

To all related parties:

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Notice Concerning Revision of Earnings Forecasts

This is to provide notification that, in light of recent developments, TOMY Company, Ltd. (hereinafter “Tomy”) has revised its earnings forecasts that were announced on May 14, 2013 (hereinafter the “Previous Forecast”).

Revision of consolidated earnings forecasts for the six months of the fiscal year ending March 31, 2014 (April 1, 2013 to September 30, 2013)

(Millions of yen, except per-share data)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously announced forecast (A)	88,000	2,000	1,700	500	5.31
Revised forecast (B)	82,000	2,700	2,600	100	1.06
Increase (Decrease) (B-A)	(6,000)	700	900	(400)	-
Increase (Decrease) percentage (%)	(6.8%)	35.0%	52.9%	(80.0%)	-
(Reference) Actual results for the six months of the fiscal year ended March 31, 2013	83,496	1,112	784	(184)	(1.96)

Revision of consolidated earnings forecasts for the fiscal year ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(Millions of yen, except per-share data)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously announced forecast (A)	183,000	5,000	4,400	2,200	23.37
Revised forecast (B)	156,000	5,000	4,400	1,800	19.12
Increase (Decrease) (B-A)	(27,000)	0	0	(400)	-
Increase (Decrease) percentage (%)	(14.8%)	0	0	(18.2%)	-
(Reference) Actual results for the fiscal year ended March 31, 2013	179,042	2,547	2,622	(7,097)	(75.40)

Reasons for revision

1. Six months consolidated earnings forecasts

The TOMY Group (hereinafter the “Group”) is implementing a medium- and long-term growth strategy with the aim of transforming into a global group of toy companies by focusing on the strengthening of its toy business, which is the Group’s core business, establishing a stable revenue base in Japan, and directing investment resources into overseas markets.

As part of this strategy, Tomy transferred all shares it held in TOYS UNION Co., Ltd., a wholesaler of video game-related products that was a consolidated subsidiary of Tomy, to HAPPINET CORPORATION (hereinafter the “TOYS UNION Share Transfer”), in order to focus on Tomy’s core toy business, as well as its toy peripheral business, and expand these businesses in Japan and abroad, as announced on July 16, 2013. Although the TOYS UNION Share Transfer is expected to cause net sales to decrease, the forecasts for operating income and ordinary income have been revised upward from the Previous Forecast. These upward revisions have been made in consideration of strong sales of toys, particularly in Japan, strong results at the amusement business and other toy peripheral businesses of T-ARTS Company, Ltd., and the positive effects of structural reforms being implemented from the previous fiscal year. The forecast for net income has been revised from the Previous Forecast in consideration of the recording of loss on sales of stocks of subsidiaries and affiliates and income taxes in connection with the TOYS UNION Share Transfer. This revision also reflects the recording of loss on sales of securities as a result of Tomy’s sale of the shares it previously held of Index Corporation (hereinafter “Index”), as announced on June 28, 2013, and the recording of loss on valuation of investment securities it holds.

2. Full-year consolidated earnings forecasts

The full-year net sales forecast has been revised in consideration of the TOYS UNION Share Transfer and other factors as mentioned above. Because the impact on operating income and ordinary income from the TOYS UNION Share Transfer is minimal and the Group is looking ahead to the turn of the year, which is the busiest holiday selling season in the toy industry, the forecasts for operating income and ordinary income have been left unchanged from the Previous Forecast. The forecast for net income has been revised from the Previous Forecast in consideration of the recording of loss on sales of stocks of subsidiaries and affiliates, income taxes and other factors related to the sale of shares of Index shares and TOYS UNION Share Transfer mentioned above.

Note concerning forecasts of earnings, etc.

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