

COMPASS

The Mariner's Compass That Points the Direction

Corporate Mission >P.04

Our corporate mission acts as our mariner's compass, guiding us across the years and serving as a judgment criterion for our activities.

CHARTS

The Nautical Charts That Keep Us on Course

Our New Medium-Term Management Plan and Progress >P.10

Our new medium-term management plan serves as the nautical charts that keep us on our path, identifies risky shoals and points out opportunities en route to our goals.



ENGINE

The Engine That Generates Value

Business Model >P.06

Our business model is the motivating force that helps us generate value on a daily basis—our engine for future growth.

Crew

Creating Value Together with Our Crew Members

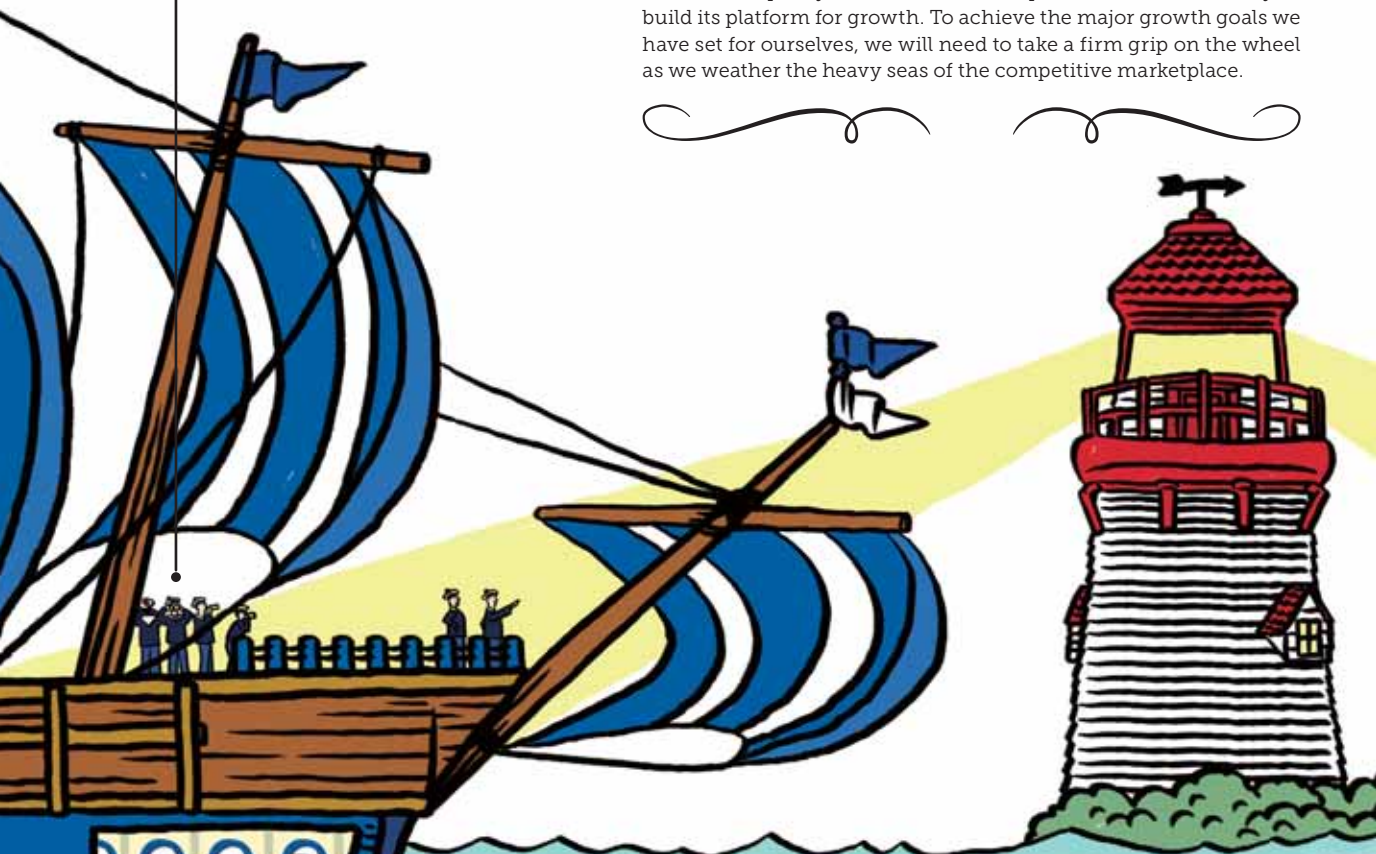
Collaborative Value Creation with Stakeholders >P.08

We think of all the TOMY Group's stakeholders as crew members. We are shipmates on a voyage to create shared value.

