

Bandai Namco Group Mid-term Plan and Information Meeting Fiscal Year Ending March 2025 Third Quarter Results Presentation

February 5, 2025



Results in the First Nine Months of FY2025.3

(billion yen)

| | FY2024.3 1st Nine Months Results | FY2025.3 1st Nine Months Results | Vs. Previous Year's Results | |
|--|--|--|-----------------------------|-------|
| | | | change | (%) |
| Net sales | 772.0 | 955.6 | +183.6 | 123.8 |
| Operating Profit | 78.2 | 179.2 | +101.0 | 229.0 |
| Recurring Profit | 89.6 | 185.4 | +95.8 | 206.9 |
| Profit Attributable to Owners of Parent | 60.3 | 128.6 | +68.3 | 213.1 |



Achieved record-high results, far exceeding last year’s performance

Results in the First Nine Months of FY2025.3 by Segment

| | | FY2024.3 1st Nine Months Results | FY2025.3 1st Nine Months Results | Vs. Previous Year's Results |
|---------------------------|------------------|--|--|--------------------------------|
| (million yen) | | | | |
| Digital | Segment sales | 263,012 | 357,023 | +94,011 |
| | Segment profit | 1,615 | 70,598 | +68,983 |
| Toys and Hobby | Segment sales | 390,212 | 464,187 | +73,975 |
| | Segment profit | 69,717 | 97,618 | +27,901 |
| IP Production | Segment sales | 55,585 | 60,973 | +5,388 |
| | Segment profit | 6,801 | 9,424 | +2,623 |
| Amusement | Segment sales | 88,310 | 104,764 | +16,454 |
| | Segment profit | 7,560 | 8,141 | +581 |
| Other | Segment sales | 24,571 | 27,262 | +2,691 |
| | Segment profit | 1,268 | 2,097 | +829 |
| Elimination and Corporate | Segment sales | -49,657 | -58,547 | -8,890 |
| | Segment profit | -8,681 | -8,646 | +35 |
| Consolidated | Net sales | 772,035 | 955,663 | +183,628 |
| | Operating profit | 78,282 | 179,233 | +100,951 |

Entertainment Unit

Digital Business

Home console games:

- Favorable results for downloadable content and repeat sales of the main title for *ELDEN RING*
- Massive success of *DRAGON BALL: Sparking! ZERO*, selling over five million units worldwide
- Repeat sales volume for all titles: 22.54 million units; DL ratio to full package: 65%

Network content:

- Steady popularity continues for main app titles around the world, such as *DRAGON BALL*, *ONE PIECE*, and *THE IDOLM@STER*

Toys and Hobby Business

- Continued favorable results of model kits and other products for the mature fan base
- Trading card games, capsule toys, and confectionery products, and food products are performing well
- Large contributions from *Gundam series*, *DRAGON BALL series*, *ONE PIECE*

IP Production Unit

- Contribution to box-office revenue from *Mobile Suit Gundam SEED FREEDOM* and *BLUELOCK - EPISODE NAGI-*
- Favorable results in video distribution, licensing business, and other areas driven by the global development of major IP content
- Favorable performance in live event hosting and package sales of live visual works

Amusement Unit

- Sales of existing-store in Japan: +6.9% year on year
Favorable results with Bandai Namco Cross Store and activity-based facilities such as VS PARK
- Amusement machines: Stable results from new machines and established machines

Forecast for Full-Year of FY2025.3

| | FY2024.3 Full-Year Results | FY2025.3 Previous Full-Year Forecast | FY2025.3 Full-Year New Forecast | Vs. Previous Year's Results | (billion yen) |
|--|-------------------------------|--|---------------------------------------|--------------------------------|---------------|
| Net sales | 1,050.2 | 1,150.0 | 1,230.0 | +80 | |
| Operating Profit | 90.6 | 160.0 | 180.0 | +20 | |
| Recurring Profit | 104.1 | 163.0 | 187.0 | +24 | |
| Profit Attributable to Owners of Parent | 101.4 | 110.0 | 128.0 | +18 | |



The Company expects to achieve the targets set during the formulation of the Mid-term Plan and the previous forecasted figures, leading to its highest performance to date.

