



# NAMCO BANDAI Holdings Inc.

## Financial Highlights for Fiscal Year Ended March 2006

### NAMCO BANDAI Holdings Inc. Consolidated Financial Results

#### 1. NAMCO BANDAI Holdings Inc. – Summary of Income Statement

(millions of yen)

	FYE Mar 05 Full year Results	FYE Mar 2006							FYE Mar 2007			
		1st Half Results	2nd Half Results	Full Year Forecast (A) (11/22/2005)	Full Year Forecast (B) (2/23/2006)	Full Year Results (C)	% v.s. 11/22 forecast (C/A)	% v.s. 2/23 forecast (C/B)	1st Half Plan	% v.s. prior period	Full Year Plan	% v.s. prior period
Net Sales	448,496	218,873	231,956	470,000	450,000	450,829	95.9%	100.2%	210,000	95.9%	470,000	104.3%
Gross Profit	164,356	77,526	79,039	166,000	153,600	156,565	94.3%	101.9%	74,500	96.1%	166,850	106.6%
Operating Income	39,483	17,546	18,123	44,200	32,500	35,669	80.7%	109.8%	12,300	70.1%	40,000	112.1%
Recurring Income	40,311	18,244	18,878	44,100	33,000	37,122	84.2%	112.5%	12,500	68.5%	40,500	109.1%
Net Income	20,689	7,834	6,315	24,400	11,000	14,149	58.0%	128.6%	6,800	86.8%	22,000	155.5%

#### 2. NAMCO BANDAI Holdings Inc. – Net Sales by Segment

(millions of yen)

	FYE Mar 05 Full year Results	FYE Mar 2006							FYE Mar 2007			
		1st Half Results	2nd Half Results	Full Year Forecast (A) (11/22/2005)	Full Year Forecast (B) (2/23/2006)	Full Year Results (C)	% v.s. 11/22 forecast (C/A)	% v.s. 2/23 forecast (C/B)	1st Half Plan	% v.s. prior period	Full Year Plan	% v.s. prior period
Toys & Hobby	167,255	82,539	98,468	179,500	182,000	181,007	100.8%	99.5%	81,500	98.7%	180,000	99.4%
Amusement Facility	85,031	41,052	38,332	84,000	79,000	79,384	94.5%	100.5%	44,600	108.6%	90,000	113.4%
Game Contents	129,007	63,773	66,657	147,400	129,200	130,430	88.5%	101.0%	62,000	97.2%	153,000	117.3%
Network	10,667	5,950	6,571	12,000	12,000	12,521	104.3%	104.3%	6,500	109.2%	13,500	107.8%
Visual and Music Content	44,109	23,053	20,275	40,787	41,987	43,328	106.2%	103.2%	17,000	73.7%	37,500	86.5%
Other	27,010	11,220	11,851	20,500	23,000	23,071	112.5%	100.3%	9,200	82.0%	19,000	82.4%
Elimination and Corporate	-14,587	-8,716	-10,198	-14,187	-17,187	-18,914	-	-	-10,800	-	-23,000	-
Total	448,496	218,873	231,956	470,000	450,000	450,829	95.9%	100.2%	210,000	95.9%	470,000	104.3%

#### 3. NAMCO BANDAI Holdings Inc. – Operating Income by Segment

(millions of yen)

	FYE Mar 05 Full year Results	FYE Mar 2006							FYE Mar 2007					
		1st Half Results	2nd Half Results	Full Year Forecast (A) (11/22/2005)	Full Year Forecast (B) (2/23/2006)	Full Year Results (C)	Operating Income %	% v.s. 11/22 forecast (C/A)	% v.s. 2/23 forecast (C/B)	1st Half Plan	% v.s. prior period	Full Year Plan	Operating Income %	% v.s. prior period
Toys & Hobby	12,685	8,397	10,688	16,100	18,700	19,085	10.5%	118.5%	102.1%	5,000	59.5%	15,700	8.7%	82.3%
Amusement Facility	5,745	2,300	206	4,700	2,300	2,506	3.2%	53.3%	109.0%	2,300	100.0%	4,800	5.3%	191.5%
Game Contents	19,837	7,448	3,003	20,700	9,600	10,451	8.0%	50.5%	108.9%	2,500	33.6%	13,000	8.5%	124.4%
Network	1,718	857	978	2,000	1,800	1,835	14.7%	91.8%	102.0%	900	105.0%	1,900	14.1%	103.5%
Visual and Music Content	5,397	3,095	3,092	5,936	5,636	6,187	14.3%	104.2%	109.8%	2,500	80.8%	6,400	17.1%	103.4%
Other	403	-59	-112	0	-800	-171	-	-	-	300	-	700	3.7%	-
Elimination and Corporate	-6,306	-4,492	267	-5,236	-4,736	-4,225	-	-	-	-1,200	-	-2,500	-	-
Total	39,483	17,546	18,123	44,200	32,500	35,669	7.9%	80.7%	109.8%	12,300	70.1%	40,000	8.5%	112.1%

