



Founding Philosophy

Let's excite the world's markets
with our outstanding products.

Our sincerity and diligence will contribute
to society and lead to our own success
and happiness.

Notice: This English version is a translation of the original Japanese document and is only for reference purposes. In the case where any differences occur between the English version and the original Japanese version, the Japanese version will prevail.

TOMY Company, Ltd. Fiscal Year 2021 Results (April 1,2021-March 31,2022)

**May 10, 2022
TSE Securities Code: 7867**

FY2021 Financial Highlights (April 1, 2021-March 31, 2022)

May 10, 2022

Goshiro Ito
Executive Officer, Head of Corporate
Administrations

Consolidated Income Statements

¥100 million

	FY2021			FY2020	Change
	Actual	Revised Forecasts (Feb 7, 2022)	Original Forecasts (May 11, 2021)	Actual	
Net sales	1,654	1,600	1,550	1,412	+242
Cost of sales	988	–	–	859	+129
Gross profit	666	–	–	552	+114
Operating profit	123	110	80	70	+53
Operating profit margin	7.4%	6.9%	5.2%	5.0%	+2.4%
EBITDA	192	–	–	142	+50
Ordinary profit	126	110	76	71	+55
Profit attributable to owners of parent	91	75	65	53	+38
ROE	12.3%	–	–	7.9%	+4.4%

◆ Net sales

Retail operations continued to suffer headwinds from the COVID-19 pandemic. However, sales of mainstay toy products remained firm, while sales grew for Duel Masters and PAW Patrol, as well as for products such as Punirunes, launched in July 2021.

In amusement machines, Pokémon Mezastar and Waccha PriMagi! garnered popularity, while sales of Capsule toys grew. In October 2020, the Company acquired Fat Brain Group, an independent US-based toy manufacturer. Business results exceeded even the upward revision disclosed in February 2022, with net sales rising 17.2% year on year to ¥165.4 billion.

◆ Operating Profit

Despite the impact of confusion in international logistics, net sales grew, boosting gross profit on sales. The Company made efficient use of selling, general, and administrative expenses. Operating profit grew 74.4% year on year to ¥12.3 billion.

◆ Profit Attributable to Owners of Parent

In addition to the growth in operating profit, the sale of real estate for office use owned by a Hong Kong consolidated subsidiary in the 1Q resulted in profit attributable to owners of parent increasing 69.6% year on year to ¥9.1 billion.

◆ Year-End Dividend

As stated in the Notice on Distribution of Surplus (Increase in Dividend) published today (May 10, 2022), the Company intends to increase the year-end dividend from ¥20 per share to ¥22.5 per share.

* Total of amortization of goodwill and other intangible assets associated with the acquisition of TOMY International, Inc. (hereinafter "TI"): ¥1.8 billion, unchanged from the previous FY

With the acquisition of independent U.S. toy company the Fat Brain group in October 2020 and it becoming a subsidiary of TOMY International, Inc.,

amortization of goodwill and other intangible assets associated with acquisition of TI increased.

* EBITDA=Operating profit + depreciation + amortization of goodwill * US\$ FX rate: FY2021: ¥112.37, FY2020: ¥106.06

SG&A Breakdown

¥100 million

	FY2021	FY2020	Change
SG&A (total)	542	481	+61
Personnel expenses	179	162	+17
Advertising expenses	113	100	+13
R&D expenses	45	39	+6
Distribution expenses	78	65	+13
Amortization of goodwill and intangible assets associated with acquisition of TI	18	18	0
	\$16 MM	\$17MM	-\$1MM

* All figures have been rounded down to the nearest ¥100 million.

◆ SG&A (total)

- In response to improving business results, the Company increased reserves for payment of bonuses, raising personnel expenses.
- Expenses grew in comparison with the previous fiscal year, when stores closed and event promotion activities were limited in response to the COVID-19 pandemic. (Personnel expenses, Advertising expenses)
- Increased distribution expenses due to prolonged disruption in international logistics

Operating Results by Segment

¥100 million

		FY2021	FY2020	Change
Net sales		1,654	1,412	+242
	Japan	1,302	1,133	+169
	Americas	270	218	+52
	Europe	72	59	+13
	Oceania	23	19	+4
	Asia except for Japan	469	414	+55
	Eliminations and corporate	-484	-433	-51
Operating profit/(loss)		123	70	+53
	Japan	140	90	+50
	Americas	4	2	+2
	Europe	0	-0	0
	Oceania	1	1	0
	Asia except for Japan	12	7	+5
	Eliminations and corporate	-36	-29	-7

* All figures have been rounded down to the nearest ¥100 million.

◆ Operating results by segment

In Japan and Asia except for Japan, as noted above, sales of mainstay toy products remained firm while sales grew for products such as Duel Masters, PAW Patrol and Punirunes. In addition, revenues from Pokémon Mezastar and Waccha PriMagi! amusement machines grew, along with sales of Capsule toys. Both net sales and profit expanded as a result.

In the Americas, Europe and Oceania, solid business development at the Fat Brain Group contributed to sales growth, despite the impact of confusion in international logistics.

Net Sales by Region

¥100 million

Region	FY2021	FY2020	Change
Japan	1,004	872	+132
North America	386	318	+68
Europe	94	73	+21
Oceania	32	25	+7
Asia except for Japan	131	114	+17
Others	5	6	-1
Total	1,654	1,412	+242
Ratio of overseas sales	39.3%	38.2%	+1.1%

* Net sales are categorized into a country or region based on the customer's location.

* All figures have been rounded down to the nearest ¥100 million.

