

Bandai Namco Group Information Meeting Fiscal Year Ending March 2024 1st Half Result Presentation

November 7, 2023



FY2024.3 1st Half Results

billion yen

	FY 2023.3 1st Half Results	FY 2024.3 1st Half Forecast (as of Aug. 2023)	FY 2024.3 1st Half Results	Vs. Previous Year's Results	Vs. Previous Forecast
Net Sales	477.6	475.0	502.0	+24.4	+27.0
Operating Profit	81.6	60.0	65.4	-16.2	+5.4
Recurring Profit	92.3	65.0	73.9	-18.4	+8.9
Profit Attributable to Owners of Parent	66.5	44.0	52.1	-14.4	+8.1
Capital Investments	16.5	13.0	16.8	+0.3	+3.8
Depreciation	11.2	12.0	14.5	+3.3	+2.5
Advertising Expenses	22.4	34.0	28.0	+5.6	-6.0
Personnel Expenses	39.0	42.0	43.8	+4.8	+1.8

FY2024.3 1st Half Results

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Fun for All into the Future

billion yen

		FY 2023.3 1st Half Results	FY 2024.3 1st Half Forecast (as of Aug. 2023)	FY 2024.3 1st Half Results	Vs. Previous Year's Results	Vs. Previous Forecast
Digital	Segment sales	193.8	160.0	174.3	-19.5	+14.3
	Segment profit	44.6	17.0	15.5	-29.1	-1.5
Toys and Hobby	Segment sales	213.3	240.0	249.8	+36.5	+9.8
	Segment profit	33.5	40.0	45.7	+12.2	+5.7
IP Production	Segment sales	35.0	36.0	33.3	-1.7	-2.7
	Segment profit	3.4	4.0	2.3	-1.1	-1.7
Amusement	Segment sales	48.6	57.0	59.2	+10.6	+2.2
	Segment profit	4.8	5.0	6.9	+2.1	+1.9
Other	Segment sales	15.0	15.0	16.0	+1.0	+1.0
	Segment profit	0.4	0.5	0.6	+0.2	+0.1
Elimination and Corporate	Segment sales	-28.4	-33.0	-30.7	-2.3	+2.3
	Segment profit	-5.3	-6.5	-5.7	-0.4	+0.8
Consolidated	Net sales	477.6	475.0	502.0	+24.4	+27.0
	Operating profit	81.6	60.0	65.4	-16.2	+5.4

Entertainment Unit

Digital Business : Network content

- Favorable results with major app titles, such as *DRAGON BALL* and *ONE PIECE*
- Start of new online PC game

Home console games Differences in title lineup and product mix had an influence

- *ARMORED CORE VI* — Worldwide hit
 - Amortization of development expenses, upfront marketing costs
- Repeat title unit sales — Down in comparison with previous year, when results were favorable

Toys and Hobby : Continued popularity of categories recording solid results around the world Business

- Favorable results with products for the mature fan base, card products, capsule toys, etc.
- Favorable results with established IP products
- Proactive commercialization of non-IP products

IP Production Unit

- Production of multiple major visual works
Hit status of *Mobile Suit Gundam THE WITCH FROM MERCURY* influenced popularity of Group products and services
- Favorable results in licensing, etc.
- Influence of YoY difference in packaged product lineup, decline in number of major events held

Amusement Unit

- Favorable sales of new amusement machines, update kits
- Sales at existing facilities in Japan up 2.4% YoY
- Popularity enjoyed by facilities collaborating with IP, products, and services and leveraging Bandai Namco's distinctive strengths

Forecast for Full-Year of FY2024.3

	FY2024.3 Initial Full-Year Forecast	FY2024.3 Latest Full-Year Forecast
Net Sales	1,000.0	1,000.0
Operating Profit	125.0	125.0
Recurring Profit	129.0	<u>134.0</u>
Profit Attributable to Owners of Parent	91.0	91.0
Capital Investments	28.0	28.0
Depreciation	27.0	27.0
Advertising Expenses	66.0	66.0
Personnel Expenses	83.0	83.0

We revised the recurring profit forecast due to our expectation for an increase in non-operating income resulting from foreign exchange gains.