#### 4. NAMCO BANDAI Holdings Inc. – Net Sales by Region (External sales after elimination)

(millions of yen)

	FYE Mar 05 Full year Results	FYE Mar 2006							FYE Mar 2007			
		1st Half Results	2nd Half Results	Full Year Forecast (A) (11/22/2005)	Full Year Forecast (B) (2/23/2006)	Full Year Results (C)	% v.s. 11/22 forecast (C/A)	% v.s. 2/23 forecast (C/B)	1st Half Plan	% v.s. prior period	Full Year Plan	% v.s. prior period
Japan	359,827	180,849	184,974	384,500	367,000	365,823	95.1%	99.7%	170,200	94.1%	370,000	101.1%
Americas	52,092	20,048	22,721	46,500	41,500	42,769	92.0%	103.1%	22,000	109.7%	54,500	127.4%
Europe	27,825	12,659	18,572	29,000	31,000	31,231	107.7%	100.7%	11,600	91.6%	33,000	105.7%
Asia	8,749	5,315	5,690	10,000	10,500	11,005	110.1%	104.8%	6,200	116.7%	12,500	113.6%
Elimination and Corporate	-	-	-	-	-	-	-	-	-	-	-	-
Total	448,496	218,873	231,956	470,000	450,000	450,829	95.9%	100.2%	210,000	95.9%	470,000	104.3%

#### 5. NAMCO BANDAI Holdings Inc. – Operating Income by Region

(millions of yen)

	FYE Mar 05 Full year Results	FYE Mar 2006							FYE Mar 2007					
		1st Half Results	2nd Half Results	Full Year Forecast (A) (11/22/2005)	Full Year Forecast (B) (2/23/2006)	Full Year Results (C)	Operating Income %	% v.s. 11/22 forecast (C/A)	% v.s. 2/23 forecast (C/B)	1st Half Plan	% v.s. prior period	Full Year Plan	Operating Income %	% v.s. prior period
Japan	41,176	22,377	15,237	41,900	34,200	37,614	10.3%	89.8%	110.0%	12,700	56.8%	34,500	9.3%	91.7%
Americas	-575	-3,226	-58	800	-3,500	-3,284	-	-	-	-1,300	-	1,900	3.5%	-
Europe	4,044	1,791	2,539	4,500	4,500	4,330	13.9%	96.2%	96.2%	1,000	55.8%	4,000	12.1%	92.4%
Asia	2,027	1,202	1,068	2,300	2,300	2,270	20.6%	98.7%	98.7%	1,100	91.5%	2,100	16.8%	92.5%
Elimination and Corporate	-7,192	-4,598	-664	-5,300	-5,000	-5,262	-	-	-	-1,200	-	-2,500	-	-
Total	39,483	17,546	18,123	44,200	32,500	35,669	7.9%	80.7%	109.8%	12,300	70.1%	40,000	8.5%	112.1%

#### 6. NAMCO BANDAI Holdings Inc. – Other Data

(millions of yen)

