

August 4, 2017



BANDAI NAMCO Holdings Inc.

Financial Highlights for the First Quarter
of the Fiscal Year Ending March 31, 2018

BANDAI NAMCO Holdings Inc.: Consolidated Financial Results

Summary of Income Statement

(millions of yen)

	FY2017.3			FY2018.3						
	1Q Results	1st Half Results	Full Year Results	1Q Results	% vs. Prior Year	1st Half Forecasts	1st Half New Forecasts	Full Year Forecasts	Full Year New Forecasts	% vs. Prior Year
Net Sales	144,792	294,569	620,061	144,084	99.5%	275,000	295,000	600,000	620,000	100.0%
Gross Profit	57,627	111,573	223,759	51,099	88.7%	97,500	102,000	220,000	220,000	98.3%
Operating Profit	23,419	38,904	63,238	15,611	66.7%	22,500	27,000	57,000	57,000	90.1%
Recurring Profit	22,948	38,291	63,290	16,240	70.8%	23,000	27,500	58,000	58,000	91.6%
Profit Attributable to Owners of Parent	18,502	30,170	44,159	13,498	73.0%	16,000	20,000	40,000	40,000	90.6%

Net Sales by Segment

(millions of yen)

	FY2017.3			FY2018.3						
	1Q Results	1st Half Results	Full Year Results	1Q Results	% vs. Prior Year	1st Half Forecasts	1st Half New Forecasts	Full Year Forecasts	Full Year New Forecasts	% vs. Prior Year
Toys and Hobby	48,058	103,792	218,098	42,794	89.0%	100,000	100,000	215,000	215,000	98.6%
Network Entertainment	85,698	167,261	355,585	91,789	107.1%	160,000	180,000	350,000	370,000	104.1%
Visual and Music Production	13,619	27,504	56,290	10,401	76.4%	20,000	20,000	50,000	50,000	88.8%
Other	6,163	13,056	26,797	6,249	101.4%	15,000	15,000	30,000	30,000	112.0%
Elimination and Corporate	△ 8,746	△ 17,044	△ 36,710	△ 7,150	–	△ 20,000	△ 20,000	△ 45,000	△ 45,000	–
Total	144,792	294,569	620,061	144,084	99.5%	275,000	295,000	600,000	620,000	100.0%

Operating Profit by Segment

(millions of yen)

	FY2017.3				FY2018.3							
	1Q Results	1st Half Results	Full Year Results	OP Margin	1Q Results	% vs. Prior Year	1st Half Forecasts	1st Half New Forecasts	Full Year Forecasts	Full Year New Forecasts	OP Margin	% vs. Prior Year
Toys and Hobby	3,522	8,781	13,330	6.1%	1,346	38.2%	6,000	6,000	15,000	15,000	7.0%	112.5%
Network Entertainment	16,599	24,091	42,034	11.8%	12,708	76.6%	14,000	18,000	36,000	36,000	9.7%	85.6%
Visual and Music Production	4,583	8,054	13,436	23.9%	2,607	56.9%	5,000	5,000	12,000	12,000	24.0%	89.3%
Other	101	583	702	2.6%	△ 41	–	500	500	1,000	1,000	3.3%	142.5%
Elimination and Corporate	△ 1,387	△ 2,607	△ 6,266	–	△ 1,009	–	△ 3,000	△ 2,500	△ 7,000	△ 7,000	–	–
Total	23,419	38,904	63,238	10.2%	15,611	66.7%	22,500	27,000	57,000	57,000	9.2%	90.1%

Reference: Net Sales by Region (External sales after elimination)

(millions of yen)

	FY2017.3			FY2018.3						
	1Q Results	1st Half Results	Full Year Results	1Q Results	% vs. Prior Year	1st Half Forecasts	1st Half New Forecasts	Full Year Forecasts	Full Year New Forecasts	% vs. Prior Year
Japan	106,892	232,858	492,103	113,121	105.8%	220,000	237,000	477,000	495,000	100.6%
Americas	15,731	22,649	49,539	11,590	73.7%	18,500	21,000	49,000	50,000	100.9%
Europe	11,550	18,481	37,696	9,837	85.2%	16,500	17,000	34,000	35,000	92.8%
Asia	10,619	20,581	40,724	9,534	89.8%	20,000	20,000	40,000	40,000	98.2%
Elimination and Corporate	–	–	–	–	–	–	–	–	–	–
Total	144,792	294,569	620,061	144,084	99.5%	275,000	295,000	600,000	620,000	100.0%

Reference: Operating Profit by Region

(millions of yen)

