

Dreams, Fun and Inspiration



BANDAI NAMCO GROUP
Information Meeting
(Interim Period for the Fiscal Year
ending March 2008)

November 9, 2007

TODAY'S MENU

- 1. Transition of Results P2**
- 2. SBU Strategies P4**
- 3. Management Strategies P11**

NAMCO BANDAI Holdings Inc.
President and
Representative Director
Takeo Takasu

Dreams, Fun and Inspiration



1. Transition of Results

BANDAI NAMCO Group

1. Transition of Results



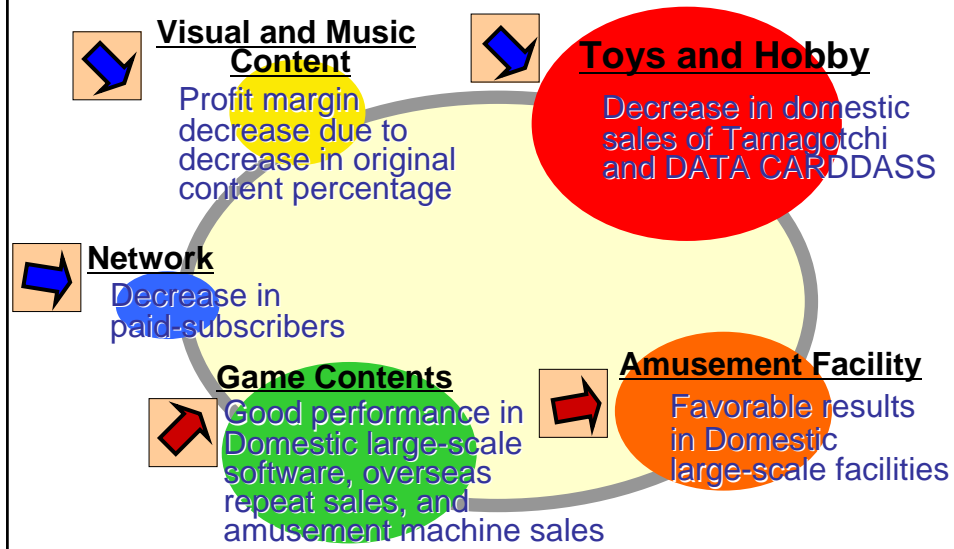
Billion yen

	2007.3 Interim Results	2008.3 Interim				2008.3 Full Year	
		Initial Plan	Results	YOY	Vs. Plan	Initial Plan	Latest Forecasts
Net Sales	206.6	210.0	213.5	+6.8	+3.5	480.0	480.0
Operating Income	17.2	13.0	15.0	-2.1	+2.0	45.0	45.0
Ordinary Income	18.5	14.0	17.3	-1.1	+3.3	47.0	47.0
Net Income	11.0	7.5	7.9	-3.0	+0.4	26.5	26.5
Capital Expenditures	9.0	12.0	10.8	+1.8	-1.2	24.0	23.0
Depreciation	8.9	11.0	11.1	+2.1	+0.1	22.5	22.5
R&D Investments	16.0	18.0	15.5	-0.4	-2.5	35.0	35.0
Advertising Expenses	14.0	14.0	12.8	-1.1	-1.2	32.5	31.5
Personnel Expenses	17.6	18.0	19.3	+1.6	+1.3	37.0	38.0

1. Transition of Results



First Half Summary: Operating Income (YOY)



