

Several thick, bright green, curved swooshes of varying lengths and orientations are scattered across the slide, primarily on the left and bottom-left sides, creating a dynamic, abstract background element.

Fiscal Year 2008 First Half Results Presentation

November 14, 2008

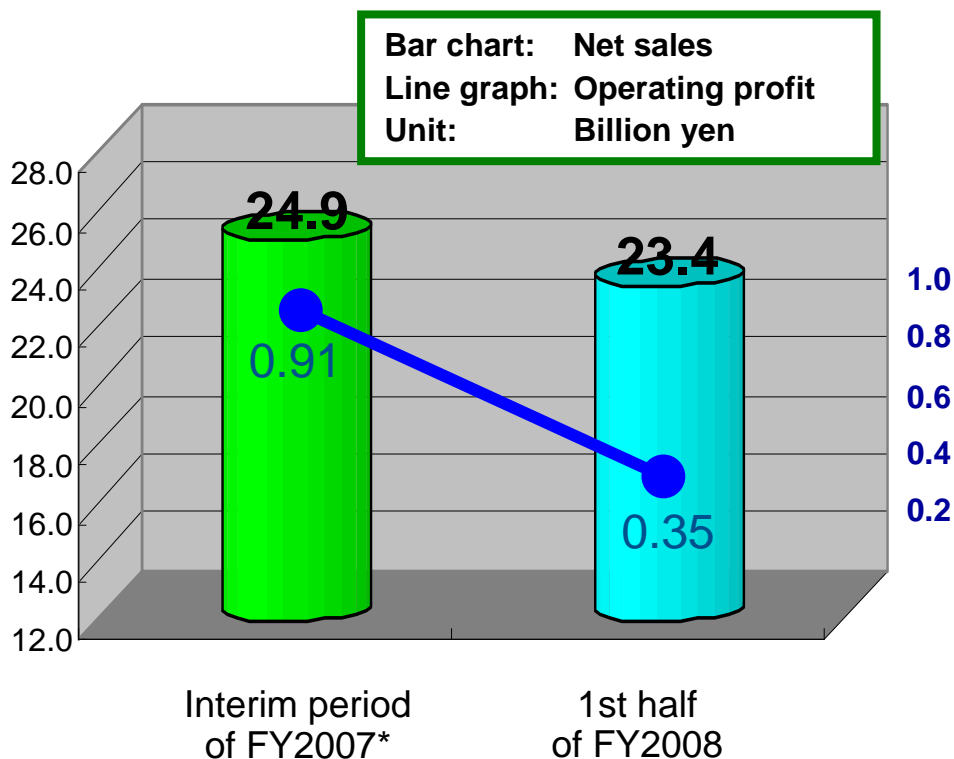
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Overview of Each Business

Kazuhiko Note
President and COO

Toy Business

<Results in the first half>



[Review of 1st half]

Character goods of units of superheroes performed well. Sales fell slightly year on year, partly because of the weak sales of the Company's original goods.

The Company struggled to achieve profits.

[Initiatives in 2nd half]

- Establish appropriate stock levels in the market and Company
- Preserve credits thoroughly
- Bolster the sale of Bandai's major products
- Rebuild an original goods development system

Boosting sales in the year-end and New Year shopping season, paying attention to trends in the market.

In accordance with change in accounting standards in association with the introduction of the legally defined quarterly results disclosure system, we are announcing results in the first half, starting the current fiscal year.

*Figures in the interim period of FY2007 are shown for reference.

<Featured items in the second half>



©ABC, Toei Animation
Yes! Pretty Cure 5 GoGo!

Cure Fleuret



©T.YANASE/ FROEBELLKAN, TMS, NTV

Go! Anpanman

**Hajimeteno
Pasokon Daisuki**



©2004-2008 BANDAI, WiZ

Tamagotchi plus Color



©2008 ISHINOMORIPRO ·
TV ASAHI, ADK, TOEI

Masked Rider Kiva

DX Zambat Sword



©2008 TV ASAHI, TOEI AG·TOEI

Engine Sentai Go-Onger
Engine Gattai series 10-12

**Engine Gattai DX
Kyoretsu-Oh**

<Maximum promotion for an original product in 2nd half>



You will feel like you are saving money just by walking.
Taxi Walker is a pedometer that translates the number of steps into a taxi fare.

Launched nationwide on October 31, 2008.

