



TOMY Company, Ltd. Company Information

TSE Securities Code: 7867

Company Overview

- TOMY Company, Ltd. (TOMY) was founded in 1924.
- 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.
- Business Domains:
 - ✓Toy business : Toys, trading card game, hobby items, life playground equipment and baby products.
 - ✓Toy-Periphery business: Mini-capsule toys, amusement machines and toys with candy.
- We are listed on Prime Market of the Tokyo Stock Exchange and have a market cap of ¥140.6 billion as of Mar 31, 2023
- Number of Employees 2,476 (consolidated,as of Mar31, 2023)

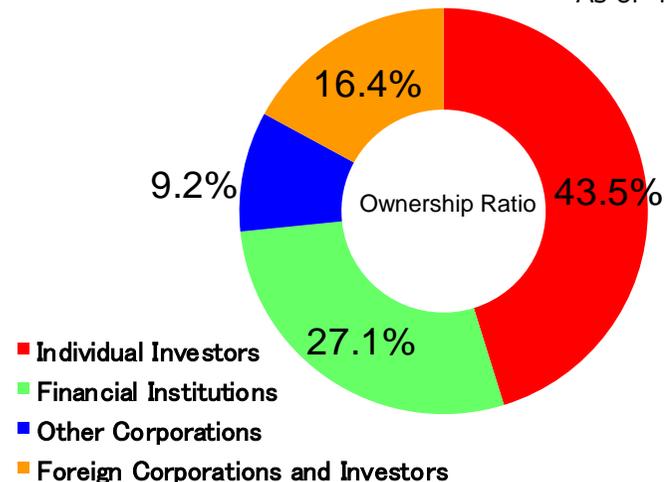
Group Companies

As of Mar 31, 2023

Japan	TOMY TEC, T-ARTS TOMY Marketing Company, Ltd KIDDY LAND, etc	Number of consolidated subsidiaries: 35
North America Europe and Oceania	TOMY Holdings TOMY International, etc	
Asia	TOMY Hong Kong TOMY Thailand , etc	

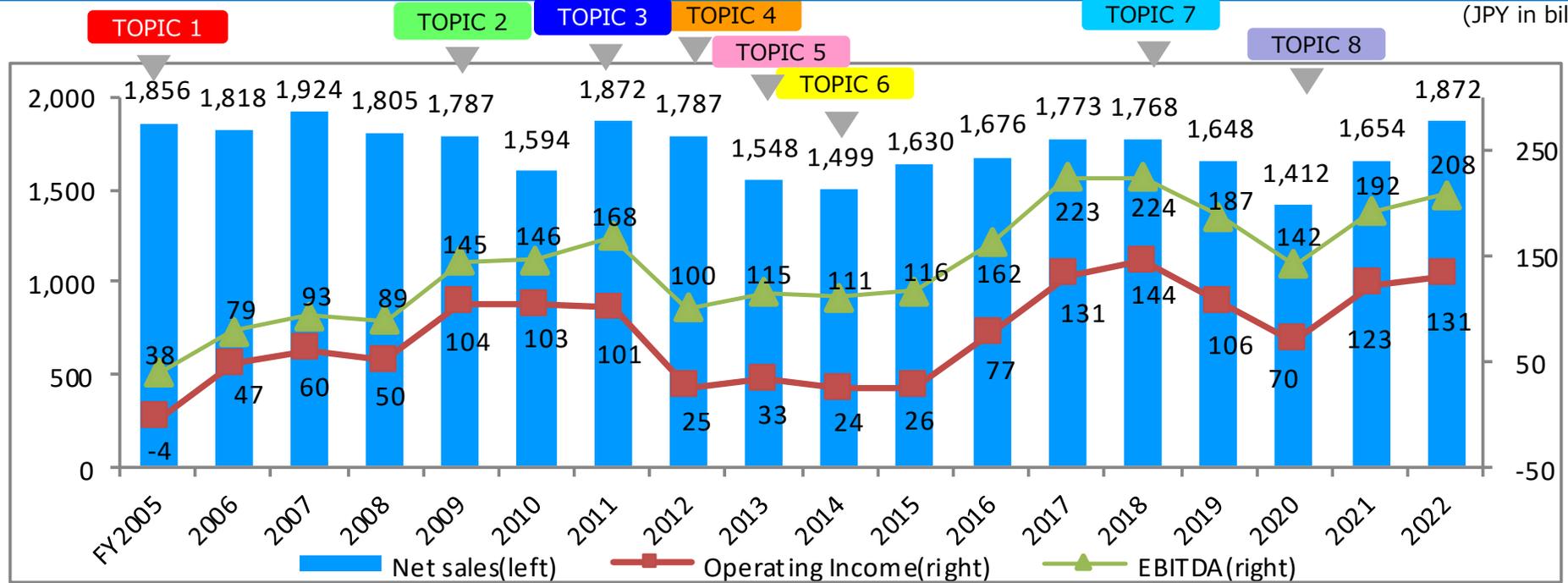
Distribution of Ownership among Shareholders

