

May 7, 2003

Financial Statements (Consolidated)

For the Year Ended March 31, 2003

BANDAI CO., LTD.

Stock Code: 7967

(URL: <http://www.bandai.co.jp/>)

Representative:

Person to contact:

Date of the Meeting of the Board of Directors:

Adoption of U.S. G.A.A.P:

Stock Exchange: Tokyo Stock Exchange (TSE)

Head office: Tokyo, Japan

Takeo Takasu

President and Chief Operating Officer

Hiroshi Kawasaki

General Manager, President's Office

TEL: 03-3847-5005

May 7, 2003

No.

All data in millions of yen, rounded down, except dividends, per-share amounts and percents.

1. Business Results for the Year Ended March 31, 2003

(1) Consolidated Operating Results

(In millions of yen, rounded down except where noted)

	Net Sales		Operating Income		Recurring Income	
Fiscal Year Ended March 31, 2003	244,949	7.5%	25,868	24.6%	26,435	20.2%
Fiscal Year Ended March 31, 2002	227,930	5.0%	20,764	31.3%	21,992	34.5%

	Net Income		Net Income Per Share	Fully Diluted Earnings Per Share
Fiscal Year Ended March 31, 2003	12,667	19.0%	254.09 yen	253.74 yen
Fiscal Year Ended March 31, 2002	10,643	(17.5)%	217.62 yen	-

	Return on Equity (ROE)	Return on Assets (ROA)	Return on Sales
Fiscal Year Ended March 31, 2003	11.3%	12.5%	10.8%
Fiscal Year Ended March 31, 2002	9.9%	10.9%	9.6%

Notes: 1) Profit or loss from investments in subsidiaries and affiliates accounted for by the equity method:

Fiscal year ended March 31, 2003: 345 million yen

Fiscal year ended March 31, 2002: 381 million yen

2) Average number of outstanding shares during the fiscal year (Consolidated):

Fiscal year ended March 31, 2003: 48,871,894 shares

Fiscal year ended March 31, 2002: 48,910,159 shares

3) Changes in accounting procedure: none

4) All percentages represent changes compared to the previous fiscal year.

5) Net income per share for the period ended March 31, 2002 calculates to 214.26 yen using the same method as this fiscal year. Fully diluted earnings per share are not stated as there was no dilution in the period.

(2) Consolidated Financial Position

(In millions of yen, rounded down except where noted)

	Total Assets	Shareholders' Equity	Equity Ratio	Equity Per Share
Fiscal Year Ended March 31, 2003	225,683	116,116	51.4%	2,370.91 yen
Fiscal Year Ended March 31, 2002	197,424	107,304	54.3%	2,194.16 yen

Notes: 1) Total number of issued shares at the end of the fiscal year (Consolidated):

Fiscal year ended March 31, 2003: 48,870,347 shares

Fiscal year ended March 31, 2002: 48,904,854 shares

2) Equity per share for the year ended March 31, 2002 calculates to 2,190.80 yen using the same method as this fiscal year.

(3) Consolidated statement of cash flows

(In millions of yen, rounded down)

	Net cash provided by operating activities	Net cash provided by investment activities	Net cash provided by financing activities	Cash and cash equivalents at the end of the year
Fiscal Year Ended March 31, 2003	28,009	(3,967)	14,780	83,326
Fiscal Year Ended March 31, 2002	26,568	(6,815)	(18,760)	45,005

(4) Matters concerning the extent of consolidation and companies as to investments in which the equity method of accounting has been carried out.

- Number of consolidated subsidiaries:..... 28
- Number of non-consolidated subsidiaries as to investments in which the equity method of accounting has been carried out: 0
- Number of affiliated companies as to investments in which the equity method of accounting has been carried out: 2

(5) Changes of the extent of consolidation and companies as to investments in which the equity method of accounting has been carried out:

Consolidated subsidiaries:	(Newly included)	1
	(Excluded)	2
Companies as to investments in which the equity method of accounting has been carried out:	(Newly included)	0
	(Excluded)	0

2. Fiscal Year 2004 Full Year Projections (April 1, 2003 - March 31, 2004) (In millions of yen, rounded down)

	Net Sales	Recurring Income	Net Income
Interim Period Ending September 30, 2003	125,000	13,500	6,800
Fiscal Year Ending March 31, 2004	255,000	28,000	14,200

Reference: Projected earnings per share for fiscal year 2003 (fiscal year ending March 31, 2004): 285.47 yen

“Caution Relating to Results Projections”

The above projections are based on the information available to management at the time they were made, and estimates involving uncertain factors thought likely to have an effect on future results. As such, they include various risks and uncertainties. Actual results may differ materially from these projections for a variety of reasons, including changes in business environments, market trends, and exchange rate fluctuations.