1. Transition of Results



Business Segment

Billion yen

		2007.3 Interim	2008.3 Interim			2008.3 Full Year		
		Results	Initial Plan	Results	Vs. Plan	Initial Plan	Latest Forecasts	Vs. Plan
Toys & Hobby	Net sales	85.7	85.0	83.5	- 1.5	190.0	190.0	-
	Operating Income	8.1	6.8	5.7	- 1.1	17.8	17.8	-
Amusement Facility	Net sales	43.2	46.0	46.1	+0.1	95.0	95.0	-
	Operating Income	1.8	2.5	2.0	- 0.5	6.0	5.8	- 0.2
Game Contents	Net sales	57.0	57.5	61.8	+4.3	1,500.0	1,500.0	-
	Operating Income	1.8	1.8	4.8	+3.0	15.0	15.0	-
Network	Net sales	6.2	5.2	5.9	+0.7	11.5	11.5	-
	Operating Income	0.5	0.3	0.4	+0.1	1.0	1.0	-
Visual & Music Content	Net sales	19.2	19.5	17.8	- 1.7	44.0	43.0	- 1.0
	Operating Income	4.5	2.5	3.0	+0.5	6.8	6.8	-
Other	Net sales	10.9	9.5	10.0	+0.5	19.5	19.5	-
	Operating Income	0.8	0.4	0.4	0	0.8	0.8	-
Elimination	Net sales	-15.8	- 12.7	- 11.9	+0.8	- 30.0	- 29.0	+ 1.0
	Operating Income	- 0.6	- 1.3	- 1.5	- 0.2	- 2.4	- 2.2	+0.2
Consolidated	Net sales	206.6	210.0	213.5	+3.5	480.0	480.0	-
	Operating Income	17.2	13.0	15.0	+2.0	45.0	45.0	-

1. Transition of Results



Regional Segment

Billion yen

		2007.3	2008.3 Interim			2008.3 Full Year		
		Interim	Initial Plan	Results	Vs. Plan	Initial Plan	Latest Forecasts	Vs. Plan
		Results						
Japan	External sales	166.1	167.0	164.5	-2.5	370.0	369.0	- 1.0
	Operating Income	16.5	10.7	12.0	+1.3	36.2	36.0	- 0.2
Americas	External sales	19.9	20.0	21.2	+1.2	56.0	55.0	- 1.0
	Operating Income	Δ0.8	0	0.1	+0.1	2.5	2.3	- 0.2
Europe	External sales	13.9	17.0	21.0	+4.0	40.0	42.0	+2.0
	Operating Income	1.4	2.5	3.0	+0.5	6.0	6.2	+0.2
Asia	External sales	6.5	6.0	6.7	+0.7	14.0	14.0	-
	Operating Income	1.3	1.0	1.2	+0.2	2.8	2.8	-
Elimination	External sales	-	-	-	-	-	-	-
	Operating Income	- 1.2	- 1.2	- 1.3	- 0.1	- 2.5	- 2.3	+0.2
Consolidated	External sales	206.6	210.0	213.5	+3.5	480.0	480.0	-
	Operating Income	17.2	13.0	15.0	+2.0	45.0	45.0	-

Dreams, Fun and Inspiration



2. SBU Strategies

BANDAI NAMCO Group

2. SBU Strategies

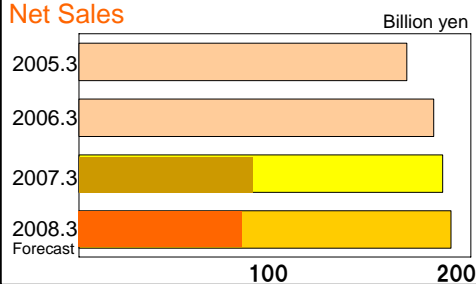
Toys and Hobby



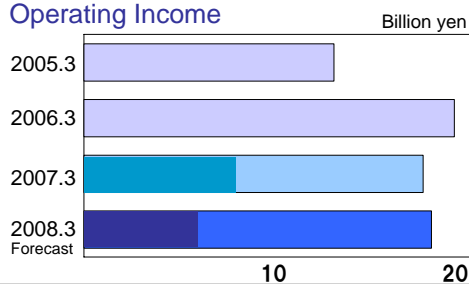
	FY05.3 (Full Year)	FY06.3 (Full Year)	FY07.3 (1st Half)	FY07.3 (Full Year)	FY08.3 (1st Half)	FY08.3 (Full Year Forecasts)
Net Sales	167.2	181.0	85.7	185.5	83.5	190.0
Operating Income	12.8 * [9.8]	19.0 * [16.4]	8.1	17.4	5.7	17.8
OP margin	7.7% * [5.9%]	10.5% * [9.1%]	9.5%	9.4 %	6.9%	9.4%

* Rule for allocation of overhead cost was changed in FY07.3. OP figures in parenthesis [] are for reference if the change had been made at the beginning of each FY.

