

Bandai Namco Holdings Inc.

Consolidated Financial Report for the Second Quarter (Six Months) of the Fiscal Year Ending March 31, 2026

November 6, 2025

DISCLAIMER

- Bandai Namco Holdings Inc. provides this translation for your reference and convenience only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy, the original “Kessan Tanshin” in Japanese shall prevail.
- This document contains forward-looking statements that are based on management’s estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.

Bandai Namco Holdings Inc.

Stock Listing: Tokyo Stock Exchange

Code Number: 7832

(URL: <https://www.bandainamco.co.jp/>)

November 6, 2025

**Consolidated Financial Report for the Second Quarter (Six Months) of
the Fiscal Year Ending March 31, 2026 (Japanese GAAP)**

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Scheduled date to file semi-annual securities report: November 10, 2025

Scheduled starting date for dividend payments: December 9, 2025

The Financial Highlights of the Financial Results: Yes

The information session of the Financial Results: Yes (for institutional investors and analysts)

* Figures are in millions of yen, rounded down

**1. Consolidated Results for the Second Quarter (Six Months) of the Fiscal Year Ending March 31, 2026
(April 1, 2025 to September 30, 2025)****(1) Consolidated Operating Results (For the Six Months Ended September 30, 2025)**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit	
	¥ million	%	¥ million	%	¥ million	%
Second Quarter (Six Months) of the Fiscal Year Ending March 31, 2026	643,816	5.3	105,481	(7.2)	110,196	(4.6)
Second Quarter (Six Months) of the Fiscal Year Ended March 31, 2025	611,391	21.8	113,670	73.6	115,553	56.3

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	¥ million	%	¥	¥
Second Quarter (Six Months) of the Fiscal Year Ending March 31, 2026	78,909	(2.3)	121.91	-
Second Quarter (Six Months) of the Fiscal Year Ended March 31, 2025	80,727	54.7	123.39	-

(Note) Comprehensive income: 86,518 million yen [(0.1)%] (FY2026.3 2Q), 86,618 million yen [14.5%] (FY2025.3 2Q)

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of September 30, 2025	1,160,358	841,629	72.5
As of March 31, 2025	1,102,636	793,216	71.9

(Reference) Equity: 841,105 million yen (as of September 30, 2025), 792,853 million yen (as of March 31, 2025)

2. Cash Dividends

	Annual cash dividends				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year-end	Total
Fiscal Year Ended March 31, 2025	–	¥11.00	–	¥60.00	¥71.00
Fiscal Year Ending March 31, 2026	–	¥23.00			
Fiscal Year Ending March 31, 2026 (Projections)			–	–	–

(Note) Revision to the projections of cash dividends for the Fiscal Year Ending March 31, 2026: No

The year-end cash dividend for the fiscal year ending March 31, 2026, will be considered by the Company based on the basic policy on the distribution of profits.

3. Consolidated Projections for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full Fiscal Year	1,250,000	0.7	165,000	(8.5)	172,000	(7.8)	120,000	(7.2)	185.38

(Note) Revision to the projections: Yes

Consolidated projections for the full fiscal year ending March 31, 2026 (announced on May 8, 2025) are revised in this document. For details of the revisions to the consolidated projections, please refer to “Notice Regarding Revisions to Consolidated Projections for the Fiscal Year Ending March 31, 2026” announced today (November 6, 2025).

*** Notes**

- (1) Significant Changes in Scope of Consolidation during the Period: No
- (2) Application of Special Accounting for Preparing the Semi-annual Consolidated Financial Statements: Yes
(Note) For more details, please refer to the section of “(3) Notes to Consolidated Financial Statements, (Notes on Special Accounting for Preparing the Semi-annual Consolidated Financial Statements)” of “2. Consolidated Financial Statements and Significant Notes” on page 13 of the attached material.
- (3) Changes in Accounting Policies, Changes in Accounting Estimation and Restatement
- a) Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - b) Changes in accounting policies due to other reasons: No
 - c) Changes in accounting estimation: No
 - d) Restatement: No
- (4) Number of Issued Shares (Common Shares)
- a) Total number of issued shares at the end of the period (including treasury shares)
 - As of September 30, 2025 650,000,000 shares
 - As of March 31, 2025 660,000,000 shares
 - b) Number of treasury shares at the end of the period
 - As of September 30, 2025 2,631,321 shares
 - As of March 31, 2025 12,782,466 shares
 - c) Average number of shares during the period (cumulative from the beginning of the fiscal year)
 - For the Second Quarter (Six Months) of the Fiscal Year Ending March 31, 2026 647,282,288 shares
 - For the Second Quarter (Six Months) of the Fiscal Year Ended March 31, 2025 654,220,361 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Explanation on appropriate use of the projections of business results, etc.

