

## Summary of Key Q&A from the FY2026 March Interim Financial Results Briefing (for Analysts and Investors)

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### <Content and Digital Business Segment>

**Q1: Please explain the background behind the significant decline in the performance of *Ultraman* IP block toys and card games. Also, what is the current status of the licensing business in the Chinese market?**

A1: The decline in performance of *Ultraman* IP block toys and card games was influenced by increased distribution of competing products in the Chinese market, changes in consumer preferences, and challenges in collaboration with local partners. In particular, the impact of excess inventory from previous hits has surfaced this fiscal period. We are currently working on product renewal and restructuring, and continuing efforts toward improvement. Meanwhile, other licensed products are maintaining stable sales, and the *Ultraman* IP continues to be highly regarded as a long-term valuable IP in the Chinese market.

**Q2: What is your future strategy for the Chinese market?**

A2: We are considering developing new partners and even direct market entry by our company. While exploring possibilities for collaboration with existing partners, we will actively pursue business expansion.

**Q3: What are the challenges and future direction for overseas expansion of the *Ultraman* IP?**

A3: Currently, we are expanding globally with a focus on China and North America. We aim to strengthen product development and expand into more regions to gain support from a broader audience.

**Q4: Please tell us about the global expansion of IPs other than *Ultraman*.**

A4: Leveraging the know-how gained from the *Ultraman* IP business, we are preparing to expand other IPs tailored to the characteristics of each region.

**Q5: What is the current status and future development of cross-border e-commerce (TMALL GLOBAL)?**

A5: We are currently in a trial phase, assessing which products are suitable for the Chinese market. Going forward, we plan to gradually increase the number of products handled and aim to expand development in the second half of the fiscal year.

**Q6: What initiatives are planned for the 60th anniversary of *Ultraman* and the 30th anniversary of *Ultraman Tiga*?**

A6: We are planning commemorative campaigns for the next fiscal year, and preparing various initiatives such as exhibitions and collaborations.

**Q7: Please tell us about the development of *Ultraman*-related videos and digital initiatives.**

A7: We are also considering digital initiatives such as short-form videos. In particular, user-generated content is thriving in the Chinese market, and viewership of *Ultraman* content is very high. We will continue to strengthen these efforts.

**Q8: What are the reasons for the quarter-on-quarter decline in revenue and profit in the Content and digital business?**

A8: The main reason is the temporary backlash in the Chinese market for core products such as block toys and trading cards. Other regions and businesses are performing steadily. We are currently reinforcing these products and will closely monitor results in the second half. The number of new licensees is steadily increasing.

**<Amusement Equipment Business Segment>**

**Q1: Please tell us about the lineup for the next fiscal year.**

A1: We are preparing an even more robust lineup than this fiscal year, and are working on acquiring IPs from a long-term perspective.

**Q2: What were the factors behind the strong performance in the first half?**

A2: Contributing factors included the ability to sell many cost-effective products, expansion of market share across the industry, and the establishment of an in-house production increase system.

**Q3: Besides strong sales of your own brand, what other factors contributed to earnings?**

A3: Products developed in collaboration with other manufacturers also sold well, contributing to earnings.

**Q4: What is the potential for developing *Ultraman* IP under your own brand?**

A4: We are currently exploring various possibilities.

**Q5: What is your evaluation of “Lucky Trigger 3.0 Plus” feature?**

A5: We view it positively in terms of the broader development possibilities it offers, but believe more time is needed for a full evaluation.

**Q6: What is the order status of *NEON GENESIS EVANGELION -Memories of the beginning-*?**

A6: Orders are very strong, and it is expected to be the highest-selling product of the year. We are currently working on establishing a delivery system.

**Q7: What were the success factors for *Tokyo Ghoul* and your IP strategy?**

A7: When selecting IPs, we place importance on compatibility with amusement machines and alignment with the target users. *Tokyo Ghoul* was highly suitable in these respects. We continue to research and acquire a wide range of IPs.

**<Management and Others>**

**Q1: Please tell us about the revised company forecasts by segment, including sales and operating profit, as well as the sales volume plan for pachinko/pachislot (PS) machines.**

A1: At this time, we are refraining from disclosing detailed figures. While amusement machines performed well in the first half, some adjustments will be necessary in the second half. For two in-house developed machines, figures are not currently included due to model certification tests.

**Q2: What is your policy regarding M&A and capital alliances?**

A2: Especially in the content and digital business segment, we are positively considering M&A as one of the options, placing importance on the speed of business expansion while taking into account market conditions and business synergies.

**Q3: Please tell us about your approach to cash levels on the balance sheet and shareholder returns.**

A3: We made certain investments in the first half and are steadily preparing for the second half. Regarding shareholder returns, our top priority is achieving our performance targets, and we will consider appropriate measures based on that.

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