Forecast for Full-Year of FY2024.3

		FY2024.3 Initial Full-Year Forecast	FY2024.3 Latest Full-Year Forecast	Vs. Initial Forecast
Digital	Segment sales	390.0	360.0	-30.0
	Segment profit	58.0	41.0	-17.0
Toys and Hobby	Segment sales	450.0	480.0	+30.0
	Segment profit	63.0	75.0	+12.0
IP Production	Segment sales	83.0	83.0	—
	Segment profit	11.0	11.0	—
Amusement	Segment sales	110.0	110.0	—
	Segment profit	5.0	8.0	+3.0
Other	Segment sales	31.0	31.0	—
	Segment profit	1.0	1.0	—
Elimination and Corporate	Segment sales	-64.0	-64.0	—
	Segment profit	-13.0	-11.0	+2.0
Consolidated	Net sales	1,000.0	1,000.0	—
	Operating profit	125.0	125.0	—

Trends in the Digital Business

Network content

Favorable results with key app titles

Strengthening business foundation through analysis of user trend data



Launching new titles with a focus on quality



Home console games

Second half

Launching multiple major titles

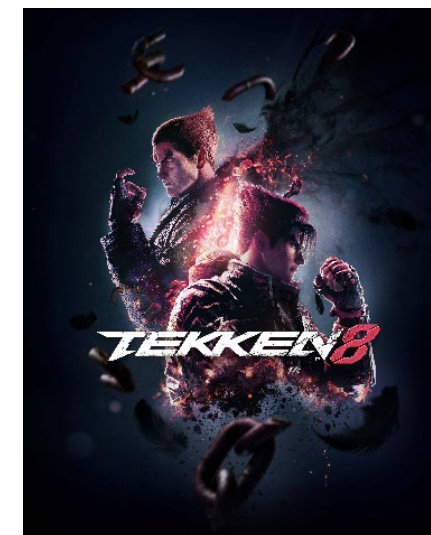
Promoting longer product lives



Start of sales planned for November 16, 2023



Securing a high level of approval worldwide



Start of sales planned for January 26, 2024

Strengthening development capabilities

- Portfolio that enables us to demonstrate strengths
- Implementing development on a business-wide basis while mutually leveraging know-how

Trends in the Toys and Hobby Business

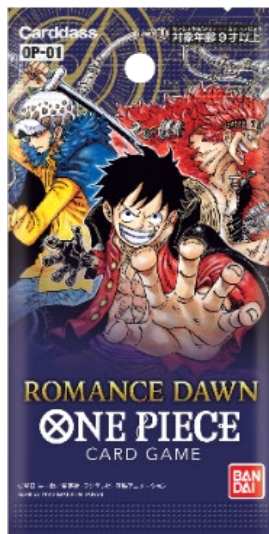
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Fun for All into the Future

Items for the year-end selling season in Japan



TAMASHII NATIONS STORE NEW YORK opened in September



ガシャポン
バンダイ オフィシャルショップ



GASHAPON
BANDAI OFFICIAL SHOP

Securing new fans with major promotion for one-year anniversary of launch

Aiming to build into an established category in overseas markets

Expanding awareness of product brands through initiatives combining digital and real elements

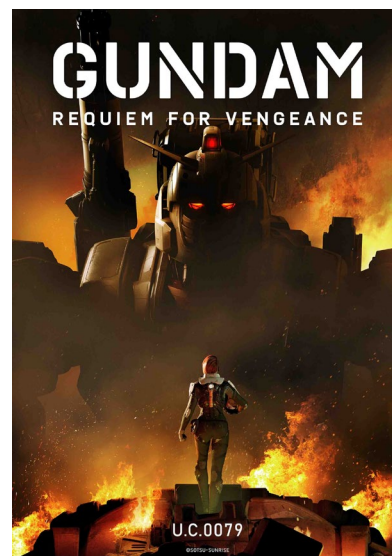
Trends in the IP Production Business

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Gundam series

Continually creating buzz among multiple generations of fans



Strengthening IP creation abilities

- Strengthening ability to create original IP
- Creating diverse IP through the use of external networks
- Enhancing production environments and developing human resources
- Implementing monetization in alignment with IP worldviews



Promising products in the 2nd half and thereafter

Providing diverse products through a variety of approaches



Trends in the Amusement Business

Developing amusement machines that reflect user needs



Starting online operations
in inland China

Implementing worldwide development of facilities that leverage Bandai Namco's distinctive strengths



Opening Bandai Namco Cross Store Camden, London



Implementing new openings and post-renovation openings in the second half and thereafter



Bandai Namco Cross Store TOKYO



Bandai Namco Cross Store KYOTO



VS PARK AEON MALL KYOTO

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.

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