- Forward-Looking Statements:

This document contains forward-looking statements that are based on management's estimates, assumptions and projections at the time of publication and those forward-looking statements do not purport to be a promise by the Company to achieve such results. A number of factors could cause actual results to differ materially from expectations. Please refer to the section of “(3) Explanation Regarding Consolidated Projections and Other Forward-Looking Statements” of “1. Overview of Operating Results and Others” on page 3 of the attached material for matters pertaining to the earnings projections.

- To Obtain Financial Highlights:

The Financial Highlights will be posted on the Company's website on November 6, 2025.

Attached Material

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1. Overview of Operating Results and Others

(1) Overview of Operating Results for the Period

During the second quarter (six months) of the fiscal year ending March 31, 2026, whereas employment and income improved in Japan, the continued trend of rising prices of raw materials, fuel, and consumer goods affected consumption. As for the entertainment market, the growing popularity of Japanese IP (Intellectual Property: meaning characters and other intellectual property) continued in the global market, driven in part by proliferation of video streaming. On the other hand, the future outlook around the world remains uncertain due to various global changes, such as political instability and US trade policy trends.

Under such circumstances, from April 2025, based on our Purpose, “Fun for All into the Future,” the ultimate definition of the Group, and the Mid to Long-term Vision, “Connect with Fans,” the Bandai Namco Group began a new three-year Mid-term Plan. The current Mid-term Plan aims to make broad, deep, and multifaceted connections with fans around the world (IP fans, a wide range of business partners, shareholders, Group employees, and society), by proactively pursuing new challenges more than ever. Specifically, based on the three common themes of “Further expansion of business scale,” “Acquisition of new business pillars,” and “Establishment of structure for generating long-term profits,” we formulated the four key themes of “Creative Quality,” “Expansion,” “Growth,” and “Strengthen,” as well as eight key initiatives that build on these themes, promoting a variety of them. In this way, we will strengthen the foundation for sustainable growth over the medium to long term.

During the second quarter (six months) of the fiscal year ending March 31, 2026, we promoted the IP axis strategy, which aims to maximize IP value by taking advantage of the worldview and unique characteristics of IP and through the provision of the optimal products and services to the optimal regions at the optimal times, in collaboration with each business. On the business side, in addition to the Toys and Hobby Business achieving business growth, the Amusement Business performed steadily. In the Digital Business and the Visual and Music Business, a different lineup of titles and products compared with the same period of the previous year has had an effect on the results. In efforts to promote IP, we were able to further expand the earnings for the *Gundam* series by leveraging the synergy generated between the buzz created from the latest visual work *Mobile Suit Gundam GQuuuuuuX* and the *GUNDAM NEXT FUTURE PAVILION* exhibition at the Expo 2025 Osaka, Kansai, and the *Gundam* series related products and services.

Consequently, the Group’s consolidated operating results for the second quarter (six months) were net sales of 643,816 million yen (year-on-year increase of 5.3%), operating profit of 105,481 million yen (year-on-year decrease of 7.2%), ordinary profit of 110,196 million yen (year-on-year decrease of 4.6%), and profit attributable to owners of parent of 78,909 million yen (year-on-year decrease of 2.3%).

Operating results by segment are as follows.

Toys and Hobby Business

As for the Toys and Hobby Business, despite the partial impact of tariffs, we performed well due to efforts that have involved the expansion of our categories of business and the product lineup around the world, expanding touch points through real events and stores, and strengthening our production structure and logistics. Specifically, products for the mature fan base (adults) such as *Gundam* model kits, collectible figures, and *ichibankuji* (character lotteries) continued to perform favorably mainly due to the successful outcomes produced by sales, marketing, and expansion of the product lineup. In addition, card products such as trading card games, *GASHAPON* (capsule toys), confectionery products, and food products contributed to the results due to the expansion of product lineups, target groups, and regions of operation, as well as the strengthening of touch points with customers. Furthermore, *Tamagotchi* related products, such as a new product *Tamagotchi Paradise*, became popular around the world.

