



NAMCO BANDAI Holdings Inc.

Financial Highlights for the 3rd Quarter of the Fiscal Year Ending March 2007

NAMCO BANDAI Holdings Inc. Consolidated Financial Results

1. Summary of Income Statement

(millions of yen)

	FY 2006.3					FY 2007.3							
	1st Half Results	3rd Quarter (3 months)	3rd Quarter (Cumulative)	2nd Half Results	Full Year Results	1st Half Results	3rd Quarter (3 months)	% v.s. prior year	3rd Quarter (Cumulative)	% v.s. prior year	2nd Half Forecast	Full Year Forecast	% v.s. prior year
Net Sales	218,873	126,523	345,396	231,956	450,829	206,636	123,881	97.9%	330,517	96%	253,364	460,000	102.0%
Gross Profit	77,526	46,994	124,521	79,039	156,565	75,739	45,725	97.3%	121,465	97.5%	88,761	164,500	105.1%
Operating Income	17,546	18,054	35,600	18,123	35,669	17,263	14,972	82.9%	32,235	90.5%	22,737	40,000	112.1%
Recurring Income	18,244	18,557	36,801	18,878	37,122	18,561	15,946	85.9%	34,508	93.8%	21,939	40,500	109.1%
Net Income	7,834	9,877	17,711	6,315	14,149	11,011	8,881	89.9%	19,892	112.3%	12,489	23,500	166.1%

2. Net Sales by Segment

(millions of yen)

	FY 2006.3					FY 2007.3							
	1st Half Results	3rd Quarter (3 months)	3rd Quarter (Cumulative)	2nd Half Results	Full Year Results	1st half Results	3rd Quarter (3 months)	% v.s. prior year	3rd Quarter (Cumulative)	% v.s. prior year	2nd Half Forecast	Full Year Forecast	% v.s. prior year
Toys and Hobby	82,539	52,171	134,710	98,468	181,007	85,784	49,615	95.1%	135,399	100.5%	99,216	185,000	102.2%
Amusement Facility	42,001	19,659	61,660	39,293	81,294	43,216	21,760	110.7%	64,977	105.4%	44,784	88,000	108.2%
Game Contents	63,990	41,190	105,180	66,784	130,774	57,007	43,215	104.9%	100,223	95.3%	82,993	140,000	107.1%
Network	5,950	3,439	9,389	6,571	12,521	6,266	2,889	84.0%	9,156	97.5%	5,934	12,200	97.4%
Visual and Music Content	23,053	10,399	33,453	20,275	43,328	19,282	8,916	85.7%	28,199	84.3%	22,718	42,000	96.9%
Other	10,015	5,398	15,413	10,789	20,804	10,943	5,272	97.7%	16,215	105.2%	10,057	21,000	100.9%
Elimination and Corporate	-8,676	-5,736	-14,413	-10,225	-18,901	-15,865	-7,789	-	-23,654	-	-12,335	-28,200	-
Total	218,873	126,523	345,396	231,956	450,829	206,636	123,881	97.9%	330,517	95.7%	253,364	460,000	102.0%

3. Operating Income by Segment

(millions of yen)

	FY 2006.3						FY 2007.3								
	1st Half Results	3rd Quarter (3 months)	3rd Quarter (Cumulative)	2nd Half Results	Full Year Results	Operating Income %	1st half Results	3rd Quarter (3 months)	% v.s. prior year	3rd Quarter (Cumulative)	% v.s. prior year	2nd Half Forecast	Full Year Forecast	Operating Income %	% v.s. prior year
Toys and Hobby	8,397	9,696	18,093	10,688	19,085	10.5%	8,186	6,573	67.8%	14,760	81.6%	8,814	17,000	9.2%	89.1%
Amusement Facility	1,983	-613	1,370	-95	1,888	2.3%	1,883	439	-	2,323	169.5%	1,117	3,000	3.4%	158.8%
Game Contents	7,162	5,265	12,427	2,545	9,707	7.4%	1,853	7,728	146.8%	9,581	77.1%	9,147	11,000	7.9%	113.3%
Network	857	582	1,439	978	1,835	14.7%	540	128	22.1%	669	46.5%	360	900	7.4%	49.0%
Visual and Music Content	3,095	3,033	6,128	3,092	6,187	14.3%	4,516	985	32.5%	5,502	89.8%	4,984	9,500	22.6%	153.5%
Other	543	473	1,016	644	1,187	5.7%	899	306	64.9%	1,206	118.7%	101	1,000	4.8%	84.2%
Elimination and Corporate	-4,492	-382	-4,874	270	-4,222	-	-617	-1,190	-	-1,808	-	-1,783	-2,400	-	-
Total	17,546	18,054	35,600	18,123	35,669	7.9%	17,263	14,972	82.9%	32,235	90.5%	22,737	40,000	8.7%	112.1%

