

AMUSEMENT UNIT

Unit Mid-term Vision

Responsive to change—becoming a Unit that can address change as we move into the future

We are implementing “Fun for All into the Future” by leveraging our organizational capabilities to forge direct connections with fans.

During the COVID-19 pandemic, people around the world experienced a stay-at-home lifestyle. Because of this, I believe that real entertainment has become more important to our customers. However, in this industry, where it is difficult to ensure business continuity without constantly pursuing uniqueness and evolving products, it is imperative that we pursue new and unique creations that leverage a broad range of ideas and Group strengths as we continue to develop and operate amusement facilities and develop amusement machines.

In the final year of the Mid-term Plan, the Amusement Unit will continue to advance three key strategies: TRANSFORM, UNITE, and CONTROL.

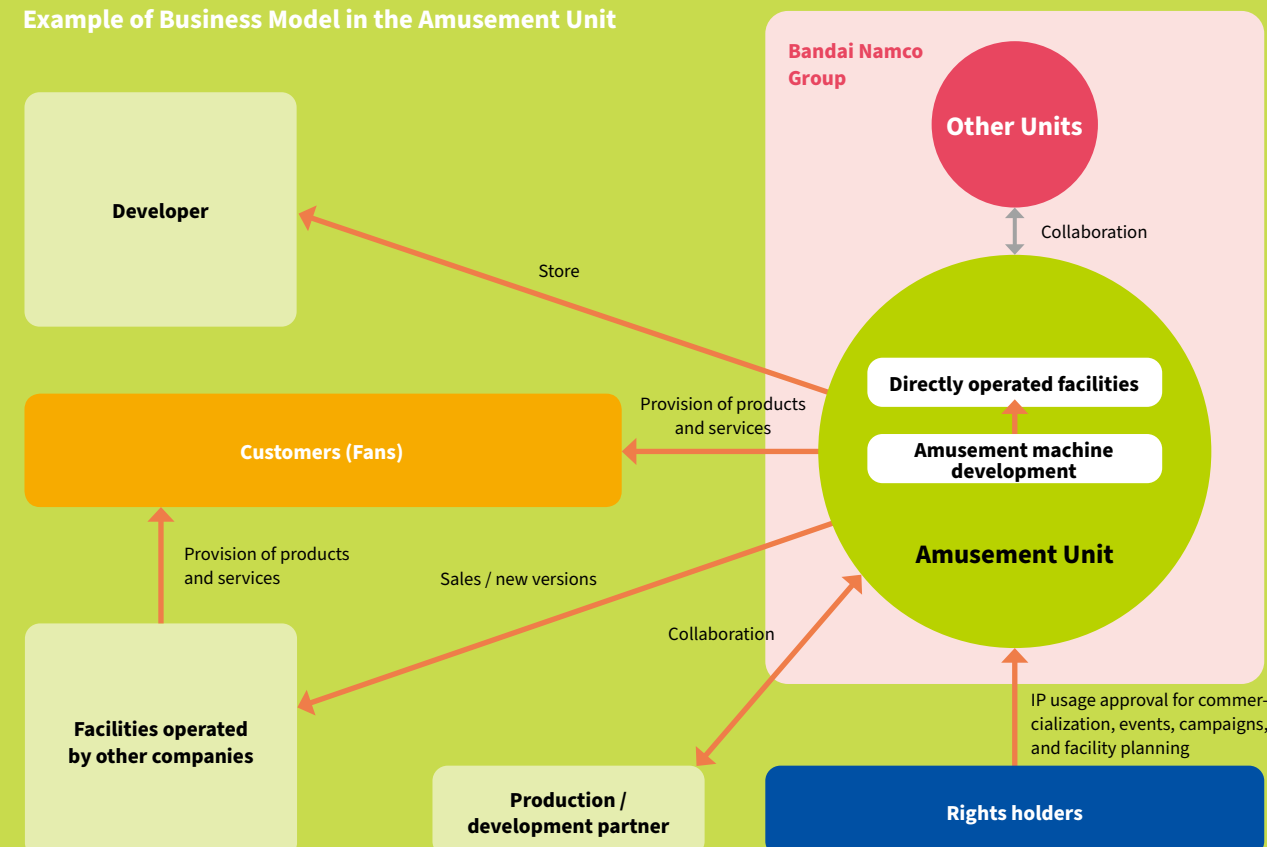
Under TRANSFORM, we have recorded solid results by reforming our internal organizational structure and transforming our business approaches. Nonetheless, we will remain steadfast in our promotion of the TRANSFORM strategy, as we still face issues such as labor shortages and the decline in opportunities to open new brick-and-mortar stores in Japan.

With UNITE, we are deepening collaboration not just within the Amusement Unit but also with various Group companies. While doing so, it has become clear that the brick-and-mortar stores of the Amusement Unit play an increasingly important role as physical contact points with customers. As we work to leverage Japanese IPs overseas and accelerate the global rollout of Group products and services, we will expand the development of official Bandai Namco Group stores around the world. Furthermore, we are stepping up internal collaboration for the development of amusement machines and are strengthening the sales structure therefor on a global basis.

Under CONTROL, we are bolstering our management awareness of cash flows while striving to enhance our governance structure within the Unit. We will continue to advance these initiatives in the future.

In terms of the IP axis strategy, the Amusement Unit is able to ascertain and experience the passion of fans through the physical locations that we offer. Going forward, we will implement our Purpose of “Fun for All into the Future” by leveraging our ability to offer fun experiences, develop physical locations, and promote people-oriented operations.

Example of Business Model in the Amusement Unit



MAIN STRATEGIES

- **Transform:** Change method of implementing businesses
- **Unite:** Continually work together as a Unit to foster optimization
- **Control:** Address circumstances rapidly and flexibly

FY2025.3 NUMERICAL TARGETS

Segment sales **¥125.0 billion**

Segment profit **¥7.0 billion**

Results forecasts are as of May 2024.

FY2024.3 RESULTS AND RELATED DATA

Sales by Major Category

AMUSEMENT MACHINES
¥34.0 billion

AMUSEMENT FACILITIES
¥85.4 billion

Number of Amusement Facilities (Global Total)

DIRECTLY MANAGED FACILITIES
240 facilities

REVENUE-SHARING FACILITIES*
803 facilities

OTHER
78 facilities

TOTAL
1,121 facilities

* Contracted stores under the revenue-sharing facilities: Revenues from the operation of amusement machines are shared.

HIROSHI KAWASAKI

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In charge of Amusement Unit
Bandai Namco Holdings Inc.
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