[Promotions]

TV, radio	.....	19
Newspapers	.....	7
Magazines	.....	33
Websites	.....	8
Free papers	.....	2

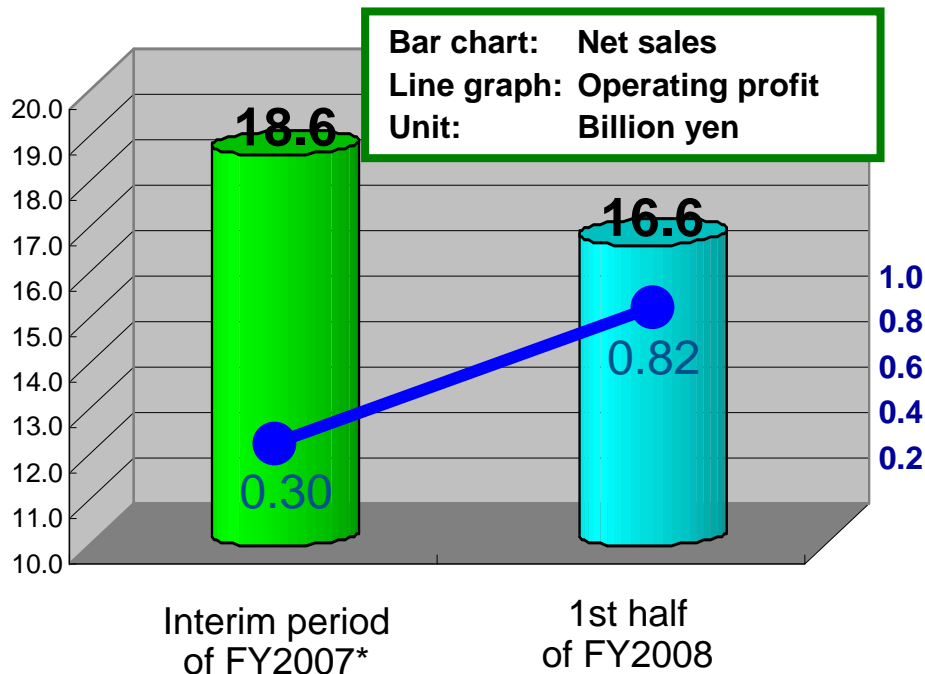
(*As of November 30, planned ads are included.)

The greatest media exposure ever for the Company's original goods

The product was developed against a backdrop of increasing diet consciousness, belt-tightening in association with the recent economic trend, and environmental consciousness on the individual level.

Video-Related Business

<Results in the first half>



[Review of 1st half]

The structural reforms, which had been underway since the previous fiscal year, produced results. We shifted our focus from sales to profit and changed our organizational structure to establish a division-of-labor system. As a result, profit improved significantly.

[Initiatives in 2nd half]

- Continue the strategy to emphasize profit
- Improve results in the next term by acquiring works meeting demand in the market

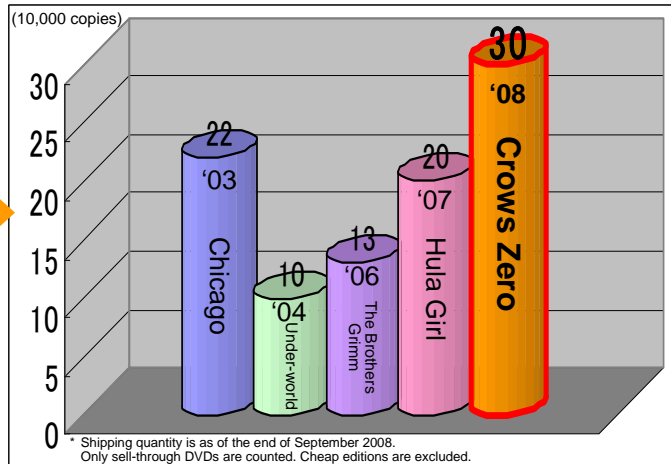
Expecting results of the business structure reform

In accordance with change in accounting standards in association with the introduction of the legally defined quarterly results disclosure system, we are announcing results in the first half, starting the current fiscal year.

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<The Company's exclusive titles performed well, boosting results>

- Shipping quantity of **Crows Zero** reached about 300,000 copies, a record high.



Crows Zero II

Investment in production and sale of sell-through DVDs have been determined

Suzuran High School (Shun Oguri) vs. Housen Gakuen High School (Haruma Miura)
With a new cast, the film is more violent than Crows Zero

To be released in 2009

© 2007 Hiroshi Takahashi "Crows Zero II" Production Committee

- **Hito no Sekkusu o Warauna**, the first theatrical movie planned by Happinet, is selling.



