



BANDAI NAMCO Group

Information Meeting

(Fiscal Year Ended March 2015)

May 8, 2015

Shukuo Ishikawa
President and CEO, Representative Director
BANDAI NAMCO Holdings Inc.

Today's Presentation



Results in FY2015.3

FY2016.3 Plan

Mid-term Plan 2015.4-2018.3



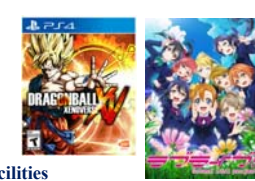
FY2016.3 Key Points



Results in FY2015.3

Results in FY2015.3					
billion yen					
	FY2014.3 results	FY2015.3 forecast (as of Feb. 2015)	FY2015.3 results	Vs. previous year's results	Vs. previous forecast
Net Sales	507.6	520.0	565.4	+57.8	+45.4
Operating Income	44.6	50.0	56.3	+11.7	+6.3
Recurring Income	47.4	52.0	59.3	+11.9	+7.3
Net Income	25.0	30.0	37.5	+12.5	+7.5
Capital Investments	23.4	18.0	22.2	▲1.2	+4.2
Depreciation	21.7	23.0	23.7	+2.0	+0.7
R&D Investments	51.8	48.0	55.7	+3.9	+7.7
Advertising Expenses	38.0	38.0	41.3	+3.3	+3.3
Personnel Expenses	47.7	48.0	49.2	+1.5	+1.2

		FY2014.3 results	FY2015.3 forecast (as of Feb. 2015)	FY2015.3 results	Vs. previous year's results	Vs. previous forecast
billion yen						
Toys and Hobby	Segment sales	186.3	210.0	230.9	+44.6	+20.9
	Segment income	10.5	16.0	17.0	+6.5	+1.0
Content	Segment sales	278.4	270.0	288.0	+9.6	+18.0
	Segment income	37.2	35.0	40.9	+3.7	+5.9
Amusement Facility	Segment sales	58.2	58.0	55.5	▲2.7	▲2.5
	Segment income	▲0.8	▲0.5	▲2.2	▲1.4	▲1.7
Other	Segment sales	27.3	25.0	27.0	▲0.3	+2.0
	Segment income	1.6	1.5	1.4	▲0.2	▲0.1
Corporate and Elimination	Segment sales	▲42.6	▲43.0	▲35.9	+6.7	+7.1
	Segment income	▲3.8	▲2.0	▲0.8	+3.0	+1.2
Consolidated	Net sales	507.6	520.0	565.4	+57.8	+45.4
	Operating income	44.6	50.0	56.3	+11.7	+6.3

		FY2014.3 results	FY2015.3 forecast (as of Feb. 2015)	FY2015.3 results	Vs. previous year's results	Vs. previous forecast
billion yen						
Toys and Hobby	Segment sales	186.3	210.0	230.9	+44.6	+20.9
	Segment income	10.5	16.0	17.0	+6.5	+1.0
<p>Continued favorable results in Japan Continued strong results by <i>Yokai Watch</i> Solid results by established IP products Favorable progress with Asia initiatives</p> 						
Content	Segment sales	278.4	270.0	288.0	+9.6	+18.0
	Segment income	37.2	35.0	40.9	+3.7	+5.9
<p>Continued favorable results in network content Favorable results in visual and music content Favorable results in overseas home video game software</p> 						
Amusement Facility	Segment sales	58.2	58.0	55.5	▲2.7	▲2.5
	Segment income	▲0.8	▲0.5	▲2.2	▲1.4	▲1.7
<p>Difficult conditions faced by existing facilities in Japan</p> 						

FY2015.3 Year-End Dividend



billion yen

	FY2014.3 results	FY2015.3 forecast (as of Feb. 2015)	FY2015.3 results	Vs. previous year's results	Vs. previous forecast
Net Sales	507.6	520.0	565.4	+57.8	+45.4
Operating Income	44.6	50.0	56.3	+11.7	+6.3
Recurring Income	47.4	52.0	59.3	+11.9	+7.3
Net Income	25.0	30.0	37.5	+12.5	+7.5

Dividends

**Maintain a base level of annual dividend payments of ¥24 per share and a consolidated dividend payout ratio of 30%
+ Achievement of previous mid-term plan
+ 10 years since establishment of BANDAI NAMCO**

Interim	Year-end	Total
¥ 12	¥ 50	¥ 62



FY2016.3 Plan

FY2016.3 Plan					
billion yen					
	FY2015.3			FY2016.3	
	First half	Full-year	Initial plan	First-half plan	Full-year plan
Net Sales	259.3	565.4	500.0	245.0	530.0
Operating Income	31.8	56.3	45.0	20.0	45.0
Recurring Income	33.3	59.3	45.0	20.5	46.0
Net Income	21.2	37.5	28.0	13.5	30.0
Capital Investments	8.5	22.2	18.0	8.0	20.0
Depreciation	10.4	23.7	23.0	9.0	20.0
R&D Investments	25.7	55.7	46.0	25.0	50.0
Advertising Expenses	17.0	41.3	36.0	17.0	40.0
Personnel Expenses	23.8	49.2	46.0	22.5	48.0