Setting Off in Search of Our Dreams

The TOMY Group has begun implementing the three reforms set out in the new medium-term management plan announced last year with a sense of speed. The first of these, "revolution of mind," seeks to share the sense of values inherent in the founding philosophy and cultivate a mind-set that looks at overcoming risk as a challenge. In the "structural revolution of business," we have sought to slim down and rejuvenate our organization. And in the "product revolution," we are moving forward with product development under the concept of "Toys 4.0," integrating the analog and the digital. We have stepped up our branding efforts for longstanding products and are undertaking initiatives to introduce new products.

Over the past year, the TOMY Group has worked studiously to build its platform for growth. To achieve the major growth goals we have set for ourselves, we will need to take a firm grip on the wheel as we weather the heavy seas of the competitive marketplace.



Treasure

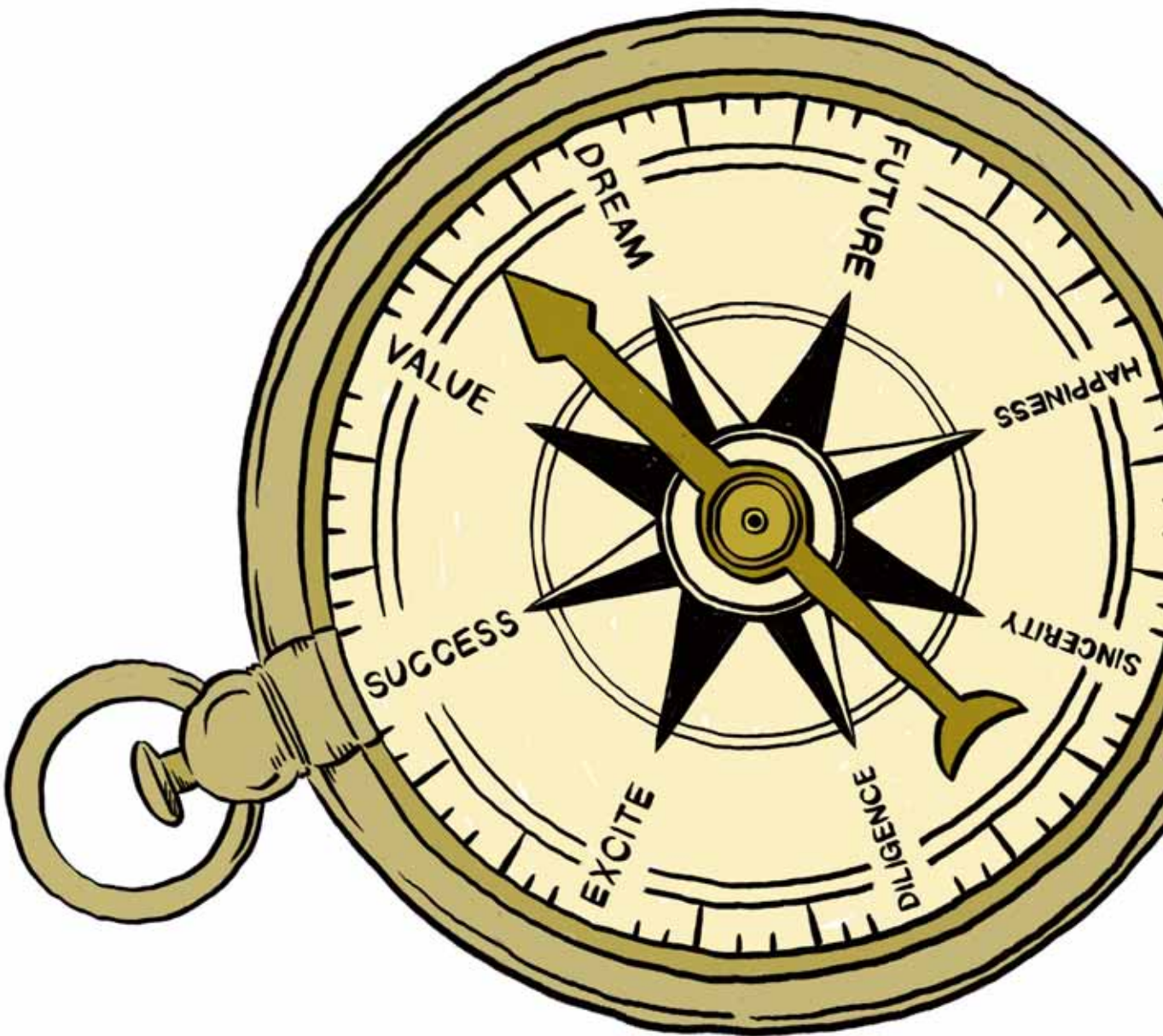
The Treasure of Accelerating Growth


Competitive Strengths >P.12

Our treasure is multifaceted and includes the products we have cultivated and our brands, experience and expertise. These elements are essential to our growth.

COMPASS

The Mariner's Compass That Points the Direction





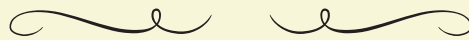
Founding Philosophy

Let's excite the world's markets with
our outstanding products.

Our sincerity and diligence will contribute to society and
lead to our own success and happiness.

Corporate Mission

Our mission is to fulfill the dreams of
our stakeholders, including



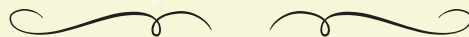
The dreams of children

The dreams of our employees

The dreams of our shareholders

The dreams of our business partners

The dreams of society



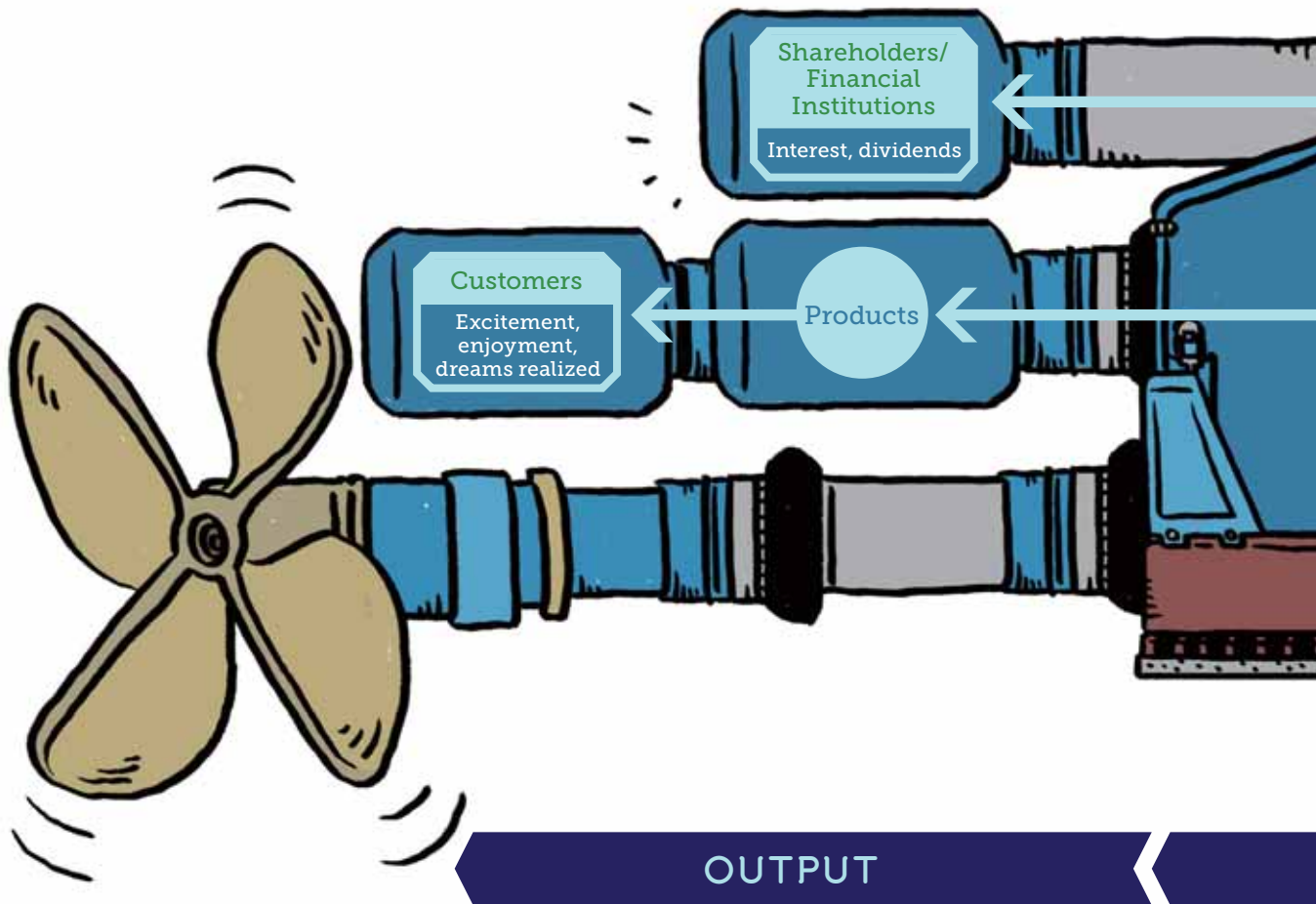
We will create new value
from play.