Forecast for Full-Year of FY2025.3 by Segment

(million yen)

| | | FY2024.3 Full-Year Results | FY2025.3 Previous Full-Year Forecast | FY2025.3 Full-Year New Forecast | Vs. Previous Year's Results |
|------------------------------|------------------|-------------------------------|--|---------------------------------------|--------------------------------|
| Digital | Segment sales | 372,667 | 410,000 | 450,000 | +40,000 |
| | Segment profit | 6,257 | 55,000 | 67,000 | +12,000 |
| Toys and Hobby | Segment sales | 509,880 | 570,000 | 590,000 | +20,000 |
| | Segment profit | 78,655 | 98,000 | 104,000 | +6,000 |
| IP Production | Segment sales | 82,468 | 83,000 | 83,000 | — |
| | Segment profit | 10,048 | 12,000 | 12,000 | — |
| Amusement | Segment sales | 119,667 | 130,000 | 140,000 | +10,000 |
| | Segment profit | 6,843 | 8,000 | 8,000 | — |
| Other | Segment sales | 32,358 | 33,000 | 33,000 | — |
| | Segment profit | 988 | 1,500 | 1,500 | — |
| Elimination and Corporate | Segment sales | -66,830 | -76,000 | -66,000 | +10,000 |
| | Segment profit | -12,111 | -14,500 | -12,500 | +2,000 |
| Consolidated | Net sales | 1,050,210 | 1,150,000 | 1,230,000 | +80,000 |
| | Operating profit | 90,682 | 160,000 | 180,000 | +20,000 |

Consideration Based on the Basic Policy for Shareholder Returns in the Next Mid-term Plan

