Group BAN BΔN DΝ CORPORATE PROFILE 2019

BANDAI NAMCO Group

The BANDAI NAMCO Group is a consortium of companies organized into five units under BANDAI NAMCO Holdings Inc., together with various affiliated business companies that provide support services.

Mission

Dreams, Fun and Inspiration

Vision

The Leading
Innovator in Global
Entertainment



TOYS AND HOBBY UNIT

Planning, development, production and sales of toys, vending machine capsule products, card products, confectionery, food products, apparel, lifestyle goods, plastic model kits, prizes, stationery and other products

Core Company: BANDAI Co., Ltd.



NETWORK ENTERTAINMENT UNIT

Planning, development and distribution of network content; and planning, development and sales of home video games and other products

Core Company: BANDAI NAMCO Entertainment Inc.



BANDAI NAMCO Holdings Inc.



REAL ENTERTAINMENT UNIT

Planning, production and sales of amusement machines; and planning and operation of amusement facilities

Core Company: BANDAI NAMCO Amusement Inc.



VISUAL AND MUSIC PRODUCTION UNIT

Planning, production and sales of visual and musical content and software; and planning and production of live performances and events

Core Company: BANDAI NAMCO Arts Inc.



IP CREATION UNIT

Planning and production of animation; management and administration of copyrights and other rights; and music composition for animation, and management and operation of master recordings

Core Company: SUNRISE Inc.



AFFILIATED BUSINESS COMPANIES

Distribution, logistical, printing, administrative and other support services

BANDAI CO., LTD.

Formulates and implements business strategies and provides a diverse range of entertainment products and services in Japan and worldwide.



BANDAI SPIRITS CO., LTD.

Spun off from BANDAI and BANPRESTO in February 2018 with the goal of accelerating growth in the global market for toys and plastic models aimed at a more mature fan base.



LOOK FOR US TO WOOK THE WOOK T

On April 1, 2018 the BANDAI NAMCO Group's Toys and Hobby Unit unveiled its new Midterm Plan. The vision of the three-year plan is "Break Out of the Box. Wow the World!" This expresses our intention not to be bound by the established conventions, practices and ideas of our organization or our industry. It is a statement of our desire to make toys and other products that will amaze consumers around the world.

In February 2018, BANDAI NAMCO Holdings Inc. established BANDAI SPIRITS Co., Ltd. The goal is to accelerate growth in global markets for toys and plastic models aimed at a more mature fan base. At the same time, BANDAI Co., Ltd. transitioned to an in-house company system. The system is composed of three semi-autonomous "companies"—the Toy Business In-house Company, the Vending Business In-house Company and the Lifestyle Business In-house Company. It enables each in-house company to set strategy and streamline development of new products.

These changes were an opportunity for each member of the Toys and Hobby Unit to clarify their own mission and empower all employees to seize individual initiative. Already we're seeing results. In the past, as BANDAI's business has expanded we have created new organizations, and these organizations have grown into independent companies. This latest development represents BANDAI's advance toward the next stage of our evolution.

To wow the world we must take on unprecedented challenges. This includes fusing real and digital entertainment by leveraging developing technologies such as AI and IoT. It also requires reaching out to new partners for collaboration, and developing new models for marketing and promotion. Indeed, in every aspect of our business operations, we're continually experimenting with new ways of doing things. This is how we can realize our vision. Our current global development efforts will serve as the foundation for the next stage of growth.

BANDAI is in the business of Dreams and Creation; as such, we like to think of ourselves as "The Happy Moment Creator." It all begins when someone at BANDAI has a dream. Together with our stakeholders, we nurture that dream and turn it into a finished offering. We aspire to be a company that excites people, one that makes them say, "BANDAI will come up with something interesting—they always do."



CORPORATE DATA



Corporate Philosophy

Dreams and Creation

The Happy Moment Creator

Main Mid-term Strategies (Apr 2018-Mar 2021)

- Boost capacity to create, nurture and acquire IP
- Achieve growth in each business area
- Expand presence in the Chinese market
- Develop new business areas
- Reinforce functions to maximize business operations

Organizational Structure

Our in-house company system (comprised of three in-house companies) promotes strategic and streamlined business development. Action can be taken quickly in response to market changes.

Toy Business In-house Company

Business area: boys toys, girls toys and preschool toys

Vending Business In-house Company

Business area: capsule toys and playing cards

Lifestyles Business In-house Company

Business area: candy, food products, apparel, lifestyle products, cosmetics and sundries



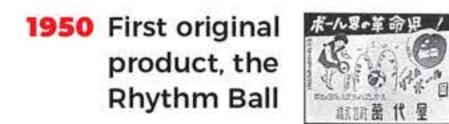
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HISTORY

Note 1: Originally sold by Popy, a Group company established to create character-based toys Note 2: Currently produced by BANDAI SPIRITS

1950's

Jul 1950 Company established in Asakusa, Tokyo





Mar 1951 Toy exports begin

Industry-first quality control system established. First toy to feature a product warranty, the 1956 Toyopet Crown toy car.



