

(English Translation of the Japanese Press Release)

August 7, 2018

To all related parties:

Name of the Company: TOMY Company, Ltd.
Name of the Representative: Kazuhiro Kojima
Representative Director, President & COO
(Code No. 7867; The First Section of the Tokyo Stock Exchange)
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Board Director,
Senior Executive Officer & CFO
Head of Corporate Administrations
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Notice Concerning Issuance of Stock Options (Subscription Rights to Shares) to Executive Officers and Employees, and to Directors and Employees of Subsidiaries

This is to provide notification that TOMY Company, Ltd. (hereinafter “Tomy”) resolved at a meeting of the Board of Directors, held on the date of this release, to decide the subscription requirements for subscription rights to shares as stock options to Executive Officers and employees of Tomy and to Directors and employees of Tomy’s subsidiaries and solicit those persons to subscribe to the subscription rights to shares, among other matters. The details are provided below.

I. Reason for Issuance of Subscription Rights to Shares with Particularly Advantageous Conditions

The purpose shall be for Executive Officers and employees of Tomy and Directors and employees of Tomy’s subsidiaries to further develop a mindset of contributing to the improvement of consolidated earnings and to further promote a management that gives serious consideration to shareholders.

II. Terms and Conditions of Issuance of Subscription Rights to Shares

1. Name of Subscription Rights to Shares:

14th Series Stock Option of TOMY Company, Ltd.

2. Total Number of Subscription Rights to Shares: 4,410 units

The above number is the number scheduled to be allotted. If the total number of subscription rights to shares to be allotted is decreased, such as in the case where any subscription rights to shares have not been subscribed for, the total number of subscription rights to shares to be allotted shall be the total number of subscription rights to shares to be issued.

3. Class and Number of Shares to Be Granted upon Exercise of Subscription Rights to Shares

The class of shares to be granted upon exercise of subscription rights to shares shall be common shares of Tomy, and the number of shares to be granted upon exercise of each subscription right to shares (hereinafter referred to as the “Number of Granted Shares”) shall be 100 shares.

However, the Number of Granted Shares shall be adjusted by the following formula if Tomy conducts a share split (including allotment of common shares of Tomy without contribution; the same shall apply to any reference to a share split hereinafter) or share consolidation of its common shares after the date for the allotment of subscription rights to shares (hereinafter referred to as the “Allotment Date”).

$$\begin{array}{rcccl} \text{Number of Granted Shares} & & \text{Number of Granted Shares} & & \\ \text{after adjustment} & = & \text{before adjustment} & \times & \text{Share split/consolidation ratio} \end{array}$$

In addition to the above, following the Allotment Date, in cases where it is appropriate to adjust the Number of Granted Shares, Tomy may adjust the Number of Granted Shares within a reasonable extent.

Any fraction less than one share resulting from the above adjustment shall be disregarded.

When adjusting the Number of Granted Shares, Tomy shall notify to each holder of subscription rights to shares described in the subscription rights to shares registry or give a public notice of necessary matters by the date immediately preceding the application date of the Number of Granted Shares after adjustment; provided that, if Tomy is unable to notify them or give a public notice by the date immediately preceding the application date, it shall notify them or give a public notice promptly thereafter.

For details, please refer to the press release available at the following URL:

https://www.takaratomy.co.jp/release/pdf/i180807_04.pdf (Japanese only)

End of notice