4. Net Sales by Region (External sales after elimination)

(millions of yen)

	FY 2006.3					FY 2007.3							
	1st Half Results	3rd Quarter (3 months)	3rd Quarter (Cumulative)	2nd Half Results	Full Year Results	1st Half Results	3rd Quarter (3 months)	% v.s. prior year	3rd Quarter (Cumulative)	% v.s. prior year	2nd Half Forecast	Full Year Forecast	% v.s. prior year
Japan	180,849	102,633	283,483	184,974	365,823	166,121	96,803	94.3%	262,925	92.7%	188,379	354,500	96.9%
Americas	20,048	13,409	33,458	22,721	42,769	19,975	14,596	108.8%	34,571	103.3%	33,025	53,000	123.9%
Europe	12,659	7,367	20,026	18,572	31,231	13,998	9,339	126.8%	23,337	116.5%	24,502	38,500	123.3%
Asia	5,315	3,112	8,428	5,690	11,005	6,541	3,142	101.0%	9,683	114.9%	7,459	14,000	127.2%
Elimination and Corporate	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	218,873	126,523	345,396	231,956	450,829	206,636	123,881	97.9%	330,517	95.7%	253,364	460,000	102.0%

5. Operating Income by Region

(millions of yen)

	FY 2006.3						FY 2007.3								
	1st Half Results	3rd Quarter (3 months)	3rd Quarter (Cumulative)	2nd Half Results	Full Year Results	Operating Income %	1st Half Results	3rd Quarter (3 months)	% v.s. prior year	3rd Quarter (Cumulative)	% v.s. prior year	2nd Half Forecast	Full Year Forecast	Operating Income %	% v.s. prior year
Japan	22,377	16,164	38,542	15,237	37,614	10.3%	16,598	12,116	75.0%	28,715	74.5%	14,702	31,300	8.8%	83.2%
Americas	-3,226	208	-3,018	-58	-3,284	-	-867	858	4	-9	-	3,867	3,000	0	-
Europe	1,791	1,410	3,201	2,539	4,330	13.9%	1,405	1,433	101.6%	2,838	88.6%	4,095	5,500	14.3%	127.0%
Asia	1,202	845	2,048	1,068	2,270	20.6%	1,373	971	114.9%	2,344	114.5%	1,327	2,700	19.3%	118.9%
Elimination and Corporate	-4,598	-574	-5,173	-664	-5,262	-	-1,245	-407	-	-1,652	-	-1,255	-2,500	-	-
Total	17,546	18,054	35,600	18,123	35,669	7.9%	17,263	14,972	82.9%	32,235	90.5%	22,737	40,000	8.7%	112.1%

6. Other Data

(millions of yen)

(millions of yen)													
6. Other Data	FY 2006.3					FY 2007.3							
	1st Half Results	3rd Quarter (3 months)	3rd Quarter (Cumulative)	2nd Half Results	Full Year Results	1st half Results	3rd Quarter (3 months)	% v.s. prior year	3rd Quarter (Cumulative)	% v.s. prior year	2nd Half Forecast	Full Year Forecast	% v.s. prior year
Capital Expenditures	10,777	5,499	16,277	10,039	20,816	9,041	6,276	114.1%	15,317	94.1%	13,459	22,500	108.1%
Depreciation	8,743	5,039	13,783	10,401	19,144	8,988	5,113	101.5%	14,101	102.3%	13,012	22,000	114.9%
R&D Investments	17,337	7,273	24,611	14,913	32,250	16,014	10,079	138.6%	26,094	106.0%	17,986	34,000	105.4%
Advertising Expenses	15,359	7,412	22,771	15,696	31,055	14,038	7,516	101.4%	21,554	94.7%	16,962	31,000	99.8%
Personnel Expenses	16,880	9,029	25,909	16,873	33,753	17,653	8,823	97.7%	26,476	102.2%	17,847	35,500	105.2%

* 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.

NAMCO BANDAI Holdings Inc.

