.

Consolidated Financial Report for the Second Quarter of the Fiscal Year Ending March 31, 2015

November 6, 2014

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- This document contains forward-looking statements that 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.

BANDAI NAMCO Holdings Inc.

Stock Listing: Tokyo Stock Exchange

Code Number: 7832

(URL: <http://www.bandainamco.co.jp/>)

November 6, 2014

Consolidated Financial Report for the Second Quarter of the Fiscal Year Ending March 31, 2015 (Japanese GAAP)

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Scheduled filing date of the quarterly security report: November 11, 2014
Scheduled starting date for dividend payments: December 8, 2014
The additional materials of the Financial Results for the Quarter: Yes
The information session of the Financial Results for the Quarter: Yes (for institutional investors and analysts)

* Figures are in millions of yen, rounded down

1. Consolidated Results for the Second Quarter of the Fiscal Year Ending March 31, 2015 (April 1, 2014 to September 30, 2014)

(1) Consolidated Operating Results (For the Six Months Ended September 30, 2014)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Recurring income	
	¥ million	%	¥ million	%	¥ million	%
Second Quarter of the Fiscal Year Ending March 31, 2015	259,333	13.5	31,875	20.8	33,389	16.9
Second Quarter of the Fiscal Year Ended March 31, 2014	228,528	2.7	26,389	(4.9)	28,553	1.8

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
Second Quarter of the Fiscal Year Ending March 31, 2015	21,272	8.5	96.83	96.81
Second Quarter of the Fiscal Year Ended March 31, 2014	19,607	13.2	89.25	89.24

(Note) Comprehensive income: 22,382 million yen [(9.1)%] (FY2015.3 2Q), 24,632 million yen [52.6%] (FY2014.3 2Q)

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of September 30, 2014	403,477	285,213	70.6
As of March 31, 2014	405,092	267,951	66.0

(Reference) Equity: 284,798 million yen (as of September 30, 2014), 267,521 million yen (as of March 31, 2014)

2. Cash Dividends

	Annual cash dividends				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year-end	Total
Fiscal Year Ended March 31, 2014	–	¥12.00	–	¥23.00	¥35.00
Fiscal Year Ending March 31, 2015	–	¥12.00			
Fiscal Year Ending March 31, 2015 (Projections)			–	¥12.00	¥24.00

(Note) Revision to the projections of cash dividends for the Fiscal Year Ending March 31, 2015: No
Concerning the projected amount of the year-end cash dividend for the fiscal year ending March 31, 2015, the stable dividend portion is stated based on the Company's basic policy on the distribution of profits. The year-end cash dividend for the fiscal year ending March 31, 2015, is scheduled to be resolved by the Company in light of the consolidated operating results and other factors.

3. Consolidated Projections for the Fiscal Year Ending March 31, 2015 (April 1, 2014 to March 31, 2015)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Recurring income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Fiscal Year Ending March 31, 2015	520,000	2.4	50,000	11.9	52,000	9.6	30,000	19.7	136.56

(Note) Revision to the projections: Yes

Consolidated projections for the fiscal year ending March 31, 2015 (announced on May 8, 2014) are revised in this document.

For details of the revisions to the consolidated projections, please refer to "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" announced today (November 6, 2014).

* Notes

(1) Changes in Significant Subsidiaries during the Period

(Changes in Specified Subsidiaries Resulting in the Change in Scope of Consolidation): No

(2) Application of Special Accounting for Preparing the Quarterly Consolidated Financial Statements: Yes

(Note) For more details, please refer to the section of "(2) Application of Special Accounting for Preparing the Quarterly Consolidated Financial Statements" of "2. Matters Regarding Summary Information (Notes)" on page 5 of the attached material.

(3) Changes in Accounting Policies, Changes in Accounting Estimation and Restatement

a) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

b) Changes in accounting policies due to revisions to other reasons: No

c) Changes in accounting estimation: No

d) Restatement: No

(Note) For more details, please refer to the section of "(3) Changes in Accounting Policies, Changes in Accounting Estimation and Restatement" of "2. Matters Regarding Summary Information (Notes)" on page 5 of the attached material.