As a result, net sales in the Toys and Hobby Business were 317,830 million yen (year-on-year increase of 9.0%), and segment profit was 65,035 million yen (year-on-year increase of 8.9%).

Digital Business

As for the Digital Business, in network content, the new app title *SD Gundam G Generation ETERNAL* performed well, attracting a new fan base. In addition, major app titles such as the *DRAGON BALL* series, *ONE PIECE* and *THE IDOLM@STER* series showed stable performance due to ongoing measures for users. In home console games, the new title *ELDEN RING NIGHTREIGN* was a worldwide success, and *Tamagotchi Plaza* became popular due to the synergistic effect of the topic with the Toys and Hobby Business. On the other hand, the results was affected by the difference in the composition of the titles of home console games, including a year-on-year decrease in the number of repeat titles sold.

In the Digital Business, we will continually strive to build a well-balanced and optimal title portfolio with the aim of developing titles to meet the expectations of our fans with an emphasis on quality.

As a result, net sales in the Digital Business were 231,504 million yen (year-on-year increase of 1.3%), and segment profit was 37,386 million yen (year-on-year decrease of 16.4%).

Visual and Music Business (formerly IP Production Business)

As for the Visual and Music Business, *Mobile Suit Gundam GQuuuuuuX*, the latest visual work in the *Gundam series*, attracted a new fan base in addition to existing fans, and its film's box-office revenue, global video streaming, and licensing of products and services contributed to the results. In addition, global business development and video streaming for the existing *Gundam series*, *BLUELOCK*, and others showed stable performance. The Visual and Music Business as a whole did not reach the performance level of the same period of the previous fiscal year, when box-office revenue from several successful theatrical releases made a significant contribution to the results.

As a result, net sales in the Visual and Music Business were 41,078 million yen (year-on-year decrease of 0.5%), and segment profit was 5,359 million yen (year-on-year decrease of 20.2%).

Amusement Business

As for the Amusement Business, net sales for existing amusement facilities in Japan increased to 106.0% year on year. In addition, stores unique to Bandai Namco based on collaboration with the Group's products and services, such as Bandai Namco Cross Stores and *GASHAPON* Department Stores, and other activity facilities performed well. In arcade games, sales of *Mobile Suit Gundam Extreme Versus 2 Infinite Boost* were strong.

In the Amusement Business, we will further enhance the role of touch points with fans to increase awareness of the Group's products and services.

As a result, net sales in the Amusement Business were 75,380 million yen (year-on-year increase of 5.2%), and segment profit was 7,046 million yen (year-on-year decrease of 3.4%).

Other Businesses

Other Businesses consist of companies that conduct businesses such as logistics support and other kinds of administration and operational support for each of the Group companies. We have been making efforts to manage such operations related to Group support in an efficient manner.

Net sales in the Other Businesses were 18,457 million yen (year-on-year increase of 6.1%), and segment profit was 1,150 million yen (year-on-year decrease of 7.7%).

(2) Overview of Financial Position for the Period

As of September 30, 2025, total assets stood at 1,160,358 million yen, an increase of 57,721 million yen from the end of the previous fiscal year. The main factors were increases of 35,104 million yen in notes and accounts receivable - trade, and contract assets, 14,165 million yen in merchandise and finished goods, 7,823 million yen in property, plant and equipment, and 9,795 million yen in investment securities, despite a decrease of 15,973 million yen in cash and deposits.

Total liabilities amounted to 318,728 million yen, an increase of 9,308 million yen from the end of the previous fiscal year. The main factors were an increase of 23,750 million yen in notes and accounts payable - trade, despite decreases of 7,469 million yen in other under current liabilities mainly due to decreased accounts payable - other and 6,250 million yen in income taxes payable.

Total net assets stood at 841,629 million yen, an increase of 48,413 million yen from the end of the previous fiscal year. The main factor was an increase of 40,064 million yen in retained earnings. Capital surplus and treasury shares each decreased by 35,083 million yen due to the cancellation of treasury shares.

As a result, the equity ratio became 72.5% compared with 71.9% at the end of the previous fiscal year.