	FYE Mar 05 Full year Results	FYE Mar 2006							FYE Mar 2007			
		1st Half Results	2nd Half Results	Full Year Forecast (A) (11/22/2005)	Full Year Forecast (B) (2/23/2006)	Full Year Results (C)	% v.s. 11/22 forecast (C/A)	% v.s. 2/23 forecast (C/B)	1st Half Plan	% v.s. prior period	Full Year Plan	% v.s. prior period
Capital Expenditures	20,980	10,777	10,039	25,500	23,500	20,816	81.6%	88.6%	10,000	92.8%	22,500	108.1%
Depreciation	19,118	8,743	10,401	19,000	19,000	19,144	100.8%	100.8%	11,000	125.8%	22,000	114.9%
R&D Investments	30,224	17,337	14,913	36,500	31,000	32,250	88.4%	104.0%	19,000	109.6%	33,000	102.3%
Advertising Expenses	31,423	15,359	15,696	32,500	32,000	31,055	95.6%	97.0%	17,500	113.9%	34,500	111.1%
Personnel Expenses	32,133	16,880	16,873	33,000	33,400	33,753	102.3%	101.1%	17,500	103.7%	35,000	103.7%

\* 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.

\* FYE Mar 06 figures are combined results of Bandai and NAMCO

## NAMCO BANDAI HOLDINGS Inc.

### Overview of Business Results for Fiscal Year Ended March 2006

#### Toys & Hobby Business

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

	(billion yen)	
	FY06.3 (result)	FY07.3 (plan)
Mobile Suit Gundam	21.3	20.0
Power Ranger Series	10.8	10.0
Tamagotchi	12.0	9.5
Pretty Cure	12.3	9.0
Masked Rider	6.5	7.5
Anpanman	8.1	7.5
Cinnamoroll	6.1	5.0
DRAGON BALL Z	6.0	4.5
NARUTO	3.4	4.0
Ultraman	3.9	3.5
Pokémon	4.0	3.0
Digimon	0.5	2.5

【Tamagotchi sales】 (unit: thousand)

	FY04.3	FY05.3	FY06.3
Japan	250	2,250	6,100
Overseas	0	3,250	6,900
Total	250	5,500	13,000

【Data Carddass: installed units】

As of March 31, 2006: 7,450 units (Japan)

#### Amusement Facility Business

【Number of facilities as of March 31, 2006】

Region	Region Total (facilities)	Details (Facilities)		
		Directly Operated	Revenue Share	Theme park
Japan	497	311	182	4
N. America	1,145	127	1,018	0
Europe	12	11	1	0
Asia	29	15	14	0
TOTAL	1,683	464	1,215	4

【Same store year on year】

	1st Half	OCT	NOV	DEC	3Q (3 months)	JAN	FEB	MAR	4Q (3 months)	2nd Half	Full Year
Group Total (Japan)	95.5%	99.4%	100.4%	100.3%	100.0%	98.5%	104.5%	106.5%	102.7%	101.7%	98.5%
NAMCO (Japan)	95.7%	99.8%	100.6%	100.6%	100.3%	98.6%	105.1%	106.6%	103.0%	102.1%	98.7%
	1st Half	SEP	OCT	NOV	3Q (3 months)	DEC	JAN	FEB	4Q (3 months)	2nd Half	Full Year
Banpresto	91.0%	92.6%	95.8%	93.4%	94.0%	96.0%	95.3%	102.8%	97.6%	95.8%	93.4%
NAMCO (N. America)	97.7%	95.4%	98.6%	96.5%	96.9%	93.2%	-	-	-	*96.0%	*97.0%

\*Due to change in fiscal year calendar for NAMCO (N America) from FEB to DEC, year on year comparison for the 2nd half is based on SEP through DEC (4 months) and full year comparison is based on MAR through DEC (10 months).

【Openings and Closures】

	NAMCO (Japan)		Banpresto		NAMCO (N. America)		NAMCO (Europe)		NAMCO (Asia)	
	FY05.3	FY06.3	FY05.3	FY06.3	FY05.3	FY06.3	FY05.3	FY06.3	FY05.3	FY06.3
Start of Term	332	315	15	14	206	160	10	10	15	16
Openings	10	8	2	1	0	0	0	1	2	1
Closures	27	26	3	1	46	33	0	0	1	2
End of Term	315	297	14	14	160	127	10	11	16	15
Revenue Share	227	182	0	0	984	1,018	1	1	16	14

## Game Contents Business

### ① Home Video Game Software

【Transition of home video game software titles sold and units sold】

(units: thousand)