Net Sales



Operating Income



2. SBU Strategies

Toys and Hobby



Main Products in the Second Half

<p>Main Character Toys</p> <p>Mobile Suit GUNDAM 00</p> <p>Televised from Oct. 6 (MBS·TBS)</p> <p>Good start in plastic models, etc.</p>	<p>Masked Rider Den-O</p> <p>Geki-Ranger (Power Rangers)</p> <p>YES! Pretty Cure 5</p> <p>Release main products for the year-end sales season</p>	<p>Tamagotchi</p> <p>New Tamagotchi (Worldwide release)</p> <p>Nov.23</p> <p>Dec.15~</p>	<p>Dragon Ball Z</p> <p>Let's! TV Play</p> <p>New Tamagotchi release (Japan)</p> <p>Tamagotchi Movie</p>
<p>DATA CARD DASS</p> <p>YES! Pretty Cure 5 "Pretty Cure Dream Live"</p> <p>Just Started in November</p>	<p>New Products • Collaboration</p> <p>∞(Mugen)Puchi Puchi</p> <p>Popular among customers in the 20's and 30's</p>	<p>Crayon Shin Chan Choco-bi (Tohato)</p> <p>Kinnikuman Polinky (Koikeya)</p> <p>Collaboration with other companies!</p>	

2. SBU Strategies

Toys and Hobby



Group Synergy

DATAP

Bandai (Capsule Toy) ×
NAMCO BANDAI Games



ANIMAL KAISER

Bandai ×
NAMCO BANDAI Games ×
Banpresto



Overseas

Strengthening Content Lineups

New Characters

3 Main Characters

POWER RANGERS

TAMAGOTCHI

BEN10



DRAGON BALL Z



**DIGIMON
DATA SQUAD**

2. SBU Strategies

Amusement Facility



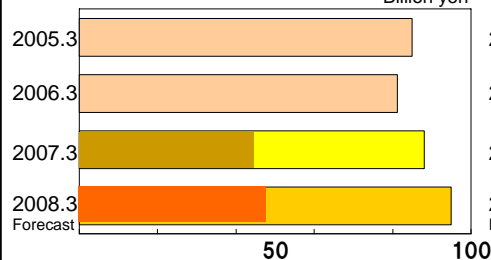
	FY05.3 (Full Year)	FY06.3 (Full Year)	FY07.3 (1 st Half)	FY07.3 (Full Year)	FY08.3 (1 st Half)	FY08.3 (Full Year Forecasts)
Net Sales	85.0	81.2	43.2	88.1	46.1	95.0
Operating Income	5.7 *1 [3.7]	1.8 *1 [0.8]	1.8	4.0	2.0	5.8
OP margin	6.7% *1 [4.4%]	2.3% *1 [1.0%]	4.4%	4.5 %	4.5%	6.1%

*1 Rule for allocation of overhead cost was changed in FY07.3. OP figures in parenthesis [] are for reference if the change had been made at the beginning of each FY.

* 2 Figures in FY05.3 are combined results of Bandai (Consolidated) and NAMCO (Consolidated).

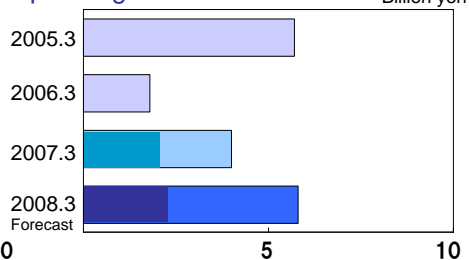
Net Sales

Billion yen



Operating Income

Billion yen



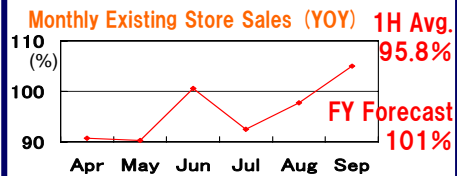
2. SBU Strategies

Amusement Facility



Japan

Reinforce revenue base of existing stores



Improving profitability by scrap & build of facilities

	1H	Full Year Forecast
Openings	7	13
Closures	25	47

Focus on large-scale facilities



NAMCO LAND Sendai Chris Road



NAMCO LAND AEON Kagamigahara

Differentiation from competitors

Characters as added-value!



