



BANDAI NAMCO Group



CHANGE for the **NEXT**

挑戰 成長 進化

EMPOWER DRIFT MOMENTUM ACCELERATE EVOLUTION

Bandai Namco Group Information Meeting Fiscal Year Ending March 2022 1st Half Result Presentation



Masaru Kawaguchi
President and Representative Director
BANDAI NAMCO Holdings Inc.

1st Half Results

| | FY 2021.3 1st Half Results | FY 2022.3 1st Half Forecast (as of Aug. 2021) | FY 2022.3 1st Half Results | Vs. previous year's results | Vs. previous Forecast | billion yen |
|--|---|--|---|--|----------------------------------|--------------------|
| Net Sales | 337.1 | 380.0 | 393.6 | +56.5 | +13.6 | |
| Operating Profit | 45.9 | 43.0 | 61.7 | +15.8 | +18.7 | |
| Recurring Profit | 47.1 | 46.0 | 64.1 | +17.0 | +18.1 | |
| Profit Attributable to Owners of Parent | 31.7 | 32.5 | 39.5 | +7.8 | +7.0 | |
| Capital Investments | 10.6 | 11.0 | 13.0 | +2.4 | +2.0 | |
| Depreciation | 9.7 | 11.0 | 12.5 | +2.8 | +1.5 | |
| Game content R&D investments | 40.6 | 40.0 | 42.2 | +1.6 | +2.2 | |
| Advertising Expenses | 14.7 | 21.5 | 19.0 | +4.3 | -2.5 | |
| Personnel Expenses | 32.6 | 34.0 | 35.7 | +3.1 | +1.7 | |

1st Half Results by Business Segment

| | | FY 2021.3 1st Half Results | FY 2022.3 1st Half Forecast (as of Aug. 2021) | FY 2022.3 1st Half Results | Vs. previous year's results | Vs. previous forecast | billion yen |
|---------------------------|---------------------------|----------------------------------|--|----------------------------------|--------------------------------|--------------------------|-------------|
| Entertainment Unit | Digital Business | Segment sales | 167.4 | 140.0 | 149.5 | -17.9 | +9.5 |
| | | Segment profit | 34.4 | 17.0 | 26.0 | -8.4 | +9.0 |
| | Toys and Hobby Business | Segment sales | 131.0 | 170.0 | 178.1 | +47.1 | +8.1 |
| | | Segment profit | 19.1 | 25.0 | 33.0 | +13.9 | +8.0 |
| IP Production Unit | Visual and Music Business | Segment sales | 13.9 | 20.0 | 23.6 | +9.7 | +3.6 |
| | | Segment profit | 1.0 | 2.5 | 3.0 | +2.0 | +0.5 |
| | Creation Business | Segment sales | 9.5 | 15.0 | 15.6 | +6.1 | +0.6 |
| | | Segment profit | 1.9 | 1.5 | 0.9 | -1.0 | -0.6 |
| Amusement Unit | Amusement Business | Segment sales | 24.3 | 42.0 | 39.0 | +14.7 | -3.0 |
| | | Segment profit | -8.0 | 1.5 | 2.4 | +10.4 | +0.9 |
| Other | | Segment sales | 11.5 | 14.0 | 13.6 | +2.1 | -0.4 |
| | | Segment profit | 0.3 | 0.2 | 0.5 | +0.2 | +0.3 |
| Elimination and Corporate | | Segment sales | -20.7 | -21.0 | -26.0 | -5.3 | -5.0 |
| | | Segment profit | -2.9 | -4.7 | -4.3 | -1.4 | +0.4 |
| Consolidated | | Net sales | 337.1 | 380.0 | 393.6 | +56.5 | +13.6 |
| | | Operating profit | 45.9 | 43.0 | 61.7 | +15.8 | +18.7 |

Full-Year Forecast

| | FY 2021.3 Results | FY2022.3 Initial plan | FY2022.3 Current forecast | Vs. previous year's results | Vs. initial plan | billion yen |
|--|----------------------|--------------------------|---------------------------------|-----------------------------------|---------------------|-------------|
| Net Sales | 740.9 | 750.0 | 795.0 | +54.1 | +45.0 | |
| Operating Profit | 84.6 | 75.0 | 90.0 | +5.4 | +15.0 | |
| Recurring Profit | 87.6 | 76.0 | 93.0 | +5.4 | +17.0 | |
| Profit Attributable to Owners of Parent | 48.8 | 52.0 | 58.0 | +9.2 | +6.0 | |
| Capital Investments | 22.7 | 23.0 | 25.0 | +2.3 | +2.0 | |
| Depreciation | 24.6 | 27.0 | 28.0 | +3.4 | +1.0 | |
| Game content R&D investments | 84.7 | 85.0 | 85.0 | +0.3 | ±0.0 | |
| Advertising Expenses | 45.2 | 50.0 | 51.0 | +5.8 | +1.0 | |
| Personnel Expenses | 66.7 | 65.0 | 70.0 | +3.3 | +5.0 | |

