



August 6, 2008

Name of listed company:

NAMCO BANDAI Holdings Inc.

Name of representative:

Takeo Takasu,

President and Representative Director

(Code Number: 7832 TSE 1st section)

Contact:

Yuji Asako, Executive Officer,

Corporate Planning Division

Notice of Integration of Subsidiaries

NAMCO BANDAI Holdings Inc. has announced that a meeting of its Board of Directors held today has decided to integrate two of its wholly owned consolidated subsidiaries, NAMCO BANDAI Games Inc. (“NAMCO BANDAI Games”) and Bandai Networks Co., Ltd. (“Bandai Networks”). Details are as follows.

1. Purpose of Integration

The BANDAI NAMCO Group has decided to integrate NAMCO BANDAI Games and Bandai Networks to better leverage its collective strength and generate synergies by making effective use of the two subsidiaries’ respective resources and strengths. The Group believes that this will enable continued growth in network-related markets—including the market for cellular phone content delivery service—as these markets confront severe change, such as rapid technological advances and intense global competition.

To date, NAMCO BANDAI Games has developed its businesses by relying on its strengths, including content applications for the platforms of video game consoles, arcade game machines and mobile phones, leveraging its technologies. Meanwhile, Bandai Networks has aimed to take advantage of its operational scope, which encompasses e-commerce, in addition to its core services of mobile phone content delivery and technical solutions. The Group will bolster its collective strength in the network businesses by integrating the two subsidiaries and establishing a new division within the NAMCO BANDAI Games, and will seek to develop new content and businesses by blending the two companies’ different strengths.

2. Overview of Integration

(1) Integration schedule

Date of integration: April 1, 2009 (plan)

(2) Integration method

The integration will be a merger by absorption, with NAMCO BANDAI Games as the surviving company and Bandai Networks as the expiring company. NAMCO BANDAI Holdings Inc. will announce the specific method of restructuring as soon as it is decided.

3. Profile of Subsidiaries Involved (as of June 30, 2008)

	Surviving company (plan)	Expiring company (plan)
Name	NAMCO BANDAI Games Inc.	Bandai Networks Co., Ltd.
Established	June 1, 1955	September 7, 2000
Business activities	Planning, development and sales of game content, amusement equipment, etc.	Provision of mobile content, web content, e-commerce and other network services
Head office	4-5-15, Higashi-shinagawa, Shinagawa-ku, Tokyo	Nippon Television Tower 21F, 1-6-1, Higashi-shimbashi, Minato-ku, Tokyo
Representative	Shukuo Ishikawa, President & Representative Director	Satoshi Oshita, President & Representative Director
Capital	15,000 million yen	1,113 million yen
Total assets	73,964 million yen	9,949 million yen
Net assets	60,571 million yen	7,965 million yen
Accounting term	March	March
Workforce	1,738 employees	127 employees
Major shareholders (share)	NAMCO BANDAI Holdings Inc. (100%)	NAMCO BANDAI Holdings Inc. (100%)

4. Impact on Consolidated Results

The impact of the integration on the consolidated results of NAMCO BANDAI Holdings Inc. for the year ending March 2009 is expected to be minimal.

End of Notice