TOPPS CO INC
Form 10-K/A
May 26, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A

(Mark One)
[X] ANNUAL REPORT PURSUANT TO SECTION 13
OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended February 26, 2005

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION
13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number 0-15817

THE TOPPS COMPANY, INC.
(Exact name of registrant as specified in its charter)

Delaware	11-2849283
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One Whitehall Street, New York, NY	10004
(Address of principal executive offices)	(Zip Code)

(212) 376-0300
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:
Not Applicable

Securities registered pursuant to Section 12(g) of the Act:
Common Stock par value $.01
(Title of class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No _.

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 126-2 of the Act). Yes X No _.

The aggregate market value of Common Stock held by non-affiliates as of the

last business day of the most recently completed fiscal second quarter was approximately $378,535,000.

The number of outstanding shares of Common Stock as of May 9, 2004 was 40,457,117.

Documents incorporated by reference	Part
Annual Report to Stockholders for the Year Ended February 26, 2005	I, II, IV
Proxy Statement for the 2005 Annual Meeting of Stockholders	III

EXPLANATORY NOTE

The Topps Company, Inc. (the "Company") is filing this Amendment No. 1 on Form 10-K/A (the "Amendment") to the Company's Annual on Form 10-K for the fiscal year ended February 26, 2005 (which was filed with the Securities Exchange Commission on May 12, 2005) in order to add footnote 22- Subsequent Event to part IV Item 15, as follows:

Footnote 22 - Subsequent Event

On May 23, 2005 the Company entered into a Settlement Agreement with Media Technologies, Inc. ("Plaintiff") which it would pay Plaintiff an immediate sum of $2,000,000. Plaintiff agreed to dismiss all claims against the Company and issue a license to the Company to distribute relic cards. The Company further agreed that under certain conditions which may arise in the future, it would make additional payments to plaintiff as part of the ongoing license. The Company is currently evaluating the accounting of the settlement and the license agreement.

Additionally, the Company is filing this Amendment pursuant to an exemptive order issued by the Securities Exchange Commission (SEC Release No. 34-50754). In accordance with the exemptive order, the Company may include management's annual report on internal control over financial reporting and the related report of the Company's independent registered public accounting firm in an amendment to its annual report on Form 10-K not later than forty five days after the prescribed period for filing such annual report on Form 10-K. In compliance with the exemptive order, the Company is filing this Amendment to:

- Include management's annual report on internal control over financial reporting; and

- Include a Report of Independent Registered Public Accounting Firm relating to the Company's assessment of internal control over financial reporting and the effectiveness of internal control over financial reporting.

As a result of this Amendment, (1) the certifications pursuant to Section 302 and Section 906 of the Sarbanes-Oxley Act of 2002, filed and furnished, respectively, as exhibits to the original filing, have been re-executed and re-filed as of the date of this Amendment; and (2) a Consent of Independent Registered Public Accounting Firm dated May 23, 2005 to cover its report related to our internal control over financial reporting and the effectiveness of internal control over the financial reporting is being filed.

Except for the amendments described above, this Amendment does not modify or update the Company's previously reported financial statements and other financial disclosures in, or exhibits to, the original filing.

PART I

ITEM 1. BUSINESS

GENERAL DEVELOPMENT

The Topps Company, Inc. was incorporated in Delaware on February 24, 1987. The Company is the successor to Topps Chewing Gum, Inc., which was established as a partnership in 1938 and was incorporated under the laws of New York in 1947. All references in this Annual Report on Form 10-K to "Topps" or the "Company" are to The Topps Company, Inc. and its subsidiaries.

There are two principle segments of the business, Confectionery and Entertainment. In the Confectionery segment, Topps markets premium confectionery brands including lollipops such as Push Pop, Baby Bottle Pop and Juicy Drop Pop, Bazooka brand bubble gum and certain licensed candy items. The Company also manufactures and markets Ring Pop lollipops. In the Entertainment segment, the Company markets branded products including trading cards and sticker album collections featuring professional athletes and popular television, movie and other licensed characters. The Company also markets branded collectible strategy games.