(4) Number of Issued Shares (Common Stock)

a) Total number of issued shares at the end of the period (including treasury stock)

As of September 30, 2014 222,000,000 shares

As of March 31, 2014 222,000,000 shares

b) Number of shares of treasury stock at the end of the period

As of September 30, 2014 2,314,126 shares

As of March 31, 2014 2,312,098 shares

c) Average number of shares during the period (cumulative from the beginning of the fiscal year)

For the Second Quarter of the Fiscal Year Ending March 31, 2015 219,686,883 shares

For the Second Quarter of the Fiscal Year Ended March 31, 2014 219,690,019 shares

* Implementation status of quarterly review

This Consolidated Financial Report for the Second Quarter was exempt from quarterly review which was based on Financial Instruments and Exchange Law of Japan. As of the second quarter disclosing, quarterly review for the consolidated financial statements is under way.

* Explanation on appropriate use of the projections of business results, etc.

- Forward-Looking Statements:

This document contains forward-looking statements that are based on management's estimates, assumptions and projections at the time of publication and those forward-looking statements do not purport to be a promise by the Company to achieve such results. A number of factors could cause actual results to differ materially from expectations. Please refer to the section of "(3) Explanation Regarding Consolidated Projections and Other Forward-Looking Statements" of "1. Qualitative Information Regarding Consolidated Results for the Second Quarter" on page 4 of the attached material for matters pertaining to the earnings projections.

- To obtain the additional materials:

The additional materials of the Financial Results for the Quarter will be posted on the Company's website on November 6, 2014.

Attached Material

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1. Qualitative Information Regarding Consolidated Results for the Second Quarter

(1) Explanation Regarding Operating Results

During the second quarter (six months) of the fiscal year ending March 31, 2015, although the Japanese economy showed a moderate tone of recovery, the economic outlook remained uncertain, as illustrated by a pullback from the last minute demand due to the consumption tax increase implemented on April 1, 2014. Overseas, although in North America economic conditions and internal demand followed moderate recovery trends, some areas in Europe showed slow growth in internal demand.

In this environment, the BANDAI NAMCO Group (“the Group”) implemented various measures aimed at medium- to long-term growth, focusing on its IP (intellectual property; including intellectual property of characters) axis strategy, under the concept of “Empower, Gain Momentum, Accelerate Evolution,” which is the vision of the Group’s Mid-term Plan, started in April 2012. On the business front, the Toys and Hobby Business in Japan had favorable sales of new IP products and long-established IP products. In addition, sales were favorable in the Content Business in game software in North America and Europe as well as network content and visual and music content.

Consequently, the Group’s consolidated results for the second quarter (six months) were net sales of 259,333 million yen (year-on-year increase of 13.5%), operating income of 31,875 million yen (year-on-year increase of 20.8%), recurring income of 33,389 million yen (year-on-year increase of 16.9%), and net income of 21,272 million yen (year-on-year increase of 8.5%).

Operating Results by Segment

Toys and Hobby Business

In the Toys and Hobby Business, in Japan, sales performed favorably thanks to products of the new IP *Yokai Watch* becoming popular in addition to cross-functional efforts undertaken across all businesses for long-established IP products such as *Mobile Suit Gundam*, *KAMEN RIDER GAIM*, and *Tokkyuger* (the *Power Rangers* series) and other products including the IP *Aikatsu!* for girls. The Group also strived to broaden the variety of its target customers by such means as stepping up development of products for babies and pre-school children, and also for adults to steadily move toward achieving our objective of becoming No. 1 in each target and market in Japan by an overwhelming margin.

Overseas, in North America and Europe, products of the *Power Rangers* series sold steadily. In the Asian region, toys, plastic models, collectable toys for adults became popular thanks to developments in conjunction with Japan.

As a result, net sales in the Toys and Hobby Business were 106,366 million yen (year-on-year increase of 31.7%), and segment income was 9,721 million yen (year-on-year increase of 78.9%).

Content Business

Looking at the Content Business, in Japan, key titles in social games and application games for smartphones sold stably, while new application game titles such as *JOJO’s BIZARRE ADVENTURE: STARDUST SHOOTERS* and *ONE PIECE Treasure Cruise* sold favorably.

