

(English Translation of the Japanese Press Release)

August 8, 2014

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  
Board Director  
Senior Executive Officer  
Chief Financial Officer  
(TEL: 03-5654-1548)

**(Corrections) Notice Concerning Partial Corrections to  
“CONSOLIDATED FINANCIAL RESULTS for the First Three Months  
of the Fiscal Year Ending March 31, 2014 <under Japanese GAAP>”**

TOMY Company, Ltd. (hereinafter “Tomy”) has proceeded with operations to revise earnings summaries of previous fiscal years as announced in “Report Concerning Improper Accounting Practices at Tomy’s Consolidated Subsidiary” disclosed today. TOMY has now completed the operations to revise “CONSOLIDATED FINANCIAL RESULTS for the First Three Months of the Fiscal Year Ending March 31, 2014 <under Japanese GAAP>” dated August 8, 2013, and it accordingly announces the details of the corrections.

The corrected document is attached and the places in the document where corrections were made are underlined.

End of notice

## Translation

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.

[After Correction]



MEMBERSHIP  
August 8, 2013

# CONSOLIDATED FINANCIAL RESULTS for the First Three Months of the Fiscal Year Ending March 31, 2014 <under Japanese GAAP>

Company name: **TOMY COMPANY, LTD.**  
Listing: First Section of the Tokyo Stock Exchange  
Securities identification code: 7867  
URL: <http://www.takaratomy.co.jp/>  
Representative: Kantaro Tomiyama, President and CEO  
Inquiries: Kazuhiro Kojima, Board Director, Senior Executive Officer & CFO  
Head of Corporate Administrations  
TEL: +81-3-5654-1548 (from overseas)

Scheduled date to file quarterly securities report: August 9, 2013  
Scheduled date to commence dividend payments: –  
Supplementary material on quarterly financial results: None  
Quarterly financial results presentation meeting: None

(in millions of yen with fractional amounts discarded, unless otherwise noted)

## 1. Consolidated performance for the first three months of the fiscal year ending March 31, 2014 (From April 1, 2013 to June 30, 2013)

### (1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2013	<u>36,512</u>	<u>5.0</u>	<u>104</u>	–	<u>91</u>	–	<u>(1,036)</u>	–
June 30, 2012	<u>34,765</u>	<u>(4.5)</u>	<u>(1,239)</u>	–	<u>(1,451)</u>	–	<u>(1,606)</u>	–

Note: Comprehensive income  
Three months ended June 30, 2013: 630 million yen [ – %]  
Three months ended June 30, 2012: (3,723) million yen [ – %]

	Net income per share	Diluted net income per share
Three months ended	yen	yen
June 30, 2013	<u>(11.01)</u>	–
June 30, 2012	<u>(17.07)</u>	–

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
June 30, 2013	<u>154,080</u>	<u>49,910</u>	<u>31.2</u>	<u>510.15</u>
March 31, 2013	<u>152,732</u>	<u>49,692</u>	<u>31.2</u>	<u>506.41</u>

Reference: Equity  
As of June 30, 2013: 48,022 million yen  
As of March 31, 2013: 47,670 million yen

## 2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2013	–	7.00	–	3.00	10.00
Fiscal year ending March 31, 2014	–				
Fiscal year ending March 31, 2014 (Forecast)		5.00	–	5.00	10.00

Note: Revisions to the cash dividend forecasts most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2014

(From April 1, 2013 to March 31, 2014)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Six months ending September 30, 2013	82,000	(1.7)	2,700	143.9	2,600	234.2	100	–	1.06
Fiscal year ending March 31, 2014	156,000	(12.7)	5,000	96.3	4,400	67.8	1,800	–	19.12

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

### \* Notes

- (1) **Changes in significant subsidiaries during the three months under review** (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) **Application of specific accounting for preparing quarterly consolidated financial statements:**  
Yes
- (3) **Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections**
  - A. Changes in accounting policies due to revisions to accounting standards: None
  - B. Changes in accounting policies due to other reasons: None
  - C. Changes in accounting estimates: None
  - D. Restatement of prior period financial statements after error corrections: None
- (4) **Number of issued shares (common stock)**
  - A. Total number of issued shares at the end of the period (including treasury stock)

As of June 30, 2013	96,290,850 shares
As of March 31, 2013	96,290,850 shares

- B. Number of treasury shares at the end of the period

As of June 30, 2013	2,156,950 shares
As of March 31, 2013	2,156,023 shares

- C. Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2013	94,134,337 shares
Three months ended June 30, 2012	94,136,338 shares

\* Indication regarding execution of quarterly review procedures

The completion of quarterly review procedures in accordance with the Financial Instruments and Exchange Act is not required for preparing this quarterly financial results report. At the time of disclosure of this quarterly financial results report, the quarterly review procedures in accordance with the Financial Instruments and Exchange Act were incomplete.