As of Mar 31, 2023



Overview of TOMY

(JPY in billion)



TOPIC 1

TAKARA was merged into TOMY, and this absorption-type merger resulted in a substantial increase in net sales despite the recording of a large extraordinary loss.

TOPIC 2

Operating income was boosted, not only by a reduction in products with low profitability, but also by hit performances of the Metal Fight Beyblade products for boys and the products related to the Transformers movie, as well as group-wide business restructuring.

TOPIC 3

Acquisition of U.S. toy manufacturer RC2 boosted net sales.

TOPIC 4

Conducted solicitation for voluntary retirement and started business structural reforms in response to struggling toy sales in Japan and worsening of overseas business performances.

TOPIC 5

Decision to sell unprofitable video game wholesaler subsidiary (impact on net sales of -¥30.7 billion YoY) and to partially withdraw business in China led to the bottoming out of business performance.

TOPIC 6

We set out three revolutions in the policy of the previous Medium-Term Management Plan: “Product revolution,” “Structure revolution of business” and “Revolution of mind”, aiming to increase profit by growing sales.

TOPIC 7

We announced the Medium-Term Management Plan toward the target to “Take on the Challenge toward New Growth,” focusing on promoting six business strategies, and achieved new record highs.

TOPIC 8

The external environment has changed dramatically with the spread of the novel coronavirus disease (COVID-19). In October 2020, the Fat Brain Holdings, LLC, an independent U.S. toy company, became a subsidiary of TOMY International, Inc.

Core Toy Brands in Japan

✓ In addition to our line-up of many long-standing toy products with stable sales, we continue to create new hit products.



- Tomica launched in 1970
- Tomica is Japan's first palm-sized diecast toy miniature car based on Japanese vehicles
- More than 1,140 kinds of vehicles launched, sold over 725 million pieces.



© TOMY



- Licca is a fashion doll series, celebrating its 50th anniversary in 2017
- Using SNS to promote the brand



© TOMY



- Plarail is a toy train and plastic truck system based on the actual trains
- Long-sellers celebrating their 60th anniversary in 2019
- More than 1,962 kinds of trains launched, sold over 186.4 million pieces.



JR東海承認済 © TOMY



- No.1 share in Japan
- Wide range of products from rail cars to dioramas



JR東日本商品化許諾済、JR東海承認済、JR西日本商品化許諾済、JR九州承認済、近畿日本鉄道(株)商品化許諾済、小田急電鉄商品化許諾済



- Trading card game that has been sold since 2002



Amusement Machines

- Arcade games for children
- Develop products such as Pokémon Mezastar



*The tags available will vary depending on the period.
*Some images with illustrative purpose are included.

©2021 Pokémon. ©1995-2021 Nintendo/Creatures Inc./GAME FREAK inc. Developed by T-ARTS and MARV

Overseas Core Toy Brands

✓ We will further expand sales of toys of Japanese origin, TOMY International toys and baby merchandise
Global toys born in Japan



- More than 700 million products sold
- Launched over 130 countries around the world



© TOMY

BEYBLADE X
 バイブレードエックス



- The 4th generation of Beyblade will be launched in Japan in July 2023
- 520 million units sold over 80 countries

©Homura Kawamoto, Hikaru Muno, Posuka Demizu, BBXProject, TV TOKYO © TOMY

TOMY International



- Global agriculture vehicle toys
- Wide range of products line from preschool to high-end replicas



- Wide range of products including baby bottles, toddler cups and plates, baby carriages, etc.