(3) Explanation Regarding Consolidated Projections and Other Forward-Looking Statements

Looking ahead, the Group expects uncertainty to continue in various regions around the world. We also expect the changes in the environment surrounding us such as the market as well as customer lifestyles and preferences to become even more intense.

Under these circumstances, in order to adapt to escalating competitiveness in global markets and change in lifestyles and preferences of customers, the Group started a new three-year Mid-term Plan in April 2025. Under the Group's Purpose, "Fun for All into the Future," which is the ultimate definition of the Group, and the Mid to Long-term Vision, "Connect with Fans," which are detailed in the Mid-term Plan, we further promote the IP axis strategy in global markets in order to achieve sustainable growth over the medium to long term.

1) Our aims driven by our Purpose “Fun for All into the Future”

We have established our Purpose, “Fun for All into the Future,” as the ultimate definition of the Group, conveying the reason for our existence, why we conduct our businesses and corporate activities, and the meaningfulness we derive from working at Bandai Namco Group.

In accordance with the Purpose, “Fun for All into the Future,” the Bandai Namco Group aims to connect with fans around the world (IP fans, a wide range of business partners, shareholders, Group employees, and society). We strive to connect more broadly with new fans and more deeply with current fans. In addition, we aim to foster multifaceted connections between communities of both new fans and current fans. In fostering connections with and among various fans, our highest priority is the quality of the connections. Under the current Mid-term Plan, we advance a variety of strategies and initiatives focusing on broad, deep, and multifaceted connections with fans and on the quality of those connections.

<Bandai Namco’s Purpose>

Fun for All into the Future

Bandai Namco exists to share dreams, fun and
inspiration with people around the world.

Connecting people and societies in the enjoyment of
uniquely entertaining products and services,
we’re working to create a brighter future for everyone.

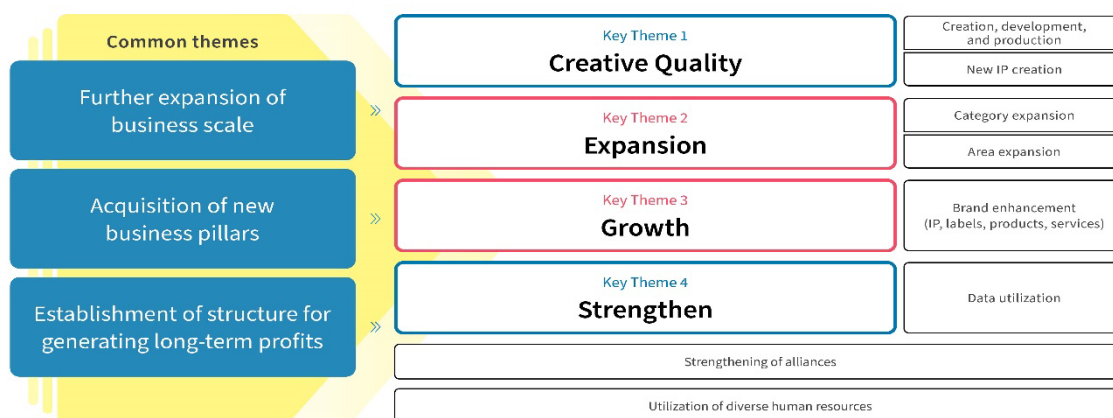
2) Mid to Long-term Vision

Connect with Fans

Under our Purpose, “Fun for All into the Future,” we position “Connect with Fans,” which is a commitment we continued to aim for under the previous Mid-term Plan, as our Mid to Long-term Vision. As the second chapter and action phase of our pursuit of this vision begins, we will make greater efforts than ever before to establish 360°connections with fans around the world (IP fans, a wide range of business partners, shareholders, Group employees, and society) that are broad, deep, and multifaceted by boldly taking on new challenges.

3) Mid-term Plan

We have established three common themes for the next Mid-term Plan with the aim of achieving the sustainable growth of the Bandai Namco Group: “Further expansion of business scale,” “Acquisition of new business pillars,” and “Establishment of structure for generating long-term profits.” Based on the common themes, we formulated the four key themes of “Creative Quality,” “Expansion,” “Growth,” and “Strengthen,” as well as eight key initiatives, such as “Strengthening of alliances” and “Utilization of diverse human resources,” that build on the four key themes. In this way, we aim to expand the potential of IP and develop businesses that create a chain of smiles with fans around the world.



