

Bandai Co., Ltd. (7967)

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Takeo Takasu, President and COO

**Bandai to Invest in South Korean Animation
Satellite Broadcasting Company**

TOKYO, October 24, 2001 – Bandai Co., Ltd., Japan's leading toy maker, announced participation the signing of a contract with DAIWON C&A HOLDINGS CO., LTD., a South Korean KOSDAQ-listed company, to participate in the establishment of a new venture that will broadcast animation via satellite connection. To be named Daiwon Digital Broadcasting Co., Ltd., the company is also to receive investment from a number of other Japanese corporations, including TOEI ANIMATION, Shogakukan Productions, TMS ENTERTAINMENT and Sunrise. Also on the list of investors will be Bandai's subsidiary BANDAI KOREA.

Daiwon Digital Broadcasting has been selected by Skylife, Korea's new digital satellite broadcasting service, to operate the animation channel, 'AniOne TV.'

Daiwon Digital will be capitalized at 5 billion won (approximately 4.2 million US dollars), with two-thirds (67%) coming from three Korean companies: lead-investor Daiwon C&A Holdings, GINA WORLD, and BANDAI KOREA. The remainder will come from the five Japanese companies mentioned above.

'AniOne TV' will broadcast both the best new animation and classics of the field in an attempt to win over a broad target audience, which ranges from children to adults. In addition to airing professional productions, the channel will also introduce the works of animation clubs and amateur creators. The wide range of content is expected to appeal to both animation aficionados fans and mainstream viewers.

'AniOne TV' will distinguish itself from terrestrial, cable, and other satellite television channels through specialization in the animation field and will attempt to brand itself in this way.

Animation has established itself as a much-loved medium the world over. 'AniOne TV,' will bring high-quality animation to Korea and the channel is expected to help both the spread of

satellite TV in Korea and to contribute to synergies in the sale of branded characters, a Bandai strength.

This move is certain to tie into a more stable demand for Japanese animation, and greater cooperative projects between Japanese and Korean animation companies.

New Company Outline

Company	Daiwon Digital Broadcasting Co., Ltd
Location	15/F , Incube Bldg., 40-17, 3 Ga Hangang-Ro, Yongsan-Gu, Seoul, Korea
Representative	Representative Director: Wook Jung
Capital	5 billion won

Investor Breakdown:

DAIWON C&A HOLDINGS CO.,LTD.	2.8 billion won	56.00% (South Korea)
Shogakukan Production Co.,Ltd.	412.5 million won	8.25% (Japan)
TOEI ANIMATIONCO., LTD.	412.5 million won	8.25% (Japan)
TMS ENTERTAINMENT CO.,LTD.	412.5 million won	8.25% (Japan)
GINA WORLD CO., LTD.	400 million won	8.00% (South Korea)
Bandai Co.,Ltd.	250 million won	5.00% (Japan)
Sunrise Co.,Ltd.	162.5 million won	3.25% (Japan)
BANDAI KOREA CO.,LTD.	150 million won	3.00% (Japan)

Operating Activities	Operation of 'AniOne TV,' a South Korean digital satellite animation channel
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Commencement of Operations Broadcasts due to start in December, 2001

About Bandai:

The head of the forty-one company Bandai Group, Bandai Co., Ltd. is Japan's leading toy maker and is engaged in all aspects of the branded-character business, including models, apparel, products for vending machines, candy toys, processed foods, toiletries, stationeries, game machines and software, and amusement equipment. Since, 1950 Bandai has had hundreds of hit toy products including characters such as *Power Rangers*, *Digimon*, and

Mobile Suit Gundam, and products such as *Tamagotchi*, and *WonderSwan color* game consoles. Bandai now operates in nine countries world-wide. For more information, please see the company home-page at http://www.bandai.co.jp/bandai_e/index_e.html.