- Age-appropriate baby and infant educational toys
- Developed with the advice of the infant specialist

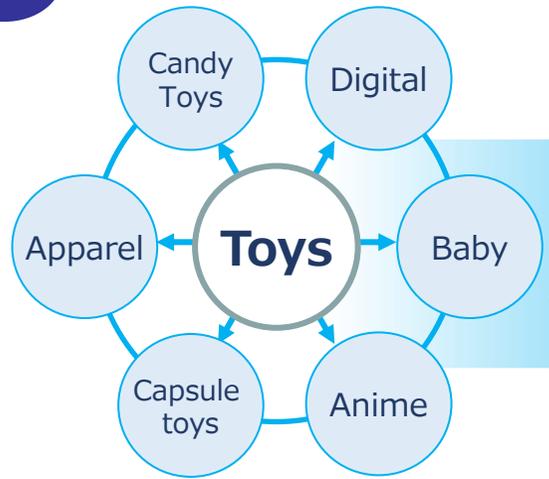


Lamaze ®
 ©Disney Disney.com
 ©Disney/Pixar Disney.com

Shifting our core driver towards sustainable growth from “toys” to “asobi”.

Until now

Target Mainly children 3-6 years and their parents.



Effectively combine and create business with focus on *asobi*.

From now

Target All people around the world who love PLAY.



Shifting our starting point from “toys” to “asobi”.

We believe *asobi* makes the world better,
therefore, we will contribute to the future global society through *asobi*.



Promoting agelessness

In response to the diversifying lifestyles, we will offer services to the global market, not only for our traditional customers who are babies and children, but ALL people who love *asobi*.



Expanding business domains

We will create businesses and products with high information-added-value, through cutting-edge technologies and our collaborations with partners from other business domains.



Problem Solving Powers

We will think out of the box, and address issues with innovative and creative mindset.

Medium-Term Policies

We will leverage our strengths globally, and build the foundation towards Sustainable Growth.

- Quickly rebuild the revenue base in Japan
- Improve profitability in the US, Europe and Asia by leveraging existing brands that have strong local presences.
- Prepare to expand *asobi* focused business domains for future growth.
- These 3 years will be a period to prepare towards further global growth.

Corporate Strategy

1 Grow core brands based on their strengths

2 Create big hits in Japan

3 The continuation of IP investment

4 Launch new businesses with *asobi* as key

5 Create new value by utilizing DX for value chain

6 Sustainability and CSR initiatives

Functional strategies which support sustainable business growth

Planning and Development

- Product development targeting at global markets
- Business research directed at new markets

Production

- Automation
- Further expansion of capacity outside of China

Marketing

- Feed market information which strongly reflects consumer opinions back to Planning and Development
- Active D2C expansion

Finance

- Secure investment resources directed at the next generation through stable cash creation

- ✓ Under Kazuhiro Kojima, Representative Director, President & COO, a new management system began in January 2018.
- ✓ A management system with two Representative Directors was introduced and we are promoting prompt management.
- ✓ In FY2018 a female Director was elected and in FY2019 the Board of Directors is composed of a majority of Outside Directors. As such, we are striving to strengthen the Board of Directors.
- ✓ From FY2020, the number of female Outside Directors will be increased by two to three, and the number of Outside Directors will continue to constitute the majority.