Release date: July 25, 2008

Cast: Hiromi Nagasaku, Kenichi Matsuyama, Yu Aoi, Shugo Oshinari, and others

<Number of copies shipped by the Company>

Sell-through	50,000
Rental	25,000
Total	75,000

As of September 30, 2008 / Unit: copy 9

<Reasons of strong sales>

- The motion picture rights were acquired early in 2005. (The original was written by Naokora Yamazaki, who won the Naoki Award with the work.)
- A wonderful cast, one difficult to put together today, was enabled through active negotiations, including negotiations on the script.
- Partly because of the cast, the DVD is supported by women in their 20s and 30s who do not buy DVDs very often.

<Featured titles in the second half>

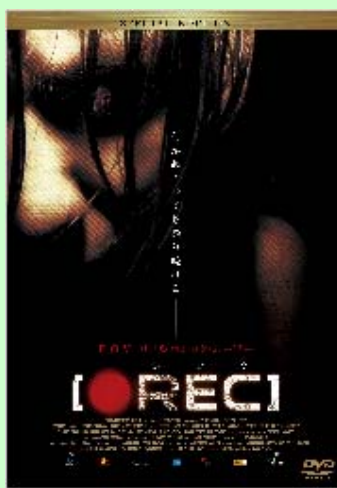


OVA
Oct. 24

COBRA THE ANIMATION

The invulnerable man Cobra with a psychogun in his left arm is racing through space again. Volume 2 was released in October. Volume 3 will be released in December.

(C) 2008 BUICHI TERASAWA/A-GIRL RIGHTS/GUILD PROJECT



Foreign Film
Nov. 28

[●REC]

The POV real panic movie, which made 1.5 million people scream in Spain, will thrill Japanese viewers with the fear.

© 2007 CASTELAO PRODUCTIONS,S.A.



Variety
Dec. 21

Game Center CX DVD-BOX5

The fifth box of the major hit DVD series, a total of over 250,000 sets of which have been sold, is going to be released.

(C)2008 Fuji Television/ stylejam



TV Animation
Jan. 30

TYTANIA

A long-awaited TV animation of Tytania, a legendary space opera following Ginga Eiyu Densetsu, is going to start.

(C) Yoshiki Tanaka, Tytania 26 Partners



Foreign Film
Feb. 27

Into the Wild

Sean Penn created the movie based on a heart-tugging true story. The film is among his best work.

(C) MMVII by RIVER ROAD ENTERTAINMENT, LLC and PARAMOUNT VANTAGE, A Division of PARAMOUNT PICTURES CORPORATION. All Rights Reserved.



TV Animation
Feb. 27

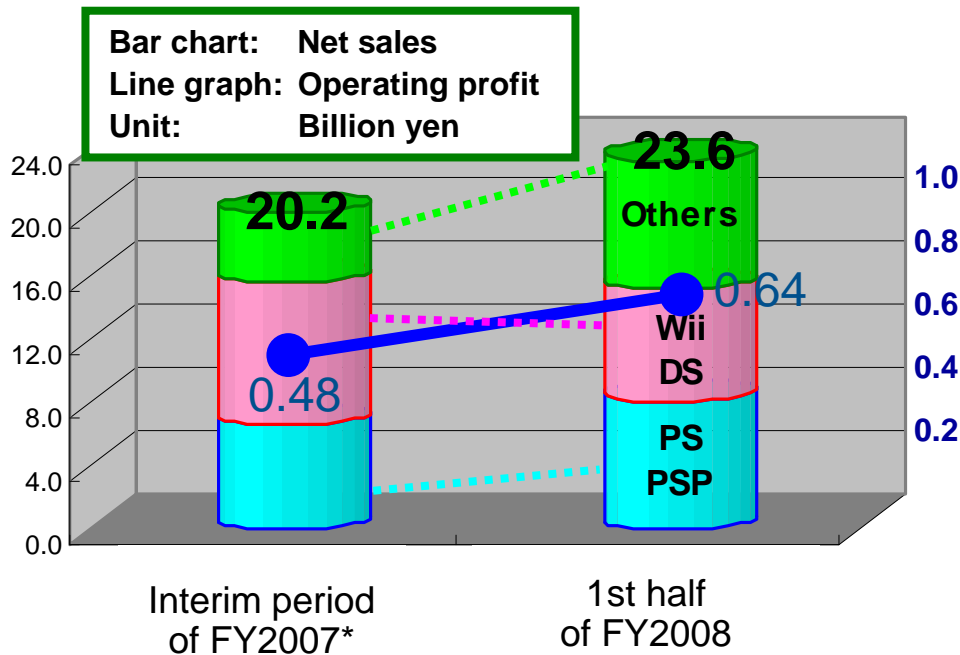
Battle Spirits Shounen Toppa Bashin

In the elementary school that Bashin attends, a card game called "Battle Spirits," popular globally, is catching on.