	FY04.3		FY05.3		FY06.3 Results			
	Full Year		Full Year		1st Half		Full Year	
	Titles	Units	Titles	Units	Titles	Units	Titles	Units
<b>BANDAI (Japan)</b>	<b>44</b>	<b>7,685</b>	<b>61</b>	<b>7,484</b>	<b>31</b>	<b>2,508</b>	<b>63</b>	<b>6,525</b>
(home consoles)	35	6,730	41	6,468	17	1,658	33	4,256
(portable consoles)	9	955	20	1,016	14	850	30	2,269
<b>BANPRESTO (Japan)</b>	<b>13</b>	<b>1,657</b>	<b>13</b>	<b>2,750</b>	<b>7</b>	<b>1,343</b>	<b>16</b>	<b>2,462</b>
(home consoles)	5	847	6	1,665	4	1,054	8	1,734
(portable consoles)	8	810	7	1,085	3	289	8	728
<b>BANDAI Group (Overseas)</b>		<b>2,523</b>		<b>2,223</b>		<b>979</b>		<b>2,834</b>
(home consoles)		2,387		1,779		873		2,524
(portable consoles)		136		444		106		310
<b>BANDAI Group TOTAL</b>	<b>57</b>	<b>11,865</b>	<b>74</b>	<b>12,457</b>	<b>38</b>	<b>4,830</b>	<b>79</b>	<b>11,821</b>
(home consoles)	40	9,964	47	9,912	21	3,585	41	8,514
(portable consoles)	17	1,901	27	2,545	17	1,245	38	3,307

	FY04.3		FY05.3		FY06.3 Results			
	Full Year		Full Year		1st Half		Full Year	
	Titles	Units	Titles	Units	Titles	Units	Titles	Units
<b>NAMCO (Japan)</b>	<b>19</b>	<b>2,908</b>	<b>27</b>	<b>5,218</b>	<b>14</b>	<b>1,702</b>	<b>29</b>	<b>4,119</b>
(home consoles)	17	2,696	16	3,214	10	1,514	20	3,311
(portable consoles)	2	212	11	2,004	4	188	9	808
<b>NAMCO Group (N. America)</b>	<b>17</b>	<b>9,267</b>	<b>20</b>	<b>11,422</b>	<b>18</b>	<b>4,076</b>	<b>40</b>	<b>5,614</b>
(home consoles)	17	9,201	16	7,016	6	1,749	20	2,616
(portable consoles)	0	66	4	4,406	12	2,327	20	2,998
<b>NAMCO Group (Europe)</b>	<b>15</b>	<b>3,651</b>	<b>7</b>	<b>2,486</b>	<b>10</b>	<b>2,853</b>	<b>28</b>	<b>4,904</b>
(home consoles)	14	3,647	6	2,437	6	2,215	20	3,882
(portable consoles)	1	4	1	49	4	638	8	1,022
<b>NAMCO Group (Asia)</b>	<b>4</b>	<b>229</b>	<b>15</b>	<b>211</b>	<b>13</b>	<b>275</b>	<b>32</b>	<b>414</b>
(home consoles)	3	58	13	205	7	114	17	201
(portable consoles)	1	171	2	6	6	161	15	213
<b>NAMCO Group TOTAL</b>	<b>55</b>	<b>16,055</b>	<b>69</b>	<b>19,337</b>	<b>55</b>	<b>8,906</b>	<b>129</b>	<b>15,051</b>
(home consoles)	51	15,602	51	12,872	29	5,587	77	10,010
(portable consoles)	4	453	18	6,465	26	3,314	52	5,041
inclusive, localized overseas ver.	31		34		36		80	