In 1995, the Company acquired Merlin Publishing International Limited ("Merlin"), a U.K.-based marketer of licensed collectibles, primarily sticker album collections. While continuing to market products under the Merlin brand, Topps changed its corporate name to Topps Europe Ltd. ("Topps Europe") in March 1997. In July 2003, Topps acquired Wizkids, LLC ("WizKids"), a designer and marketer of collectible strategy games.

Headquartered in New York, N.Y., Topps also has offices in Pennsylvania, Delaware, the State of Washington, Canada, the U.K., Ireland, Italy and Argentina, and distributes its products in many countries around the world.

PRODUCTS

Confectionery

The Company markets premium-quality lollipop brands and other non-chocolate confectionery products in the United States, Canada, Europe and parts of Asia, Latin America, New Zealand and Australia. Branded lollipops include Ring Pop (candy molded into the form of an exaggerated precious gem stone and anchored to a plastic ring), Push Pop (a cylinder-shaped lollipop packaged in a plastic container with a removable cap, designed to enable consumers to eat a portion of the pop and save the rest for later), Baby Bottle Pop (a miniature baby bottle filled with powder, candy juice, or crunchy candies and topped with a candy nipple) and Juicy Drop Pop (a lollipop in a plastic case which also contains

candy juice to be squirted onto the pop for boosting its flavor).

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Trademarks of The Topps Company, Inc. and subsidiaries appearing in this report: Baby Bottle Pop, Bazooka, Bazooka Joe, Bowman, etopps, Garbage Pail Kids, Heroclix, Juicy Drop Pop, Mage Knight, Mars Attacks, MechWarrior, Merlin, Push Pop, Ring Pop, thePit.com, Topps, Topps Chrome, Topps Finest, Topps Heritage, Topps Pristine, Wacky Packages and WizKids.

Unless otherwise indicated, all date references refer to fiscal years.

The Company also markets Bazooka brand bubble gum originally introduced in 1947. Traditional chunk Bazooka bubble gum is produced in individually-wrapped rectangular pieces in a variety of flavors and sold generally at a suggested retail price of five cents a piece. Individual pieces of Bazooka brand bubble gum include a comic featuring Bazooka Joe, a copyrighted cartoon character, which celebrated its fiftieth anniversary in 2003. In addition to individual pieces, the Company sells multiple-piece packs of Bazooka (regular and sugarless) which are designed for distribution across all major trade channels.

Licensed confectionery products include containers replicating the Pokemon ball with candy and a decorated Pokemon figure inside. Sales of Pokemon confectionery products began in fiscal 2000 and continue today, though at lesser volumes. In 2003, the Company introduced Yu-Gi-Oh! lollipops and containers.

In the U.S., the Company's confectionery focus is on providing children with compelling high-quality products, expanding product availability (distribution points and in-store location) and advertising on children's television. Over the last few years, the Company has experienced solid progress in terms of its U.S. retail distribution and brand and advertising awareness. Going forward, the Company believes that distribution, advertising, and new products represent viable sources of growth and is directing its focus accordingly. Overseas, the primary emphasis is on delivering innovative products to the marketplace and securing new listings in key retailers. Over the last couple of years, confectionery distribution in Europe has been expanded to include Norgen Gruppen and Narvisson in Norway; ICA and Co-op in Sweden; Internarche in France; Coop, Kiosk, and Volg in Switzerland; and Inex in Finland.

Entertainment

The Entertainment segment consists of publishing products in the form of trading cards and sticker album collections featuring sports and non-sports licenses and strategy games created by WizKids, acquired by Topps in July 2003.

In the U.S. and Canada, publishing products are generally sold in the form of cards, while in the rest of the world, publishing products are typically sold in the form of sticker album collections. The Company markets cards in various size packages for distribution through a variety of trade channels. Sticker album products are designed so that stickers, which are sold in packages, can be placed in an associated album that contains detailed information on the subject.

