



BANDAI NAMCO Holdings Inc.

Financial Highlights for the Second Quarter of the Fiscal Year Ending March 2016

BANDAI NAMCO Holdings Inc.: Consolidated Financial Results

Summary of Income Statement

(millions of yen)

| | FY2015.3 | | FY2016.3 | | | |
|---|------------------|-------------------|------------------|------------------|-------------------------|------------------|
| | 1st Half Results | Full Year Results | 1st Half Results | & vs. prior year | Full Year New Forecasts | % vs. Prior year |
| Net Sales | 259,333 | 565,486 | 272,780 | 105.2% | 560,000 | 99.0% |
| Gross Profit | 103,659 | 213,112 | 103,456 | 99.8% | 202,000 | 94.8% |
| Operating Income | 31,875 | 56,320 | 31,160 | 97.8% | 50,000 | 88.8% |
| Recurring Income | 33,389 | 59,383 | 33,215 | 99.5% | 52,000 | 87.6% |
| Profit Attributable to Owners of Parent | 21,272 | 37,588 | 22,762 | 107.0% | 34,000 | 90.5% |

Net Sales by Segment

(millions of yen)

| | FY2015.3 | | FY2016.3 | | | |
|-----------------------------|------------------|-------------------|------------------|------------------|-------------------------|------------------|
| | 1st Half Results | Full Year Results | 1st Half Results | & vs. prior year | Full Year New Forecasts | % vs. Prior year |
| Toys and Hobby | 106,366 | 230,918 | 103,985 | 97.8% | 220,000 | 95.3% |
| Network Entertainment | 134,004 | 296,442 | 147,208 | 109.9% | 310,000 | 104.6% |
| Visual and Music Production | 22,364 | 43,773 | 23,582 | 105.4% | 40,000 | 91.4% |
| Other | 13,487 | 27,006 | 13,488 | 100.0% | 28,000 | 103.7% |
| Elimination and Corporate | △ 16,889 | △ 32,655 | △ 15,483 | - | △ 38,000 | - |
| Total | 259,333 | 565,486 | 272,780 | 105.2% | 560,000 | 99.0% |

Operating Income by Segment

(millions of yen)

| | FY2015.3 | | | FY2016.3 | | | | | |
|-----------------------------|------------------|-------------------|-----------|------------------|-----------|------------------|-------------------------|-----------|------------------|
| | 1st Half Results | Full Year Results | OP Margin | 1st Half Results | OP Margin | & vs. prior year | Full Year New Forecasts | OP Margin | % vs. Prior year |
| Toys and Hobby | 9,721 | 17,040 | 7.4% | 11,571 | 11.1% | 119.0% | 17,000 | 7.7% | 99.8% |
| Network Entertainment | 14,375 | 29,290 | 9.9% | 14,774 | 10.0% | 102.8% | 27,000 | 8.7% | 92.2% |
| Visual and Music Production | 7,992 | 10,077 | 23.0% | 5,910 | 25.1% | 73.9% | 9,000 | 22.5% | 89.3% |
| Other | 928 | 1,462 | 5.4% | 528 | 3.9% | 56.9% | 1,000 | 3.6% | 68.4% |
| Elimination and Corporate | △ 1,141 | △ 1,549 | - | △ 1,625 | - | - | △ 4,000 | - | - |
| Total | 31,875 | 56,320 | 10.0% | 31,160 | 11.4% | 97.8% | 50,000 | 8.9% | 88.8% |

Note: Due to the group reorganization, new business segments are applied from FY2016.3.

Reference: Net Sales by Region (External sales after elimination)

(millions of yen)

| | FY2015.3 | | FY2016.3 | | | |
|---------------------------|------------------|-------------------|------------------|------------------|-------------------------|------------------|
| | 1st Half Results | Full Year Results | 1st Half Results | & vs. prior year | Full Year New Forecasts | % vs. Prior year |
| Japan | 219,121 | 470,868 | 205,282 | 93.7% | 430,000 | 91.3% |
| Americas | 14,434 | 35,687 | 19,968 | 138.3% | 44,000 | 123.3% |
| Europe | 13,351 | 31,536 | 27,275 | 204.3% | 49,000 | 155.4% |
| Asia | 12,426 | 27,395 | 20,255 | 163.0% | 37,000 | 135.1% |
| Elimination and Corporate | - | - | - | - | - | - |
| Total | 259,333 | 565,486 | 272,780 | 105.2% | 560,000 | 99.0% |