Overview of Business Results for the 3rd Quarter Ended December 31, 2006

Toys and Hobby Business

【Net Sales by Character (BANDAI non-consolidated)】

【Tamagotchi sales】

(billion yen)

	FY07.3 9 month Results	FY07.3 Forecast
Mobile Suit Gundam	13.4	18.0
Tamagotchi	10.6	14.0
Power Ranger Series	7.9	10.5
Anpanman	6.7	8.5
DRAGON BALL Z	5.5	7.5
Masked Rider	5.0	7.5
Pretty Cure	4.3	6.0
Cinnamoroll	2.8	4.2
Digimon	2.7	3.8
Ultraman	3.0	3.5
Pokémon	2.1	3.0
NARUTO	1.5	2.0

(unit: thousand)

	FY04.3 Full Year	FY05.3 Full Year	FY06.3 9 months	FY06.3 Full Year	FY07.3 9 months
Japan	250	2,250	4,350	6,100	1,600
Overseas	0	3,250	5,450	6,900	5,150
TOTAL	250	5,500	9,800	13,000	6,750

【DATA CARDDASS: installed units】

As of end of December 2006:

14,450 units (Japan)

Amusement Facility Business

【Number of facilities】

	Japan			Americas			Europe		
	FY07.3 1st half	FY07.3 3Q	FY07.3 4Q Forecast	FY07.3 1st half	FY07.3 3Q	FY07.3 4Q Forecast	FY07.3 1st half	FY07.3 3Q	FY07.3 4Q Forecast
Start of Term	(*) 313	319	321	127	116	107	11	16	16
Openings	12	7	6	0	0	0	5	0	0
Closures	6	5	9	11	9	1	0	0	2
End of Term	319	321	318	116	107	106	16	16	14
Revenue Share	158	151	145	1,039	1,066	1,040	1	1	1
Theme Park	5	7	7	0	0	0	0	0	0
Spa Resort	2	3	3	0	0	0	0	0	0
Total	484	482	473	1,155	1,173	1,146	17	17	15

	Asia			Total		
	FY07.3 1st half	FY07.3 3Q	FY07.3 4Q Forecast	FY07.3 1st half	FY07.3 3Q	FY07.3 4Q Forecast
Start of Term	15	15	13	466	466	457
Openings	1	0	1	18	7	7
Closures	1	2	0	18	16	12
End of Term	15	13	14	466	457	452
Revenue Share	18	19	20	1,216	1,237	1,206
Theme Park	0	0	0	5	7	7
Spa Resort	0	0	0	2	3	3
Total	33	32	34	1,689	1,704	1,668

(*) Due to change in segment classification, 2 stores of *Kaikaya* are included in the Amusement Facility Business from the beginning of FY07.3.

【Same store year on year】

	Apr	May	Jun	Jul	Aug	Sep	1st half Avg.	Oct	Nov	Dec	3Q Avg.	9 month Avg.
Japan	109.7%	101.8%	102.6%	103.6%	98.9%	98.2%	102.2%	93.0%	103.0%	104.4%	100.1%	101.6%

	Jan	Feb	Mar	Apr	May	Jun	1st Half Avg.	Jul	Aug	Sep	3Q Avg.	9 month Avg.
U. S.	102.3%	96.2%	96.7%	95.8%	91.1%	93.8%	96.3%	94.6%	96.4%	100.5%	96.6%	96.4%

Game Contents Business

① Home Video Game Software:

【Home video game software titles and units sold】

(Unit: Thousand)

(Unit: Thousand)

	FY 2006.3							FY 2007.3					
	1st Half		3Q (9 months)		Full Year			1st Half		3Q (9 months)		Full Year Forecast	
	Title	Units	Title	Units	Title	Units		Title	Units	Title	Units	Title	Units
Bandai & NAMCO (Japan)	45	4,210	71	8,278	92	10,644	BNG (Japan)	41	4,623	72	8,101	88	11,146
(Home)	27	3,172	45	5,890	53	7,567	(Home)	18	1,912	38	4,300	43	5,811
(Portable)	18	1,038	26	2,388	39	3,077	(Portable)	23	2,711	34	3,801	45	5,335
Group (Japan)	7	1,343	13	1,876	16	2,462	Group (Japan)	4	418	9	813	13	1,345
(Home)	4	1,054	6	1,324	8	1,734	(Home)	1	144	5	484	6	627
(Portable)	3	289	7	552	8	728	(Portable)	3	274	4	329	7	718
Group (Americas)	18	4,259	38	5,800	40	6,402	Group (Americas)	16	2,202	35	3,913	51	5,930
(Home)	6	1,931	19	2,919	20	3,253	(Home)	10	1,492	23	2,774	32	4,364
(Portable)	12	2,328	19	2,881	20	3,149	(Portable)	6	710	12	1,139	19	1,566
Group (Europe)	10	3,525	15	4,718	28	6,726	Group (Europe)	7	1,762	11	3,483	16	4,715
(Home)	6	2,793	9	3,800	20	5,570	(Home)	4	1,065	7	2,098	12	2,866
(Portable)	4	732	6	918	8	1,156	(Portable)	3	697	4	1,385	4	1,849
Group (Asia)	13	399	20	500	32	638	Group (Asia)	12	203	20	311	21	464
(Home)	7	226	13	316	17	400	(Home)	1	85	5	104	11	264
(Portable)	6	173	7	184	15	238	(Portable)	11	118	15	207	10	200
Group Total	93	13,736	157	21,172	208	26,872	Group Total	80	9,208	147	16,621	189	23,600
(Home)	50	9,176	92	14,249	118	18,524	(Home)	34	4,698	78	9,760	104	13,932
(Portable)	43	4,560	65	6,923	90	8,348	(Portable)	46	4,510	69	6,861	85	9,668
Localized versions	36		53		80		Localized versions	34		59		87	

