

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 & CFO  
Head of Corporate Administrations  
(TEL: 03-5654-1548)

**Notice Concerning Revision of Earnings Forecasts**

This is to provide notification that TOMY Company, Ltd. (hereinafter “Tomy”) has revised its earnings forecasts for the fiscal year ending March 31, 2015, which were announced on August 8, 2014.

**Revision of consolidated earnings forecasts for the fiscal year ending March 31, 2015 (April 1, 2014 to March 31, 2015)**

(Millions of yen, except per-share data)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously announced forecast (A)	160,000	4,000	3,500	(300)	(3.19)
Revised forecast (B)	149,000	2,500	1,600	(1,400)	(15.00)
Increase (Decrease) (B-A)	(11,000)	(1,500)	(1,900)	(1,100)	
Increase (Decrease) percentage (%)	(6.9%)	(37.5%)	(54.3%)	–	
(Reference) Actual results for the fiscal year ended March 31, 2014	154,804	3,335	3,300	232	2.47

**1. Reasons for revision**

(Net sales)

In Japan, sales were below company expectations due to the impact of significant changes in the competitive environment for toys for elementary-school-age boys such as the trading card game DUEL MASTERS.

Overseas, product shipments of Tomy products continue to be affected by the impact from major customers in Europe lowering their inventory levels and intensification of price competition with rival companies.

On the other hand, in Japan, Tomy is pushing ahead with constructing a product portfolio that is in line with market trends and carrying out marketing activities. As a result, products for girls such as the PRIPARA amusement machine (for which the number of registered members during the six months of business operations

exceeded 1,000,000 persons) and FROZEN (the world's top grossing animated movie in history), and high target products such as the trading card game WIXOSS (which attracted popularity due to its coordination with a late-evening animated series and achieved sales in excess of company expectations) attracted popularity. In addition, sales of products related to TRANSFORMERS (for which a movie released in the summer of 2014 was a worldwide hit) were steady, while in the year-end and new-year trading season for the Japanese toy market, store sales exceeded company expectations. Furthermore, in North America, JOHN DEERE products attracted considerable popularity and sales of POKEMON-related products and others continued to be strong.

As a result of the above, Tomy expects that net sales will be 149,000 million yen.

(Operating income)

The cost of sales ratio rose mainly due to the decline in net sales and the depreciation of the yen to a level beyond company expectations, leading to a decline in gross profit. In addition, there was a strategic increase in advertising expenses and research and development expenses. Consequently, Tomy expects that operating income will be 2,500 million yen.

(Ordinary income)

Non-operating expenses such as interest expenses and foreign exchange losses are expected to increase more than initially assumed. As a result, Tomy expects ordinary income to be 1,600 million yen.

(Net income)

Net income is expected to be a loss of 1,400 million yen. This mainly reflects not only the fall in ordinary income but also the recording of extraordinary losses, such as civil procedure settlement costs due to unsolicited faxes sent as advertisements at a subsidiary of Tomy and loss from fraud associated with improper accounting practices at a different subsidiary of Tomy (1,352 million yen).

**2. Dividend forecasts**

The dividend forecast has not been changed as a result of this revision. As before, Tomy forecasts 5 yen per share for the interim dividend already paid (at the end of the second quarter) and 5 yen per share for the year-end dividend (resulting in an annual dividend of 10 yen per share).

**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