Full-Year Forecast by Business Segment

| | | | FY 2021.3 Results | FY2022.3 Initial plan | FY2022.3 Current forecast | Vs. previous year's Results | Vs. initial plan | billion yen |
|---------------------------|---------------------------|------------------|----------------------|--------------------------|---------------------------------|-----------------------------------|---------------------|-------------|
| Entertainment Unit | Digital Business | Segment sales | 337.9 | 310.0 | 310.0 | -27.9 | ±0.0 | |
| | | Segment profit | 56.7 | 40.0 | 40.0 | -16.7 | ±0.0 | |
| | Toys and Hobby Business | Segment sales | 300.8 | 300.0 | 350.0 | +49.2 | +50.0 | |
| | | Segment profit | 39.0 | 35.0 | 50.0 | +11.0 | +15.0 | |
| IP Production Unit | Visual and Music Business | Segment sales | 34.2 | 45.0 | 45.0 | +10.8 | ±0.0 | |
| | | Segment profit | 1.5 | 4.0 | 4.0 | +2.5 | ±0.0 | |
| | Creation Business | Segment sales | 28.2 | 30.0 | 30.0 | +1.8 | ±0.0 | |
| | | Segment profit | 2.7 | 4.0 | 2.5 | -0.2 | -1.5 | |
| Amusement Unit | Amusement Business | Segment sales | 63.9 | 84.0 | 84.0 | +20.1 | ±0.0 | |
| | | Segment profit | -8.3 | 2.0 | 2.0 | +10.3 | ±0.0 | |
| Other | | Segment sales | 24.6 | 25.0 | 25.0 | +0.4 | ±0.0 | |
| | | Segment profit | 0.6 | 0.5 | 0.5 | -0.1 | ±0.0 | |
| Elimination and Corporate | | Segment sales | -48.8 | -44.0 | -49.0 | -0.2 | -5.0 | |
| | | Segment profit | -7.7 | -10.5 | -9.0 | -1.3 | +1.5 | |
| Consolidated | | Net sales | 740.9 | 750.0 | 795.0 | +54.1 | +45.0 | |
| | | Operating profit | 84.6 | 75.0 | 90.0 | +5.4 | +15.0 | |

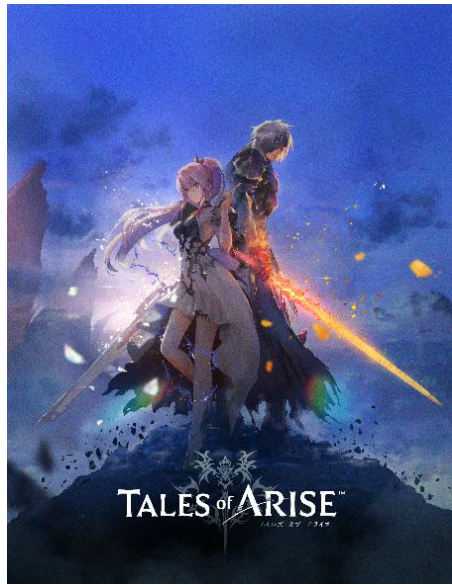
Overview and Topics (Entertainment Unit)

Entertainment Unit, Digital Business

【First half】

Favorable results with new titles

In home video games, continued favorable results with repeat titles



Home video game
Tales of ARISE



Network content
My Hero Academia
ULTRA IMPACT

【Second half】

Home video games: Planning to release major titles

Network content: Planning to release multiple new products

⇒ Upfront, initial costs, such as development expenses and promotional expenses



Home video game
ELDEN RING



Network content
THE IDOLM@STER SideM
GROWING STARS

Overview and Topics (Entertainment Unit)

Entertainment Unit, Toys and Hobby Business

【First half】

Continued favorable results for products for the mature fan base around the world

Japan: Favorable results with products for new IP and toy-related items

Overseas: Expanded categories in North America, China, etc.



【Second half】

Introducing buzz-creating products for the busy Christmas/New Year sales period

Planning to launch multiple IP and plant seeds for the next year

⇒ Fusing digital and real in a manner that transcends Units

Transportation costs and overseas-base consolidation costs will be incurred.



Overview and Topics (IP Production Unit)

IP Production Unit, Visual and Music Production Business / Creation Business

【First half】

Favorable results in overseas licensing of application games, etc.