Also, visual and music content such as *LoveLive! School idol project*, which is IP for which visual content was developed in conjunction with music content, and *Mobile Suit Gundam UC (Unicorn) episode 7: Over the Rainbow*, sold favorably and contributed to performance.

Overseas, in North America and Europe, there were strong sales of *DARK SOULS II*, a video game launched in the previous fiscal year, particularly for the PC version.

As a result, net sales in the Content Business were 130,449 million yen (year-on-year increase of 6.0%), and segment income was 22,104 million yen (year-on-year increase of 1.6%).

Amusement Facility Business

In the Amusement Facility Business, the Group pushed ahead with a range of measures aimed at rebuilding the business, such as strengthening the allocation of personnel and measures to attract customers, and promoted the development of differentiated facilities that offer the experience of the Group's distinctive worldview of specific IPs. However, sales of existing facilities in Japan declined to 90.5% of the same period of the previous fiscal year. Overseas, sales were steady thanks to efficient operations.

As a result, net sales in the Amusement Facility Business were 27,933 million yen (year-on-year decrease of 4.4%), and segment loss was 161 million yen (compared with segment loss of 146 million yen for the same period of the previous fiscal year).

Number of Facilities as of September 30, 2014

Directly Managed Facilities	Revenue-Sharing Facilities	Others	Total
236	1,056	4	1,296

Other Businesses

Other Businesses consist of companies that conduct businesses such as logistics support, printing, and other kinds of administration and operational support for each of the Group's strategic business units: Toys and Hobby SBU, Content SBU, and Amusement Facility SBU. We are making efforts to manage such operations related to group support in an efficient manner.

As a result, net sales in the Other Businesses were 13,487 million yen (year-on-year increase of 4.8%), and segment income was 928 million yen (year-on-year increase of 6.8%).

(2) Explanation Regarding Financial Position

At the end of the second quarter of the fiscal year ending March 31, 2015, total assets stood at 403,477 million yen, a decrease of 1,615 million yen from the end of the previous fiscal year. The main factors were decreases of 5,270 million yen in cash and time deposits and 4,743 million yen in trade receivables while there were increases of 4,680 million yen in finished goods and merchandise and 3,142 million yen in work in process.

Total liabilities amounted to 118,264 million yen, a decrease of 18,877 million yen from the end of the previous fiscal year. The main factors were decreases of 3,611 million yen in trade payables, 3,032 million yen in accrued income taxes mainly due to income taxes paid, 7,404 million yen in accounts payable-other included in other current liabilities, and 3,382 million yen in accrued employee bonuses included in other current liabilities mainly due to employee bonuses paid.

Total net assets stood at 285,213 million yen, an increase of 17,261 million yen from the end of the previous fiscal year. The main factors were an increase of 16,179 million yen in retained earnings thanks to the recording of 21,272 million yen in net income, and an increase of 1,789 million yen in foreign currency translation adjustment due to foreign exchange fluctuation, despite a decrease of 1,208 million yen in unrealized gains or losses on other securities, net of tax, and cash dividends paid of 5,055 million yen.

As a result, the equity ratio became 70.6% compared with 66.0% at the end of the previous fiscal year.

(3) Explanation Regarding Consolidated Projections and Other Forward-Looking Statements

Looking ahead, although there are some bright signs in Japanese economic trends, the business environment is expected to remain beset by uncertainties, including the impact on consumption from the consumption tax increase and economic trends in North America and Europe. Such factors are also expected to have an impact on the entertainment industry, in which the Group is extensively involved, resulting in ongoing uncertainty in this business environment.

Facing these circumstances, the Group will develop and strengthen the foundations for medium- and long-term growth for the Group in light of achievements and issues yet to be solved under the current Mid-term Plan, looking ahead to its next Mid-term Plan starting in April 2015. On the business front, in the strongly performing Toys and Hobby Business in Japan and the Content Business, the Group will vigorously push forward with its IP axis strategy with the aim of further growing its share. Meanwhile, in the Toys and Hobby Business in North America and Europe and the Amusement Facility Business, which are operating under difficult conditions, the Group will press ahead with measures to construct a stable business foundation. In addition, a project was started for the 35th anniversary of the Group's mainstay IP, the *Mobile Suit Gundam* series. Under this project, the Group will work to maximize the IP value in the medium- and long-term by offering products and services and holding events across the Group with a focus on new films.