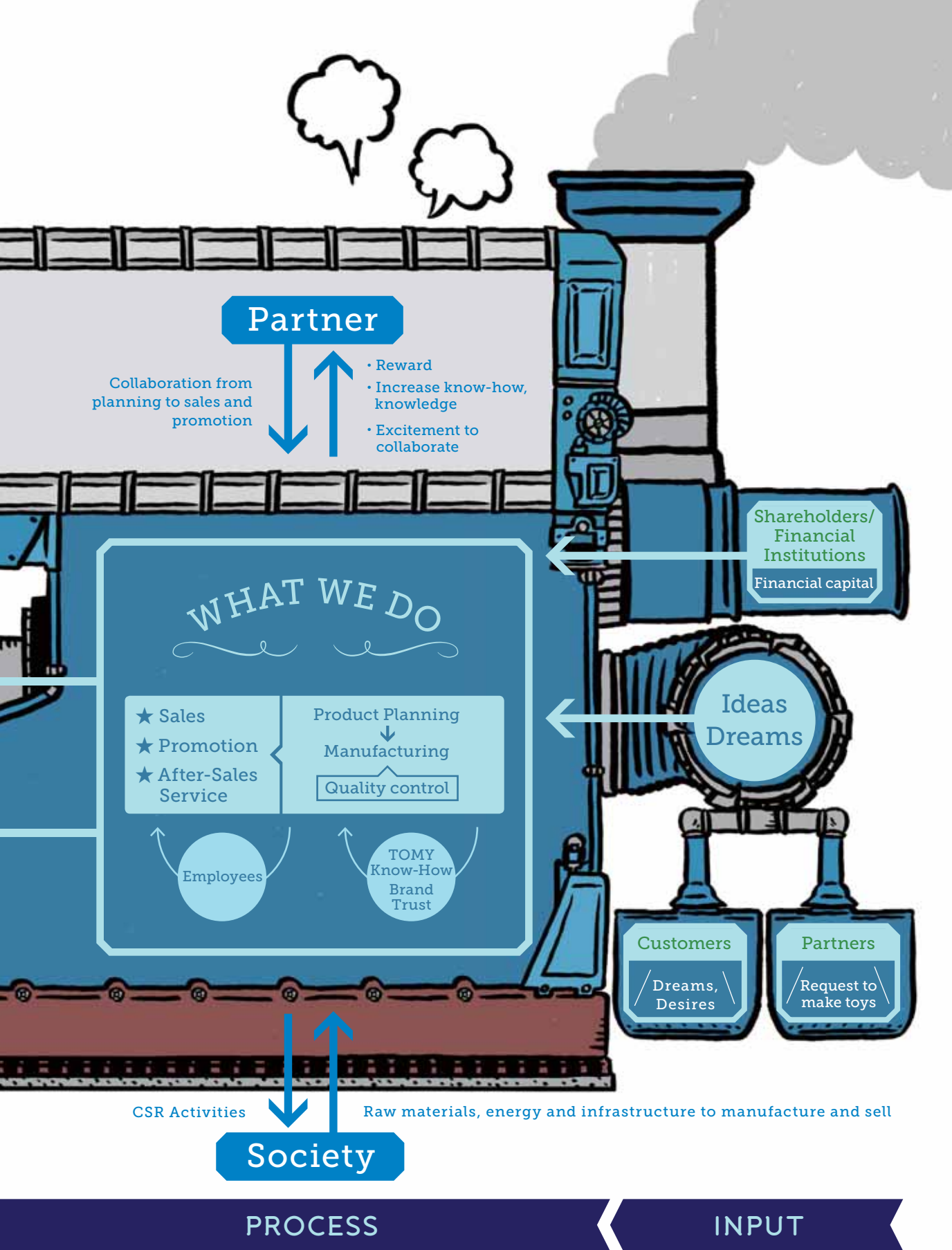
The TOMY Group is poised to face stiff competition and change and move into a new era, holding fast to the corporate mission that serves as our compass. Our core philosophy is to "bring smiles to the faces of children the world over through our outstanding products," and the corporate mission serves as a judgment criterion for each of us, pointing out the correct path across the years and in various locations. We will hold fast to this navigational tool as we respond to the challenges of the times and the changing environment with a shared sense of values.