※After elimination of localized versions

<b>GROUP TOTAL</b>	<b>81</b>	<b>27,920</b>	<b>109</b>	<b>31,794</b>	<b>57</b>	<b>13,736</b>	<b>128</b>	<b>26,872</b>
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	FY 07.3 Plan			
	1st Half		Full Year	
	Titles	Units	Titles	Units
<b>BNG (Japan)</b>	<b>46</b>	<b>4,930</b>	<b>87</b>	<b>11,530</b>
(home consoles)	19	2,153	47	6,865
(portable consoles)	27	2,777	40	4,665
<b>Group (Japan)</b>	<b>6</b>	<b>700</b>	<b>18</b>	<b>2,200</b>
(home consoles)	3	538	10	1,518
(portable consoles)	3	162	8	682
<b>Group (N. America)</b>	<b>25</b>	<b>2,650</b>	<b>44</b>	<b>6,770</b>
(home consoles)	15	1,798	31	4,817
(portable consoles)	10	852	13	1,953
<b>Group (Europe)</b>	<b>13</b>	<b>1,660</b>	<b>29</b>	<b>4,850</b>
(home consoles)	8	1,039	17	3,124
(portable consoles)	5	621	12	1,726
<b>Group (Asia)</b>	<b>12</b>	<b>360</b>	<b>40</b>	<b>440</b>
(home consoles)	9	220	26	118
(portable consoles)	3	140	14	322
<b>Group Total</b>	<b>102</b>	<b>10,300</b>	<b>218</b>	<b>25,790</b>
(home consoles)	54	5,748	131	16,442
(portable consoles)	48	4,552	87	9,348
Incl. localized overseas ver.	61		108	

※After elimination of localized versions

<b>GROUP TOTAL</b>	<b>41</b>	<b>10,300</b>	<b>110</b>	<b>25,790</b>
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【Net sales by main titles/platform for FY06.3】

(units: thousand)			
Region	Platform	Title	Unit
Japan, Europe	PS2	DRAGON BALL Z Sparking ! (Europe: BUDOKAI Tenkaichi)	1,367
Europe	PS2	TEKKEN 5	1,177
Japan	NDS	Tamagotchi	1,030
J, US, E, A	PS2	SOULCALIBUR III	1,022
Europe, US	PSP	Ridge Racer	973
Europe	PS2	MotoGP4	675
Japan	PS2	SUPER ROBOT WARS α	641
Japan	PS2	Tales of the Abyss	590
Japan	PS2	Mobile Suit Gundam SEED	476
Japan	PS2	NARUTO -Narutimate Hero 3	400

Region Key: J: Japan, E: Europe, US: North America, A: Asia

【Group Total】						(Units: thousand)	
Platform	Product		Royalties		Total		
	Titles	Units	Titles	Units	Titles	Units	
PS2	67	14,717	19	1,363	86	16,080	
GC	9	867	8	787	17	1,654	
XB	4	392	2	33	6	425	
XB360	2	96	2	164	4	260	
PS	0	37	0	0	0	37	
PSP	19	1,999	14	897	33	2,896	
NDS	32	2,418	0	0	32	2,418	
GBA	23	2,866	2	168	25	3,034	
PC	5	65	0	0	5	65	
Other	0	3	0	0	0	3	
<b>Total</b>	<b>161</b>	<b>23,460</b>	<b>47</b>	<b>3,412</b>	<b>208</b>	<b>26,872</b>	

②Arcade Game Machines

【Net Sales by Product Categories】 Note: Figures include transactions among Group companies

【NAMCO (non-consolidated)】 (unit: million yen)

Product Category	FY05.3 Results	FY06.3 Results
Small-sized Video Games	3,188	2,359
Medium-sized Video Games	4,137	9,786
Electrical/Mechanical Games	5,637	4,658
Medal Games	1,674	2,217
Other	5,428	4,185
TOTAL	20,064	23,205

【NAMCO America・NAMCO Europe】 (unit: million yen)

Product Category	FY05.3 Results	FY06.3 Results
Medium-sized Video Games	2,180	2,100
Small-sized Video Games	460	270
Other	2,454	2,066
TOTAL	5,094	4,436

【BANPRESTO】 (unit: million yen)

	FY05.3 Results	FY06.3 Results
Game Machines	2,915	3,971

## Network Business

【Number of Subscribers】

As of March 31, 2006

(subscribers: thousand)

	Games	Sound	Character	Other	Total
Bandai Networks	1,580	1,100	1,080	200	3,960
NAMCO(*)	980	—	—	—	980
TOTAL	2,560	1,100	1,080	200	4,940

(\*)Note: Results for NAMCO's mobile content distribution service is posted in the Game Content Business

## Visual and Music Content Business

【Net sales breakdown by type of business and percentage】

(unit: million yen)

	Visual Package	Production, License	Other	TOTAL
FY06.3 results	28,971	8,570	5,787	43,328
	66.9%	19.8%	13.3%	—
FY05.3 results	25,854	8,025	10,532	44,411
	58.2%	18.1%	23.7%	—