- Key Theme 1 “Creative Quality”

Positioning Monozukuri as the Starting Point of the Group and Creating Products and Services Unique to Bandai Namco

The starting point of the Bandai Namco Group is Monozukuri (craftsmanship). To deliver experience-based value unique to Bandai Namco to our fans across the globe, we develop games, produce animated series, plan and produce products, and create new services. At the same time, we take a multifaceted approach to new IP creation, including initiatives driven by visual content, products, services, and Groupwide projects. As part of these initiatives, we will strengthen IP co-creation by working more closely with external creators, studios, and IP holders from new perspectives. We will also pursue greater efficiency in terms of content creation, development, and production as we work to realize even-higher-quality Monozukuri.

- Key Theme 2 “Expansion”

Aim to Increase Fans Around the World by Expanding Our Area of Rollouts as Well as Product Categories

As the popularity of Japanese IP continues to grow across the globe, we still have many opportunities to expand our business worldwide.

To that end, in the Toys and Hobby Business, we are expanding rollouts of products for the mature fan base, trading card games, capsule toys, and other products. The Business is also collaborating with the Amusement Business to open official stores and hold workshops and other hands-on events. In these ways, we are working to enhance engagement with our products and services and deepen connections with fans. Furthermore, in addition to Japanese IP, we are actively pursuing collaborations with local IP and corporations. With regard to expanding our area of operations, we are stepping up the rollout of e-commerce services in each country and region.

In the Digital Business, we have further refined the structure to oversee worldwide marketing activities in Japan and the United States, thereby working to accelerate decision-making and information sharing.

In the Visual and Music Business, we established a visual and music works operating company in North America. Through this company, we concluded an agreement with Legendary Entertainment to co-invest in the production of a live-action adaptation of the *Mobile Suit Gundam* series and have now entered the stage of full-scale production. With a view toward a worldwide release of the film, the new operating company will serve as an investment hub for live-action films while also working to strengthen the overseas licensing, promotions, and events for the *Mobile Suit Gundam* series. By doing so, we will maximize the value of the *Gundam* IP.

- Key Theme 3 “Growth”

Fostering Brands That Are Deeply Loved by Many Fans Over Time by Recognizing the Importance of Continuously Nurturing the IP We Create

IPs serve as the key element of the IP axis strategy, which is our greatest strength as a Group, and we understand the importance of not only creating IPs but also growing them. Under the current Mid-term Plan, we will strengthen the licensing business for Group IP, such as *Tamagotchi* from the Toys and Hobby Business, *THE IDOLM@STER* and *PAC-MAN* from the Digital Business, and *Gundam* from the Visual and Music Business. At the same time, we will expand the worldview of our IP in manner that transcends our business domains. For game titles, we will focus on expanding the popularity of titles within our series and continuing to release new titles in the same series, while making effective use of them. By doing so, we will establish a strong presence for such titles and strengthen our brand power.

Also, products in the Toys and Hobby business, such as *Gundam* model kits, which are the flagship product of the *Gundam* IP, use various raw materials, including plastics. Amid growing concerns regarding the environmental impact of plastics, we have established the Bandai Namco Group Plastic Environmental Consideration Policy. We have been pursuing such efforts as recycling programs involving fans and the utilization of alternative materials. Moving forward, under the Plastic Environmental Consideration Policy, we will continue to reduce plastic usage to the greatest extent possible while utilizing renewable plastics and alternative materials and promoting recycling. As a member of society, promoting Groupwide environment-friendly initiatives will help us enhance the brand value of IPs and products.

- Key Theme 4 “Strengthen”

New technology utilization Utilizing Accumulated Data to the Greatest Extent Possible to Evolve Our Business Through “Strengthen”

Under the previous Mid-term Plan, we promoted the Data Universe, which connects, integrates, and utilizes Groupwide data, and began to utilize it across numerous businesses. Under the current Mid-term Plan, we will begin the genuine utilization of accumulated data and further deepen our application of it. By doing so, we will formulate optimized marketing plans and enhance the accuracy of our product planning and demand forecasting, thus refining our operations in each business. In addition, primarily in the fields of game development and visual content production, we will actively promote the research and application of new technologies through discussions and collaborations between external partners and our internal studios and research and development departments. Through such efforts, we will realize our goals for the theme “Strengthen.”

