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FILE NO. 82-3919

February 12, 2002

BY AIR MAIL

Securities and Exchange Commission  
Office of International Corporate Finance  
Division of Corporation Finance  
450 Fifth Street, N.W.  
Washington, D.C. 20549  
U.S.A.



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BANDAI CO., LTD.  
Re: Sponsored Level 1 ADR Facility

Dear Sirs:

Pursuant to Rule 12g3 - 2 (b) under the Securities Exchange Act of 1934, we, as legal counsels to Bandai Co., Ltd. (the "Company") with respect to its ADR program, enclose herewith English excerpt translation of the document which contents were announced by the Company as follows:

- Semi-Annual Report - First Six Months of the 54th Business Year -

With kind regards,

Yours truly,

*Fusako Otsuka*  
Fusako Otsuka

Encl.

cc: Bandai Co., Ltd.  
cc: The Bank of New York

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FINANCIAL

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(Excerpt translation)

## SEMI-ANNUAL REPORT

First Six Months of the 54th Business Year

From April 1, 2001  
To September 30, 2001

**BANDAI CO., LTD.**

**(391045)**

**[Cover Page]**

[Filed Document] SEMI-ANNUAL REPORT

[Person to whom Filing was made] The Director General of the Kanto Local Finance Bureau

[Filing Date] December 18, 2001

[Interim Accounting Period] First Six Months of the 54th Business Year (From April 1, 2001 to September 30, 2001)

[Name of the Company] Bandai Co., Ltd.

[Name of the Company in English] Bandai Co., Ltd.

[Title and Name of Representative] Takeo Takasu, President and Representative Director

[Location of Head Office] 5-4, Komagata 2-chome, Taito-ku, Tokyo

[Telephone Number] (03) 3847-5011 (key)

[Person to Contact] Yusuke Fukuda  
Executive Officer and General Manager of President's Office

[Adjacent Place to Contact] 5-4, Komagata 2-chome, Taito-ku, Tokyo

[Telephone Number] (03) 3847-5011 (key)

[Person to Contact] Yusuke Fukuda  
Executive Officer and General Manager of President's Office

[Place at which copies of the Semi-Annual Report are made available for public inspection]

Tokyo Stock Exchange  
(2-1, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)  
Bandai Co., Ltd., Osaka Branch  
(12-3, Toyosaki 4-chome, Kita-ku, Osaka-shi, Osaka)

# 1. Consolidated Interim Financial Statements, etc.

## (1) Consolidated Interim Financial Statements

### ① Consolidated Interim Balance Sheet

	As of September 30, 2000		As of September 30, 2001		As of March 31, 2001	
	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%
(Assets)						
I. Current Assets:						
1. Cash and Time Deposits	30,149		33,086		42,258	
2. Notes and Accounts Receivable – Trade	41,836		44,893		47,267	
3. Marketable Securities	4,808		4,620		3,991	
4. Inventories	7,629		8,512		6,478	
5. Deferred Tax Assets – Current	6,616		4,823		5,547	
6. Others	15,856		20,304		16,751	
7. Allowance for Doubtful Receivables	(1,159)		(1,298)		(1,276)	
Total Current Assets	105,736	54.7	114,941	57.9	121,017	58.9
II. Fixed Assets:						
1. Property, Plant and Equipment						
(1) Buildings and Structures	16,221		13,569		13,974	
(2) Land	38,213		37,451		37,048	
(3) Others	8,048	62,484	7,640	58,661	7,006	58,028
2. Intangible Fixed Assets						
(1) Consolidated Adjustments	125		-		-	
(2) Others	3,021	3,146	3,112	3,112	2,879	2,880
3. Investment and Other Assets						
(1) Investment in Securities	12,162		11,626		13,124	
(2) Deferred Tax Assets-Non-Current	5,181		4,570		4,312	
(3) Others	6,424		6,501		7,303	
(4) Allowance for Doubtful Receivables	(1,703)	22,064	(1,039)	21,659	(1,108)	23,631
Total Fixed Assets		87,695		83,433		84,540
Total Assets		193,432	100.0		198,374	100.0