※After elimination of localized versions

Group Total	57	13,736	104	21,172	128	26,872
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※After elimination of localized versions

Group Total	46	9,208	88	16,621	102	23,600
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【Net sales by main titles and by platforms for the 3rd quarter (9 months) of FY2007.3】

(Unit:Thousand)

Region	Platform	Title	Units
J,E	PS2	DRAGON BALL Z Sparking ! NEO	1,025
J,US,E,A	PSP	TEKKEN DARK RESURRECTION	848
J	NDS	Tamagotchi Cornershop 2	792
US,E	PS2	NARUTO: ULTIMATE NINJA	534
J	PS2	Mobile Suit Gundam SEED Destiny II Plus	510
E,A	PS2	TEKKEN5 (Lower Priced Version)	476
J,E	PS2	SUPER DRAGON BALL Z	427
US,E,A	PS2	ACE COMBAT ZERO	398
J,A	PS2	Tale of Destiny	387
J,E	PSP	DRAGON BALL Z SHIN BUDOKAI	378
J,US,A	PS2	Xenosaga Episode III	343
J,A	NDS	Tales of the Tempest	301
J	PSP	SD GUNDAM G GENERATION PORTABLE	286
US	Multi	CURIOUS GEORGE	279
J	PS2・GC	BATTLE STUDIUM D.O.N	245
J	PS2	Summon Night 4	202
J	NDS	Digimon Story	200

J: Japan, US: United States, E: Europe, A: Asia

(Unit:Thousand)

Platform	Product		Royalties		Total	
	Titles	Units	Titles	Units	Titles	Units
PS2	40	7,730	7	376	47	8,106
GC	6	384	2	82	8	466
Xbox	1	99	1	16	2	115
PS3	2	350	0	0	2	350
Xbox360	2	96	5	22	7	119
Wii	5	419	0	0	5	419
PSP	29	2,561	14	887	43	3,448
NDS	24	2,813	0	20	24	2,833
GBA	2	395	0	185	2	580
PC	4	52	3	132	7	184
Other	0	2	0	0	0	1
Total	115	14,901	32	1,720	147	16,621

②Arcade Game Machines: Net Sales

【NAMCO BANDAI Games】

(unit: million yen)

Product Category	FY06.3 9 month Results	FY07.3 9 month Results
Small-sized Video Games	2,125	919
Medium-sized Video Games	8,640	12,729
Electrical-Mechanical Games	3,962	4,702
Medal Games	1,996	531
Other	3,279	5,994
TOTAL	20,002	24,875

【BANPRESTO】

(unit: million yen)

	FY06.3 9 month Results	FY07.3 9 month Results
Game Machines	2,849	3,964

【Overseas】

(unit: million yen)

	FY06.3 9 month Results	FY07.3 9 month Results
NAMCO America and NAMCO Europe	3,493	4,792

Note: Figures include transactions among Group Companies

Network Business

【Number of Subscribers】

As of December 31, 2006

(unit: thousand)

	Game	Sound	Character	Other	TOTAL
BANDAI NETWORKS	1,700	860	940	160	3,660
NAMCO BANDAI GAMES(*)	1,100	-	-	-	1,100
TOTAL	2,800	860	940	160	4,760

(*) Results for mobile content distribution service of NAMCO BANDAI Games Inc. is posted in the Game Contents Business.

Visual and Music Content Business

【Net sales breakdown and percentage by type of business】

(unit: millions of yen)

	Visual Package	Production, License	Other	TOTAL
FY07.3	21,740	6,459	-	28,199
9 month Results	77.1%	22.9%	-	-
FY06.3	21,310	6,356	5,787	33,453
9 month Results	63.7%	19.0%	17.3%	-