\* Proper use of earnings forecasts, and other special matters

The earnings forecasts are based on information currently available to the Company and are subject to a number of uncertainties. Actual business and other results may differ due to various factors.

**Quarterly Consolidated Financial Statements**  
**(1) Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2013	As of June 30, 2013
<b>Assets</b>		
Current assets		
Cash and deposits	33,764	32,786
Notes and accounts receivable-trade	<u>23,892</u>	<u>21,190</u>
Securities	64	64
Merchandise and finished goods	19,214	22,186
Work in process	368	472
Raw materials and supplies	759	845
Deferred tax assets	2,057	1,885
Other	6,178	7,141
Allowance for doubtful accounts	(158)	(148)
Total current assets	<u>86,142</u>	<u>86,426</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	13,634	13,775
Accumulated depreciation	(7,935)	(8,181)
Accumulated impairment loss	(456)	(379)
Buildings and structures, net	<u>5,242</u>	<u>5,214</u>
Machinery, equipment and vehicles	2,038	2,099
Accumulated depreciation	(1,117)	(1,184)
Accumulated impairment loss	(0)	(0)
Machinery, equipment and vehicles, net	<u>920</u>	<u>914</u>
Tools, furniture and fixtures	25,608	26,565
Accumulated depreciation	(22,491)	(23,382)
Accumulated impairment loss	(273)	(255)
Tools, furniture and fixtures, net	<u>2,843</u>	<u>2,928</u>
Land	4,729	4,611
Lease assets	5,374	5,506
Accumulated depreciation	(2,182)	(2,354)
Lease assets, net	<u>3,192</u>	<u>3,152</u>
Construction in progress	243	172
Total property, plant and equipment	<u>17,172</u>	<u>16,993</u>
Intangible assets		
Goodwill	25,174	25,983
Other	17,207	17,675
Total intangible assets	<u>42,382</u>	<u>43,658</u>
Investments and other assets		
Investment securities	3,056	2,710
Deferred tax assets	517	497
Other	3,699	4,042
Allowance for doubtful accounts	(276)	(281)
Total investments and other assets	<u>6,998</u>	<u>6,970</u>
Total noncurrent assets	<u>66,552</u>	<u>67,622</u>

(Millions of yen)

	As of March 31, 2013	As of June 30, 2013
<b>Deferred assets</b>		
Bond issuance cost	37	32
Total deferred assets	37	32
Total assets	<u>152,732</u>	<u>154,080</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	<u>10,655</u>	<u>13,166</u>
Short-term loans payable	5,971	7,705
Current portion of long-term loans payable	5,497	5,610
Current portion of bonds	990	735
Current portion of bonds with subscription rights to shares	–	4,900
Lease obligations	1,935	1,991
Accounts payable-other	6,479	3,937
Accrued expenses	5,439	5,667
Income taxes payable	478	760
Provision	<u>905</u>	<u>620</u>
Other	1,023	1,014
Total current liabilities	<u>39,376</u>	<u>46,111</u>
<b>Noncurrent liabilities</b>		
Bonds with subscription rights to shares	12,300	7,400
Long-term loans payable	41,534	41,112
Lease obligations	1,186	1,115
Deferred tax liabilities	2,800	2,927
Deferred tax liabilities for land revaluation	551	551
Provision for retirement benefits	2,982	2,781
Other provision	238	217
Other	2,069	1,952
Total noncurrent liabilities	<u>63,663</u>	<u>58,058</u>
Total liabilities	<u>103,039</u>	<u>104,170</u>

(Millions of yen)

	As of March 31, 2013	As of June 30, 2013
Net assets		
Shareholders' equity		
Capital stock	3,459	3,459
Capital surplus	6,744	6,744
Retained earnings	<u>35,840</u>	<u>34,521</u>
Treasury stock	(1,322)	(1,322)
Total shareholders' equity	<u>44,722</u>	<u>43,402</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	529	578
Deferred gains or losses on hedges	828	957
Revaluation reserve for land	68	68
Foreign currency translation adjustment	1,522	3,015
Total accumulated other comprehensive income	<u>2,948</u>	<u>4,619</u>
Subscription rights to shares	729	598
Minority interests	<u>1,292</u>	<u>1,288</u>
Total net assets	<u>49,692</u>	<u>49,910</u>
Total liabilities and net assets	<u>152,732</u>	<u>154,080</u>

