


Bandai Namco Group Information Meeting Fiscal Year Ending March 2024 Third Quarter Results Presentation



February 14, 2024



Results in the First Nine Months of FY2024.3 – Key Points

			billions yen
	FY2023.3 1st Nine Months	FY2024.3 1st Nine Months	Vs. Previous Year's Results
Net Sales	743.1	772.0	+28.9
Operating Profit	106.2	78.2	-28.0
Recurring Profit	116.9	89.6	-27.3
Profit Attributable to Owners of Parent	84.4	60.3	-24.1

▪ Net Sales

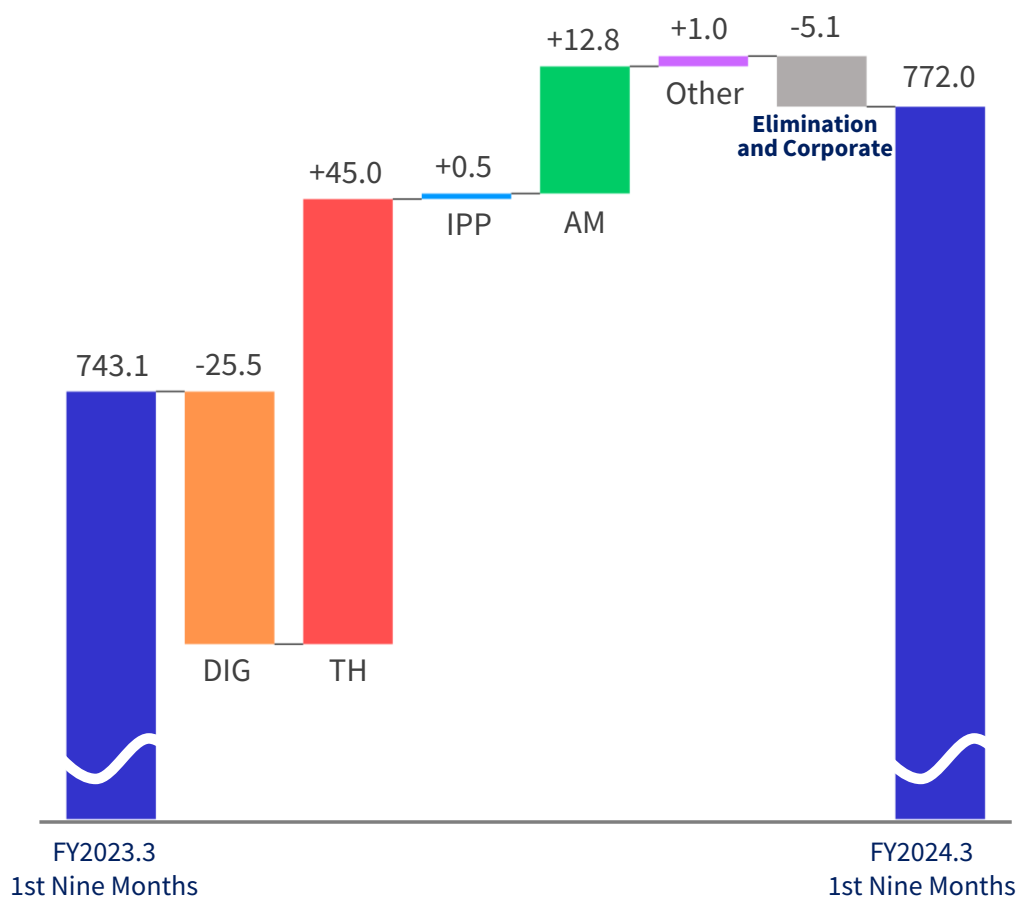
- We achieved a record-high level of net sales.
- We demonstrated our market presence with established IP products and services, such as *Gundam*, *DRAGON BALL*, and *ONE PIECE*, etc.