Easing of restrictions on live events

Rolled out new products in popular series



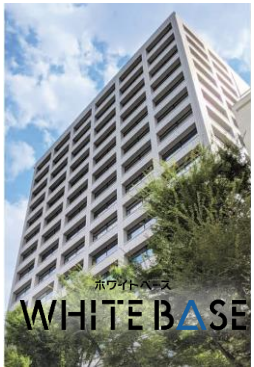
【Second half and thereafter】

Continuing focus on IP creation and nurturing

⇒Consolidating production studios, strengthening creation capabilities

Holding live events with emphasis on guidelines

Currently advancing *Gundam* series production



Live events

Rolling out large-scale *Love Live!* tour from October

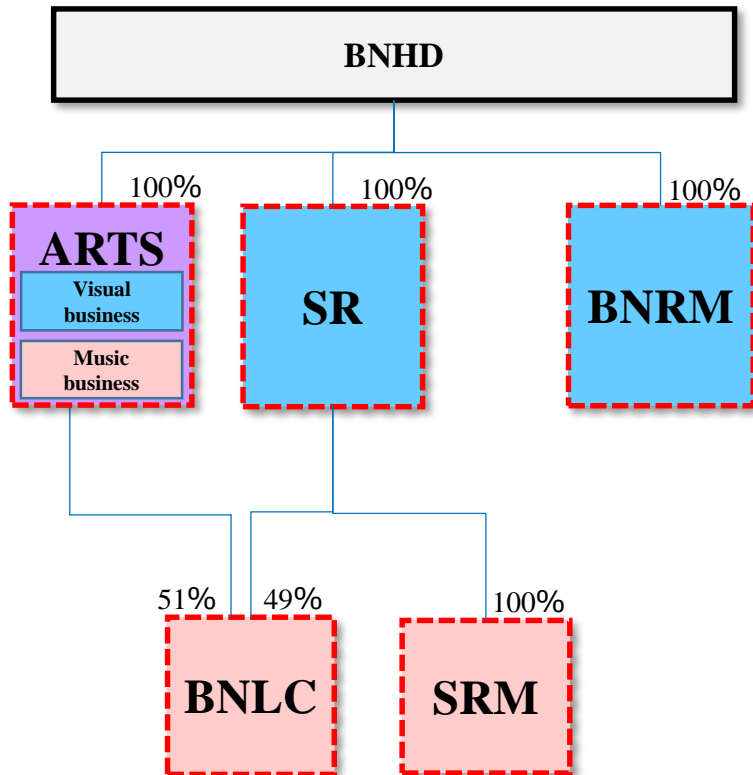
Love Live! Superstar!! Liella! First Love Live! Tour
~Starlines~



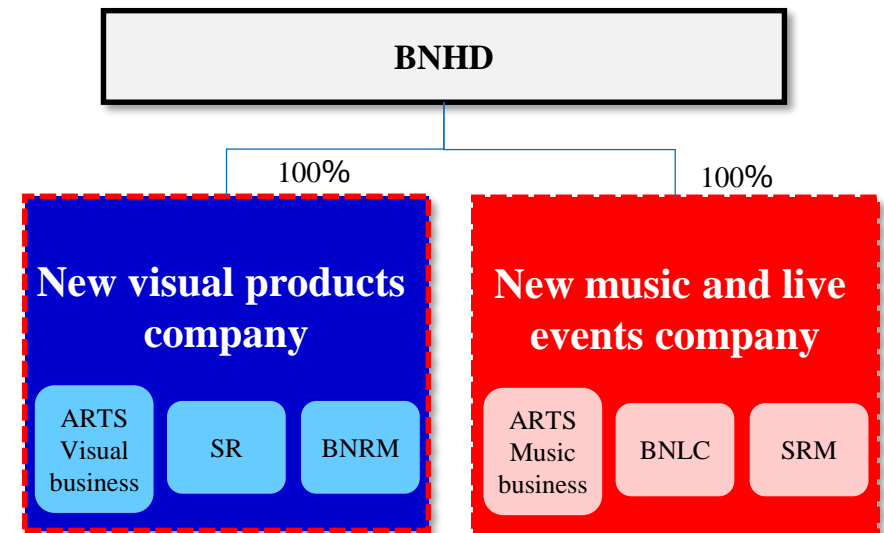
Overview and Topics (IP Production Unit)

Overview of Reorganization of IP Production Unit

Current



From April 2022



BNHD: BANDAI NAMCO Holdings Inc.; ARTS: BANDAI NAMCO Arts Inc.; SR: SUNRISE INC.
BNRM: BANDAI NAMCO Rights Marketing Inc.
BNLC: BANDAI NAMCO Live Creative Inc.; SRM: SUNRISE Music INC.

Overview and Topics (Amusement Unit)

Amusement Unit

【First half】

Japan: Sales at existing facilities up 39.1% YoY
Starting operation of *Senjo no Kizuna II*, a new amusement machine

Overseas: Recovery trend in regions in which COVID-19 infections have subsided

Collaboration with IP



【Second half】

Continuing structural reform initiatives
Strengthening collaboration between facilities and IP / Group resources

Developing facilities that leverage Group strengths



さんすたーぶんぐのおみせ

Preparing for the Next Mid-term Plan

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.



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