In the Toys and Hobby Business, the Group's plan for the Japanese market is to further strengthen the business foundation through the stable deployment of popular long-established IP series such as *Mobile Suit Gundam*, *Super Sentai (Power Rangers)*, *KAMEN RIDER* and *PRETTY CURE!*, as well as new IPs such as *Yokai Watch* and *Aikatsu!*. The Group will also expand its IP lineup by such means as introducing IP for adults, and launch products and services targeting a variety of customers, and will aim to be No. 1 in Japan by an overwhelming margin. Overseas, in North America and Europe, the Group aims to develop a stable portfolio with multiple IP by launching new IP products in addition to the *Power Rangers* series, the mainstay IP. The Group will also strive to construct a business foundation in the regions of North America and Europe by pressing forward with fundamental reform of the organizational framework and revenue structure. In Asian areas, the Group aims to expand its IP lineup and areas of operation and achieve growth through developments in conjunction with Japan, focusing on plastic models, collectable toys for adults and card products that are popular in Japan.

In the Content Business, to further enhance its IP axis strategy for offering products and services in a wide variety of categories with a focus on IP, the Group will not only respond swiftly to changes in the business environment and new outlets but also strengthen its creation and development of new IP. In addition, by fusion of the virtual and the real such as through the synergistic linking of products and services with concerts and live events, the Group will strive to create new added value and maximize IP value.

In the network content area, the Group will work to achieve stable operations by launching new titles that appeal to changing user tastes and releasing timely upgrades of existing titles in Japan, and strengthen sales development of titles overseas. In home video game software, the Group will respond to new platforms by approaching them as new outlets in its IP axis strategy, while deploying a well-balanced software lineup consisting of titles for Japan utilizing IP that is in vogue, titles released worldwide, and titles utilizing network functions. In arcade game machines, the Group will work on the development and sale of popular game machines and their prizes. In the area of visual and music content, the Group will not only deploy a well-balanced software lineup consisting of popular long-established titles and new titles, but also work to create new IP with films. In addition, the Group will work to strengthen live events as new outlets in its IP axis strategy.

In the Amusement Facility Business, in Japan, the Group will strive to realize our unique capability by such means as developing of facilities that can offer the experience of IP worldviews, and closely coordinated efforts with other Group businesses including the arcade game machine business. In addition, the Group aims to build new business pillars by directing efforts toward the theme park business and new business formats.

In light of results in the second quarter (six months) and recent business trends in each business, the Group has revised its consolidated projections for the fiscal year ending March 31, 2015, which were announced on May 8, 2014, as shown in the table below.

Revision to the consolidated projections for the fiscal year
(April 1, 2014 to March 31, 2015)

	Net Sales (¥ million)	Operating Income (¥ million)	Recurring Income (¥ million)	Net Income (¥ million)	Net Income per Share
Previous projections (A)	500,000	45,000	45,000	28,000	127.45 yen
Revised projections (B)	520,000	50,000	52,000	30,000	136.56 yen
Change in amount (B-A)	20,000	5,000	7,000	2,000	-
Change (%)	4.0	11.1	15.6	7.1	-
Reference: Results for the previous fiscal year (April 1, 2013 to March 31, 2014)	507,679	44,672	47,456	25,054	114.05 yen

2. Matters Regarding Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Not applicable.

(2) Application of Special Accounting for Preparing the Quarterly Consolidated Financial Statements

Calculation of taxes

Taxes are calculated first by reasonably estimating the effective tax rate after applying tax effect accounting against income before income taxes and minority interests for the fiscal year including the current second quarter, and next by multiplying the income before income taxes and minority interests by such estimated effective tax rate.

(3) Changes in Accounting Policies, Changes in Accounting Estimation and Restatement

Changes in Accounting Policies

(Application of Accounting Standard for Retirement Benefits)

Regarding the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012 (hereinafter, the "Statement No. 26")) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012 (hereinafter, the "Guidance No. 25")), effective from the first quarter of the fiscal year ending March 31, 2015, the Company and its consolidated domestic subsidiaries have applied the provisions of the main clauses of the article 35 of the Statement No. 26 and the article 67 of the Guidance No. 25, reviewed its calculation method for retirement benefit obligations and current service costs. Accordingly, the Company and its consolidated domestic subsidiaries changed the method of attributing expected retirement benefits to periods from the straight-line basis to the benefit formula basis. Concerning the determination method of the bond maturity that forms the basis for determination of discount rate, the Company and its consolidated domestic subsidiaries have changed from a method that is based on a period approximate to the expected average remaining years of service of the employees to one that uses a single weighted average discount rate reflecting the estimated timing and amount of benefit payment.