- Strengthening of Alliances

In each business, we will continue to promote collaborations and alliances with various business partners, as we have done in the past. As a new initiative, we have established the CW360 (Connect with 360) Division at the Company, embodying our desire to establish 360° connections with fans, based on our Mid to Long-term Vision of “Connect with Fans.” To date, there have been areas we wished to pursue but could not due to time, budget, and other restrictions. Through CW360, we aim to approach these areas from a Groupwide perspective, embracing challenges without fear of failure and fostering connections with external partners through projects, collaborations, and alliances. These types of efforts to support business growth will lead to the further growth of the Group over the long term.

- Utilization of Diverse Human Resources

Initiatives led by CW360 to strengthen alliances with external partners will also provide an excellent opportunity for human resource development. Opportunities created by CW360, such as the promotion of projects and alliances with external partners and the establishment of joint-venture companies, will help us to cultivate the talent of the next generation.

In addition, we will promote a broad range of initiatives to ensure that our diverse group of talent can work in a lively manner and with peace of mind. These include developing global talent to support the Group’s business growth, reinforcing our corporate personnel and divisions, and establishing employee-friendly environments and systems. By doing so, we will lay a solid foundation for our business.

<Overview of Mid-term Plan>



The two central circles in the Mid-term Plan diagram comprise the four key themes of “Creative Quality,” “Expansion,” “Growth,” and “Strengthen” as well as eight key initiatives that build on these themes. These two circles embody various complementary dynamics, including “digital and physical,” “offense and defense,” and “centrifugal and centripetal forces.”

Guided by our Purpose, “Fun for All into the Future,” and our Mid to Long-term Vision, “Connect with Fans,” we will expand the potential of IP and strengthen the various multifaceted connections we have with fans around the world (IP fans, a wide range of business partners, shareholders, Group employees, and society). By doing so, we will achieve further growth of the Bandai Namco Group.

4) Capital Policy

Under the current Mid-term Plan, we will enhance corporate value by maximizing IP potential with the aim of achieving sustainable growth. We will also focus on increasing ROE with an awareness of EPS and equity spread in order to generate long-term profits. At the same, we will strive to engage in communication with the stock market. As of fiscal year 2025, we recognize that capital cost is approximately 8%, and we aim to maintain an equity spread 5% or more on an ongoing basis. In the performance evaluation of Directors, we will place a greater emphasis on capital efficiency, incorporating EPS as a KPI in addition to numerical indicators and sustainability.

5) Capital Allocation

Under the Mid-term Plan, we will realize both business growth and shareholder returns, based on our capital allocation policy.

Growth investments, with approximately 600.0 billion yen planned during the period of the current Mid-term Plan, largely comprise investments recorded primarily as costs, such as those related to game and visual works production; facility and equipment investments necessary for business operations, such as the acquisition of molds; and strategic investments under the Mid-term Plan, referred to as “360 Investments,” which are aimed at connecting with all stakeholders, including IP fans, business partners, and shareholders, from all directions. With these investments, we will focus not only on producing results during the current Mid-term Plan but also on contributing to growth over the medium to long term.

6) Numerical targets in the Mid-term Plan (figures announced on February 2025)

- Fiscal year ending March 31, 2028: Numerical targets
 - Consolidated net sales: 1,450.0 billion yen
 - Consolidated operating profit: 200.0 billion yen
 - Overseas sales ratio (by destination) 50% or more
- Continuous targets
 - Operating margin: Continuously 12% or more
 - Equity spread: Continuously 5% or more

The Bandai Namco Group aims to make connections with fans around the world (IP fans, a wide range of business partners, shareholders, Group employees, and society) that are broad, deep, and multifaceted. In its Mid-term Plan, the Group is promoting various initiatives to maximize IP value and establishing a robust management foundation for growth, with the goal of enhancing corporate value and creating long-term profits.

For the consolidated projections for the fiscal year ending March 31, 2026, the projections announced on May 8, 2025 have been revised in light of the actual results for the second quarter (six months) of the fiscal year ending March 31, 2026, along with the current market environment and trends of its businesses, and the marketing plans of the products and services in the third quarter onwards, etc.