	FY2017.3				FY2018.3							
	1Q Results	1st Half Results	Full Year Results	OP Margin	1Q Results	% vs. Prior Year	1st Half Forecasts	1st Half New Forecasts	Full Year Forecasts	Full Year New Forecasts	OP Margin	% vs. Prior Year
Japan	15,589	31,614	53,733	10.9%	12,044	77.3%	20,500	23,500	51,000	51,000	10.3%	94.9%
Americas	4,189	2,898	3,691	7.5%	1,413	33.7%	1,000	1,500	4,000	4,000	8.0%	108.4%
Europe	2,598	2,224	3,522	9.3%	1,429	55.0%	1,500	2,000	3,500	3,500	10.0%	99.4%
Asia	2,266	4,363	7,807	19.2%	1,751	77.3%	3,000	3,000	6,000	6,000	15.0%	76.9%
Elimination and Corporate	△ 1,223	△ 2,195	△ 5,515	–	△ 1,028	–	△ 3,500	△ 3,000	△ 7,500	△ 7,500	–	–
Total	23,419	38,904	63,238	10.2%	15,611	66.7%	22,500	27,000	57,000	57,000	9.2%	90.1%

Other Data

(millions of yen)

	FY2017.3			FY2018.3						
	1Q Results	1st Half Results	Full Year Results	1Q Results	% vs. Prior Year	1st Half Forecasts	1st Half New Forecasts	Full Year Forecasts	Full Year New Forecasts	% vs. Prior Year
Capital Investments	5,073	9,487	19,576	5,157	101.7%	9,500	10,500	21,000	21,000	107.3%
Depreciation	4,356	9,421	21,854	4,867	111.7%	10,000	10,000	23,000	23,000	105.2%
Advertising Expenses	7,022	16,405	39,356	7,153	101.9%	17,000	17,000	42,000	42,000	106.7%
Personnel Expenses	12,440	25,701	53,631	13,113	105.4%	25,000	25,000	52,000	52,000	97.0%

Note:

BANPRESTO CO., LTD., BANPRESTO SALES CO., LTD. and BANPRESTO (H.K.) LTD. which were classified as Network Entertainment SBU have changed to Toys and Hobby SBU from FY2018.3. The figures for FY2017.3 have been changed in accordance with the new business segmentation.

Forward-looking Statements:

This document contains figures that are based on the information currently available to management and estimates involving uncertain factors thought likely to have an effect on future Results.

Note: BANPRESTO CO., LTD., BANPRESTO SALES CO., LTD. and BANPRESTO (H.K.) LTD. which were classified as Network Entertainment SBU have changed to Toys and Hobby SBU from FY2018.3. The figures for FY2017.3 have been changed in accordance with the new business segmentation.

【 Sales of Major IPs (Groupwide) 】

(billion yen)

	FY2017.3			FY2018.3		
	1Q Results	1st Half Results	Full Year Results	1Q Results	1st Half Forecasts	Full Year Forecasts
DRAGON BALL	8.0	19.8	61.1	19.7	40.5	75.7
Mobile Suit Gundam	18.4	36.2	74.3	15.2	33.8	70.3
ONE PIECE	9.5	17.0	30.4	7.4	13.0	26.0
Super Sentai (Power Rangers)	3.7	8.0	21.0	4.9	11.3	25.3
KAMEN RIDER	3.6	7.7	22.3	3.8	8.9	22.0
Anpanman	1.8	4.7	10.6	2.0	4.9	11.0
NARUTO	1.2	1.8	8.9	2.2	4.6	9.9
Pretty Cure	1.6	3.6	7.5	1.8	4.2	8.0
Yo-kai Watch	2.4	6.0	10.4	0.9	2.6	6.3
Ultraman	0.4	1.9	4.3	1.1	3.2	5.9

【 Sales of Major IPs (Toys and Hobby SBU, Japan)】

(billion yen)

	FY2017.3			FY2018.3		
	1Q Results	1st Half Results	Full Year Results	1Q Results	1st Half Forecasts	Full Year Forecasts
Mobile Suit Gundam	6.9	13.8	26.7	4.2	11.6	25.0
KAMEN RIDER	3.3	7.0	20.6	3.6	8.6	20.0
DRAGON BALL	2.4	5.8	12.4	2.4	6.3	12.0
Super Sentai (Power Rangers)	2.3	4.4	8.8	2.9	5.8	11.0
Anpanman	1.8	4.7	10.6	2.0	4.9	11.0
Pretty Cure	1.6	3.6	7.5	1.8	4.2	8.0
Yo-kai Watch	2.3	5.6	10.0	0.8	2.5	6.0
Ultraman	0.2	1.4	3.2	0.7	2.4	4.5
ONE PIECE	1.7	3.7	5.7	0.9	1.8	4.0
Pokémon	0.5	1.0	2.7	1.0	2.1	3.0

【 Digital Card Sales (Units sold)】

(million pieces)

	FY2017.3			FY2018.3		
	1Q Results	1st Half Results	Full Year Results	1Q Results	1st Half Forecasts	Full Year Forecasts
Digital card sales	46	104	232	45	119	250

【 Network Entertainment Business (Sales by major category)】

(billion yen)

	FY2017.3			FY2018.3		
	1Q Results	1st Half Results	Full Year Results	1Q Results	1st Half Forecasts	Full Year Forecasts
Network content	34.9	72.2	158.6	45.7	90.0	174.0
Home video game *	29.7	47.3	86.6	21.4	37.0	87.0
Arcade game machine	8.1	16.9	36.9	6.7	13.5	35.0
Amusement facility	13.7	30.7	60.9	14.3	31.0	63.0

*Figures of home video game until the 1st Half of FY2017.3 include partial sales of goods, live events and other sales related to home video game.