**(2) Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Net sales	<u>34,765</u>	<u>36,512</u>
Cost of sales	<u>23,483</u>	<u>24,551</u>
Gross profit	<u>11,281</u>	<u>11,961</u>
Selling, general and administrative expenses		
Packing and transportation expenses	574	692
Warehousing expenses	896	840
Advertising expenses	2,022	1,705
Salaries, allowances and bonuses	3,877	3,751
Research and development expenses	518	371
Commission fee	627	595
Other	4,004	3,899
Total selling, general and administrative expenses	<u>12,520</u>	<u>11,856</u>
Operating income (loss)	<u>(1,239)</u>	<u>104</u>
Non-operating income		
Interest and dividends income	41	47
Rent income	46	51
Other	89	144
Total non-operating income	<u>177</u>	<u>242</u>
Non-operating expenses		
Interest expenses	201	213
Foreign exchange losses	145	–
Other	43	42
Total non-operating expenses	<u>390</u>	<u>256</u>
Ordinary income (loss)	<u>(1,451)</u>	<u>91</u>
Extraordinary income		
Gain on sales of noncurrent assets	0	0
Gain on reversal of subscription rights to shares	2	159
Other	–	20
Total extraordinary income	<u>2</u>	<u>180</u>



(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Extraordinary loss		
Loss on sales of noncurrent assets	–	4
Loss on retirement of noncurrent assets	52	1
Loss on sales of investment securities	–	231
Loss on valuation of investment securities	–	132
Business structure improvement expenses	115	9
Settlement package	192	–
<u>Other</u>	<u>43</u>	<u>–</u>
Total extraordinary losses	<u>403</u>	<u>378</u>
Loss before income taxes and minority interests	<u>(1,852)</u>	<u>(106)</u>
Income taxes	(250)	934
Loss before minority interests	<u>(1,602)</u>	<u>(1,041)</u>
Minority interests in income (loss)	<u>4</u>	<u>(4)</u>
Net loss	<u>(1,606)</u>	<u>(1,036)</u>

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Loss before minority interests	<u>(1,602)</u>	<u>(1,041)</u>
Other comprehensive income		
Valuation difference on available-for-sale securities	(126)	49
Deferred gains or losses on hedges	(321)	128
Foreign currency translation adjustment	(1,672)	1,493
Total other comprehensive income	<u>(2,120)</u>	<u>1,671</u>
Comprehensive income	<u>(3,723)</u>	<u>630</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	<u>(3,726)</u>	<u>635</u>
Comprehensive income attributable to minority interests	<u>3</u>	<u>(4)</u>

**(3) Consolidated statements of cash flows**

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Net cash provided by (used in) operating activities		
Loss before income taxes and minority interests	<u>(1,852)</u>	<u>(106)</u>
Depreciation and amortization	1,413	1,529
Loss on retirement of noncurrent assets	52	1
Amortization of goodwill	349	407
Amortization of negative goodwill	(14)	(13)
Gain on bargain purchase	–	(20)
Gain on reversal of subscription rights to shares	(2)	(159)
Increase (decrease) in allowance for doubtful accounts	(70)	(10)
Increase (decrease) in provision for retirement benefits	33	(201)
Increase (decrease) in provision for directors' retirement benefits	(6)	(21)
Interest and dividends income	(41)	(47)
Interest expenses	201	213
Loss (gain) on sales of noncurrent assets	(0)	4
Decrease (increase) in notes and accounts receivable-trade	<u>2,628</u>	<u>3,394</u>
Decrease (increase) in inventories	(2,356)	(2,822)
Increase (decrease) in notes and accounts payable-trade	<u>260</u>	<u>2,266</u>
Increase (decrease) in accounts payable-other	627	(2,674)
Increase (decrease) in accrued expenses	(589)	60
Other, net	<u>(572)</u>	<u>(977)</u>
Subtotal	58	821
Interest and dividends income received	39	36
Interest expenses paid	(202)	(214)
Income taxes paid	(215)	(366)
Net cash provided by (used in) operating activities	<u>(319)</u>	<u>276</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(551)	(520)
Purchase of intangible assets	(185)	(101)
Purchase of investment securities	(1)	(1)
Purchase of investments in subsidiaries	–	(12)
Other, net	361	368
Net cash provided by (used in) investing activities	<u>(376)</u>	<u>(266)</u>

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,702	1,577
Proceeds from long-term loans payable	–	400
Repayment of long-term loans payable	(1,440)	(1,445)
Redemption of bonds	(255)	(255)
Cash dividends paid	(557)	(239)
Repayments of finance lease obligations	(427)	(597)
Other, net	(5)	(1)
Net cash provided by (used in) financing activities	(983)	(562)
Effect of exchange rate change on cash and cash equivalents	(311)	85
Net increase (decrease) in cash and cash equivalents	(1,991)	(465)
Cash and cash equivalents at beginning of period	36,522	32,583
Cash and cash equivalents at end of period	34,531	32,117