Revisions to consolidated projections for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	¥ million	¥ million	¥ million	¥ million	¥
Previous projections (A)	1,200,000	145,000	149,000	100,000	154.51
Revised projections (B)	1,250,000	165,000	172,000	120,000	185.38
Change in amount (B-A)	50,000	20,000	23,000	20,000	–
Change (%)	4.2	13.8	15.4	20.0	–
(Reference) Results for the previous fiscal year (The fiscal year ended March 31, 2025)	1,241,513	180,229	186,470	129,301	197.88

2. Consolidated Financial Statements and Significant Notes

(1) Consolidated Balance Sheets

(¥ million)

	Prior Fiscal Year (As of March 31, 2025)	Current 2nd Quarter (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	388,460	372,487
Notes and accounts receivable - trade, and contract assets	123,998	159,102
Merchandise and finished goods	43,375	57,540
Work in process	77,501	82,121
Raw materials and supplies	7,834	8,751
Other	64,635	63,927
Allowance for doubtful accounts	(862)	(994)
Total current assets	704,942	742,935
Non-current assets		
Property, plant and equipment	139,127	146,951
Intangible assets	31,226	31,733
Investments and other assets		
Investment securities	173,350	183,145
Other	54,962	56,255
Allowance for doubtful accounts	(972)	(662)
Total investments and other assets	227,340	238,738
Total non-current assets	397,694	417,422
Total assets	1,102,636	1,160,358

(¥ million)

	Prior Fiscal Year (As of March 31, 2025)	Current 2nd Quarter (As of September 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	98,068	121,819
Income taxes payable	40,715	34,465
Provisions	5,098	2,696
Other	134,728	127,259
Total current liabilities	278,611	286,240
Non-current liabilities		
Retirement benefit liability	6,042	5,971
Other	24,765	26,517
Total non-current liabilities	30,808	32,488
Total liabilities	309,420	318,728
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	43,491	8,616
Retained earnings	668,802	708,867
Treasury shares	(44,214)	(8,600)
Total shareholders' equity	678,079	718,883
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	85,451	88,698
Deferred gains or losses on hedges	(8)	548
Revaluation reserve for land	(4,022)	(4,022)
Foreign currency translation adjustment	30,769	34,448
Remeasurements of defined benefit plans	2,584	2,549
Total accumulated other comprehensive income	114,774	122,221
Non-controlling interests	362	524
Total net assets	793,216	841,629
Total liabilities and net assets	1,102,636	1,160,358

(2) Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Operations)

(¥ million)

	Prior 2nd Quarter (From April 1, 2024 to September 30, 2024)	Current 2nd Quarter (From April 1, 2025 to September 30, 2025)
Net sales	611,391	643,816
Cost of sales	356,470	381,536
Gross profit	254,920	262,279
Selling, general and administrative expenses	141,249	156,798
Operating profit	113,670	105,481
Non-operating income		
Interest income	1,598	1,583
Share of profit of entities accounted for using equity method	1,777	3,132
Other	1,606	1,910
Total non-operating income	4,981	6,626
Non-operating expenses		
Foreign exchange losses	1,929	1,160
Penalty	893	384
Other	276	366
Total non-operating expenses	3,099	1,911
Ordinary profit	115,553	110,196
Extraordinary income		
Gain on sale of investment securities	53	810
Other	536	12
Total extraordinary income	589	822
Extraordinary losses		
Loss on valuation of investment securities	157	237
Other	322	208
Total extraordinary losses	480	446
Profit before income taxes	115,661	110,572
Income taxes	34,840	31,514
Profit	80,821	79,057
Profit attributable to non-controlling interests	93	148
Profit attributable to owners of parent	80,727	78,909

(Consolidated Statements of Comprehensive Income)

(¥ million)

	Prior 2nd Quarter (From April 1, 2024 to September 30, 2024)	Current 2nd Quarter (From April 1, 2025 to September 30, 2025)
Profit	80,821	79,057
Other comprehensive income		
Valuation difference on available-for-sale securities	12,022	3,085
Deferred gains or losses on hedges	(3,152)	553
Foreign currency translation adjustment	(3,127)	3,692
Remeasurements of defined benefit plans, net of tax	84	(34)
Share of other comprehensive income of entities accounted for using equity method	(28)	163
Total other comprehensive income	5,797	7,460
Comprehensive income	86,618	86,518
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	86,529	86,356
Comprehensive income attributable to non-controlling interests	89	161

(3) Notes to Consolidated Financial Statements

(Notes on Special Accounting for Preparing the Semi-annual Consolidated Financial Statements)

(Calculation of taxes)

Taxes are calculated first by reasonably estimating the effective tax rate after applying tax effect accounting against profit before income taxes for the fiscal year including the current second quarter (six months), and next by multiplying the profit before income taxes by such estimated effective tax rate.