【 Home Video Game (Number of titles and unit sales)】

	FY2017.3						FY2018.3					
	1Q Results		1st Half Results		Full Year Results		1Q Results		1st Half Forecasts		Full Year Forecasts	
	# of New Titles	Units Sold (thousand)	# of New Titles	Units Sold (thousand)	# of New Titles	Units Sold (thousand)	# of New Titles	Units Sold (thousand)	# of New Titles	Units Sold (thousand)	# of New Titles	Units Sold (thousand)
Japan	9	780	16	1,956	33	4,077	9	938	12	1,600	30	4,200
Americas	16	3,275	26	4,707	37	10,516	16	1,867	32	3,500	52	8,500
Europe	16	3,528	26	5,848	44	10,933	21	2,817	48	5,200	68	10,900
Group Total	41	7,583	68	12,511	114	25,526	46	5,622	92	10,300	150	23,600
Localized versions	16	-	26	-	49	-	24	-	48	-	78	-
After elimination of localized versions												
Group Total	25	7,583	42	12,511	65	25,526	22	5,622	44	10,300	72	23,600

【 Arcade Game Machines (Sales by major category, Japan)】

(billion yen)

Category	FY2017.3			FY2018.3		
	1Q Results	1st Half Results	Full Year Results	1Q Results	1st Half Forecasts	Full Year Forecasts
Sales of machines	6.5	13.8	30.1	4.9	11.0	30.0

【Number of Amusement Facilities】

			FY2017.3			FY2018.3		
			1Q Results	1st Half Results	Full Year Results	1Q Results	1st Half Forecasts	Full Year Forecasts
Directly managed facilities	Japan	Start of term	209	209	209	229	229	229
		Openings	4	12	17	8	17	46
		Closures	1	2	7	2	3	4
		Increase/Decrease	3	10	10	6	14	42
		End of term	212	219	219	235	243	271
	Overseas	Start of term	35	35	35	36	36	36
		Openings	1	2	3	1	2	5
		Closures	1	1	2	0	1	2
		Increase/Decrease	0	1	1	1	1	3
		End of term	35	36	36	37	37	39
	Total	Start of term	244	244	244	265	265	265
		Openings	5	14	20	9	19	51
		Closures	2	3	9	2	4	6
Increase/Decrease		3	11	11	7	15	45	
	End of term	247	255	255	272	280	310	
Revenue-sharing facilities	Japan		81	100	239	400	420	600
	Overseas		1,007	994	983	973	973	973
	Total		1,088	1,094	1,222	1,373	1,393	1,573
Others	Total		17	19	19	14	14	14
Facilities Total			1,352	1,368	1,496	1,659	1,687	1,897

【Amusement Facilities (Existing-store sales, YOY, Japan)】

	Apr.	May	Jun.	1Q (3 mo.)	Jul.	Aug.	Sep.	2Q (3 mo.)	1st Half		
FY2018.3	104.5%	98.1%	102.1%	101.4%							
FY2017.3	107.0%	106.3%	109.1%	107.4%	116.0%	104.5%	106.2%	108.4%	107.8%		
	Oct.	Nov.	Dec.	3Q (3 mo.)	3Q (9 mo.)	Jan.	Feb.	Mar.	4Q (3 mo.)	2nd Half	Full Year
FY2018.3											
FY2017.3	114.2%	100.2%	105.8%	106.6%	107.5%	101.1%	100.2%	103.2%	101.5%	103.9%	105.9%

【Visual and Music Production Business (Sales by main category)】 (billion yen)

	FY2017.3			FY2018.3		
	1Q Results	1st Half Results	Full Year Results	1Q Results	1st Half Forecasts	Full Year Forecasts
Packages	5.5	10.9	19.1	2.4	6.0	16.0
Events, licenses, and others	8.1	16.6	37.1	8.0	14.0	34.0
Total	13.6	27.5	56.2	10.4	20.0	50.0

【Visual and Music Production Business (Number of copyrighted productions and running time)】

Number of copyrighted productions (BANDAI VISUAL)	790 series
Total running time of all copyrighted productions (BANDAI VISUAL)	2,774 hours
Number of copyrighted productions (SUNRISE and BANDAI NAMCO Pictures)	309 series
Total running time of all copyrighted productions (SUNRISE and BANDAI NAMCO Pictures)	2,560 hours
As of June 30, 2017	