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Name of listed company	NAMCO BANDAI Holdings Inc.
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### Notice of Recording Extraordinary Losses and Revision of Earnings Projections

NAMCO BANDAI Holdings Inc. (the “Company”) today made the announcement regarding the recording of extraordinary losses and the revisions to its consolidated projections for the fiscal year ending March 2010 (the period from April 1, 2009 to March 31, 2010), which the Company had announced on August 4, 2009 together with consolidated operating results for the first three months of the current fiscal year.

① Revision to Consolidated Projections for the Fiscal Year Ending March 2010  
(April 1, 2009 to March 31, 2010)

(Unit: million yen)

	Net sales	Operating income (Operating loss)	Recurring income (Recurring loss)	Net income (Net loss)	Net income per share (Net loss per share)
Previous projections (A)	400,000	15,000	16,000	8,500	¥35.21
Revised projections (B)	380,000	1,000	500	(31,000)	¥(128.42)
Change (B - A)	(20,000)	(14,000)	(15,500)	(39,500)	—
Change (%)	(5.0)%	(93.3)%	(96.9)%	—	—
Reference: results for the previous fiscal year (April 1, 2008 to March 31, 2009)	426,399	22,348	24,513	11,830	¥47.95

② Reasons for the Recording Extraordinary Losses and the Revision

Consolidated financial results show that the BANDAI NAMCO Group generally faced an uphill battle in the first nine months of the fiscal year ending March 2010 (April 1, 2009 to December 31, 2009), during which market conditions for the Group remained severe, despite steady results achieved in sales of long-established character toys in the Toys and Hobby business and arcade game machines in the Game Contents business. In the Game Contents business in particular, sales fell below projections given weak market conditions for most of major home game software titles except *Tekken 6*, the largest title released in the current fiscal year, leading to weak results for the segment. Moreover, both the Visual and Music Content business and the Amusement

Facility business posted sluggish results; the former owing to the downsizing of the visual package software market and the latter reflecting the significant effects of a slump in personal consumption.

With respect to consolidated projections for the fiscal year ending March 2010, the Company revised the sales plan for the fourth quarter, based on consolidated results for the first nine months of the fiscal year and recent performance trends. The Company incorporated an allowance for distribution inventories and an estimated valuation loss resulting from stricter inventory reviews for game software and visual package software in Japan and overseas at this fiscal year end into consolidated projections of operating income and recurring income. In addition, the Company will post special additional retirement benefits as extraordinary losses (approximately 2 billion yen) required for workforce reduction aimed at achieving greater organizational efficiency. Moreover, the Company will record a loss on the closure of amusement facilities and others scheduled for the next and subsequent fiscal years (approximately 6 billion yen), and impairment loss on goodwill (approximately 12.5 billion yen) following a strict examination of future business plans of certain subsidiaries (Bandai Visual Co., Ltd. which became wholly owned subsidiary in the fiscal year ended March 2008, and 2 other subsidiaries) based on their performance trends in the second half, as well as withdrawal of a fixed amount (approximately 3.5 billion yen) from deferred tax assets, of which the Company partially recorded in the third quarter results.

Based on the aforementioned matters, the Company revised its consolidated projections for the fiscal year ending March 2010, as described on the preceding page.

With respect to dividends, the Company plans to pay an annual dividend of 24 yen per share according to its basic dividend policy.

Amid the severe operating environment, the Company today released the “BANDAI NAMCO Group Restart Plan,” which summarizes the issues to address and future strategies. Please refer to this Plan, too.

(Reference) Projections for the Fiscal Year Ending March 2010 by Business Segment

	Net sales			Operating income		
	Previous projections	Revised projections	Change	Previous projections	Revised projections	Change
Toys and Hobby	153,000	150,000	(3,000)	9,000	10,000	1,000
Game Contents	147,000	138,000	(9,000)	5,500	(5,000)	(10,500)
Visual and Music Content	33,000	28,000	(5,000)	1,500	(1,000)	(2,500)
Amusement Facility	68,000	65,000	(3,000)	1,000	(500)	(1,500)
Other	18,000	18,000	0	500	200	(300)
Elimination and corporate	(19,000)	(19,000)	-	(2,500)	(2,700)	-
Consolidated	400,000	380,000	(20,000)	15,000	1,000	(14,000)

End of Notice