

**Financial Results Presentation Meeting for the First Six Months (Interim Period) of the  
Fiscal Year Ending March 31, 2026  
Outline of Questions and Answers**

- Q. Is the decrease in exports for overseas sales in the decrease in sales in North America due to external factors such as tariff impacts, or is it due to individual company factors? Also, is this a temporary issue or will it continue in the second half of the fiscal year and beyond?
- A. (Ito, Board Director, Senior Executive Officer, CFO) It is primarily due to the decrease in exports of Punirunes, which were spot-deployed in the first half of the previous year. This is an individual company factor and a temporary issue.
- Q. What was the impact of U.S. tariffs in the first half of the fiscal year?
- A. (Ito, Board Director, Senior Executive Officer, CFO) The direct impact of tariffs is approximately 200 million yen, and the impact of sales decline due to price increases is about 700 million yen. We expect the impact of tariffs to be greater in the second half of the fiscal year, so we have maintained our full-year earnings forecasts.
- Q. What was the situation of DUEL MASTERS in the second quarter?
- A. (Usami, Board Director, Executive Vice President) Trends in the second quarter were favorable. We are expecting the highest sales ever this fiscal year.
- Q. What is the reason for the approximately 600 million yen increase in eliminations and corporate in segment operating profit?
- A. (Ito, Board Director, Senior Executive Officer, CFO) The reason is that we accelerated the timing of procurement in consideration of the impact of tariffs.
- Q. The Company has set a target of achieving 300.0 billion yen in net sales and an operating profit margin of 10% for the fiscal year ending March 31, 2030. What are the catalysts for the coming fiscal years?
- A. (Tomiya, Representative Director, President & CEO) In Japan, the United States, and China, we believe it is important to focus on expanding our customer base in terms of both the age and region, centering around the three major companies: TOMY Company, T-ARTS Company, and KIDDY LAND. The catalysts include TOMICA, trading card games, hobby-related products, plush toys, amusement machines, and the growth of KIDDY LAND.
- Q. How is the market sentiment in each region during the holiday season, which is a critical sales period?

A. (Usami, Board Director, Executive Vice President) In Japan, shipment trends for our mainstay products are favorable. In Asia, BEYBLADE X and other products continue to perform well. In North America, the movement of mainstay products in the toy industry as a whole is starting to pick up, giving us reason for optimism.

Q. How is the expansion of GACHA capsule toys business in North America going?

A. (Usami, Board Director, Executive Vice President) Regarding the expansion into North America, the joint retail venture with SEGA FAVE CORPORATION and Mitsubishi Corporation has started a test store this month, which will serve as a stepping stone for significant expansion. Additionally, in our joint venture with GENDA, we have completed the first shipment of GACHA capsule toy machines, which are scheduled to start operating at the end of this month. We also aim to expand this initiative.

Q. What are the Company's thoughts on collaboration with major IPs of other companies?

A. (Usami, Board Director, Executive Vice President) We believe that collaboration between our major IPs and those of other companies enhances the appeal of the IPs. This has led to an increase in the number of people who take notice of them. For example, in the case of AIPRI, collaborations with companies like Sanrio Company, Ltd. and Bandai Namco Experience Inc. have expanded the appeal of the IP and helped increase the number of fans. We think that such initiatives are not only growing for us but are also a trend across the entire industry.

Q. What are the differences between the two GACHA capsule toys businesses in North America? Also, how do you perceive the impact on performance, given the popularity of Japanese IPs?

A. (Usami, Board Director, Executive Vice President) The joint venture between the three companies involves a collaborative retail venture with SEGA FAVE CORPORATION and Mitsubishi Corporation, where we will develop shops featuring GACHA capsule toys and crane games. The business with GENDA involves deploying GACHA capsule toy machines on GENDA's platform. The popularity of Japanese IPs serves as a good foothold for our North American expansion and is one of the attractions that draw in customers.

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