	As of September 30, 2000		As of September 30, 2001		As of March 31, 2001	
	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%
<b>(Liabilities)</b>						
<b>I. Current Liabilities:</b>						
1. Notes and Accounts Payable – Trade	25,804		25,378		27,720	
2. Short-Term Bank Loans	15,940		5,585		15,991	
3. Current Maturities of Long-Term Debt	-		5,000		5,000	
4. Account Payable – Other	7,864		11,009		11,559	
5. Accrued Income Taxes	4,588		2,827		2,529	
6. Accrued Bonus	2,136		-		1,884	
7. Other Current Liabilities	2,717		5,090		2,723	
Total Current Liabilities:	59,051	30.5	54,892	27.7	67,409	32.8
<b>II. Fixed Liabilities:</b>						
1. Bonds	20,000		15,000		15,000	
2. Long-Term Debt	2,917		431		226	
3. Accrued Retirement and Severance Benefits	1,065		864		990	
4. Officers' Retirement Allowance Reserve	990		1,055		1,058	
5. Other Fixed Liabilities	478		527		590	
Total Fixed Liabilities:	25,452	13.2	17,878	9.0	17,866	8.7
Total Liabilities:	84,503	43.7	72,770	36.7	85,275	41.5
<b>(Minority Interests)</b>						
Minority interests	9,912	5.1	13,315	6.7	13,064	6.3
<b>(Shareholders' Equity)</b>						
I. Common Stock	23,626	12.2	23,626	11.9	23,626	11.5
II. Capital Surplus	22,959	11.8	22,959	11.6	22,959	11.2
III. Consolidated Retained Earnings	53,745	27.8	63,343	31.9	58,706	28.6
IV. Other Valuation Differences of Securities	1,299	0.7	1,213	0.6	2,129	1.0
V. Foreign Currency Translation Adjustment	(1,767)	(0.9)	1,145	0.6	(111)	(0.1)
	99,863	51.6	112,288	56.6	107,310	52.2
VI. Treasury Stock	(847)	(0.4)	-	-	(93)	-
Total Shareholders' Equity	99,016	51.2	112,288	56.6	107,217	52.2
Total Liabilities, Minority Interests and Shareholders' Equity	193,432	100.0	198,374	100.0	205,557	100.0

② Consolidated Interim Statements of Income

	For the Interim Period April 1, 2000 to September 30, 2000		For the Interim Period April 1, 2001 to September 30, 2001		For the Interim Period April 1, 2000 to March 31, 2001	
	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%
I. Net Sales	102,872	100.0	110,321	100.0	217,010	100.0
II. Cost of Sales	62,284	60.5	66,274	60.1	137,092	63.2
Gross Profit	40,587	39.5	44,046	39.9	79,917	36.8
III. Selling, General and Administrative Expenses	31,028	30.2	32,861	29.8	64,101	29.5
Operating Income	9,559	9.3	11,184	10.1	15,816	7.3
IV. Non-Operating Income						
1. Interest Income	184		294		386	
2. Rental Income	118		178		286	
3. Investment Income Applied by the Equity Method	406		154		504	
4. Other Non-Operating Income	377	1,085	432	1,060	1,215	2,393
V. Non-Operating Expenses						
1. Interest Expense	688		356		1,123	
2. Other Non-Operating Expenses	168	856	99	456	739	1,862
Recurring Income	9,788	9.5	11,789	10.7	16,346	7.5
VI. Extraordinary Income						
1. Gain on Sale of Fixed Assets	12		251		18	
2. Gain on Sale of Investments in Securities	-		109		215	
3. Gain on Sale of Equities of Affiliated Companies	-		-		3,454	
4. Reserved Profit in Stock Warrants	3,823		-		3,823	
5. Reserved Allowance for Doubtful Receivables	-		20		411	
6. Reserved Allowance for Prior Service Cost	399		-		399	
7. Other Extraordinary Income	21	4,256	4.1	380	84	8,406
VII. Extraordinary Loss						
1. Loss on Sale of Fixed Assets	55		90		908	
2. Loss on Disposal of Fixed Assets	29		609		835	
3. Loss on Valuation of Fixed Assets	-		-		1,893	
4. Loss on Disposal of Affiliated Companies	-		52		15	
5. Loss on Sale of Stocks of Affiliated Companies	-		-		59	
6. Loss on Valuation of Investments in Securities	35		350		82	
7. Loss on Write-Down of Investments in Stocks of Affiliated Companies	63		-		63	

8. Loss on Write-Down of Guarantee Money Deposited	179			163			260		
9. Extraordinary Retirement Payment	143			-			309		
10. Loss on Capital Investment in Movie Investment Association	-			265			-		
11. Increase in Allowance for Doubtful Receivables	453	960	0.9	31	1,563	1.4	623	5,052	2.3
Net Income before Income Taxes		13,084	12.7		10,606	9.6		19,700	9.1
Corporate Income, Inhabitant and Enterprise Taxes	4,988			3,636			4,637		
Tax Adjustments	(335)	4,652	4.5	1,016	4,652	4.2	1,232	5,870	2.8
Minority Interests		619	0.6		389	0.4		933	0.4
Net Income		7,812	7.6		5,564	5.0		12,897	5.9