Purchase of treasury shares

Total number of shares to be acquired: Up to 8 million shares

Total value of shares to be acquired : Up to 35 billion yen

Acquisition period: February 6 – May 31

Dividends

FY2025.3 projected annual dividends: ¥71

- Base dividend: ¥22

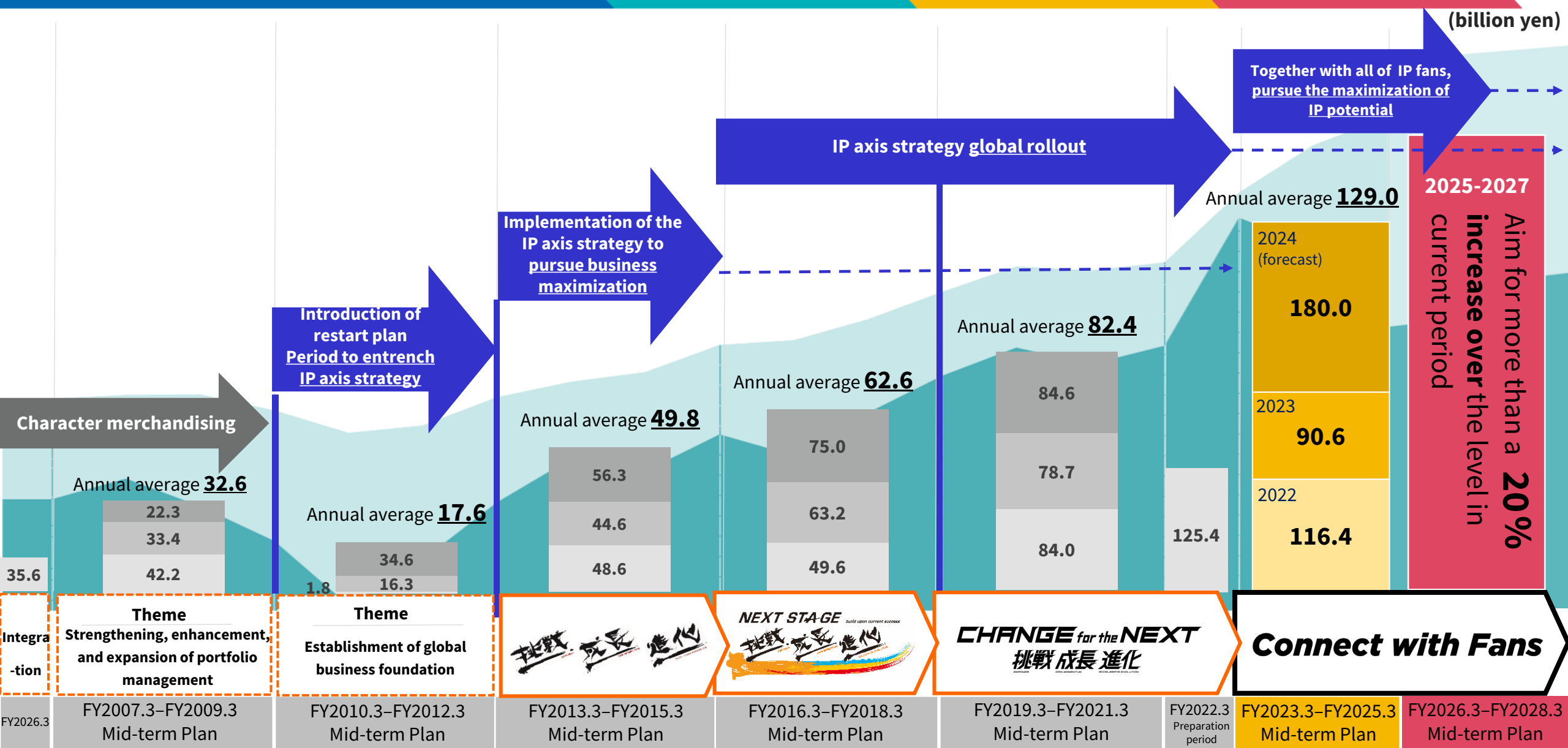
- Performance-based dividend: ¥49

Total payout ratio 63.6% (planned)

Bandai Namco Group Mid-term Plan

FY2026.3–FY2028.3

BANDAI NAMCO
Fun for All into the Future



□ Formulation of 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.

□ Change of Brand Logo

BANDAI NAMCO

Fun for All into the Future

Results of the current Mid-term Plan

- Growth in products and services for established IP
- Growth in existing business categories
- Expansion of global rollouts
- Reinforced collaboration between Units and businesses
- Increase in awareness of Bandai Namco brand

Mid to Long-Term Vision

Connect with Fans

We Grow by Connecting with More Fans

Shareholders

Initiatives to encourage longer-term support

Society

Initiatives to fulfill our social responsibility

Adopting 360° connections with various fans as an important theme of the new Mid-term Plan

Partners

Initiatives to expand the potential of the Group

IP Fans

Initiatives to maximize IP potential for the future

Employees

Initiatives to promote the further growth of diverse human resources

The Overall Theme of the Group

Common theme

Efforts to be pursued to achieve sustainable growth

Issues of the current Mid-term Plan

Further expansion of business scale

Acquisition of new business pillars

Establishment of structure for generating long-term profits

【Key Theme①】

Creative Quality

Creation, development, and production

New IP creation

【Key Theme②】

Expansion

Category expansion

Area expansion

【Key Theme③】

Growth

Brand enhancement (IP, labels, products, services)

【Key Theme④】

Strengthen

Data utilization

Strengthening of alliances

Utilization of diverse human resources

The Overall Theme of the Group

【Key Theme①】

Creative Quality

Creation, development, and production

New IP creation

- Create new experience-based value unique to Bandai Namco
- Continue to take on the challenge of new IP creation
- Pursue greater efficiency

【Key Theme②】

Expansion

Category expansion

Area expansion

- Expand areas in which we roll out existing businesses
- Establish robust local sales networks
- Expand scope of products and services and offer them to fans

【Key Theme③】

Growth

Brand enhancement
(IP, labels, products, services)

- Strengthen licensing business
- Create worldviews together with IP fans, thereby enhancing brand power

【Key Theme④】

Strengthen

Data utilization

- Utilize the Data Universe concept
- New technology utilization

Strengthening of alliances

- Strengthen cooperation with external partners
- Promote efforts by CW360

Utilization of diverse human resources

- Secure and develop human resources based on the characteristics of each business
- Develop talent who can play an active role across the Group
- Pursue work-friendly environments that cater to the characteristics of each business (engagement)
- Secure and develop corporate talent who can play an active role across the Group