(C) Sunrise, Nagoya Broadcasting Network

Video Game Business

<Results in the first half>



[Review of 1st half]

We catered to all platforms, covering the entire market.

Xbox360 and PSP performed well.

[Initiatives in 2nd half]

- Maximize sales of Xbox360 during year-end and New Year peak season
- Strengthen alliances with CVS companies in preparation for the release of Dragon Quest IX
- Bolster exclusive distribution for midsize manufacturers

Improving results, taking advantage of stable business conditions

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<Xbox360 and PSP performed well>



Tales of Vesperia became a major hit. About 150,000 units were sold in the market.

(Source: Famitsu Xbox December 2008 issue)

Monster Hunter Portable 2nd G scored a major hit, driving sales of the main body.

<Featured titles in the second half>

Xbox360

- **The Last Remnant**
(Square Enix, to be released on November 20, 2008)
- **Star Ocean 4 –THE LAST HOPE–**
(Square Enix, to be released on February 19, 2009)

September 11, 2008
Main unit prices revised

PlayStation3, PSP

- **PS3 White Knight Chronicles –Heartbeat of the Ancients–**
(Sony Computer Entertainment Japan, to be released on December 25, 2008)
- **PS3 Ryu Ga Gotoku 3**
(Sega, to be released in spring 2009)
- **PS3 Biohazard 5**
(Capcom, to be released on March 12, 2009)

October 16, 2008
New PSP model launched

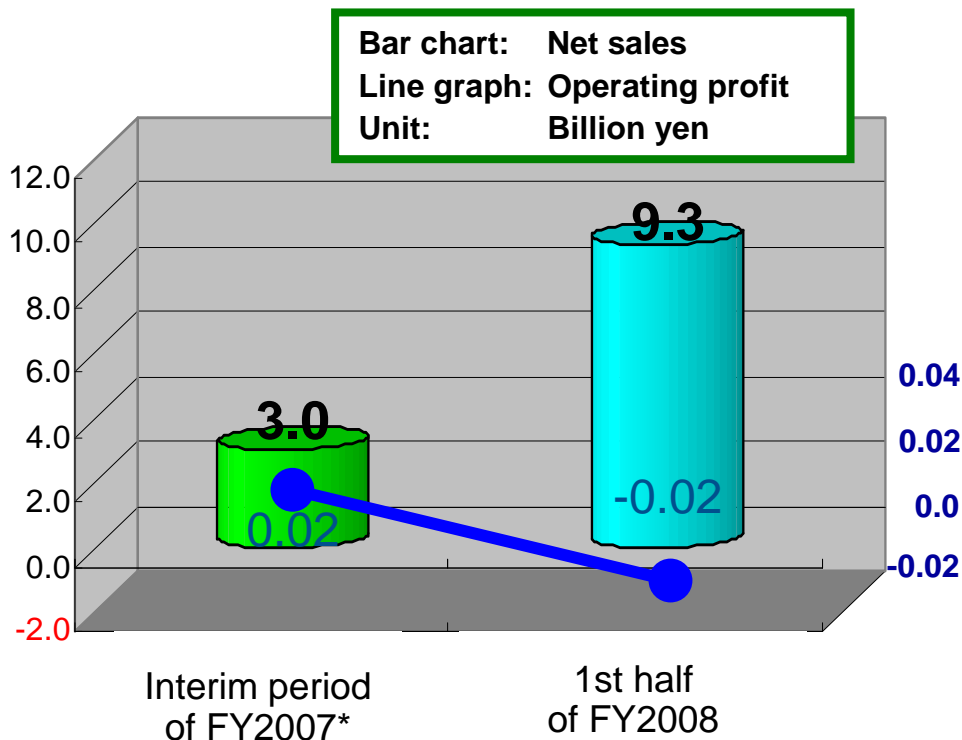
Wii, Nintendo DS

- **NDS Dragon Quest IX: Protectors of the Sky**
(Square Enix, to be released in March 2009)
- **Wii Music**
(Nintendo, released on October 16, 2008)
- **Wii Animal Crossing: City Folk**
(Nintendo, to be released on November 20, 2008)

November 1, 2008
New DSi launched

Amusement Business

<Results in the first half>



[Review of 1st half]

The Company consolidated its four subsidiaries and started a new system on October 1, 2008.

