

# Digital Unit

MESSAGE

## Strengthening Our Business Foundation and Accelerating Efforts to Realize Sustainable Growth

In FY2025.3, both mainstay and new titles of our network content performed robustly, helping secure a stable revenue foundation. In addition, for home console games, *ELDEN RING SHADOW OF THE ERDTREE*, the large DLC expansion of *ELDEN RING* and the new title *DRAGON BALL Sparking! ZERO* were both tremendous successes worldwide. As a result, our performance recovered significantly compared with FY2024.3, in which we recorded valuation losses on online game, etc.

Although we believe that the global game market will continue to grow moving forward, game development is becoming increasingly larger in scale, which has led to longer development periods. We therefore need to bolster our development structure in order to respond to these kinds of changes in the operating environment. Since FY2025.3, we have been

working to realize an optimized title portfolio and rebuild our development and sales structures, with a view toward further strengthening our business foundation. We position FY2026.3 as an important year in which we will continue to push forward with such efforts to establish a business foundation for sustainable growth.

With regard to realizing an optimized title portfolio, we will clarify the areas where our strengths lie so that we can define our investment priorities and determine our strategic approach moving forward. We will also advance titles currently under development within our new operating structure so as to generate steady results during the period of the current Mid-term Plan. For rebuilding our development structure, we will continue to develop titles in-house and jointly with external partners, deciding prudently based on the characteristics of

the title. To rebuild our sales structure, we will strengthen collaboration between our Japanese and North American operations to enhance our global marketing oversight. By accelerating decision-making and information sharing, we will implement initiatives and strategically allocate resources that align with the specific needs of each region.

Furthermore, we have established a new licensing business division with the aim of strengthening the IP axis strategy, which we are promoting on a Groupwide basis. Drawing on the abundance of IP assets we have in the Digital Business, we will provide a diverse array of entertainment content that goes beyond just games. At the same time, we will strengthen our efforts to out-license our IP to various business partners, aiming to enhance its overall value.

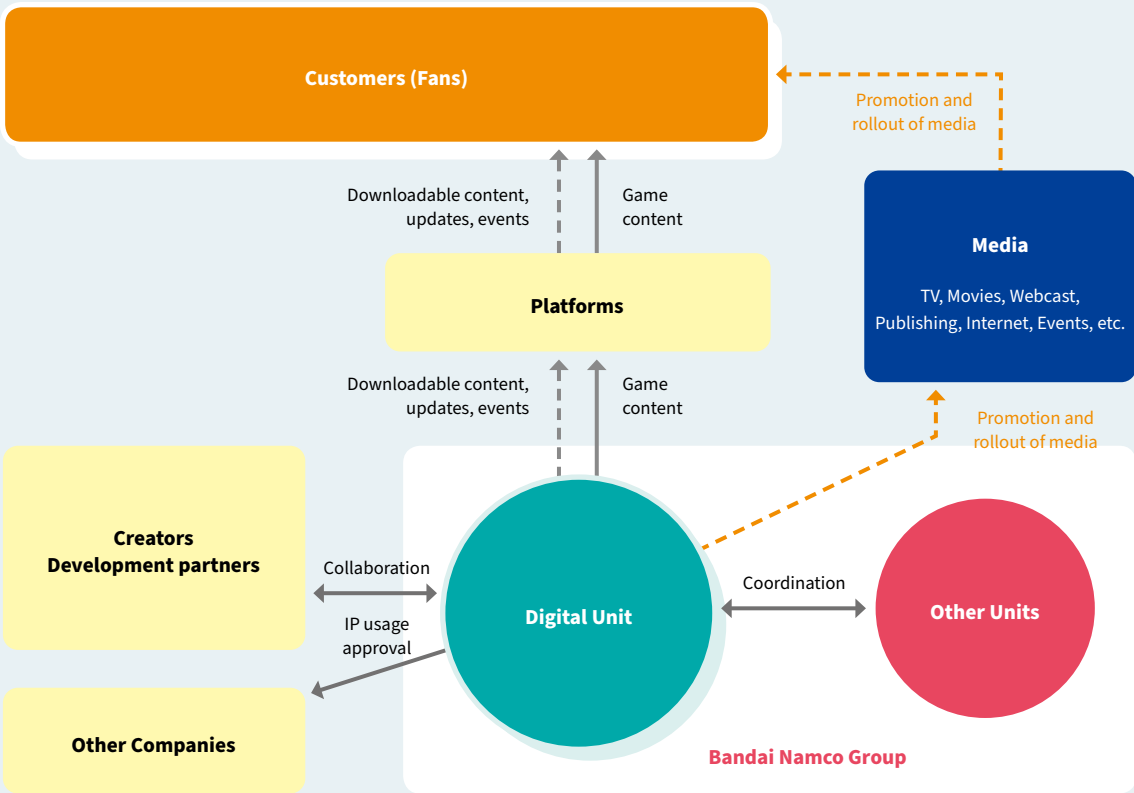
In the Digital Unit, maximizing the value of IPs themselves contributes directly to our business growth and expansion. By combining the strengths of the Bandai Namco Group, we will seek to provide days of endless fun through a diverse lineup of entertainment content, including games, together with our fans and business partners around the world.



### Nao Udagawa

Director (Part-Time)  
In Charge of Digital Unit  
Bandai Namco Holdings Inc.  
President and CEO  
Bandai Namco Entertainment Inc.

### Example of Business Model in the Digital Unit (When In-House IP Is Used)



#### MAIN STRATEGIES

- Promote game portfolio
- Strengthen development capabilities
- Challenge and expand IP axis businesses

#### FY2026.3 NUMERICAL TARGETS

Segment sales    ¥390.0 billion  
Segment profit    ¥40.0 billion

Results forecasts are as of May 2025.

#### FY2025.3 RESULTS AND RELATED DATA

##### Sales by Major Category

NETWORK CONTENT    HOME CONSOLE GAMES  
¥195.1 billion    ¥216.1 billion

##### Network Content

OVERSEAS SALES RATIO\*  
45%

\* Ratio of network content sales generated overseas

##### Home Console Games

HOME CONSOLE GAMES  
40.76 million units

FULL PACKAGE DOWNLOAD SALES RATIO  
65%