



1st Half Results					
BANDAI NAMCO					
billion yen					
	FY 2015.3 1st Half Results	FY 2016.3 1st Half Forecast (end of 1Q)	FY 2016.3 1st Half Results	YOY	Vs.Forecast (end of 1Q)
Net Sales	259.3	255.0	272.7	+13.4	+17.7
Operating Income	31.8	25.0	31.1	▲0.7	+6.1
Recurring Income	33.3	25.5	33.2	▲0.1	+7.7
Net Income	21.2	17.0	22.7	+1.5	+5.7
Capital Investments	8.5	8.0	9.9	+1.4	+1.9
Depreciation	10.4	9.0	9.7	▲0.7	+0.7
R&D Investments	25.7	25.0	27.0	+1.3	+2.0
Advertising Expenses	17.0	17.0	15.9	▲1.1	▲1.1
Personnel Expenses	23.8	22.5	25.8	+2.0	+3.3

1st Half Results by Segment						
BANDAI NAMCO						
billion yen						
		FY 2015.3 1st Half Results	FY 2016.3 1st Half Forecast (end of 1Q)	FY 2016.3 1st Half Results	YOY	Vs.Forecast (end of 1Q)
Toys and Hobby	Segment sales	106.3	100.0	103.9	▲2.4	+3.9
	Segment income	9.7	9.5	11.5	+1.8	+2.0
Network Entertainment	Segment sales	134.0	1,40.0	147.2	+13.2	+7.2
	Segment income	14.3	13.0	14.7	+0.4	+1.7
Visual and Music Production	Segment sales	22.3	18.0	23.5	+1.2	+5.5
	Segment income	7.9	4.0	5.9	▲2.0	+1.9
Other	Segment sales	13.4	14.0	13.4	0	▲0.6
	Segment income	0.9	0.5	0.5	▲0.4	0
Corporate and Elimination	Segment sales	▲16.8	▲17.0	▲15.4	+1.4	+1.6
	Segment income	▲1.1	▲2.0	▲1.6	▲0.5	+0.4
Consolidated	Net sales	2,59.3	2,55.0	272.7	+13.4	+17.7
	Operating income	31.8	25.0	31.1	▲0.7	+6.1

# 1st Half Results by Segment

**BANDAI NAMCO**

## Toys and Hobby

**Japan** : Gundam, DRAGON BALL, products for older customers favorable  
Yo-kai Watch steady popularity

**Asia** : Gundam, Power Rangers favorable  
+ Yo-kai Watch good start




## Network Entertainment

**Home video game software**  
Favorable repeat sales + favorable sales of new titles including third-party sales, etc.

**Network content**  
Japan: Existing mainstay titles steady, IDOLM@STER good start

Overseas: Steady start





## Visual and Music Production

Mobile Suit Gundam THE ORIGIN favorable  
Love Live! School Idol project popularity increases  
(Theatrical version + Music CD sales)



# 1st Half Results

**BANDAI NAMCO**

billion yen

	FY 2015.3 1st Half Results	FY 2016.3 1st Half Forecast (end of 1Q)	FY 2016.3 1st Half Results	YOY	Vs.Forecast (end of 1Q)
Net Sales	259.3	255.0	272.7	+13.4	+17.7
Operating Income	31.8	25.0	31.1	▲0.7	+6.1
Recurring Income	33.3	25.5	33.2	▲0.1	+7.7
Net Income	21.2	17.0	22.7	+1.5	+5.7
Capital Investments	8.5	8.0	9.9	+1.4	+1.9
Depreciation	10.4	9.0	9.7	▲0.7	+0.7
R&D Investments	25.7	25.0	27.0	+1.3	+2.0
Advertising Expenses	17.0	17.0	15.9	▲1.1	▲1.1
Personnel Expenses	23.8	22.5	25.8	+2.0	+3.3
Overseas share	15.5%	21.6%	24.7%		

# Full Year Forecast



billion yen					
	FY2015.3 results	FY2016.3 forecast (as of May 2015)	FY2016.3 forecast	Vs. previous year's results	Vs. previous forecast
Net Sales	565.4	530.0	560.0	▲5.4	+30.0
Operating Income	56.3	45.0	50.0	▲6.3	+5.0
Recurring Income	59.3	46.0	52.0	▲7.3	+6.0
Net Income	37.5	30.0	34.0	▲3.5	+4.0
Capital Investments	22.2	20.0	24.0	+1.8	+4.0
Depreciation	23.7	20.0	20.0	▲3.7	0
R&D Investments	55.7	50.0	52.0	▲3.7	+2.0
Advertising Expenses	41.3	40.0	40.0	▲1.3	0
Personnel Expenses	49.2	48.0	49.0	▲0.2	+1.0

# Forecast by Segment




billion yen						
		FY2015.3 results	FY2016.3 forecast (as of May 2015)	FY2016.3 forecast	Vs. previous year's results	Vs. previous forecast
Toys and Hobby	Segment sales	230.9	210.0	220.0	▲10.9	+10.0
	Segment income	17.0	15.0	17.0	0	+2.0
Network Entertainment	Segment sales	296.4	300.0	310.0	+13.6	+10.0
	Segment income	29.2	25.0	27.0	▲2.2	+2.0
Visual and Music Production	Segment sales	43.7	35.0	40.0	▲3.7	+5.0
	Segment income	10.0	7.0	9.0	▲1.0	+2.0
Other	Segment sales	27.0	28.0	28.0	+1.0	0
	Segment income	1.4	1.0	1.0	▲0.4	0
Corporate and Elimination	Segment sales	▲32.6	▲43.0	▲38.0	▲5.4	+5.0
	Segment income	▲1.5	▲3.0	▲4.0	▲2.5	▲1.0
Consolidated	Net sales	565.4	530.0	560.0	▲5.4	+30.0
	Operating income	56.3	45.0	50.0	▲6.3	+5.0