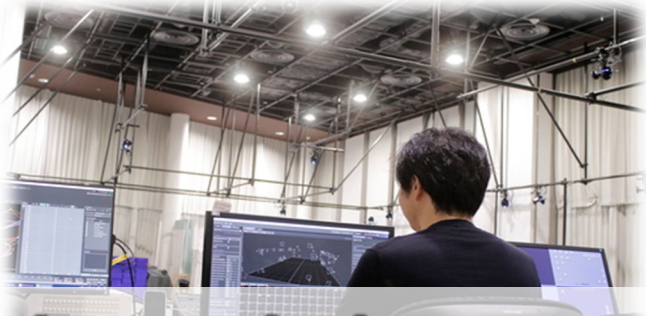
“Creative Quality”

Content creation,
development, and production

New IP creation

BANDAI NAMCO
Fun for All into the Future

Positioning *monozukuri* as the starting point of the group Creating products and services based on unique ideas



Strengthen game development structure



Strengthen production structure

Commence operations of new factory



Pursue co-creation together
with our business partners

Enhance planning and
development and create new IP



Create new experience-based value

Restructure the Amusement Unit

“Expansion”

Category expansion

Area expansion

BANDAI NAMCO
Fun for All into the Future

We aim to increase fans around the world by expanding our area of rollouts as well as product categories

Create multilingual products



Japanese version

English version

French version

Expand contact points with fans at stores and live events



Strengthen e-commerce



Promote collaborations with local IPs and companies



Evolve marketing structure in the Digital Business

Expansion of rollout areas and product categories



Establishment of visual and music operating company in North America



Maximize IP potential across the globe

“Growth”

Brand enhancement
(IP, labels, products, services)

BANDAI NAMCO
Fun for All into the Future

Fostering brands that are deeply loved by many fans over time by recognizing the importance of continuously nurturing the IP we create



THEIDOLM@STER.

Tamag@tchi

Strengthen licensing business

Increase the popularity of titles within our series
Develop and effectively utilize brands at appropriate times

Establish titles and strengthen brand power



**Hold pavilion exhibit
at World Expo Osaka, Kansai**

“Keep nurturing”

Brand enhancement
(IP, labels, products, services)

BANDAI NAMCO
Fun for All into the Future



Bandai Namco Group Plastic Environmental Consideration Policy

The Bandai Namco Group is dedicated to responsible plastic use, aligning our passion for entertainment with our environmental responsibilities.

We acknowledge the environmental toll of single-use plastics and are actively addressing this challenge. By integrating recycled plastics and alternative materials into our products and packaging, we are striving for a sustainable future where waste is reduced, and resources are used more efficiently.

Utilizing accumulated data to the greatest extent possible to evolve our business through “Strengthen”



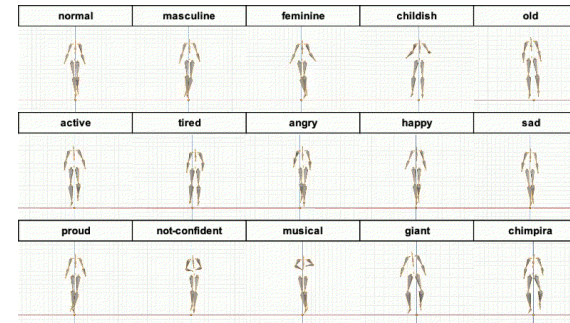
Data accumulation

**Data collection and
visualization**

Data utilization

► Analyzing data based on usage and utilizing it in marketing plans, demand forecasting, etc.