## 2. Non-Consolidated Interim Financial Statements, etc.

### (1) Non-Consolidated Interim Financial Statements

#### ① Non-Consolidated Interim Balance Sheet

	As of September 30, 2000		As of September 30, 2001		As of March 31, 2001	
	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%
<b>(Assets)</b>						
<b>I. Current Assets:</b>						
1. Cash and Time Deposits	12,606		13,175		21,437	
2. Notes Receivable – Trade	3,107		3,897		2,794	
3. Accounts Receivable – Trade	21,027		19,553		20,354	
4. Marketable Securities	-		2,000		-	
5. Inventories	2,238		2,656		1,856	
6. Short-Term Loans Receivable	335		7,627		410	
7. Deferred Tax Assets – Current	5,285		1,509		2,450	
8. Other Current Assets	7,784		5,275		5,911	
9. Allowance for Doubtful Receivables	(372)		(149)		(139)	
Total Current Assets		52,012 35.9		55,546 39.0		55,076 38.2
<b>II. Fixed Assets:</b>						
<b>1. Property, Plant and Equipment</b>						
(1) Buildings and Structures	7,338		6,038		6,489	
(2) Tools, Furniture and Fixtures	4,237		3,340		3,215	
(3) Land	34,230		33,541		33,541	
(4) Other Properties	630		779		653	
Total Property, Plant and Equipment	46,437		43,669		43,900	
2. Intangible Fixed Assets	1,601		1,437		1,591	
<b>3. Investment and Other Assets</b>						
(1) Investments in Securities	5,658		4,186		5,855	
(2) Investment in Stocks of in Affiliated Companies	31,465		31,482		31,598	
(3) Deferred Tax Assets-Non- Current	5,159		4,960		4,218	
(4) Others	3,217		1,477		2,394	
(5) Allowance for Doubtful Receivables	(672)		(239)		(270)	
Total Investment and Other Assets	44,829		41,868		43,797	
Total Fixed Assets:		92,867 64.1		87,005 61.0		89,289 61.8
Total Assets		144,880 100.0		142,552 100.0		144,365 100.0

	As of September 30, 2000		As of September 30, 2001		As of March 31, 2001	
	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%
<b>(Liabilities)</b>						
<b>I. Current Liabilities:</b>						
1. Notes Payable – Trade	7,268		7,257		8,379	
2. Accounts Payable– Trade	11,517		9,429		10,253	
3. Current Maturities of Long-Term Debt	-		5,000		5,000	
4. Account Payable – Other	3,650		3,556		4,786	
5. Accrued Income Taxes	2,288		594		21	
6. Accrued Consumption Tax	269		186		282	
7. Accrued Bonuses	1,379		-		1,276	
8. Other Current Liabilities	792		1,924		536	
<b>Total Current Liabilities</b>		27,166 18.7		27,949 19.6		30,536 21.1
<b>II. Fixed Liabilities:</b>						
1. Bonds	20,000		15,000		15,000	
2. Accrued Retirement and Severance Benefits	513		297		403	
3. Officer's Retirement Allowance Reserve	403		444		431	
4. Other Fixed Liabilities	618		618		618	
<b>Total Fixed Liabilities</b>		21,535 14.9		16,361 11.5		16,453 11.4
<b>Total Liabilities</b>		48,702 33.6		44,310 31.1		46,990 32.5
<b>(Shareholders' Equity)</b>						
I. Common Stock	23,626	16.3	23,626	16.6	23,626	16.4
II. Capital Surplus	22,959	15.9	22,959	16.1	22,959	15.9
III. Retained Earnings Appropriated for Legal Reserve	1,489	1.0	1,645	1.2	1,562	1.1
<b>IV. Other Retained Earnings</b>						
1. Voluntary Reserves	41,448		46,034		41,448	
2. Unappropriated Retained Earnings at the End of the Period	5,787		3,308		6,348	
<b>Total Other Retained Earnings</b>		47,236 32.6		49,343 34.6		47,797 33.1
V. Other Valuation Differences of Securities	867	0.6	667	0.4	1,429	1.0
VI. Treasury Stock	-	-	-	-	-	-
<b>Total Shareholders' Equity</b>		96,178 66.4		98,241 68.9		97,375 67.5
<b>Total Liabilities and Shareholders' Equity</b>		144,880 100.0		142,552 100.0		144,365 100.0

② Non-Consolidated Interim Statements of Income

	For the Interim Period April 1, 2000 to September 30, 2000		For the Interim Period April 1, 2001 to September 30, 2001		For the Interim Period April 1, 2000 to March 31, 2001				
	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%	Amount (Millions of Yen)	%			
I. Net Sales	59,049	100.0	57,493	100.0	120,959	100.0			
II. Cost of Sales	37,252	63.1	36,928	64.2	80,307	66.4			
Gross Profit	21,797	36.9	20,564	35.8	40,651	33.6			
III. Selling, General and Administrative Expenses	17,057	28.9	16,066	28.0	33,698	27.9			
Operating Income	4,721	8.0	4,498	7.8	6,952	5.7			
IV. Non-Operating Income	810	1.4	966	1.7	1,403	1.2			
V. Non-Operating Expenses	569	1.0	371	0.6	916	0.7			
Ordinary Income	4,962	8.4	5,093	8.9	7,440	6.2			
VI. Extraordinary Income	3,968	6.7	14	-	5,611	4.6			
VII. Extraordinary Loss	410	0.7	1,150	2.0	2,157	1.8			
Net Income before Taxes	8,520	14.4	3,957	6.9	10,894	9.0			
Corporate Income, and Inhabitant and Enterprise Taxes	2,376		761		21				
Tax Adjustments	1,140	3,516	5.9	751	1,512	2.6	4,508	4,529	3.7
Net Income	5,003	8.5	2,444	4.3	6,364	5.3			
Profit or Loss Brought Forward	784		863		784				
Interim Cash Dividend	-		-		727				
Amount Recorded as Legal Reserve	-		-		72				
Unappropriated Retained Earnings at the End of the Term	5,787		3,308		6,348				