

February 12, 2019
TOMY COMPANY, LTD.

Telephone Conference for the First Nine Months of
the Fiscal Year Ending March 31, 2019:
Questions and Answers Section

Q. What is the reason for the income decline in Q3?

A. (Kutsuzawa, Senior Executive Officer & CFO) That is because Japan and Asia could not fully offset the income decline in Europe and North America.

Q. Could you tell us about the advertising expenses in Q3?

A. (Kutsuzawa, Senior Executive Officer & CFO) The spending was the same level as previous year.

Q. Could you go over the reasons why sales of core products were positive?

A. (Kutsuzawa, Senior Executive Officer & CFO) PLARAIL brand continued to see strong sales of products related to TV animated series SHINKALION, and LICCA brand showed strengths in dolls and playsets.

Q. Could you tell us why the Americas and Europe segments had operating losses, what are the future forecasts, and also about the impact of Toys "R" Us store closures?

A. (Kutsuzawa, Senior Executive Officer & CFO) We believe the trend in these markets will continue for this fiscal year. With respect to the impact of the Toys "R" Us store closures, while the impact is not small, this is a finite event and we do not believe it will become a big risk.

Q. Why is the operating profit forecast for Q4 (full year forecast minus December 2018 YTD actuals) smaller than previous year?

A. (Kutsuzawa, Senior Executive Officer & CFO) We plan to spend advertising expenses in Q4 for products that roll out in spring and summer.

Q. What can you tell us about new products that would be your key drivers in the future?

A. (Kutsuzawa, Senior Executive Officer & CFO) We cannot disclose the details,

but we are filling our pipeline, with products for our project based on contents targeting boys, a global brand we will launch globally this summer onwards, and more.