- ◆ Japan
The sales increase in Japan is as described in previous slides (core toy brands, "DUEL MASTERS," "PAW Patrol," "Punirunes," "Pokémon Mezastar," Waccha PriMagi!, Capsule toys" etc.).
- ◆ Europe, U.S. and Australia
Net sales grew year on year in response to firm sales of baby products and agricultural machinery toys as well as synergies with the Fat Brain Group, an US-based independent toy manufacturer, from October 2020.
- ◆ Asia except for Japan
BEYBLADE BURST gained popularity in South Korea, Hong Kong and other markets, while sales of individual TOMICA die-cast toys and the like were firm.
In Hong Kong, the Company enjoyed growth in shipments of toys related to Shinkansen Henkei Robo SHINKALION Z.

Consolidated Balance Sheets Breakdown

■ Key year-on-year items changed

¥100 million

Account	FY2021	FY2020	Change
Inventories	180	146	+34
Japan	86	82	+4
Overseas	106	76	+30
Elimination of unrealized profits	-13	-11	-2

Long-term/short-term total borrowings	353	423	-70
Net cash (Cash and deposits less borrowings)	300	212	+88
Equity ratio	50.5%	47.1%	+3.4%

* All figures have been rounded down to the nearest ¥100 million.

- Inventory increased due to the impact of disruption of international logistics mainly in the Americas.

<US\$ FX rate at end of FY> FY2021: ¥122.39 FY2020: ¥110.71

		FY2021	FY2020	Change
Goodwill balance of TI	\$MM	130	143	-13
	¥100 million	159	159	0
Intangible assets balance of TI	\$MM	65	70	-5
	¥100 million	80	77	+3

With the acquisition of independent U.S. toy company the Fat Brain group in October 2020, and it becoming a subsidiary of TOMY International, Inc., goodwill and other intangible assets increased.

Business Review for FY 2021

May 10, 2022

Kazuhiro Kojima

Representative Director, President & COO

Akio Tomiyama

Managing Director

Large-scale
economic
sanctions

Novel
coronavirus
disease

COVID-19

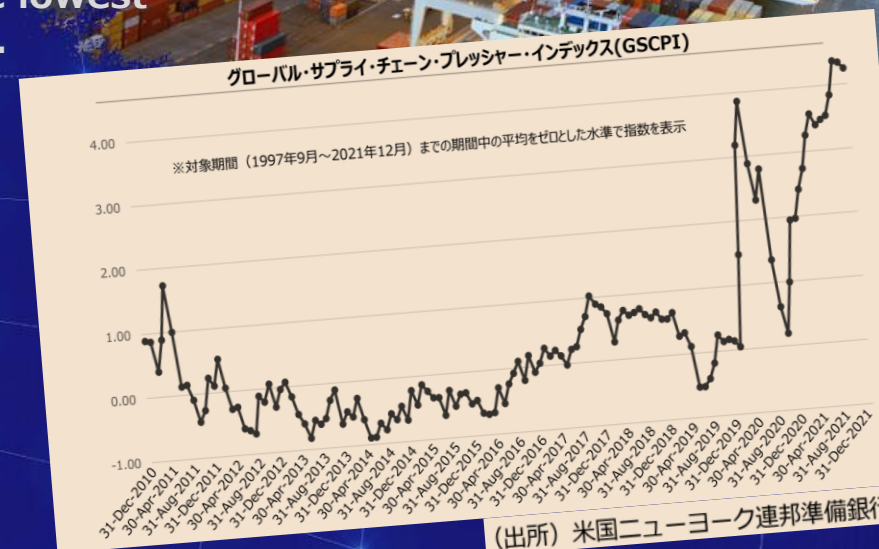
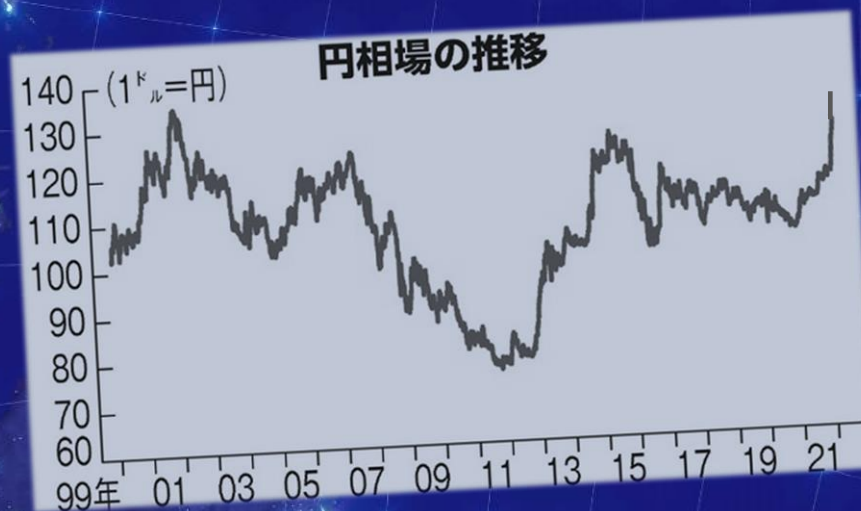
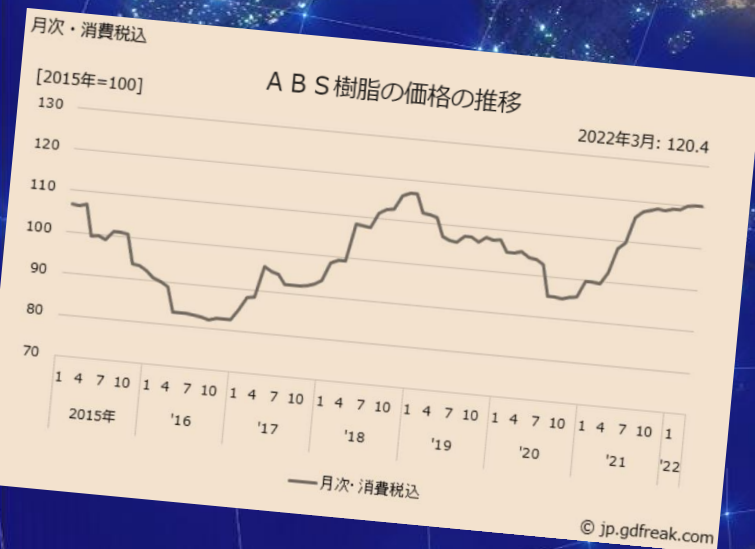
Confusion in Asian supply chains