Reference: Operating Income by Region

(millions of yen)

| | FY2015.3 | | | FY2016.3 | | | | | |
|---------------------------|------------------|-------------------|-----------|------------------|-----------|------------------|-------------------------|-----------|------------------|
| | 1st Half Results | Full Year Results | OP Margin | 1st Half Results | OP Margin | & vs. prior year | Full Year New Forecasts | OP Margin | % vs. Prior year |
| Japan | 30,169 | 54,243 | 11.5% | 23,512 | 11.5% | 77.9% | 42,000 | 9.8% | 77.4% |
| Americas | 1,354 | 1,372 | 3.8% | 3,068 | 15.4% | 226.6% | 4,000 | 9.1% | 291.5% |
| Europe | 357 | 455 | 1.4% | 3,343 | 12.3% | 936.4% | 3,500 | 7.1% | 769.2% |
| Asia | 1,490 | 2,529 | 9.2% | 3,702 | 18.3% | 248.5% | 5,500 | 14.9% | 217.5% |
| Elimination and Corporate | △ 1,495 | △ 2,279 | - | △ 2,465 | - | - | △ 5,000 | - | - |
| Total | 31,875 | 56,320 | 10.0% | 31,160 | 11.4% | 97.8% | 50,000 | 8.9% | 88.8% |

Other Data

(millions of yen)

| | FY2015.3 | | FY2016.3 | | | |
|----------------------|------------------|-------------------|------------------|------------------|-------------------------|------------------|
| | 1st Half Results | Full Year Results | 1st Half Results | & vs. prior year | Full Year New Forecasts | % vs. Prior year |
| Capital Investments | 8,538 | 22,298 | 9,925 | 116.2% | 24,000 | 107.6% |
| Depreciation | 10,427 | 23,713 | 9,792 | 93.9% | 20,000 | 84.3% |
| R&D Investments | 25,781 | 55,761 | 27,033 | 104.9% | 52,000 | 93.3% |
| Advertising Expenses | 17,011 | 41,310 | 15,904 | 93.5% | 40,000 | 96.8% |
| Personnel Expenses | 23,888 | 49,258 | 25,850 | 108.2% | 49,000 | 99.5% |

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.

【Sales of Major IPs (Groupwide)】

(billion yen)

| | FY2014.3 | FY2015.3 | | FY2016.3 | |
|--------------------|-----------|----------|-----------|------------------|---------------------|
| | Full Year | 1st Half | Full Year | 1st Half Results | Full Year Forecasts |
| Mobile Suit Gundam | 80.2 | 37.8 | 76.7 | 36.3 | 78.3 |
| Yo-kai Watch | 1.4 | 22.5 | 55.2 | 23.3 | 32.0 |
| DRAGON BALL | 11.4 | 5.3 | 19.4 | 16.2 | 28.5 |
| ONE PIECE | 26.8 | 11.5 | 24.6 | 12.3 | 26.0 |
| Power Rangers | 25.3 | 12.0 | 23.2 | 9.6 | 24.0 |
| KAMEN RIDER | 30.7 | 11.1 | 26.2 | 5.9 | 24.0 |
| Anpanman | 10.3 | 3.5 | 8.1 | 3.9 | 9.0 |
| Pretty Cure | 10.5 | 3.9 | 6.9 | 3.4 | 8.6 |
| Aikatsu! | 15.9 | 5.9 | 11.7 | 2.4 | 7.1 |