Plan by Segment					
billion yen					
		FY2015.3		FY2016.3 Plan	
		First half	Full-year	First-half plan	Full-year plan
Toys and Hobby	Segment sales	106.3	230.9	100.0	210.0
	Segment income	9.7	17.0	8.5	15.0
Network Entertainment	Segment sales	134.0	296.4	130.0	300.0
	Segment income	14.3	29.2	9.0	25.0
Visual and Music Production	Segment sales	22.3	43.7	18.0	35.0
	Segment income	7.9	10.0	4.0	7.0
Other	Segment sales	13.4	27.0	14.0	28.0
	Segment income	0.9	1.4	0.5	1.0
Corporate and Elimination	Segment sales	▲16.8	▲32.6	▲17.0	▲43.0
	Segment income	▲1.1	▲1.5	▲2.0	▲3.0
Consolidated	Net sales	259.3	565.4	245.0	530.0
	Operating income	31.8	56.3	20.0	45.0

Mid-term Plan

2015.4-2018.3

Direction of Mid-term Plan

Consistently achieve

Sales of ¥500 billion

**Operating income of
¥50 billion**

Going Concern

Advance to the
Next Stage

Requirements for advancing to the next stage


**Further leveraging
BANDAI NAMCO's strengths**


Targeting high potential areas

IP axis strategy


Asia

Overview of Mid-term Plan



Corporate Philosophy	Dreams, Fun and Inspiration To become the Leading Innovator in Global Entertainment	
Mid-term Vision	<div style="text-align: center;">  </div>	
Focusing Strategies	Business	Region
	Accelerate evolution in IP axis strategy <i>Through IP axis strategy, Gain momentum in global markets</i>	
	Cultivate Original Group IPs	Expand Target Market
	Enlarge New IP Businesses	Collaborate across SBUs
Function	Empower and innovate business model <i>through BANDAI NAMCO market advantages</i>	
Deepen the current business model	Create and foster the new IP business	Implement IP axis strategy in global market

Numerical Targets



	Results in FY2015.3	Numerical plan for FY2018.3
Net Sales	¥565.4 billion	¥600 billion
Operating Income	¥56.3 billion	¥60 billion
ROE	13.2%	More than 10%

FY2016.3 Key Points

Toys and Hobby (Japan)

Japan **Maintain No. 1 share through IP portfolio**

Strengthen established IP

Exciting products for pre-school boys and girls

Fresh business initiatives with always new ideas



35 years of *Gundam* plastic models

Expand fan base, targeting 40 or 50 years



Expand target customers

Products for adult women

Collaboration with other industries



Further strengthen *Yokai Watch*

Implement initiatives to make it an established product

New initiatives in 2nd season of animation



Stepped-up collaboration with new game software



Expand IP lineup

Toys and Hobby (Overseas)

Americas and Europe

Move ahead with building a foundation for recovery

Increased efficiency + expanded investment in IP

Organizational restructuring
 Control by Japan
 Development: Japan
 Sales/marketing: Americas and Europe

Strengthen IP capabilities




Favorable start with new Power Rangers series

Aggressive investment in IP that is popular around the world

Asia

Expand regions



Expanding regional coverage to ASEAN/Australia

Expand IP lineup

Strengthen established IP (Power Rangers, Kamen Rider)
 + New IP (Yokai Watch/Aikatsu!, etc.)




Start roll-out in stages in South Korea, Hong Kong, Taiwan, etc.

Network Entertainment

Company name change



Create entertainment that transcends the existing game business framework

Network content

【Japan】

Focus resources on main titles

Maintain current high level





Launch new titles

Launch while focusing carefully on circumstances

【Asia】

Aggressive business development with a range of partners




Shanghai base in operation



【Americas and Europe】



Frontload costs with aggressive investment

Start One Piece application game and gradually expand distribution area

Determine partners and titles to be launched while focusing on trends

Network Entertainment




Develop IP in content outlets wanted by users

Home video game software

【Japan】

Focus on titles linked to films and TV



Develop *GOD EATER* animation






【Americas and Europe】

Focused launches of IP titles that are supported around the world

Surpass 2 million units



Arcade game machines

Develop original products to secure new user

Careful development while focusing on market environment

Strengthen prize IP





Amusement facilities


Enhance value chain within new SBU

Renewal of large facilities

Strengthen new IP-based facilities

Popular new facilities in North America

Use facilities as places to promote IP



Visual and Music Production



Increase profitability + strengthen IP creation and new businesses

Increase package profitability

Appealing IP + differentiated development initiatives





Strengthen IP lineup

Many new TV/film titles

Frontload costs with aggressive investment




Nurture and expand IP

Accelerate media initiatives



Love Live! School Idol project
Release theatrical version in Japan and overseas
Hold fan meetings



Strengthen visual and product collaboration

Strengthen production-related businesses

Live viewing
Fan club business
Sales of related goods, etc.

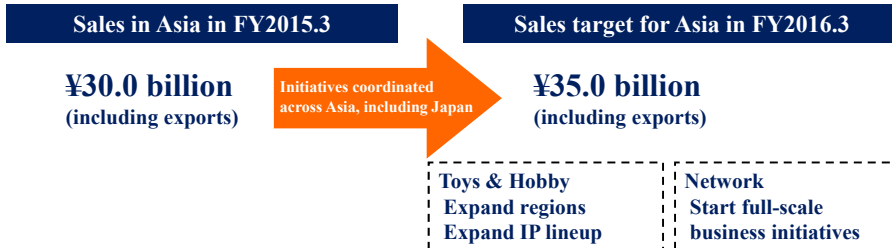


Asia



Move aggressively and aim for scale of ¥60.0 billion in three years

Collaboration with Japan + detailed product promotion in line with regional characteristics



Targeting No. 1 position in Asia, company names were unified as one part of the ALL BANDAI NAMCO structure



Mid-term Vision



NEXT STAGE *build upon current success*



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.

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