Deepening Uncertainty in the Business Environment

Rising prices for
ABS plastics

BA.2

On April 28, the JPY/USD exchange rate reached ¥130 to the US dollar, the lowest rate for the yen in about 20 years.



Significance of the Group



*become friends with children
around the world*

Sustainability Vision

**Become friends
with children
around the world**





Review: Ideal Vision for the TOMY Company

All-people who love “*asobi*”, from children-to-adults
Expand Lifetime Value.

Changing the methods of monetization
Expanding beyond our starting point, toys and children.

Driving force behind sustainable growth
Shifting from “toys” to “*asobi*”.

Our vision

We believe “*asobi*” makes the world better, therefore, we will contribute to the future global society through “*asobi*”.

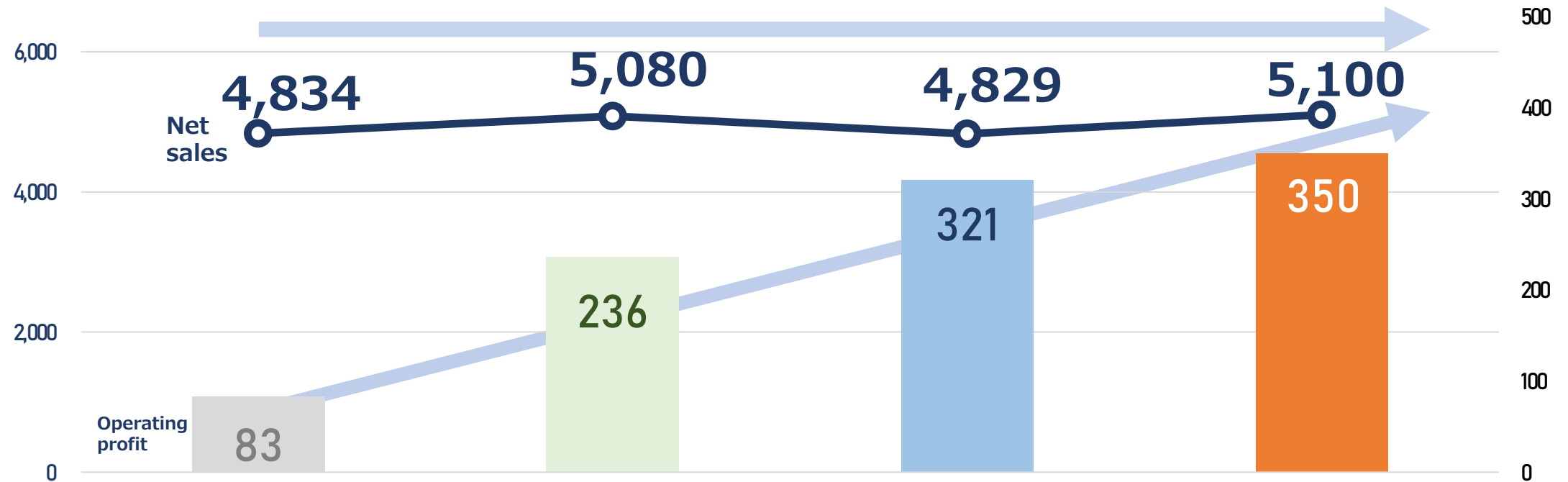
Midterm
Policies

**We will leverage our strengths globally,
and build the foundation towards Sustainable Growth.**



Three-Year Total Trend of Consolidated Net Sales and Operating Profit

¥100 million

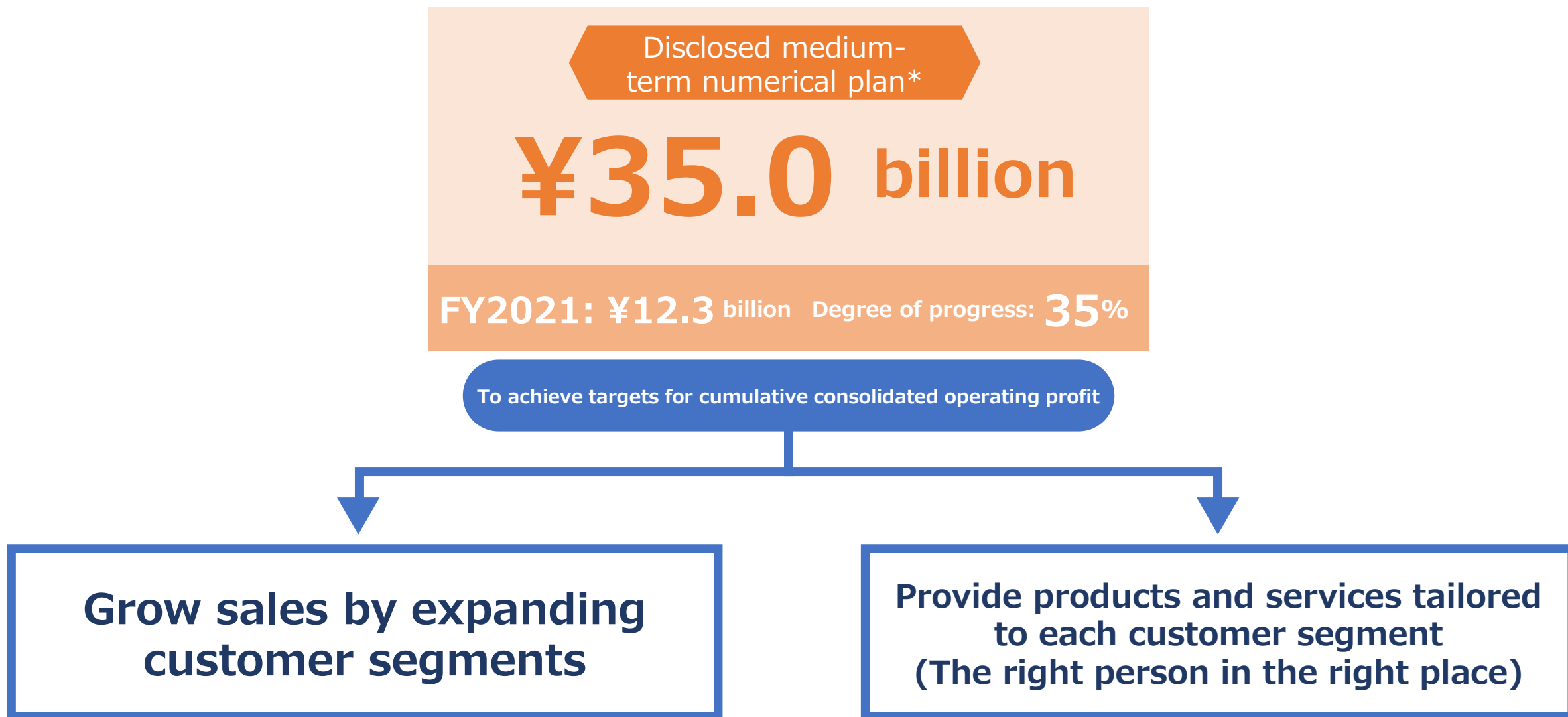


Total of FY2012 to FY2014			Total of FY2015 to FY2017		Total of FY2018 to FY2020		Total of FY2021 to FY2023			
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021		FY2022	FY2023
							Plan	Actual		
Net sales	1,630	1,676	1,773	1,768	1,648	1,412	1,550	1,654	1,700	1,850
Operating profit	26	77	132	144	106	70	80	123	120	150
Ordinary profit	14	78	124	143	102	71	76	126	118	148
Profit	-67	53	79	93	45	53	65	91	75	95



Approaches to New Customers to Grow the Company (1)

Three-Year Total Consolidated Operating Profit (FY2021 to FY2023)



Approaches to New Customers to Grow the Company (2)