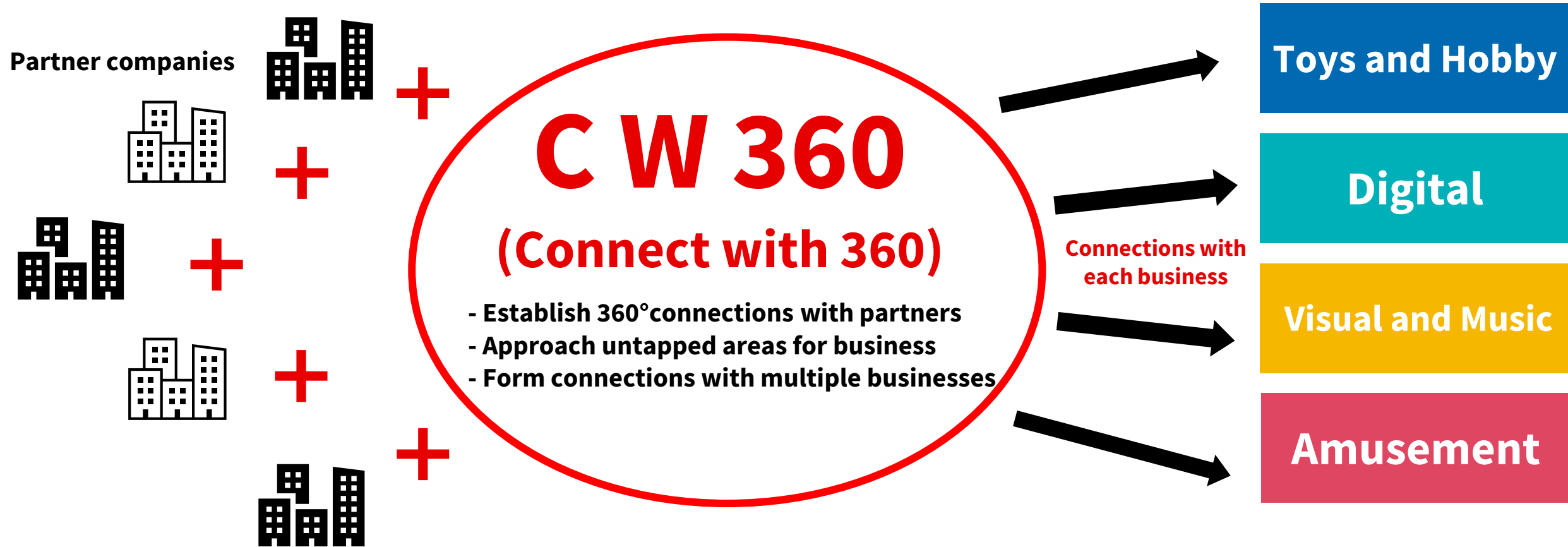
New technology utilization



► Strengthening collaboration between external partners and the company’s technology department

Strengthening of Alliances

We established **CW360** within Bandai Namco Holdings with the aim of strengthening alliances with partner companies.



Provide support for business growth, thereby realizing Groupwide growth



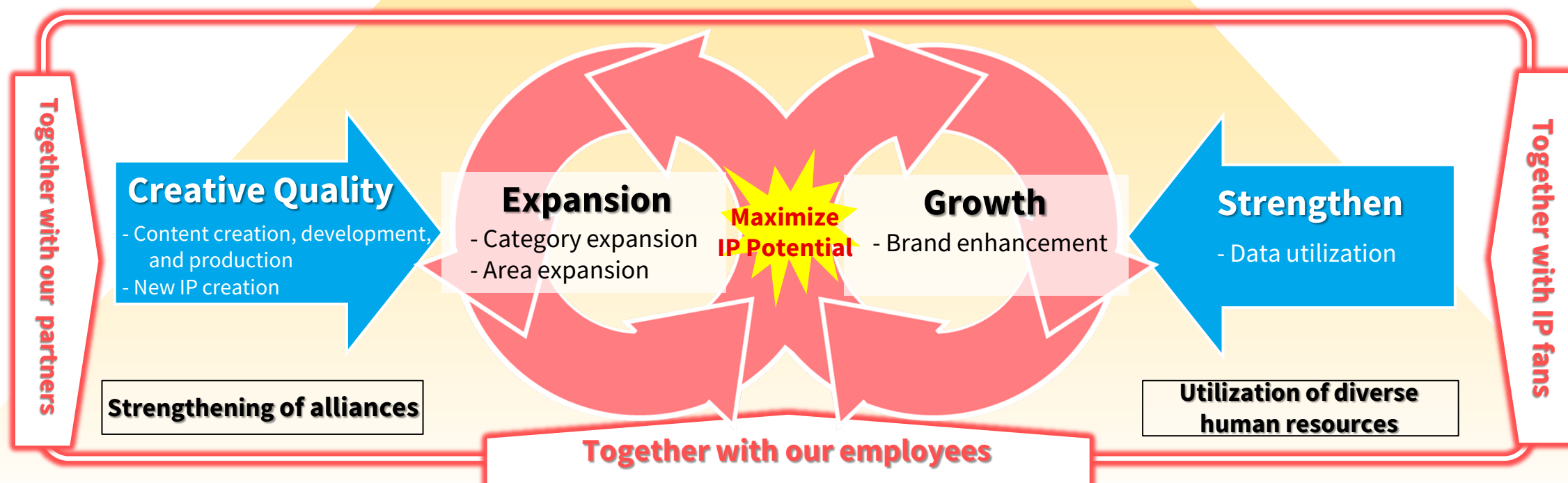
Develop human resources through efforts to strengthen alliances,
including via equity investment