In accordance with the article 37 of the Statement No. 26, the effect of the change in the determination of retirement benefit obligations and current service costs has been added to or deducted from retained earnings at the beginning of the current second quarter (six months).

As a result of the application, net defined benefit liability increased 47 million yen, and retained earnings decreased 37 million yen at the beginning of the current second quarter (six months). In addition, the effect of this change on operating income, recurring income and income before income taxes and minority interests for the current second quarter (six months) is immaterial.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(¥ million)

	Prior Fiscal Year (As of March 31, 2014)	Current 2nd quarter (As of September 30, 2014)
Assets		
Current assets		
Cash and time deposits	131,403	126,132
Trade receivables	76,587	71,844
Finished goods and merchandise	15,276	19,956
Work in process	23,274	26,416
Raw materials and supplies	6,463	6,900
Other current assets	31,987	32,846
Allowance for doubtful receivables	(594)	(634)
Total current assets	284,398	283,462
Fixed assets		
Property, plant and equipment	51,972	51,678
Intangible assets	10,145	10,288
Investments and other assets		
Other investments and assets	59,592	58,998
Allowance for doubtful receivables	(1,015)	(949)
Total investments and other assets	58,576	58,048
Total fixed assets	120,694	120,015
Total assets	405,092	403,477

(¥ million)

	Prior Fiscal Year (As of March 31, 2014)	Current 2nd quarter (As of September 30, 2014)
Liabilities		
Current liabilities		
Trade payables	51,625	48,013
Accrued income taxes	8,827	5,794
Provision	3,553	2,056
Other current liabilities	56,128	46,171
Total current liabilities	120,134	102,036
Long-term liabilities		
Provision	263	170
Net defined benefit liability	8,062	8,163
Other long-term liabilities	8,680	7,894
Total long-term liabilities	17,006	16,227
Total liabilities	137,141	118,264
Net assets		
Stockholders' equity		
Common stock	10,000	10,000
Additional paid-in capital	52,245	52,245
Retained earnings	214,416	230,595
Treasury stock	(2,390)	(2,396)
Total stockholders' equity	274,271	290,445
Accumulated other comprehensive income		
Unrealized gains or losses on other securities, net of tax	6,226	5,017
Deferred gains or losses on hedges, net of tax	194	587
Revaluation reserve for land, net of tax	(5,743)	(5,743)
Foreign currency translation adjustment	(5,145)	(3,355)
Remeasurements of defined benefit plans	(2,282)	(2,152)
Total accumulated other comprehensive income	(6,749)	(5,646)
Subscription rights to shares	44	44
Minority interests	385	370
Total net assets	267,951	285,213
Total liabilities and net assets	405,092	403,477

(2) Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income**(Consolidated Statements of Operations)**

(¥ million)

	Prior 2nd quarter (From April 1, 2013 to September 30, 2013)	Current 2nd quarter (From April 1, 2014 to September 30, 2014)
Net sales	228,528	259,333
Cost of sales	137,633	155,674
Gross profit	90,895	103,659
Selling, general and administrative expenses	64,506	71,783
Operating income	26,389	31,875
Non-operating income		
Dividend income	421	374
Equity in gain of affiliated companies	993	527
Other non-operating income	1,287	749
Total non-operating income	2,702	1,652
Non-operating expenses		
Interest expense	58	35
Sales discounts	17	32
Provision for loss on guarantees	387	–
Loss on investments in partnerships	38	45
Other non-operating expenses	35	25
Total non-operating expenses	538	138
Recurring income	28,553	33,389
Extraordinary income		
Gain on sales of investment securities	11	368
Gain on liquidation of subsidiaries and affiliates	18	–
Other extraordinary income	19	63
Total extraordinary income	49	432
Extraordinary loss		
Loss on impairment of fixed assets	117	1,357
Other extraordinary loss	73	171
Total extraordinary loss	190	1,528
Income before income taxes and minority interests	28,411	32,293
Income taxes	8,751	11,017
Income before minority interests	19,660	21,275
Minority interests	53	3
Net income	19,607	21,272