Forecast by Segment				
First half vs. Second half			billion yen	
		FY 2016.3 1st Half Results	FY2016.3 2nd Half forecast	FY2016.3 forecast
Toys and Hobby	Segment sales	103.9	116.0	220.0
	Segment income	11.5	5.4	17.0
Product mix change (Cards decrease, Yo-kai Watch settles) Promotion expenses increase (Japan: new program begins, Asia expands)				
		FY 2016.3 1st Half Results	FY2016.3 2nd Half forecast	FY2016.3 forecast
Network Entertainment	Segment sales	147.2	162.7	310.0
	Segment income	14.7	12.2	27.0
Home video game title lineup change				
		FY 2016.3 1st Half Results	FY2016.3 2nd Half forecast	FY2016.3 forecast
Visual and Music Production	Segment sales	23.5	16.4	40.0
	Segment income	5.9	3.0	9.0
Love Live! School Idol project : Product lineup (Many music products related to first-half theatrical version) Many large-scale live events held in first half				





# Toys and Hobby(Japan)



Japan
Maintain No. 1 share through IP portfolio

**Strengthen established IP**



**【Gundam】**  
 Use new titles' strong start to target wider group  
 Higher demand from visitors to Japan, popular in Asia  
 Maintain popularity centered on plastic models  
Cater by raising production of Bandai Hobby Center

**【For preschoolers】**  
 New *KAMEN RIDER* product favorable start  
*PRETTY CURE!* rally from summer onwards  
 ⇒Introduce strategic products end of year

**【DRAGON BALL】**  
 Increase popularity through broadcast of new TV title  
 Strengthen focus on vending-machine products

**Establish Yo-kai Watch as mainstay**



Stabilize popularity by rolling out through various media







**Expand target customers**

For girls  
Strengthen portfolio

Strengthen products for adults

# Toys and Hobby(Overseas)



Asia
Europe and Americas

Accumulation of measures produces success  
Office integration, free distribution, Internet sales, etc.

**Strengthen IP**

**【Gundam】**  
 Increase free distribution regions and languages  
 Hold large-scale events in each region

**【Yo-kai Watch】**  
 Steady centered on South Korea, Hong Kong, Taiwan

**【Power Rangers】**  
 Introduce popular series  
 Popularity increasing centered on South Korea

**【Collectible products】**  
 Foster popularity by linking with events  
Fine-tune rollouts carefully to reflect each region's characteristics

**Move ahead with building a foundation for recovery**

Increased efficiency + expanded investment in IP

**Organizational restructuring**  
 Japan: Control development and IP acquisition  
 Europe and Americas: Sales, marketing

**Strengthen IP capabilities**




Step up Power Rangers promotions toward year-end

Plan to introduce new IP next period





# Network Entertainment



## Develop IP in content outlets wanted by users

### Network content business

Target stable operation of mainstay titles

#### 【Japan】

Stabilize by strengthening mainstay lineup



Mainstay titles for marketing in 3Q



Step up events, promotions toward year-end and New Year

#### 【Asia】

Build pillars overseas

Mainstay titles currently in market

China	HOKAGENINJA ONLINE(NARUTO)	PC
China	KOUKAIYOU KIKOU(ONE PIECE)	App
World wide	ONE PIECE Treasure Cruise	App
World wide	DRAGON BALL Z Dokkan Battle	App
World wide	Drift Spirits	App
Asia	SD Gundam Strikers	App



# Network Entertainment



## Develop IP in content outlets wanted by users

### Home video game software business

#### 【Europe and Americas】

Launch titles that are supported around the world



Make maximum use of own sales network

Increase third party titles carried

#### 【Japan】

Focus on popular series titles



### Amusement business

#### 【Arcade game machines】

Plan to introduce major titles in 4Q

Roll out carefully while scrutinizing market conditions

#### 【Amusement facilities】

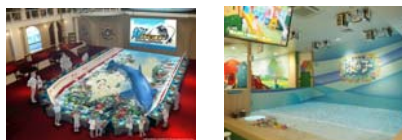
Improve through benefits of cost control, etc.

Establish value chain

Concentrate resources on mainstay facilities

Increase efficiency

Pursue play merging real + digital



# Visual and Music Production

**BANDAI NAMCO**

**Roll out mainstay IP aggressively + Introduce new IP proactively**

**Roll out mainstay IP aggressively**

Strengthen and evolve *Gundam* further

【*THE ORIGIN*】 volume 1 is hit  
Launch volume 2 November

【*Iron-Blooded Orphans*】 good start  
Target wider group  
(junior high and high school students)

【*Thunderbolt*】  
Decided on anime adaptation

Increase *Love Live! School idol project* popularity

【*Love Live! The School Idol Movie*】  
Long-running major hit  
Blu-ray Disc (launch December)

【*Love Live! Sunshine!!* begins】  
1st single is hit

Strengthen production of music for  
Group-related titles

**Introduce new IP proactively**





**Strengthen production related businesses**

Strengthen live events

Event production company  
Artist management & music production company  
Made two companies subsidiaries

Strengthen peripheral businesses



**GUNDAM FANCLUB**

# Target Direction

**BANDAI NAMCO**

**Consistently achieve**

Sales of **¥500 billion**

Operating income of **¥50 billion**

**Going Concern**

**Advance to the Next Stage**

Advance measures not only for fiscal year but from medium-term and long-term perspectives

**Further reinforce BANDAI NAMCO's strength** **IP axis strategy**

Highly enduring IP portfolio

Existing IP innovation

New IP creation



### 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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