NAMCO Wonderpark Heros' Base (Kawasaki)



Game Center Crayon Shin-chan Studio (Kasukabe)

Overseas



2. SBU Strategies

Game Contents



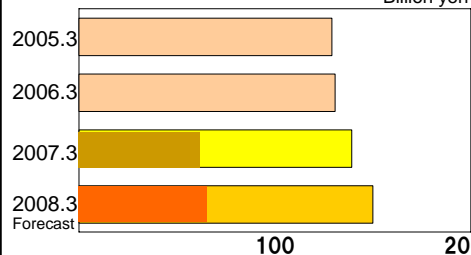
	FY05.3 (Full Year)	FY06.3 (Full Year)	FY07.3 (1st Half)	FY07.3 (Full Year)	FY08.3 (1st Half)	FY08.3 (Full Year Forecasts)
Net Sales	129.0	130.7	57.0	139.1	61.8	150.0
Operating Income	19.8 *1 [18.8]	9.7 *1 [10.0]	1.8	11.5	4.8	15.0
OP margin	15.3% *1 [14.6%]	7.4% *1 [7.7%]	3.3%	8.3%	7.9%	10.0%

*1 Rule for allocation of overhead cost was changed in FY07.3. OP figures in parenthesis [] are for reference if the change had been made at the beginning of each FY.

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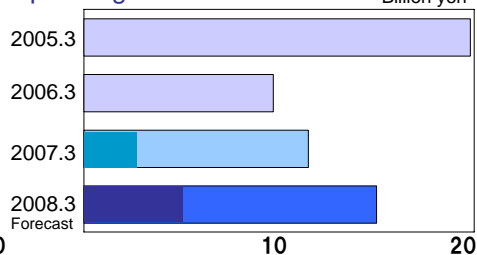
Net Sales

Billion yen



Operating Income

Billion yen



2. SBU Strategies

Game Contents



Game Software

Main Titles in the 2nd Half

Worldwide Titles

ACE COMBAT 6

Dragon Ball Z Sparking! METEOR

Time Crisis 4

Soul Calibur Legends

Regional Titles

Japan: SD Gundam

Japan: Tales of Innocence

US, Europe: NARUTO Ultimate Ninja 2

Japan	PS2	Super Robot Wars OG Special Disc
Japan	Wii	Family Trainer Athletic World
Japan	NDS	Heisei Kyouiku linkai DS
Japan	PSP	Suzumiya Haruhi no Yakusoku
US, E	XB360	Eternal Sonata

1H Results: 36 titles, 9,640K units
2H Forecasts: 61 titles, 15,560K units

Focus on Balance of Target with Multi-platform Strategy

2. SBU Strategies

Game Contents



Amusement Machines

Main Products in the 2nd Half

New Products

TEKKEN 6

New Seal Print Machine (JEWELLA)