(Notes on Segment Information, Etc.)

I Prior 2nd Quarter (From April 1, 2024 to September 30, 2024)

1. Information regarding the amounts of net sales and profit/loss by reportable segment

(¥ million)

	Reportable segments					Other (Note 1)	Total	Adjust- ments (Note 2)	Consoli- dated Total (Note 3)
	Toys and Hobby Business	Digital Business	Visual and Music Business	Amuse- ment Business	Subtotal				
Net sales									
To external customers	280,256	226,202	35,272	66,269	608,001	3,390	611,391	–	611,391
Inter-segment sales and transfers	11,377	2,347	6,016	5,370	25,112	14,005	39,118	(39,118)	–
Total	291,633	228,550	41,289	71,640	633,113	17,395	650,509	(39,118)	611,391
Segment profit	59,743	44,703	6,711	7,292	118,452	1,245	119,697	(6,026)	113,670

- Notes: 1. The “Other” category is a business segment not included in reportable segments under which operations such as logistics services for each of the Group companies are classified.
2. Included in the 6,026 million yen deducted from segment profit as adjustment are a deduction of 51 million yen in inter-segment eliminations, and a deduction of 5,974 million yen in corporate expenses that cannot be allocated to any reportable segment. The corporate expenses are mainly costs related to the administration division that has not been attributed to a reportable segment.
3. Segment profit is adjusted with operating profit in the consolidated statements of operations.

2. Information regarding impairment losses of non-current assets and goodwill by reportable segment

(Material impairment losses of non-current assets)

Not applicable.

(Material changes in the amount of goodwill)

Not applicable.

(Material gain on bargain purchase)

Not applicable.

II Current 2nd Quarter (From April 1, 2025 to September 30, 2025)

1. Information regarding the amounts of net sales and profit/loss by reportable segment

(¥ million)

	Reportable segments					Other (Note 1)	Total	Adjust- ments (Note 2)	Consoli- dated Total (Note 3)
	Toys and Hobby Business	Digital Business	Visual and Music Business	Amuse- ment Business	Subtotal				
Net sales									
To external customers	305,421	228,900	31,175	75,173	640,670	3,145	643,816	–	643,816
Inter-segment sales and transfers	12,409	2,604	9,902	207	25,124	15,312	40,436	(40,436)	–
Total	317,830	231,504	41,078	75,380	665,794	18,457	684,252	(40,436)	643,816
Segment profit	65,035	37,386	5,359	7,046	114,826	1,150	115,976	(10,495)	105,481

- Notes: 1. The “Other” category is a business segment not included in reportable segments under which operations such as logistics services for each of the Group companies are classified.
2. Included in the 10,495 million yen deducted from segment profit as adjustment are an addition of 15 million yen in inter-segment eliminations, and a deduction of 10,511 million yen in corporate expenses that cannot be allocated to any reportable segment. The corporate expenses are mainly costs related to the administration division that has not been attributed to a reportable segment.
3. Segment profit is adjusted with operating profit in the consolidated statements of operations.

2. Information regarding impairment losses of non-current assets and goodwill by reportable segment

(Material impairment losses of non-current assets)

Not applicable.

(Material changes in the amount of goodwill)

Not applicable.

(Material gain on bargain purchase)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

The Company canceled 10,000,000 treasury shares on April 30, 2025, per resolution at the Board of Directors meeting held on April 16, 2025. As a result, capital surplus and treasury shares stood at 8,616 million yen and 8,600 million yen, respectively, as of September 30, 2025, with capital surplus and treasury shares each having decreased by 35,083 million yen during the second quarter (six months) of the fiscal year ending March 31, 2026.

(Notes on Premise of Going Concern)

Not applicable.