Cultivate the next-generation of talent through experience with new projects and at new companies, etc.

Overview of the New Mid-term Plan for FY2026.3-2028.3

Mid to Long-Term Vision: **Connect with Fans**

Expand the potential of IP and develop businesses that create a chain of smiles with fans around the world.



New Organization (BNHD)

Bandai Namco Holdings Inc.



< Full-Time Executive >



Chairman and Director

Masaru Kawaguchi



President and Representative Director

Yuji Asako



Vice President and Director

Nobuhiko Momoi



New appointment

Director

Takashi Tsuji



New appointment

Director

Noriko Fujita

<Part-time>

- Director (Part-time)
- Director (Part-time)
- Director (Part-time)
- Director (Part-time)
- Director (Part-time, Outside)
- Director (Part-time, Outside)

- Kazuhiro Takenaka
- Nao Udagawa
- Makoto Asanuma
- Hiroshi Kawasaki
- Toshio Shimada
- Koichi Kawana

<Audit & Supervisory Committee members>

- | | |
|---|-----------------|
| Director Audit & Supervisory Committee member | Takashi Kaneko |
| Director Audit & Supervisory Committee member(Part-time, Outside) | Toru Shinoda |
| Director Audit & Supervisory Committee member(Part-time, Outside) | Satoko Kuwabara |
| Director Audit & Supervisory Committee member(Part-time, Outside) | Takayuki Komiya |

New Organization (Unit)

Bandai Namco Holdings Inc.



Toys and Hobby Unit

Business Management Company: BANDAI CO., LTD.



**Kazuhiro
Takenaka**

Digital Unit

Business Management Company: Bandai Namco Entertainment Inc.



**Nao
Udagawa**

Visual and Music Unit

Business Management Company: Bandai Namco Filmworks Inc.



**Makoto
Asanuma**

Amusement Unit

Business Management Company: Bandai Namco Experience Inc.



**Hiroshi
Kawasaki**

Affiliated Business Companies

Bandai Namco Business Arc Inc.



New appointment
**Noriko
Fujita**

Business Strategy for the New Mid-term Plan for FY2026.3–FY2028.3

Toys and Hobby Unit Business Strategy

Expand a broad range of IP and businesses on a continuous and worldwide basis

<MAIN STRATEGIES>

- Maximize MD of IP worldwide
- Strengthen operations in North America and China
- Bolster direct marketing activities
- Promote Mirai and creation

Digital Unit Business Strategy

Accelerate growth by bolstering business foundation

<MAIN STRATEGIES>

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

Visual and Music Unit Business Strategy

Create quality IPs, which are the source of the Group's growth, and deliver and foster them across the globe

<MAIN STRATEGIES>

- Strengthening IP creation
 - Expand licensing business
 - Strengthen and expand Film Business
 - Expand business on a global basis
- Strengthen and expand music and live event businesses
- Promote personnel strategy

Amusement Unit Business Strategy

Further evolve unique forms of entertainment as the Group's platform for engagement

<MAIN STRATEGIES>

- TRANSFORM 2.0
Promote business innovation
- CONTROL 2.0
Enhance internal controls
- UNITE 2.0
Promote collaborations
- SUSTAINABILITY
Build sustainable business foundation

Main Reforms to Group Organization

Bandai Namco Holdings

Establishment of CW360

April 1, 2025

- Strengthen alliances with external partners and collaborations between businesses, based on the vision of Connect with Fans
- Promote initiatives to form 360°connections with fans

Visual and Music Unit

Establishment of Bandai Namco Filmworks America

Establishment on April 1, 2025

- Serve as contact point for investment in the production of live-action Gundam film
- Expand overseas licensing business
- Maximize value of Gundam series brand overseas

Amusement Unit

Establishment of Bandai Namco Experience

Establishment on February 14, 2025

Establishment following organizational restructuring aimed at strengthening planning and development capabilities within Units and bolstering efforts to acquire and cultivate talent to manage facilities

Engages in the real entertainment business, including the planning and sales of amusement machines, as well as the planning of facilities that leverage IPs and amusement facilities.