▪ Operating Profit

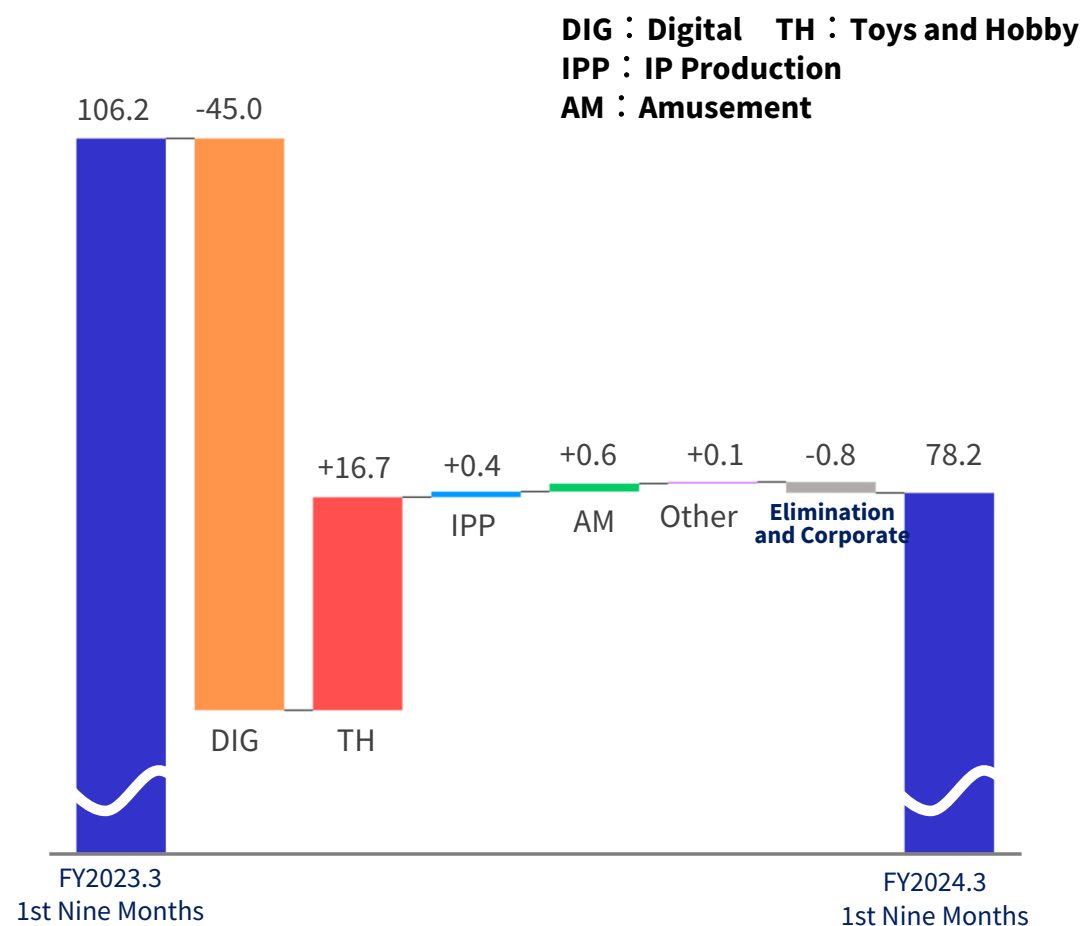
- In the Digital business, we recorded a valuation loss, as well as a disposal loss that resulted from reevaluation of the title lineup with a focus on the next Mid-term Plan.

YoY Change in Net Sales and Operating Profit for the Nine-Month Period

Net Sales



Operating Profit



Forecast for Full-Year of FY2024.3

billion yen

	FY2023.3 Full-Year Results	FY2024.3 Full-Year Forecast	Vs. Previous Year's Results
Net Sales	990.0	1,000.0	+10.0
Operating Profit	116.4	82.0	-34.4
Recurring Profit	128.0	93.0	-35.0
Profit Attributable to Owners of Parent	90.3	-	-

- **Net Sales**

We are forecasting higher sales YoY.

- **Operating Profit**

We are forecasting lower profits due to a valuation loss and a disposal loss in the Digital business.

Forecast for Full-Year of FY2024.3

		billion yen				
		FY2023.3 Results	FY2024.3 Previous Full-Year Forecast	FY2024.3 Latest Full-Year Forecast	Vs. Previous year's Results	Vs. Previous Forecast
Digital	Segment sales	385.6	360.0	360.0	-25.6	±0
	Segment profit	49.3	41.0	1.0	-48.3	-40.0
Toys and Hobby	Segment sales	447.4	480.0	490.0	+42.6	+10.0
	Segment profit	59.5	75.0	76.0	+16.5	+1.0
IP Production	Segment sales	81.7	83.0	80.0	-1.7	-3.0
	Segment profit	10.6	11.0	9.0	-1.6	-2.0
Amusement	Segment sales	104.6	110.0	110.0	+5.4	±0
	Segment profit	6.0	8.0	8.0	+2.0	±0
Other	Segment sales	31.3	31.0	31.0	-0.3	±0
	Segment profit	1.1	1.0	1.0	-0.1	±0
Elimination and Corporate	Segment sales	-60.7	-64.0	-71.0	-10.3	-7.0
	Segment profit	-10.2	-11.0	-13.0	-2.8	-2.0
Consolidated	Net sales	990.0	1,000.0	1,000.0	+10.0	±0
	Operating profit	116.4	125.0	82.0	-34.4	-43.0