(Consolidated Statements of Comprehensive Income)

(¥ million)

	Prior 2nd quarter (From April 1, 2013 to September 30, 2013)	Current 2nd quarter (From April 1, 2014 to September 30, 2014)
Income before minority interests	19,660	21,275
Other comprehensive income		
Unrealized gains or losses on other securities, net of tax	1,435	(1,232)
Deferred gains or losses on hedges, net of tax	(399)	394
Foreign currency translation adjustment	3,907	1,794
Remeasurements of defined benefit plans, net of tax	–	129
Share of other comprehensive income of associates accounted for using equity method	28	19
Total other comprehensive income	4,971	1,106
Comprehensive income	24,632	22,382
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	24,528	22,375
Comprehensive income attributable to minority interests	103	7

(3) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Significant Changes in the Amount of Stockholders' Equity)

Not applicable.

(Segment Information)

Segment Information

I. Prior 2nd quarter (From April 1, 2013 to September 30, 2013)

1. Information regarding the amounts of net sales and income/loss by reportable segment

(¥ million)

	Reportable Segments				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Total (Note 3)
	Toys and Hobby Business	Content Business	Amusement Facility Business	Subtotal				
Net sales								
To external customers	77,062	117,448	29,185	223,696	4,832	228,528	–	228,528
Inter-segment sales and transfers	3,728	5,607	43	9,380	8,038	17,418	(17,418)	–
Total	80,791	123,055	29,229	233,076	12,871	245,947	(17,418)	228,528
Segment income (loss)	5,434	21,763	(146)	27,051	868	27,920	(1,531)	26,389

- Notes:
1. The "Other" category is a business segment not included in reportable segments under which operations such as logistics services and printing for each of the Group's strategic business units are classified.
 2. Included in the 1,531 million yen deducted from segment income (loss) as adjustment are a deduction of 35 million yen in inter-segment eliminations, and a deduction of 1,495 million yen in corporate expenses that cannot be allocated to any reportable segment. The corporate expenses are mainly costs related to the administration division that has not been attributed to a reportable segment.
 3. Segment income (loss) is adjusted with operating income in the consolidated statements of operations.

2. Information regarding loss on impairment of fixed assets and goodwill by reportable segment

(Material loss on impairment of fixed assets)

Not applicable.

(Material changes in the amount of goodwill)

Not applicable.

(Material gains on negative goodwill)

Not applicable.

II. Current 2nd quarter (From April 1, 2014 to September 30, 2014)

1. Information regarding the amounts of net sales and income/loss by reportable segment

(¥ million)

	Reportable Segments				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Total (Note 3)
	Toys and Hobby Business	Content Business	Amusement Facility Business	Subtotal				
Net sales								
To external customers	101,491	125,010	27,891	254,393	4,940	259,333	–	259,333
Inter-segment sales and transfers	4,874	5,438	42	10,355	8,547	18,903	(18,903)	–
Total	106,366	130,449	27,933	264,749	13,487	278,237	(18,903)	259,333
Segment income (loss)	9,721	22,104	(161)	31,663	928	32,592	(716)	31,875

- Notes:
1. The “Other” category is a business segment not included in reportable segments under which operations such as logistics services and printing for each of the Group’s strategic business units are classified.
 2. Included in the 716 million yen deducted from segment income (loss) as adjustment are an addition of 553 million yen in inter-segment eliminations, and a deduction of 1,269 million yen in corporate expenses that cannot be allocated to any reportable segment. The corporate expenses are mainly costs related to the administration division that has not been attributed to a reportable segment.
 3. Segment income (loss) is adjusted with operating income in the consolidated statements of operations.

2. Information regarding loss on impairment of fixed assets and goodwill by reportable segment

(Material loss on impairment of fixed assets)

Not applicable.

(Material changes in the amount of goodwill)

Not applicable.

(Material gains on negative goodwill)

Not applicable.