

To all related parties:

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**Notice Concerning Revisions of Full-Year Earnings Forecasts and
Differences Between Non-Consolidated Earnings Forecasts and Actual Results for the Previous Fiscal Year**

TOMY Company, Ltd. (hereinafter “Tomy”) hereby provides notification that, in light of its recent business performance trends, it has revised its full-year earnings forecasts for the fiscal year ending March 31, 2017. In addition, Tomy hereby announces differences between its non-consolidated earnings forecasts for the fiscal year ending March 31, 2017 and the actual results for the previous fiscal year, as follows.

1. Revisions of consolidated earnings forecasts for the fiscal year ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(millions of yen, except per-share data)

	Net sales	Operating income	Ordinary income	Profit (loss) attributable to owners of parent	Basic earnings (loss) per share (yen)
Previously announced forecast (A)	168,000	4,000	3,200	1,500	17.62
Revised forecast (B)	164,000	7,000	7,000	4,000	46.31
Increase (Decrease) (B-A)	(4,000)	3,000	3,800	2,500	–
Increase (Decrease) percentage (%)	(2.4%)	75.0%	118.8%	166.7%	–
(Reference) Actual results for the fiscal year ended March 31, 2016	163,067	2,698	1,459	(6,703)	(78.74)

2. Differences between non-consolidated earnings forecasts for the fiscal year ending March 31, 2017 (April 1, 2016 to March 31, 2017) and actual results for the previous fiscal year

(millions of yen, except per-share data)

	Net sales	Operating income	Ordinary income	Profit (loss)	Basic earnings (loss) per share (yen)
Actual results for the fiscal year ended March 31, 2016 (A)	61,298	3,332	3,439	(2,474)	(29.07)
Revised forecast (B)	75,000	3,000	4,000	3,000	34.73
Increase (Decrease) (B-A)	13,701	(332)	560	5,474	–
Increase (Decrease) percentage (%)	22.4%	(10.0%)	16.3%	–	–

3. Reasons for revisions

(1) Consolidated earnings forecasts

The forecast for net sales has been lowered slightly from the initial forecast to 164,000 million yen. Despite strong sales performance in the Japanese toy market from the long-standing products TOMICA, PLARAIL, and LICCA dolls, the next-generation spinning-top battle toy BEYBLADE BURST, which was associated with the start of the animated television series by the same name in April 2016, and the trading card game DUEL MASTERS, among others, in the overseas market, sales of baby- and pre-school- related products are weak.

The forecast for operating income has been increased to 7,000 million yen, which is 3,000 million yen higher than initially forecast, due to strong performance by the high-margin domestic toy business, and improving profitability as a result of TOMY International Group's restructuring measures.

The forecast for ordinary income has been increased to 7,000 million yen, which is 3,800 million yen higher than initially forecast, due to the recording of foreign exchange gains largely attributable to reassessment of foreign currency-denominated loans to overseas subsidiaries held by Tomy owing to foreign exchange market volatility, and expectations for substantially higher operating income.

The forecast for profit attributable to owners of parent has been increased to 4,000 million yen, which is 2,500 million yen higher than initially forecast, due to a significant increase in ordinary income as described above.

(2) Non-consolidated earnings forecasts (differences with actual results for the previous fiscal year)

Net sales is expected to be higher than the actual results for the previous fiscal year due, in addition to strong sales performance in the Japanese toy market, to the inclusion of shipments to the Americas following changes to product distribution from the current fiscal year.

Operating income is expected to be lower than the actual results for the previous fiscal year due, on one hand, to increases in advertising expenses as part of sales expansion strategies, and on the other, to a write-down of inventories that accompanied the changes to product distribution with sales subsidiary TOMY MARKETING COMPANY, LTD.

Ordinary income is expected to be higher than the actual results for the previous fiscal year due to an increase in foreign exchange gains in non-operating income.

Profit is expected to be higher than the actual results for the previous fiscal year due to the increase in ordinary income.

4. Dividend forecasts

The dividend forecast has not been changed as a result of these earnings forecasts. Tomy has already paid an interim dividend of 5 yen per share (at the end of the second quarter) and forecasts 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