Partial Sale of Investment Securities

■ Shares to be sold

Common stock of Toei Animation Co., Ltd.: 3,113,300 shares

(as one of the selling shareholders taking part in a secondary offering of common stock to be conducted by Toei Animation)

* Accompanying the secondary offering, in light of domestic demand and other conditions, a Japanese lead manager of the secondary offering may sell in Japan an over-allotment of a maximum 583,900 shares of common stock of Toei Animation it will borrow from Bandai Namco Holdings.

■ Sale price

Undetermined

(Scheduled to be determined on a date between February 27, 2024, and March 4, 2024)

In the fourth quarter of FY2024.3, we plan to record extraordinary income (gain on sale of investment securities) accompanying the secondary offering.

Trends in the Digital Business

Entertainment Unit

Overview of the 1st nine months of FY2024.3

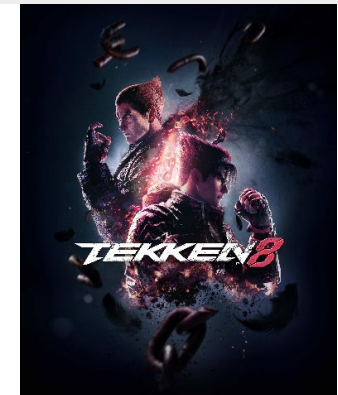
- Major app titles recorded favorable results.
- Results of new online game fell short of planned levels by a substantial margin.
- *ARMORED CORE VI FIRES OF RUBICON*, a new home console game, recorded favorable results.
- Lower sales of home console game repeat titles and YoY differences in the product mix had an effect.
- We recorded a valuation loss for new online game, etc., as well as a disposal loss that resulted from reevaluation of the title lineup.

Strengthening title development system

- Reevaluating lineup of titles in development, with a focus on the next Mid-term Plan
- Implementing stricter title screening
- Implementing strategic development based on an optimal portfolio that reflects multi-faceted viewpoints
- Strengthening management of entire development process through collaboration with Bandai Namco Studio Inc.



Popular worldwide



Gain high acclaim from fans



Developing

Trends in the Toys and Hobby Business

Entertainment Unit

Overview of the 1st nine months of FY2024.3

- Categories with favorable results continued to make a contribution worldwide (including products for the mature fan base, capsule toys, card games, and confectionery/food).
 - In each category, we strengthened product lineups, global development initiatives, and production systems.
- We strengthened touchpoints with fans, such as shops, around the world.
- We are aiming for record-high results for the full fiscal year.

Implementing global development, strengthening IP portfolio

Expanding fan touchpoints and strengthening production systems



ONE PIECE CARD GAME ワンピースカードゲーム



DRAGON BALL CARD GAME Fusion World



Launching new products in *BANDAI CARD GAMES*(trading card games)



Established IP + New IP

Trends in the IP Production Business

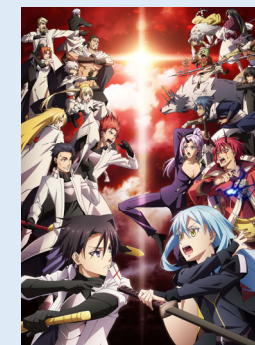
IP Production Unit

Overview of the 1st nine months of FY2024.3

- Despite higher costs for visual products, contributions to sales of Group products and services were made by *Mobile Suit Gundam THE WITCH FROM MERCURY* and others.
- GUNDAM FACTORY YOKOHAMA had favorable results to address inbound demand.
- Sales of packaged products were influenced by lineup differences.



Favorable results with initiatives to address inbound demand (ending March 31)



Visual works scheduled for release in FY2025.3

Now Showing as a major hit! --> Future plans call for release in stages in a variety of countries and regions.

Trends in the Amusement Business

Amusement Unit

Overview of the 1st nine months of FY2024.3

- Sales were up 2.4% YoY at existing amusement facilities in Japan.
- Facilities leveraging collaboration with the Group's IP, products, and services, such as Bandai Namco Cross Store, had favorable results worldwide.
- Sales of amusement machines were favorable (including Mobile Suit Gundam: Extreme Vs. 2 Over Boost).



Opening Bandai Namco Cross Store facilities worldwide



Launching new works in popular series

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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