Acceleration of Japan's Birthrate Decline

Expansion into mature
group segments

Expansion into global
markets

Increase Life Time Value

Join as a child and return as an adult = segment expansion



Baby
Toddlers



Preschoolers



Kids



Tweens



Teens



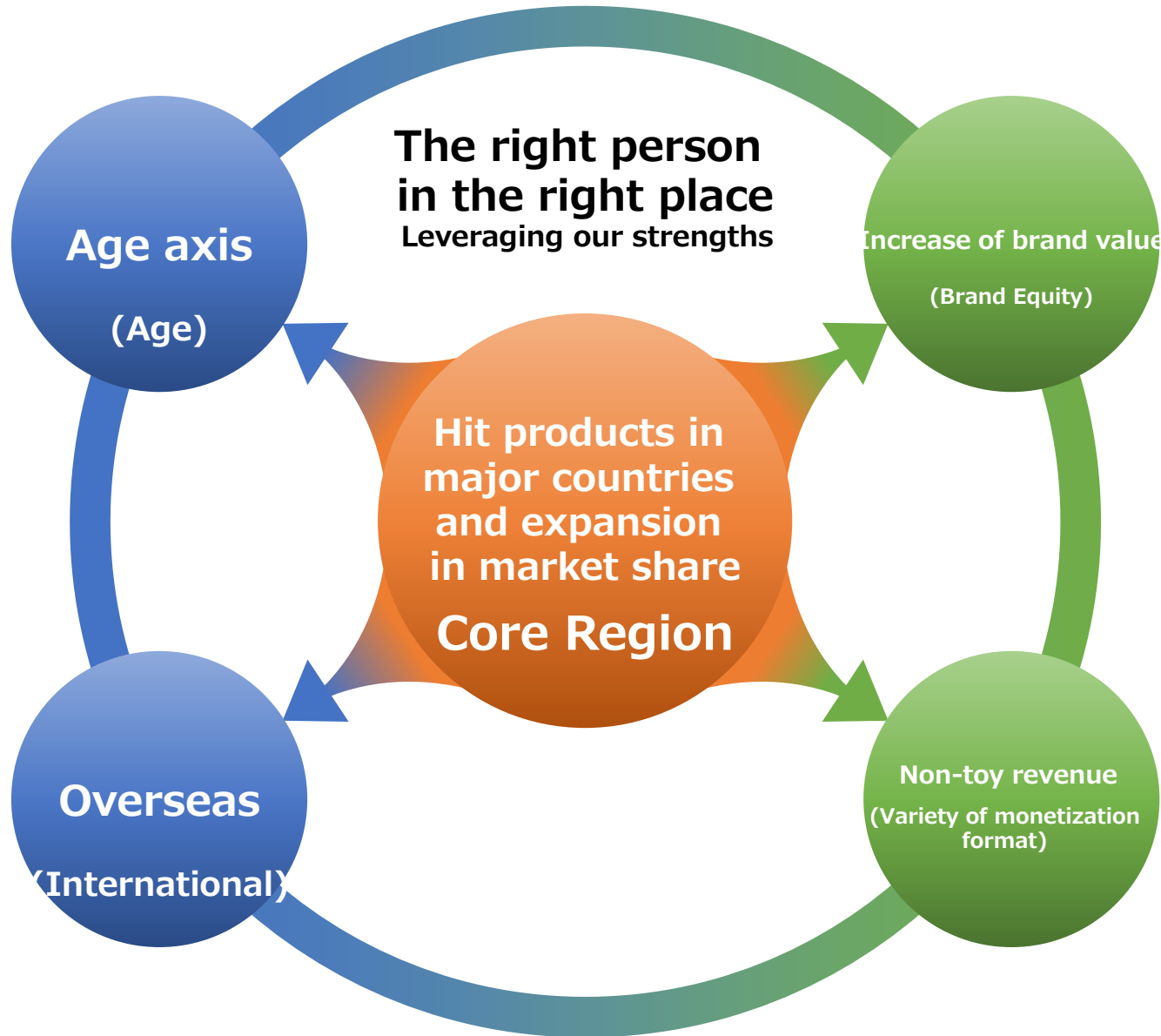
Kidults



Seniors



Growth Axes for Individual Brands



Keywords in consumption

Kidults

Fan Economy

Narrative (empathy)

Digital Natives

Facebook→Tiktok/Instagram

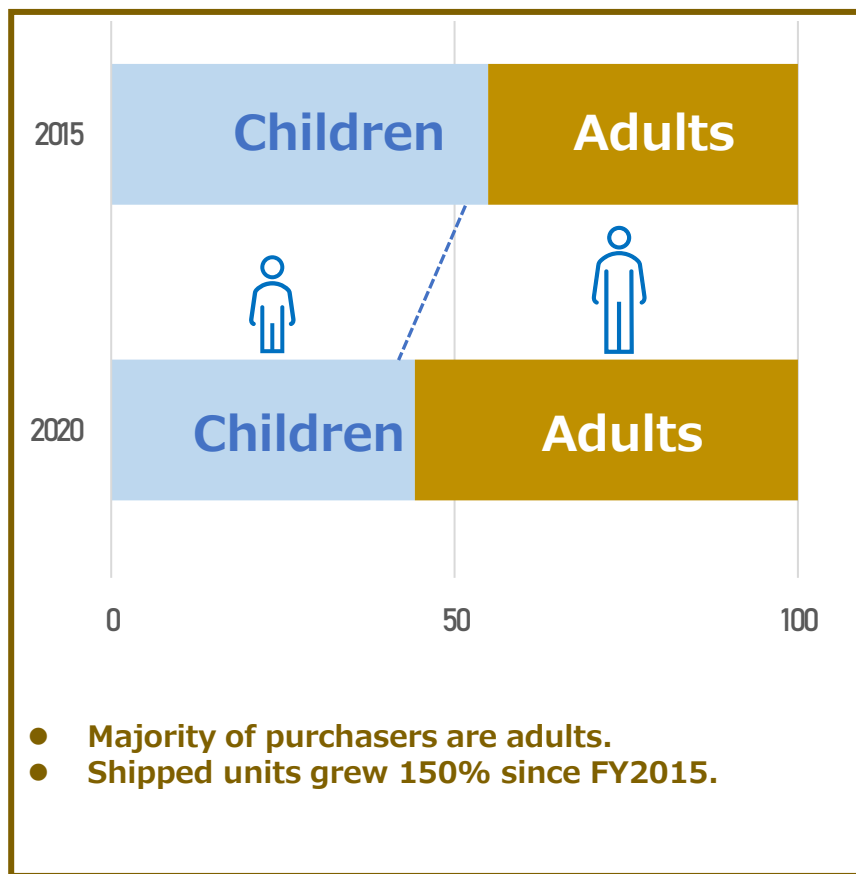
Responding to Demands in Kidults Segment<Success of TOMICA>



TOMICA Premium, “the TOMICA series for adults”

Launched in 2015

Comparison of composition of TOMICA Premium users



Further expansion of product lines that appeal to adults

November 2021
TOMICA Premium Unlimited:
New product line featuring movie,
anime and drama series themes.



tomica
PREMIUM
unlimited

01 The Fast and the Furious RX-7

02 DETECTIVE CONAN Ford Mustang
(Shuichi Akai)

03 KNIGHT RIDER KNIGHT 2000
K.I.T.T.



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FY 2021 Success in Creation of Hit Products



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2021

IP Deployment

Continuation of IP Investment

Jobraver

- Specially-equipped combined robot



© TOMY

RizSta

-Top of Artists!-



© TOMY, OLM / RizSta Production Consortium, TV TOKYO

BOTTLEMAN DX



© TOMY / BMDX PROJECT, TVO

Waccha PriMagi!



© T-ARTS / syn Sophia / TV TOKYO / PM Production Committee



Measures With *Asobi* as the Key Theme



Asobi makes the world better.