Anpanman Commu-touch

Develop new entries in popular series

Stable Repeat Sales

Mobile Suit GUNDAM Senjo no Kizuna

CLENA-FLEX

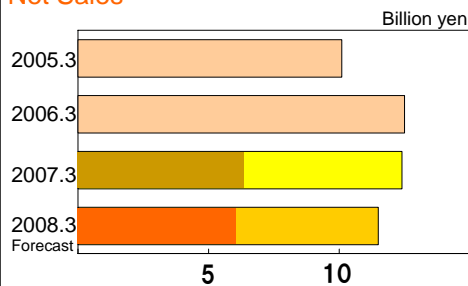
2. SBU Strategies

Network

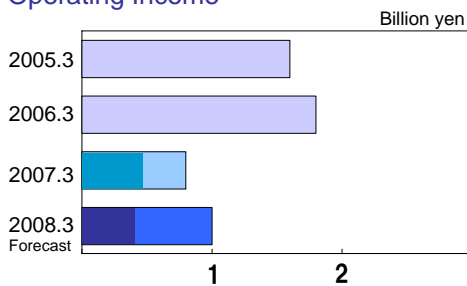


	FY05.3 (Full Year)	FY06.3 (Full Year)	FY07.3 (1 st Half)	FY07.3 (Full Year)	FY08.3 (1 st Half)	FY08.3 (Full Year Forecasts)
Net Sales	10.1	12.5	6.2	12.4	5.9	11.5
Operating Income	1.6	1.8	0.5	0.8	0.4	1.0
OP margin	15.8%	14.7%	8.6%	7.0%	7.3%	8.7%

Net Sales



Operating Income



2. SBU Strategies

Network



Contents Strategy

of Pay-subscribers (Thousand)

	06.3	06.9	07.3	07.9
Game	1,580	1,550	1,790	1,950
Character	1,080	950	920	860
Sound	1,100	920	800	620
Others	200	150	160	150
BNW Total	3,960	3,570	3,670	3,580
BNG WMC	980	1,060	1,210	1,170
Group Total	4,940	4,630	4,880	4,750

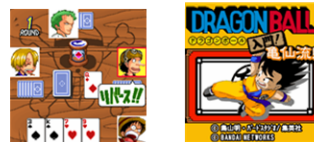
Game Contents

- Contents for Broad Target Range



← CORE SIMPLE →

- Official Character Game Site



One Piece
Mobile Jack

Dragon Ball
Mobile

Oct. 2007 START

Mobile Phone Customized Content

Receiving Mail

Receiving Phone

MENU

RECEIVING MESSAGE

2. SBU Strategies

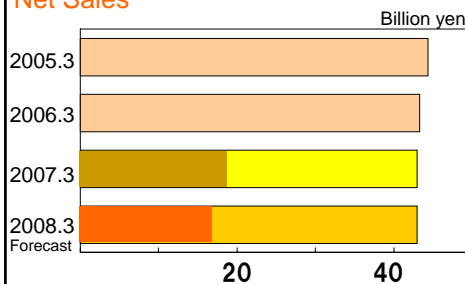
Visual and Music Content



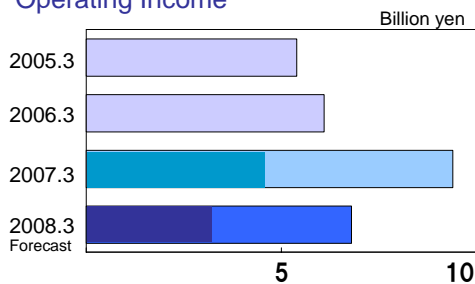
	FY05.3 (Full Year)	FY06.3 (Full Year)	FY07.3 (1 st Half)	FY07.3 (Full Year)	FY08.3 (1 st Half)	FY08.3 (Full Year Forecasts)
Net Sales	44.4	43.3	19.2	43.0	17.8	43.0
Operating Income	5.4	6.1	4.5	9.4	3.0	6.8
OP margin	12.2%	14.3%	23.4%	22.1%	17.0%	15.8%

* Figures in FY05.3 are combined results of Bandai (Consolidated) and NAMCO (Consolidated).

Net Sales



Operating Income



2. SBU Strategies

Visual and Music Content



Main Contents

Mobile Suit GUNDAM OO



DVD Release in Jan. 2008

Mobile Suit GUNDAM Movies Memorial Box



CODE GEASS
Lelouch of the Rebellion



New OVA Series

ARMORED TROOPER
VOTOMS
PAILSEN FILES

Lucky☆Star
Music CD



Expanding the Scope of Distribution

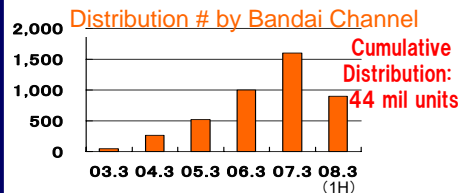
Next Generation Consoles

Promote simultaneous worldwide deployment

Expand lineup of past contents

Begin simultaneous release with DVD

On Demand Distribution



No.1 Share in animation distribution!

