

To all related parties:

Name of the Company: TOMY Company, Ltd.  
Name of the Representative: H.G. Meij  
Representative Director  
President & CEO  
(Code No. 7867; The First Section of the Tokyo Stock Exchange)  
Further Inquiries: Kazuhiro Kojima  
Board Director  
Senior Executive Officer & CFO  
Head of Corporate Administrations  
(TEL: 03-5654-1548)

**Notice Concerning Revisions of Earnings Forecasts  
and Recording of Extraordinary Losses**

TOMY Company, Ltd. (hereinafter “Tomy”) hereby provides notification that it has revised its consolidated earnings forecasts for the first six months of the fiscal year ending March 31, 2017 which were announced on May 10, 2016.

In addition, Tomy hereby provides notification that it has recorded extraordinary losses in the second quarter of the fiscal year ending March 31, 2017.

**1. Revisions of consolidated earnings forecasts for the first six months of the fiscal year ending March 31, 2017 (April 1, 2016 to September 30, 2016)**

(millions of yen, except per-share data)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share (yen)
Previously announced forecast (A)	78,000	1,000	700	200	2.35
Revised forecast (B)	76,500	2,500	1,600	500	5.80
Increase (Decrease) (B-A)	(1,500)	1,500	900	300	–
Increase (Decrease) percentage (%)	(1.9%)	150.0%	128.6%	150.0%	–
(Reference) Actual results for the first six months of the fiscal year ended March 31, 2016	77,805	838	710	261	3.07

## **2. Reasons for revisions**

Despite strong sales in the Japanese toy market, we have decreased our net sales forecast to 76,500 million yen due to a downturn in net sales overseas resulting from yen appreciation exceeding Tomy's expectations.

The forecast for operating income has been increased to 2,500 million yen, which is 1,500 million yen higher than initially forecast, due to strong results in the high-margin domestic toy business.

The forecast for ordinary income has been increased to 1,600 million yen, which is 900 million yen higher than initially forecast due to expectations for substantially higher operating income, despite having recorded foreign exchange losses largely attributable to reassessment of foreign currency-denominated loans to overseas subsidiaries held by Tomy due to foreign exchange market volatility.

The forecast for profit attributable to owners of parent has been increased to 500 million yen, which is 300 million yen higher than initially forecast, despite adverse effects of extraordinary losses.

Although we are aggressively working to expand business through ongoing initiatives that include launching priority products and making proposals involving appealing sales spaces, our full-year earnings forecasts remain unchanged from the initial forecasts announced on May 10, 2016, given the need to review the outlook for the peak year-end shopping season, etc.

On Tuesday, November 8, 2016, we will release our financial results for the first six months of the fiscal year ending March 31, 2017.

## **3. Occurrence and details of extraordinary losses (July 1, 2016 to September 30, 2016)**

Extraordinary losses of 541 million yen have been recorded in the second quarter (July-September) of the fiscal year ending March 31, 2017.

An impairment loss on intangible assets of 510 million yen with respect to certain baby products in Oceania have been recorded, as part of the TOMY International Group's business selection and concentration strategy.

### **Note concerning forecasts of earnings, etc.**

The forecast values that Tomy presents in this material have been determined based on information currently available to Tomy and are subject to a number of uncertainties. Accordingly, actual results may differ from the forecasted values due to the effect of future events.

End of notice