Initial costs were incurred in the unification.

[Initiatives in 2nd half]

- Develop a profit-generating system for the next term, making the most of synergy generated from the unification.

Developing a new business style, taking advantage of our large market share

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<Shifting to a new structure on October 1, 2008>



Studying and developing a nationwide operation system, considering integrated synergy

Forecast consolidated results for fiscal 2008

(Unit: Billion yen, %, fractions rounded down to nearest unit)

	FY08/3	FY09/3 E	YoY growth
Net sales	168.9	180.0	6.5
Operating profit	1.4	1.9	30.9
Recurring profit	1.5	2.0	27.4
Net profit	-1.4	1.2	—

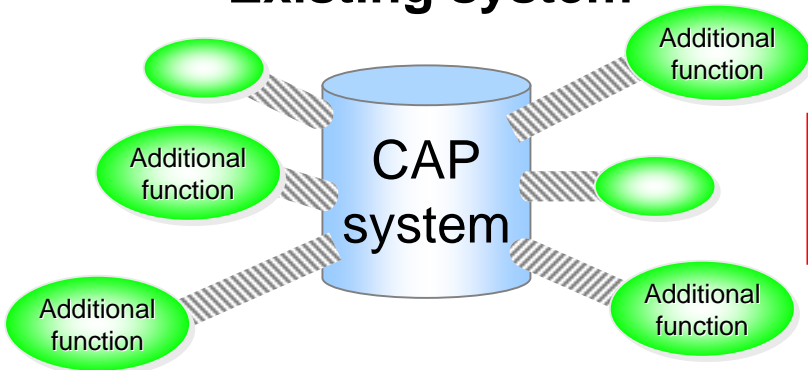
Sales forecasts for fiscal 2008 by segment

(Unit: Billion yen, %, fractions rounded down to nearest unit)

Segment	FY	FY09/3 E		
	FY08/3		Breakdown	YoY growth
Toy business	57.7	65.0	36.1	12.5
Video-related business	38.5	35.0	19.4	-9.2
Video game business	54.5	55.0	30.1	0.9
Amusement business	12.9	20.0	11.1	54.4
Other business	5.1	5.0	2.8	-2.5
Total	168.9	180.0	100.0	6.5

Developing a next generation mission-critical system and introducing distribution systems for the future

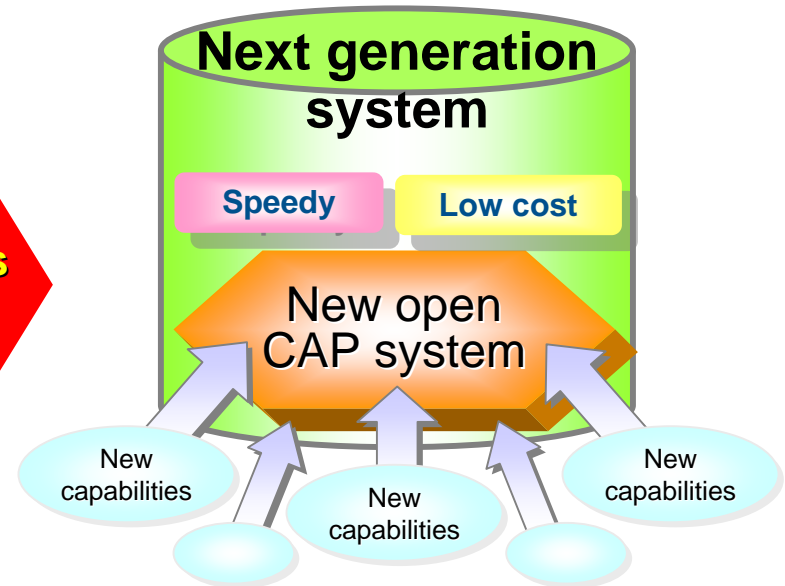
Existing system



Applications are added as needed

Three years
¥3 billion

Next generation system



Quickly responding to the diversifying needs of customers

Introduction schedule

Phased introduction of distribution system started in July



Planning to introduce a unified, nationwide distribution system to all distribution bases by the end of March

Cautionary Statement

Estimates of future performance are provided as a reference for investors. They are based on projections and estimates and should not be construed as an assurance or guarantee of future performance. When using this information, please keep in mind that final results may vary.