Asobi spirit makes society better.😊



Good Design Award
The Chicago Athenaeum

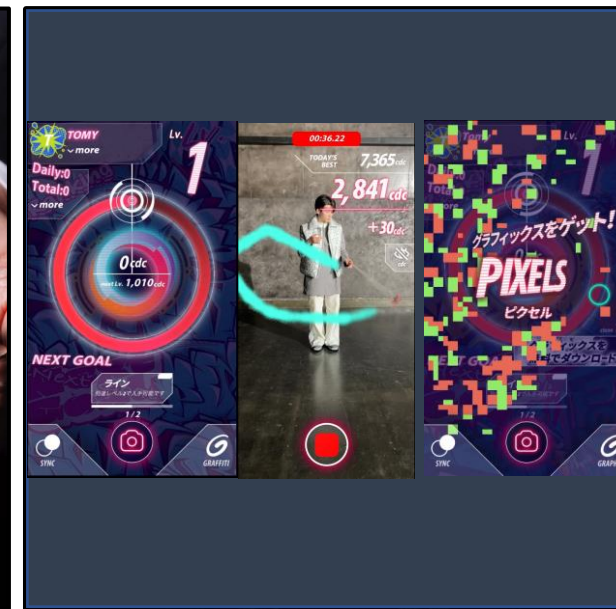


Play Creators Award

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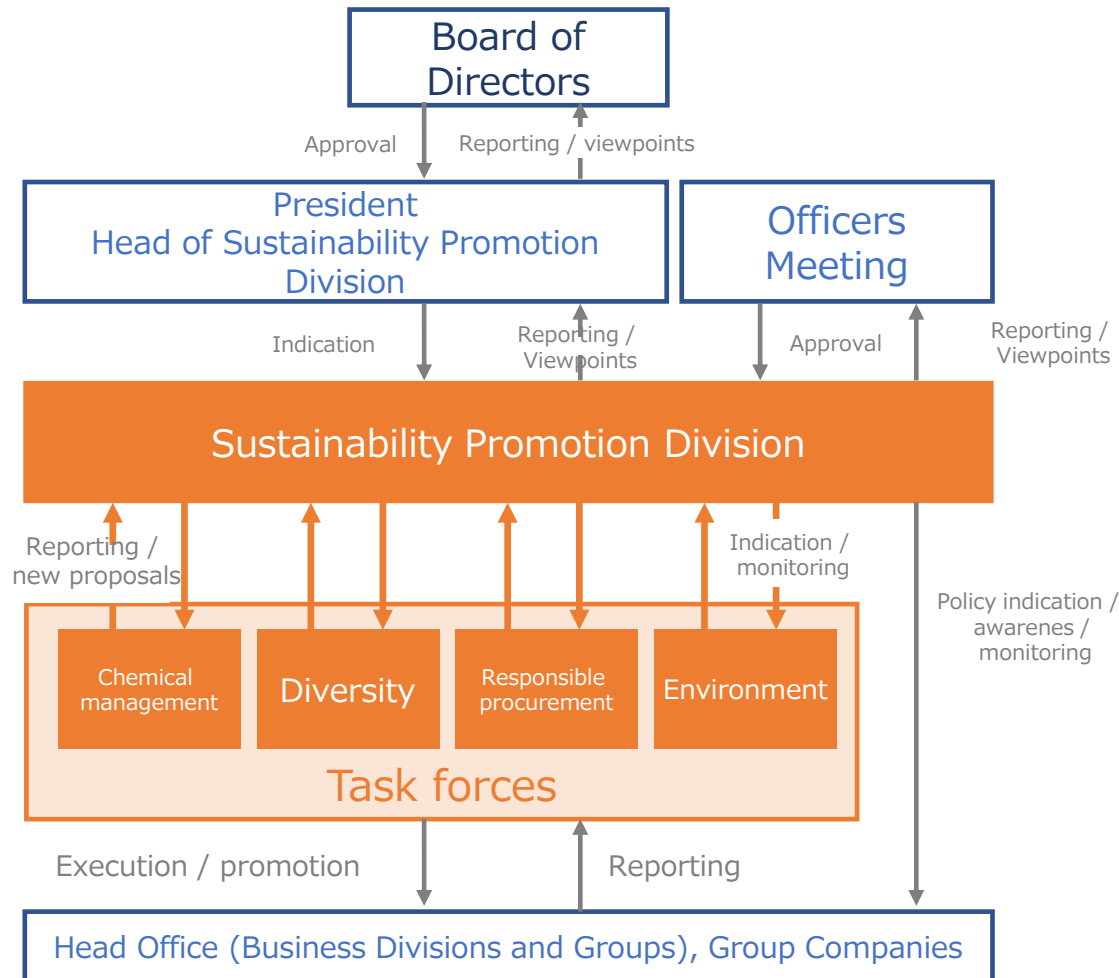


SORA-Q, super-miniature
transforming moon robot
developed in collaboration with
JAXA and others