Capital Policy

Corporate value enhancement
Long-term profit generation

Increasing
PBR

Increasing
EPS

Increasing ROE

**Promote
understanding of
the stock market**

**Equity spread: Aim to maintain a
continuous increase of 5% or more**

Capital cost (recognized at roughly 8%)

Initiatives to promote business growth

Improvement of capital efficiency

Increase sales

Enhance profitability

Improve capital
efficiency

Increase asset
turnover rate

Control of shareholders' equity

Capital policy

Implement appropriate
shareholder returns

Decline in shareholders' equity cost (risk reduction)

Increase in expected value

Strengthening of alliances

Disclose capital allocation

Increase value of intangible assets

Enhance opportunities for
dialogue with markets

Cost of capital

Respond to ESG issues

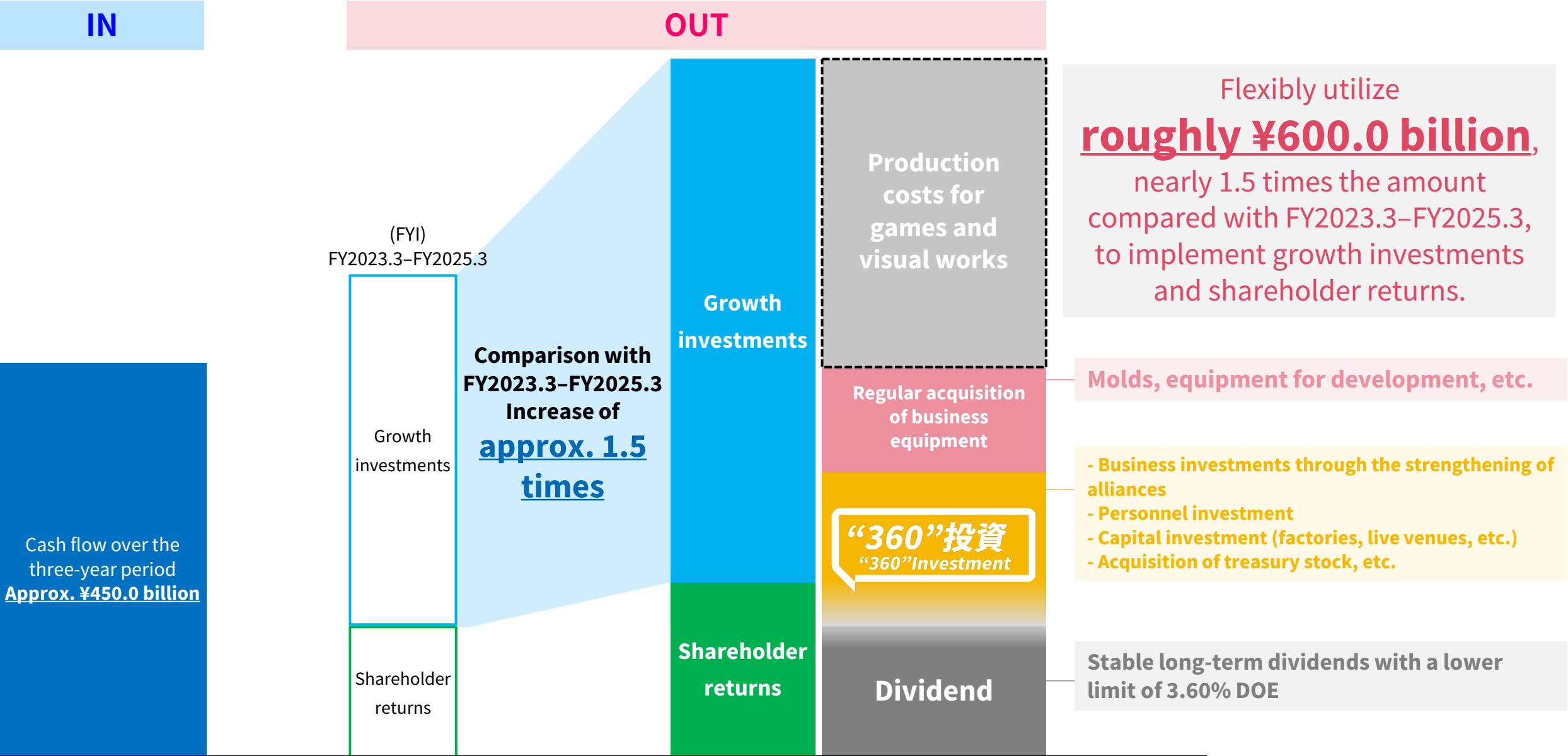
Improve accuracy of forecasts

Improve QCD

Utilize IP

**Realized by
Maximizing
IP Potential**

Capital Allocation



FY2026.3-2028.3

FY2026.3-2028.3

“360°” Investment

Shareholders

Initiatives to encourage longer-term support

Enhancement of shareholder value

Investment to establish 360° connections with fans

“360”投資
“360”Investment

Expected investment of ¥150.0 billion over three-year period

Society

Initiatives to fulfill our social responsibility

Responding to ESG issues, etc.

Strive for future corporate value enhancement and long-term profits

Partners

Initiatives to expand the potential of the Group

Bolstering alliances including equity investment, etc.

Employees

Initiatives to promote the further growth of diverse human resources

Investing in human capital, establishing work environments, etc.

IP Fans


Initiatives to maximize IP potential for the future

Strengthening IP creation and development capabilities, etc.

We have revised our shareholder return basic policy based on results for shareholder returns to date and the recent trends.

Before revision

Basic policy of maintaining stable dividends over the long term and enhancing awareness of the cost of capital, targeting a total return ratio of 50% or more based on stable dividend payments of 2% of DOE (dividends on equity).



After revision

Further strengthen the competitiveness of the Group, and ranks the appropriate return of profits to shareholders as one of its highest priorities in the management, **and its basic policy is to have a total return ratio of 50% or higher.**

