

(English Translation of the Japanese Press Release)

May 18, 2011

To all related parties:

Name of the Company:	TOMY Company, Ltd.
Name of the Representative:	Kantaro Tomiyama President & CEO
(Code No. 7867; The First Section of the Tokyo Stock Exchange)	
Further Inquiries:	Toshiki Miura Managing Director & Head of Corporate Administration (TEL: 03-5654-1548)

**Notice Concerning Issuance of Stock Options (Subscription Rights to Shares) to Directors of Overseas  
Subsidiaries**

This is to provide notification that TOMY Company, Ltd. (hereinafter “Tomy”) has resolved at an extraordinary meeting of the Board of Directors, held May 18, 2011, to submit a proposal at the 60th Ordinary General Meeting of Shareholders, to be held on June 24, 2011, seeking the matter of deciding subscription requirements for the subscription rights to shares as stock options to be entrusted to Tomy’s Board of Directors based on Articles 236, 238 and 239 of the Companies Act of Japan.

1. Reason for granting subscription rights to shares with particularly favorable conditions

Tomy entered into an agreement on March 11, 2011 with RC2 Corporation (hereinafter “RC2”) to acquire RC2 by a tender offer executed by an indirectly wholly owned U.S. subsidiary of Tomy and then by merger involving cash consideration and based on the said agreement, Tomy made RC2 a wholly owned subsidiary on April 29, 2011 (New York time). In addition, at the same time as entering into the agreement concerning the above acquisition, Tomy, aiming to further foster a management team that strives to contribute to improved consolidated earnings and place importance on the interests of the shareholders subsequent to RC2 becoming a wholly owned subsidiary, among other reasons, concluded employment agreements with Curtis W. Stoelting who is CEO of RC2, Peter J. Henseler who is President of RC2, Gregory J. Kilrea who is COO of RC2, Helena Lo who is Managing Director of RC2 (HK) Limited, Peter A. Nicholson who is CFO of RC2, and Jamie A. Kieffer who is CMO (Chief Marketing Officer) of RC2 that include in addition to cash remuneration that is to be paid by RC2, the allotment of subscription rights to shares of Tomy as stock options subject to the approval of Tomy’s General Meeting of Shareholders and Board of Directors. (The maximum total number of shares that can be received by each of the above persons by exercising the subscription rights to shares is 625,000 ordinary shares of Tomy). As stated above, to accompany RC2 becoming a wholly owned subsidiary, Tomy would like to issue subscription rights to shares based on the employment agreements that Tomy has entered into with persons mentioned above.

2. Content and maximum number of subscription rights to shares whose subscription requirements can be decided based on the entrustment at the General Meeting of Shareholders

(1) Maximum number of subscription rights to shares whose subscription requirements can be decided based on the entrustment mentioned above

A maximum of 6,250 subscription rights to shares with the content stipulated in (3) below can be decided.

The maximum number of shares that can be received by exercising the subscription rights to shares is 625,000 shares. If the number of shares granted (defined below) as stipulated in (3) below is adjusted, the maximum number of shares shall be the above-stated maximum number of subscription rights multiplied by the number of shares granted after adjustment.

(2) No payment of money is required for the subscription rights to shares whose subscription requirements can be decided based on the entrustment mentioned above.

(3) Content of subscription rights to shares whose subscription requirements can be decided based on the entrustment mentioned above

Class and number of shares that are the target of the subscription rights to shares

The class of shares that are the target of the subscription rights to shares is to be common stock of Tomy and the number of shares that is the target of the subscription rights to shares is to be 100 shares.

For details, please refer to the news release available at the following URL (Japanese only) :

[http://www.takaratomy.co.jp/release/pdf/i110518\\_2.pdf](http://www.takaratomy.co.jp/release/pdf/i110518_2.pdf)