Kantaro Tomiyama

**Representative Director,
Chairman & CEO**

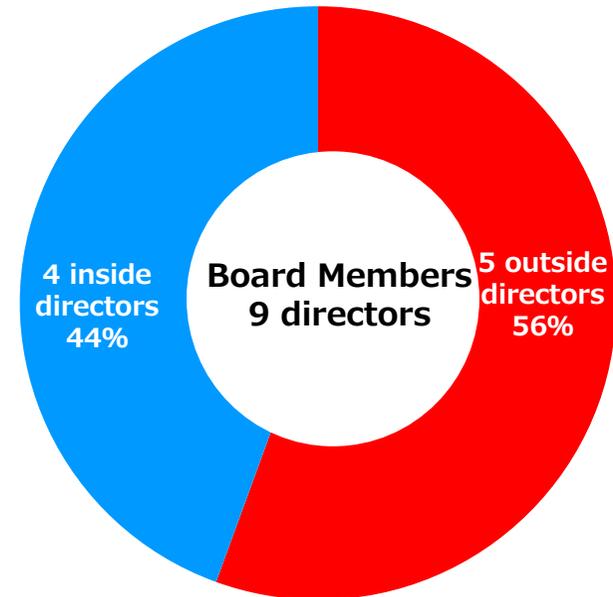
- Appointed Representative Director, Chairman & CEO of TOMY Company, Ltd. in June 2015
- Over 30 years experience in toy industry
- Led the merger of TOMY and Takara
- Performed difficult restructuring initiatives decisively after taking the President role in 1986
- Received B.A. in Sociology from the University of Hull in England
- Grandson of TOMY's founder, Eichiro Tomiyama, and son of former President, Masanari Tomiyama



Kazuhiro Kojima

**Representative Director,
President & COO**

- Appointed as Representative Director, President & COO of TOMY Company, Ltd. in January 2018
- 2017 Representative Director, COO & CFO
- 2012 Board Director and Senior Executive Officer
- 2009 Outside Director of TOMY Company, Ltd.
- 2008 Executive Officer of Marunouchi Capital Co., Ltd.
- 1983 Graduated from the University of Tokyo and joined Mitsubishi Corporation
- Over 15 years of experience related to venture capital and the buyout business
- Achievements in creating more efficient production and logistics and in improving businesses in Europe



✓ The TOMY Group takes an original approach to CSR activities. TOMY has a long-term commitment to making advances in these areas.

※「Sustainability」 www.takaratomy.co.jp/english/company/csr/

Accessible toys

In 1980, TOMY began to develop “accessible toys” which are products that differently-abled people can use without difficulties. TOMY is an advocate of this initiative and expands the activity not only across the Japanese toy industry but also to other industry.



Logo for Accessible Design Toys



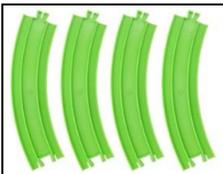
Raised dot

Eco-toys

In addition to manufacturing environmentally friendly toys, TOMY intends to help inspire a sense of responsibility for the environment to children, who hold the keys to the future. As an industry leader in this field, TOMY launched its Eco-Toy program in 2011 and started reducing toys made with safe, recycled plastic in July 2012. Consequently, the Plarail “Eco Straight-Line Rail” and “Eco Curved Rail” products were the first toys to be certified to carry the Eco Mark by the Japan Environment Association.



Eco Mark



These “green rails” are composed of 50% or more safe recycled materials.



Eco Toy Mark

Safety and quality criteria

In our global development of products, we ensure our products are safe and high quality not only by complying with the laws and ordinances, and regulatory standards of each country and region, but also by establishing original TOMY Group safety and quality criteria. By ensuring our products adhere to these stricter standards, we aim to prevent accidents from ever occurring.

In addition, once a year, all employees in Japan and overseas are invited to participate in a training session led by the units in charge of product safety and quality, which are geared toward promoting awareness and understanding of the importance of safety and quality control.



Testing being conducted on in-house equipment

Next generation education support

Through the toy “THE GAME OF LIFE,” which has been popular for more than half a century, TOMY is implementing the “SDGs Game of Life Project for Everyone ” throughout Japan, a class program in which participants can learn about the SDGs and take action to contribute to the community by doing what is in their power to realize a future in which “no one is left behind.”



“SDGs Game of Life Project for Everyone”



Online course carried out by employees as teachers



This report contains forward-looking statements, targets, plans and strategies for the future. However, these are based on current information and will not guarantee nor warrant any financial estimates or any figures. Therefore, actual results could differ from this report. This is translation on original text in Japanese.