3. Management Strategies

BANDAI NAMCO Group

3. Management Strategies

Building Optimal Management System



① Tender Offer

Target Company Bandai Visual Co., Ltd. (TSE 1st section)
Bandai Networks Co., Ltd. (JASDAQ)

Objective

- Respond quickly to changes in the environment and increased global competition
- Flexibly restructure the Group organization to increase the ability to implement strategy and harness the full potential of the Group through synergy

⇒ Reinforcing the Corporate Governance

Duration From Nov. 9, 2007 to Dec. 10, 2007

Offer Price Bandai Visual : ¥ 287,000
Bandai Networks : ¥ 60,300

Aiming at turning both companies into wholly-owned subsidiaries by the tender offer and the share exchange to follow

3. Management Strategies

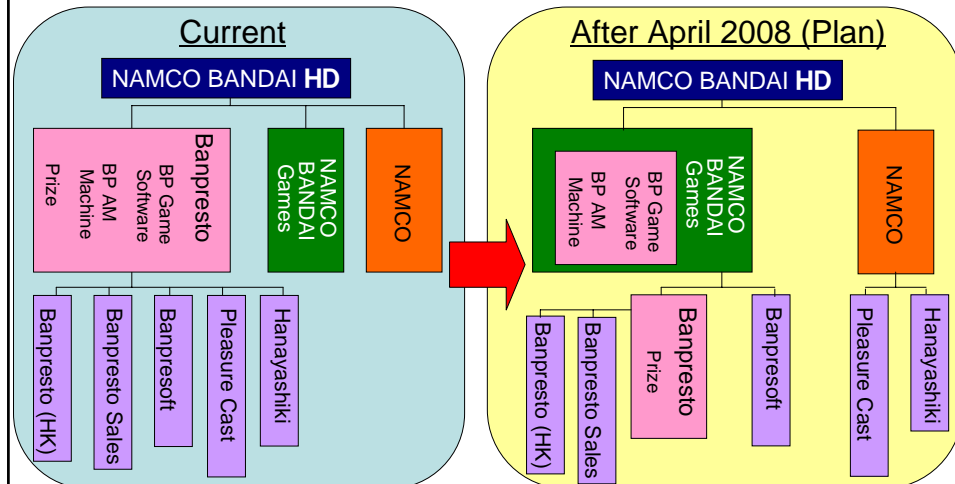
Building Optimal Management System



② Organizational Restructuring of Banpresto

Objective Effectively utilizing the Group's know-how and resources amid the rapidly changing game market

→Pursuing strategies based on speedy management decision making



3. Management Strategies

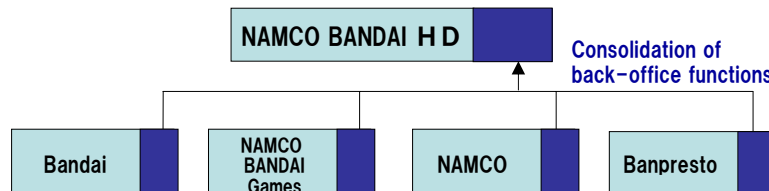
Building Optimal Management System



③ Consolidation of the Group's back-office functions

In April 2008, the back-office functions of 4 group companies will be consolidated in the Shared Services Division

- Objective**
- Streamline the Group's operations
 - Create a system that is interlinked with the Group management strategy promoted by NAMCO BANDAI Holdings



④ Streamline of Toys and Hobby distribution

Stock of Bandai subsidiary Sunlink sold to Happinet

- Objective** Increase efficiency by consolidating operations within the Group

Dreams,
Fun and
Inspiration



VISION

The World's Most
Inspiring Entertainment Group

BANDAI NAMCO Group



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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