Nov 1969 Plastic model kit production

KAMEN RIDER Transformation Belt1

1974 CHOGOKIN MAZINGER Z metal robot toy 1,2

1978 First handheld electronic game, LSI Baseball

market entry

1975 SUPER SENTAL TV series



Capsule products market entry

series²

1980 Megahit GUNDAM Plastic Model kit



Mar 1981 Candy toy

1977 Whack-A-Mole arcade game

1983 KINKESHI collectible eraser series



Aug 1983 Apparel market entry

1986 Mechanical cat's paw toy **NEKONYANBOU**

Mar 1987 Lifestyle goods market entry

Jul 1988 Trading card market entry

1990's

PRETTY GUARDIAN SAILOR MOON

TAMAGOTCHI handheld digital pet becomes

worldwide craze

HYPER YO-YO

Digital Monster handheld digital



PRIMOPUEL interactive talking doll



BIKKURA? TAMAGO bath bombs

PRECURE series

DATACARDDASS card vending machine



2007 Omochanomachi BANDAI MUSEUM opens

Sep 2005 Merger with NAMCO LIMITED to form BANDAI NAMCO Group

2007 ∞ (MUGEN) PUCHIPUCHI keychain toy

Apr 2008 Development of brands for a mature fan base **2010** MOJIBAKERU KANJI ANIMAL Transformers candy toy

2010 DRAGON BALL HEROES trading card arcade game







2012 AIKATSU! DATACARDDASS series 2013 Strengthened development of

products for women 2014 YO-KAI WATCH series

Feb 2018 BANDAI SPIRITS CO., LTD. is spun off from BANDAI and **BANPRESTO**

2020's

BANDAI celebrates its 70th anniversary

2018 DANGOMUSHI capsule product



Europe and the Americas

Strengthening global product lineup

BANDAI's DRAGON BALL SUPER CARD GAME is well on its way to becoming an international phenomenon on a par with TAMAGOTCHI, now especially popular in the US, France and Latin America. We're currently preparing for expansion into other overseas markets. In North America, we're expanding placements of capsule vending machines as a prelude to future global development. In FY2019, we strengthened the Global Department to further accelerate global IP development, leveraging Bandai's resources and expertise in toy planning and development.





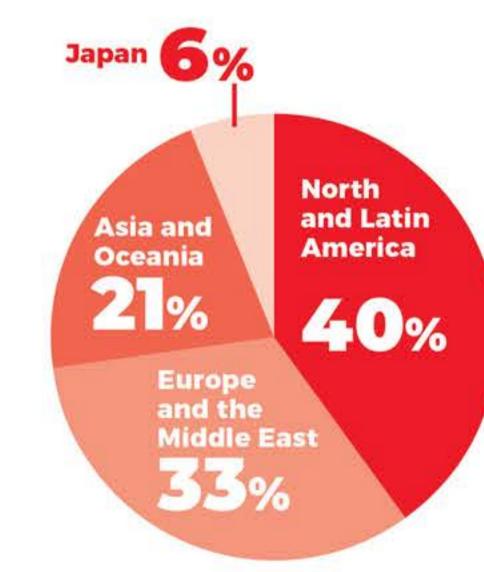
GLOBAL Innovation

BANDAI began exporting its products overseas in March 1951, just eight months after the company's establishment. Since then, BANDAI has always taken on new challenges while keeping an eye on the global market. Under the Toys and Hobby Unit's new Mid-term Vision of "Break Out of the Box. Wow the World!" we're further accelerating global development. This entails not only launching Japanese IP worldwide-it is also about acquiring, creating and nurturing local IP and creating original products tailored to local needs. In addition, it involves implementing e-commerce and other marketing strategies suited to local business practices. Challenging ourselves to think outside the box, BANDAI aims to become global leaders in the character and entertainment businesses.

Scale of the global toy market

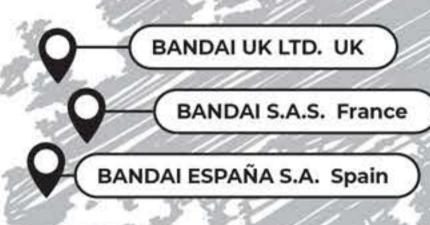
Over JPY 9.5 trillion

Source: Euromonitor International



Toy and Hobby Unit Main Overseas Group Companies

(including non-consolidated subsidiaries)





Asia region

Establish local sales companies to expand presence in China

Focusing on local production for local consumption, we're expanding local IP creation throughout Asia. We're also developing proven Japanese IP like ULTRAMAN, and our line of baby toys based on the picture book series "THE BEARS' SCHOOL." In addition, we're strengthening marketing efforts and customizing them in accordance to local needs. In 2019, BANDAI NAMCO Toys & Hobby (SHANGHAI) CO., LTD. was established to facilitate toys sales in China. This will help us expand our presence in the key Chinese market, and to build new business models.