MUGENYOYO
Expansion of Yoyo into a social-
media communication tool

Governance



Environment

**12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION**



**13 CLIMATE
ACTION**



**Use of non-
petroleum-derived
materials**

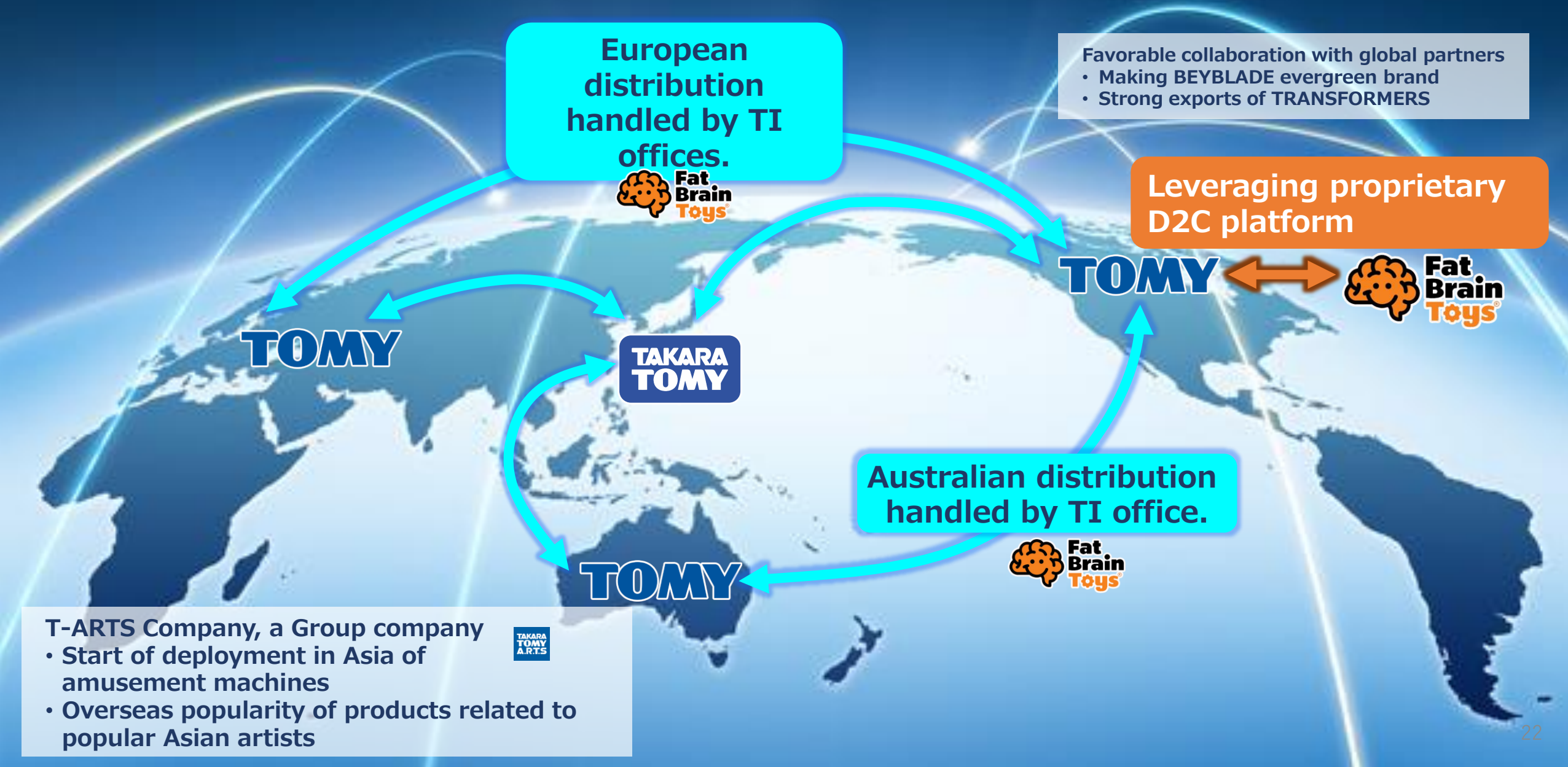


Greengrown

the
first
years®

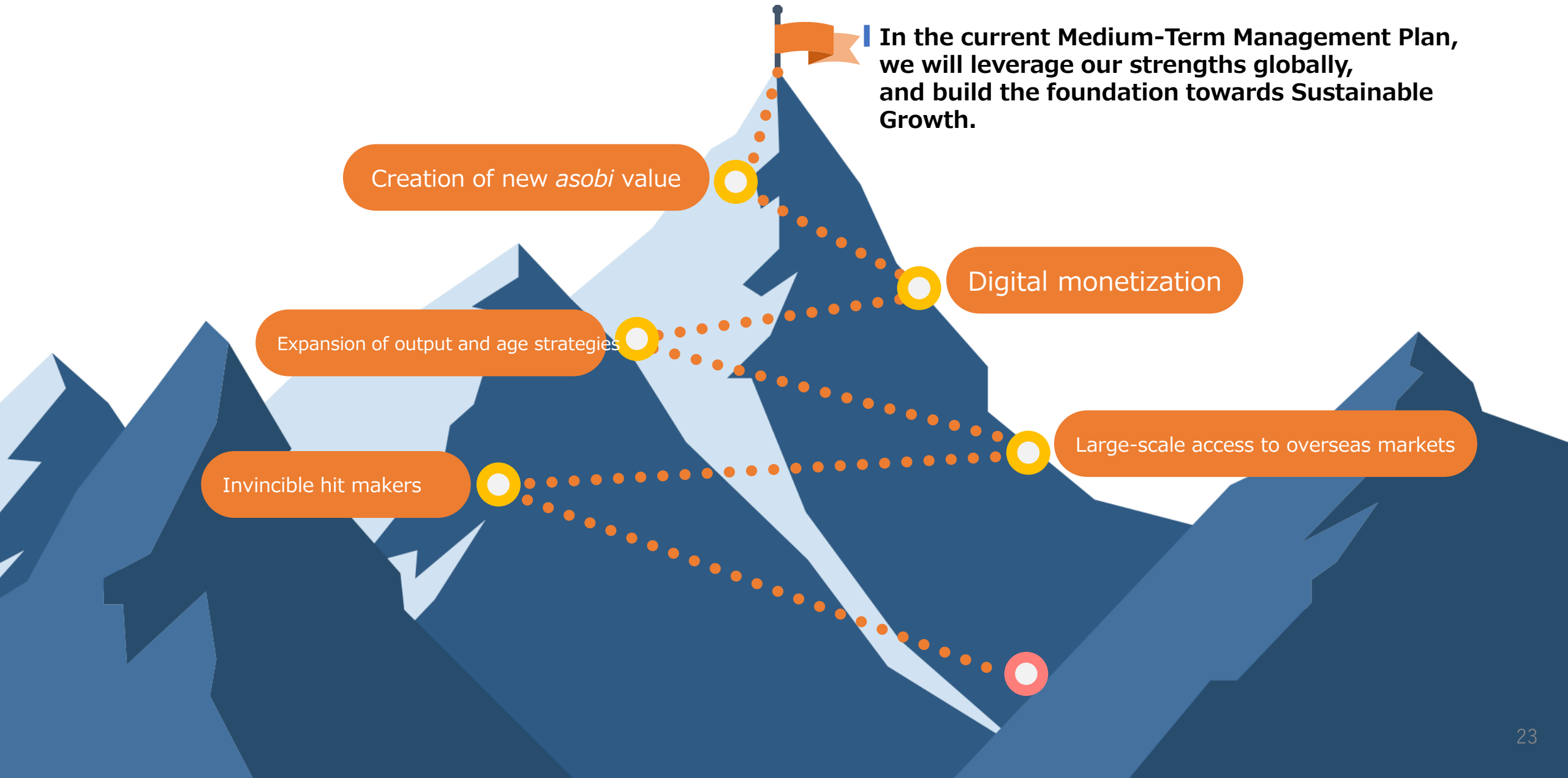
**Responding to
climate change**







The Road to Achievement of the Medium-Term Management Plan



Strengthening of the Head-Office Organization

Medium-Term Policies

**We will leverage our strengths globally,
and build the foundation towards Sustainable Growth.**

November 2021: Corporate reorganization and increase in number of executive officers



By converting individual missions in Business Headquarters into individual headquarters, we are able to implement the Medium-Term Management Plan more smoothly and faster.

**June 2022: Changes to the Board Members
(pending approval at the general meeting of shareholders)**

- The Company will continue to maintain a system in which the majority of directors are independent outside directors.
- The Company will strive to build effective corporate governance by enhancing the independence of the Board of Directors and strengthening its supervisory function.