ENGINE

The Engine That Generates Value

For the TOMY Group, the supply chain that stretches from planning and development to manufacturing, sales and after-sales service is the engine that generates value. By fine-tuning our numerous ideas, originality and development capabilities, and our safety and mass-production technologies, we can create high-value-added products. This is the origin of our products, the "engine" that generates the value we deliver to our stakeholders.





COLLABORATIVE VALUE CREATION WITH STAKEHOLDERS

Crew

Creating Value Together with
Our Crew Members



CHARTS

The Nautical Charts
That Keep Us on Course



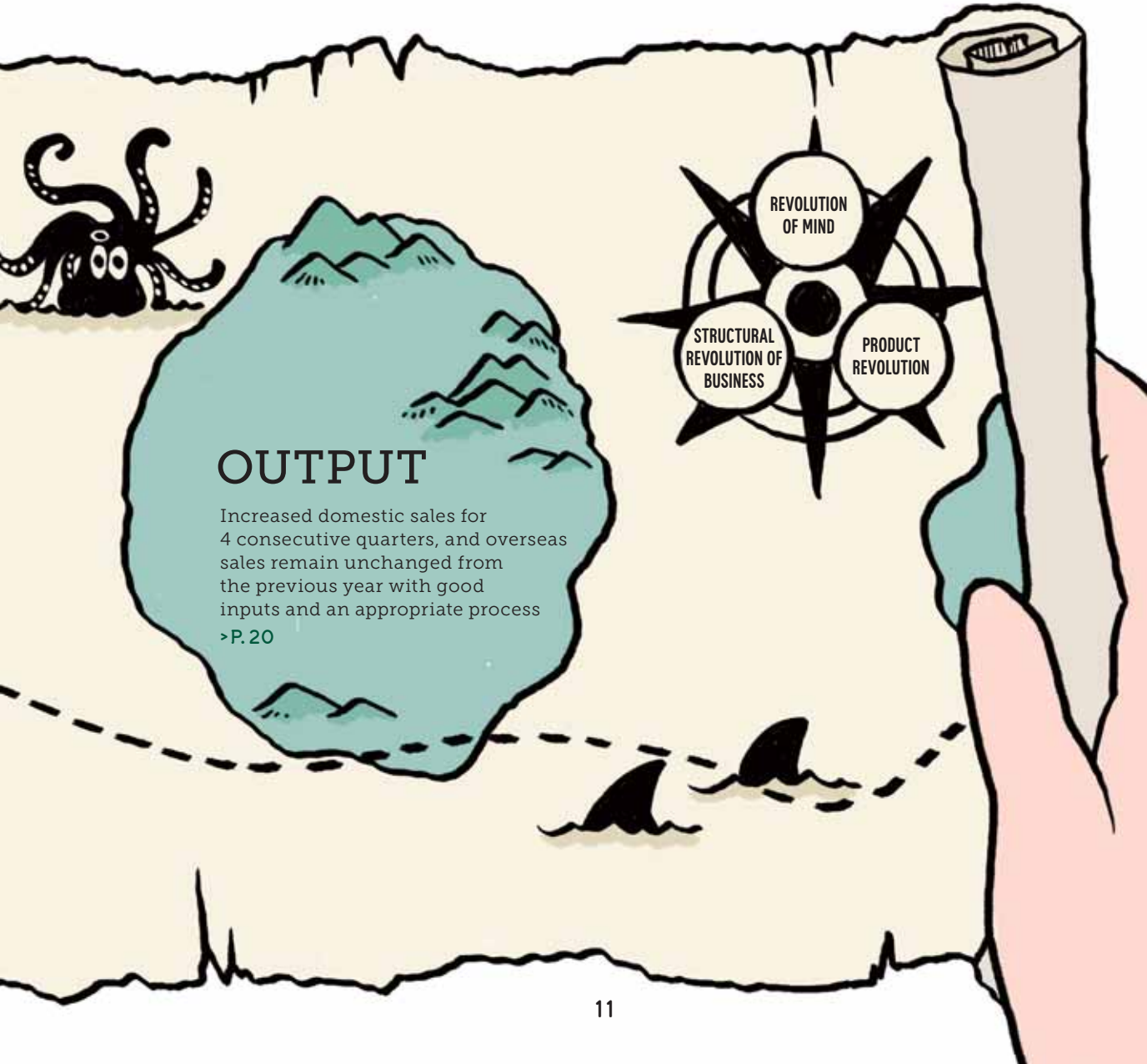
INPUT

Input ideas and enhanced content to increase profit: doubled the number of development personnel; expanded TOMY original content; established new teams (adult and online markets); acquired content of 3 large franchises
>P.20

PROCESS

Reformed business process to revitalize the organization; decreased number of divisions/departments; rejuvenated executives; more equitable and transparent remuneration systems
>P.20

The new medium-term management plan that we unveiled in May 2014 identified progress to be achieved in our three revolutions—"revolution of mind," "structural revolution of business" and "product revolution"—over the short, medium and long terms. In pursuit of these reforms, we have doubled the number of people in our development departments and set up new departments specializing in toys for adults and cultivating the Web and other markets. Through organizational reform and the use of next-generation marketing employing a variety of media, we have drastically