- Implement long-term stable dividends with a minimum DOE (dividend on equity) of 3.60%
- Acquire treasury share as appropriate with an awareness of capital cost

FY2026.3–FY2028.3 Mid-Term Plan Targets

Target for the final year of the Mid-term Management Plan

| | |
|--|-------------------------|
| Consolidated net sales | ¥1,450.0 billion |
| Consolidated operating profit | ¥200.0 billion |
| Overseas sales ratio (on destination basis) | 50% or more |

Ongoing goals

| | |
|--------------------------------|--|
| Operating profit margin | Above 12% on a continuous basis |
| Equity spread | Above 5% on a continuous basis |

Fostering a Growth Environment

Where Each Business Can Freely and Boldly Take on Challenges



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.



Note on Projections

This document contains forward looking statements and information related to the Bandai Namco Group that are based on our knowledge as well as various assumptions made on the basis of information currently available. The words “forecast,” “plan,” “target,” “estimation,” “projection,” “intend,” “will” and similar expressions, as related to the Group, are intended to identify forward looking statements and information. Actual results could differ materially from those projected in such forward-looking statements. This document is a translation of the Japanese original. 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 Japanese original shall prevail.

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Reference Materials: FY2028.3 Numerical Targets

| FY2028.3 Numerical Targets | | | (billion yen) |
|----------------------------------|------------------|---------|---------------|
| Toys and Hobby | Segment sales | 700.0 | |
| | Segment profit | 125.0 | |
| Digital | Segment sales | 510.0 | |
| | Segment profit | 68.0 | |
| Visual and Music | Segment sales | 100.0 | |
| | Segment profit | 14.0 | |
| Amusement | Segment sales | 165.0 | |
| | Segment profit | 10.0 | |
| Other | Segment sales | 48.0 | |
| | Segment profit | 2.0 | |
| Elimination and Corporate | Segment sales | -73.0 | |
| | Segment profit | -19.0 | |
| Consolidated | Net sales | 1,450.0 | |
| | Operating profit | 200.0 | |

Thank you!!