【Sales of Major IPs (Toys and Hobby Business, BANDAI non-consolidated)】

(billion yen)

| | FY2014.3 | FY2015.3 | | FY2016.3 | |
|--------------------|-----------|----------|-----------|------------------|---------------------|
| | Full Year | 1st Half | Full Year | 1st Half Results | Full Year Forecasts |
| Yo-kai Watch | 1.4 | 22.5 | 55.2 | 21.6 | 30.0 |
| Mobile Suit Gundam | 18.4 | 11.7 | 22.9 | 13.7 | 25.0 |
| KAMEN RIDER | 22.3 | 7.9 | 20.6 | 4.6 | 20.0 |
| DRAGON BALL | 6.4 | 2.9 | 5.8 | 5.6 | 12.0 |
| Power Rangers | 14.4 | 7.4 | 11.3 | 4.6 | 10.0 |
| Anpanman | 10.3 | 3.5 | 8.1 | 3.9 | 9.0 |
| Pretty Cure | 9.8 | 3.6 | 6.5 | 3.4 | 8.5 |
| Aikatsu! | 13.0 | 5.0 | 8.6 | 1.5 | 5.0 |
| Ultraman | 3.2 | 1.5 | 2.6 | 1.4 | 3.5 |

【Digital Card Sales (Units sold)】

(million pieces)

| | FY2014.3 | FY2015.3 | | FY2016.3 | |
|--------------------|-----------|----------|-----------|------------------|---------------------|
| | Full Year | 1st Half | Full Year | 1st Half Results | Full Year Forecasts |
| Digital card sales | 306 | 155 | 269 | 120 | 240 |

【Network Entertainment Business (Sales by major category)】

(billion yen)

| | FY2014.3 | FY2015.3 | | FY2016.3 | |
|--------------------------|-----------|----------|-----------|------------------|---------------------|
| | Full Year | 1st Half | Full Year | 1st Half Results | Full Year Forecasts |
| Network content | 68.4 | 40.3 | 82.3 | 42.3 | 88.0 |
| Home video game software | 84.9 | 34.5 | 86.5 | 49.2 | 93.0 |
| Arcade game machine | 77.0 | 32.3 | 72.1 | 26.6 | 68.0 |
| Amusement facility | 58.1 | 27.9 | 55.5 | 29.2 | 61.0 |

【Home Video Game Software (Number of titles and unit sales)】

| | FY2015.3 | | | | FY2016.3 | | | |
|---|-------------|-----------------------|-------------|-----------------------|------------------|-----------------------|---------------------|-----------------------|
| | 1st Half | | Full Year | | 1st Half Results | | Full Year Forecasts | |
| | # of titles | Units Sold (thousand) | # of titles | Units Sold (thousand) | # of titles | Units sold (thousand) | # of titles | Units sold (thousand) |
| Japan | 50 | 2,588 | 110 | 7,075 | 29 | 1,922 | 75 | 5,500 |
| U.S. | 18 | 2,775 | 45 | 6,734 | 13 | 4,122 | 40 | 8,000 |
| Europe | 24 | 3,731 | 59 | 7,874 | 13 | 7,138 | 45 | 11,500 |
| Group Total | 92 | 9,094 | 214 | 21,683 | 55 | 13,182 | 160 | 25,000 |
| Localized versions | 56 | - | 148 | - | 35 | - | 110 | - |
| After elimination of localized versions | | | | | | | | |
| Group Total | 36 | 9,094 | 66 | 21,683 | 20 | 13,182 | 50 | 25,000 |

【Arcade Game Machines (Sales by major category, Japan)】

(billion yen)

| Category | FY2014.3 | FY2015.3 | | FY2016.3 | |
|-----------------------------|-----------|----------|-----------|------------------|---------------------|
| | Full Year | 1st Half | Full Year | 1st Half Results | Full Year Forecasts |
| Video games | 18.5 | 4.6 | 13.0 | 2.1 | 14.3 |
| Electrical-mechanical games | 3.4 | 0.8 | 1.2 | 0.5 | 1.5 |
| Medal games | 2.7 | 0.8 | 1.6 | 0.7 | 1.5 |
| Other | 18.6 | 8.8 | 18.3 | 7.2 | 13.7 |
| Total Sales of machines | 43.2 | 15.0 | 34.1 | 10.5 | 31.0 |
| Sales of prizes | 27.7 | 14.3 | 29.7 | 12.7 | 30.0 |
| Total | 70.9 | 29.3 | 63.8 | 23.2 | 61.0 |