- The Company will appoint independent outside directors with extensive experience and knowledge in corporate management and specialized fields.

We aim to sustainably enhance corporate value and strengthen the transparency and objectivity of management.



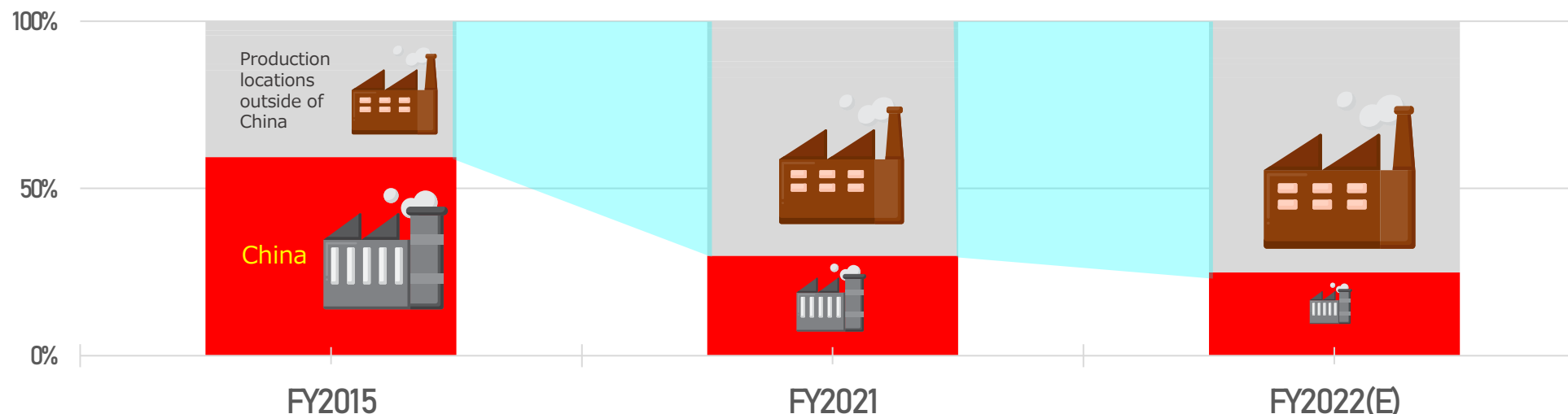
Forecast of Business Results and Dividends for the Fiscal Year Ending March 31, 2023

	¥100 million			
	Net sales	Operating profit	Ordinary profit	Net Profit
Forecast for the full fiscal year	1,700	120	118	75
Results in previous fiscal year	1,654	123	126	91

	Yen
	Annual dividend
Forecast for the full fiscal year	32.50
Results in previous fiscal year	32.50

- Net Sales: Toys, capsule toy vending machine and amusement gaming machine businesses are expected to perform steadily.
- Profit will be impacted by yen depreciation, rising personnel expenses, geopolitical conditions and the COVID-19 pandemic.

Continuation of China + 1





Corporate Mission

We will create new value from play
to fulfill the **dreams** of our stakeholders.

This document contains forward-looking statements, including statements about TOMY Company, Ltd.'s forecasts, targets, plans and strategies. These statements are based on judgements and hypotheses founded on information available at the time of writing. They do not constitute a promise or guarantee of any kind regarding actual future business results of the Company.