

(English Translation of the Japanese Press Release)

May 14, 2013

To all related parties:

Name of the Company: TOMY Company, Ltd.  
Name of the Representative: Kantaro Tomiyama  
President & CEO  
(Code No. 7867; The First Section of the Tokyo Stock Exchange)  
Further Inquiries: Kazuhiro Kojima  
Managing Director  
Deputy Head, Corporate  
Administrations  
(TEL: 03-5654-1548)

**Notice Regarding Changes to the Exercise Price Determination Method and Other Terms for Stock Options**  
**Issued to Directors**

This is to provide notification that TOMY Company, Ltd. (hereinafter “Tomy”) resolved at a meeting of the Board of Directors, held on May 14, 2013, to submit a proposal at the 62nd Ordinary General Meeting of Shareholders, to be held on June 26, 2013, seeking approval of shareholders for partial changes to the method for determining the exercise price and other terms related to subscription rights to shares issued as stock options to Directors (including Outside Directors).

Tomy has secured approval from shareholders to issue subscription rights to shares as stock options to Directors (including Outside Directors) and Corporate Auditors to further promote the motivation to contribute to the improvement of consolidated earnings and a management that gives serious consideration to shareholders. Compensation and other specific terms were approved for Directors’ stock options at the 60th Ordinary General Meeting of Shareholders held on June 24, 2011, and for Corporate Auditors’ stock options at the 56th Ordinary General Meeting of Shareholders held on June 26, 2007, respectively. With this latest proposal, Tomy is seeking approval for partial changes to compensation and other terms that have already been approved by shareholders.

Specifically, Tomy is seeking approval for changes to the method used to determine the exercise price, through the newly introduction of a minimum required share price. If the exercise price, based on the existing method used to determine the exercise price, is lower than this minimum required share price, the minimum required share price shall become the exercise price.

The minimum required share price shall be set at ¥658, the same level as the exercise price for the fourth and fifth issue of stock options granted on September 1, 2011.

Recognizing that the Tomy’s performance is currently at the same level as in the fiscal year ended March 2012 (fiscal 2011), Tomy has decided to introduce the minimum required share price to allow already issued stock options to be exercised at the same price as those granted in the fiscal year ended March 2012 (fiscal 2011).

In addition, Outside Directors and Corporate Auditors, who have previously been eligible for stock options, will

no longer be granted stock options on the basis of maintaining objectivity and independence.

The level of compensation and other specific terms related to subscription rights to shares issued as stock options are determined based on various criteria, such as the Tomy's earnings performance, business execution and the individual's contribution to business execution.

Given that subscription rights to shares granted as stock options are aimed to further promote the motivation to contribute to the improvement of consolidated earnings and a management that gives serious consideration to shareholders, Tomy believes that the terms for stock options need to be substantial.

The level of compensation granted as stock options to Directors (excluding Outside Directors) through subscription rights to shares shall remain at ¥200 million.

Other terms related to the Tomy's subscription rights to shares are unchanged.

For further details, please refer to the Japanese press release available at the following URL:

[http://www.takaratomy.co.jp/release/pdf/i130514\\_2.pdf](http://www.takaratomy.co.jp/release/pdf/i130514_2.pdf)