【Number of Amusement Facilities】

| | | | FY2014.3 | FY2015.3 | | FY2016.3 | |
|-----------------------------|----------|-------------------|-----------|----------|-----------|------------------|---------------------|
| | | | Full Year | 1st Half | Full Year | 1st Half Results | Full Year Forecasts |
| Directly managed facilities | Japan | Start of term | 216 | 211 | 211 | 202 | 202 |
| | | Openings | 11 | 5 | 10 | 3 | 7 |
| | | Closures | 16 | 13 | 19 | 4 | 4 |
| | | Increase/Decrease | △ 5 | △ 8 | △ 9 | △ 1 | 3 |
| | | End of term | 211 | 203 | 202 | 201 | 205 |
| | Overseas | Start of term | 38 | 36 | 36 | 35 | 35 |
| | | Openings | 2 | 0 | 2 | 0 | 1 |
| | | Closures | 4 | 3 | 3 | 0 | 1 |
| | | Increase/Decrease | △ 2 | △ 3 | △ 1 | 0 | 0 |
| | Total | Start of term | 254 | 247 | 247 | 237 | 237 |
| | | Openings | 13 | 5 | 12 | 3 | 8 |
| | | Closures | 20 | 16 | 22 | 4 | 5 |
| Increase/Decrease | | △ 7 | △ 11 | △ 10 | △ 1 | 3 | |
| Revenue-sharing facilities | Japan | 10 | 10 | 10 | 14 | 14 | |
| | Overseas | 1,034 | 1,046 | 1,036 | 1,011 | 1,071 | |
| | Total | 1,044 | 1,056 | 1,046 | 1,025 | 1,085 | |
| Others | Total | 6 | 9 | 10 | 11 | 15 | |
| Facilities Total | | | 1,297 | 1,301 | 1,293 | 1,272 | 1,340 |

【Amusement Facilities (Existing-store sales, YOY, Japan)】

| | Apr. | May | Jun. | 1Q (3 mo.) | Jul. | Aug. | Sep. | 2Q (3 mo.) | 1st Half | | |
|----------|-------|-------|-------|---------------|---------------|-------|--------|---------------|---------------|----------|-----------|
| FY2016.3 | 94.3% | 98.6% | 89.3% | 94.3% | 95.5% | 93.1% | 101.7% | 96.2% | 95.3% | | |
| FY2015.3 | 89.4% | 95.6% | 87.7% | 91.0% | 89.9% | 93.9% | 84.8% | 90.0% | 90.5% | | |
| FY2014.3 | 92.3% | 90.8% | 97.6% | 93.4% | 92.4% | 99.3% | 93.9% | 95.6% | 94.6% | | |
| | Oct. | Nov. | Dec. | 3Q (3 mo.) | 3Q (9 mo.) | Jan. | Feb. | Mar. | 4Q (3 mo.) | 2nd Half | Full Year |
| FY2016.3 | - | - | - | - | - | - | - | - | - | - | - |
| FY2015.3 | 89.7% | 99.3% | 89.5% | 92.6% | 91.1% | 89.5% | 95.9% | 90.6% | 91.5% | 92.0% | 91.2% |
| FY2014.3 | 91.4% | 93.2% | 94.2% | 93.0% | 94.1% | 95.2% | 89.1% | 93.9% | 93.1% | 93.1% | 93.8% |

【Visual and Music Production Business(Sales by main category)】

(billion yen)

| | Packages | Production, licensing, distribution, events and others | Total |
|-----------------------------------|----------|--|-------|
| FY2016.3 (Full Year Forecasts) | 17.7 | 22.3 | 40.0 |
| FY2016.3 (1st Half Results) | 8.9 | 14.6 | 23.5 |
| FY2015.3 (Full Year) | 17.9 | 25.8 | 43.7 |

【Visual and Music Production Business (Number of copyrighted productions and running time)】

| | |
|---|-------------|
| Number of copyrighted productions(BANDAI VISUAL) | 759 series |
| Total running time of all copyrighted productions (BANDAI VISUAL) | 2,646 hours |
| Number of copyrighted productions(SUNRISE and BANDAI NAMCO Pictures) | 290 series |
| Total running time of all copyrighted productions (SUNRISE and BANDAI NAMCO Pictures) | 2,407 hours |

As of Sep. 30, 2015