revised our business processes. As a result, we have succeeded in increasing the amount of TOMY-original content and acquired content in three major areas, and net sales (excluding the impact of the share transfer of TOYS UNION Co., Ltd., and TATSUNOKO PRODUCTION Co., Ltd.) have grown over the past four consecutive quarters.



OUTPUT

Increased domestic sales for 4 consecutive quarters, and overseas sales remain unchanged from the previous year with good inputs and an appropriate process

>P.20

Treasure

The Treasure of Accelerating Growth: Our Competitive Strengths

The products and brands the TOMY Group has built up to date, as well as the experience and expertise we have accumulated during the development process, constitute the “treasure” that will accelerate our growth going forward. Longstanding products, which account for around 25% of sales but generate 80% of earnings, have great potential because they help us with branding that generates products with new value. By nurturing the tangible and intangible assets we have accumulated, we will work to build toys for a new generation.



Industry leader in the number of registered trademarks

TOMICA:
More than **600** million products

Long-selling products shipped
TOMICA/DUEL MASTERS/PLARAIL/TRANSFORMER

with more than **880** types in total

More than **60** leading brands

DUEL MASTERS:
Approximately

5 billion cards

PLARAIL:

More than **150** million products

with more than **1,200** types in total

Product rollouts in

15 of the **16** toy categories

TRANSFORMER:

More than **130** countries and regions where TRANSFORMERS are launched
More than **500** million products sold