Sports card and sticker album products contain photographs of athletes as well as other features, including player and team statistics, biographical material and, in certain cases, pieces of memorabilia and/or players' autographs. Sports card products have historically featured professional sports figures from Major League Baseball, NFL Football, NBA Basketball and NHL Hockey,

while sports sticker album products have featured athletes from English Premier League Football (soccer). The Company did not produce any NHL Hockey products for the most recent season which was cancelled due to labor/management issues. Additionally, in fiscal 2005 the Company sold sticker album products associated with the European Football Championship which occurs every four years. The Company also markets bubble gum with mini stickers and albums featuring Italy's professional soccer league (Calcio).

The Company distributes sports card products in North America under brand names including, but not limited to, Topps, Topps Heritage, Topps Finest, Topps Chrome, Topps Pristine and Bowman. The Company attempts to ensure that each brand of sports cards has its own unique positioning in the marketplace. For example, Topps Heritage, a retro brand with bubble gum in every pack, addresses a perceived consumer demand for nostalgia-based products and capitalizes on Topps' heritage and history in the sports collectible industry. Internationally, the Company distributes sticker album collections under the Merlin and Topps brands.

The Company has also marketed non-sports trading cards and sticker album products since the 1950's, featuring some of the dominant entertainment properties of all time, including The Beatles, Elvis Presley, Star Wars, Michael Jackson, E.T.: The Extra-Terrestrial, Indiana Jones, Batman, Teenage Mutant Ninja Turtles, Jurassic Park, Pokemon and Yu-Gi-Oh!. From time to time, the Company has also sold cards and stickers featuring self-created entertainment properties such as Wacky Packages, Garbage Pail Kids and Mars Attacks. During the fiscal 2000 to 2003 period, the Company distributed Pokemon products in over 44 countries and 25 languages.

In fiscal 2005, the Company marketed non-sports trading card and sticker album products featuring licenses including Star Wars, Lord of the Rings, Hamtaro, Barbie, Yu-Gi-Oh! (sticker albums only), SpongeBob SquarePants and Pokemon. The Company also reintroduced new editions of Garbage Pail Kids and Wacky Packages stickers during the year. Entertainment cards and sticker album collections have experienced peaks and valleys of consumer interest, a fact which has prompted the Company to be highly selective in determining which entertainment licenses to pursue.

Card and sticker album collections are prepared with care and often use special technologies and reproduction techniques. Cards may include features such as foil stamping, film lamination, autographs and/or small pieces of memorabilia. The Company continuously strives to update the features of its cards and sticker album collections and seeks new ideas and printing technologies. Suggested retail prices for cards generally range from $0.99 to $7.00 per pack, while overseas sticker pack prices are generally the equivalent of approximately fifty cents. The Company also sells certain sports products in pack configurations at prices exceeding $30 per pack and in box configurations that are offered to consumers at variety of suggested retail price points.

In October 2001, the Company launched etopps, a trading card brand sold exclusively on the Internet at www.etopps.com. Each week on the etopps website, a limited number of cards featuring distinguished athletes, current events, and other features are offered for sale. In April 2004, additional features were added to the etopps website enabling card holders to play a variety of fantasy-style games and to trade their etopps cards more easily. The Company also markets memorabilia over the Internet through ToppsVault.com and makes a market in certain sports cards via thePit.com.

In July 2003, the Company acquired WizKids for a cash purchase price of approximately $28.4 million. Headquartered in Bellevue, Washington, WizKids is a designer and marketer of collectible and constructible strategy games. Some

games are played with miniature figurines on bases containing game-specific information. Core products are sold under the MechWarrior, Mage Knight and HeroClix brand names and are marketed primarily through the hobby channel. In 2005, WizKids broadened its product line to include constructible strategy games, introducing products under the Pirates and Football Flix names.

For a schedule of net sales by key business segment for the past three fiscal years, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 7 of the Company's Annual Report to Stockholders for the year ended February 26, 2005 (the "Annual Report"), which is hereby incorporated by reference.

DISTRIBUTION AND MARKETING

Sales and Distribution

In the U.S. and Canada, internal and field sales employees handle sales of Confectionery products to national accounts. Confectionery sales to other channels are handled by broker organizations managed by Topps employees. In fiscal 2005, Topps consolidated much of its broker network, joining forces with a strong national organization which will provide greater retail coverage and increased focus, particularly on the convenience channel. Topps Confectionery products reach tens of thousands of retail outlets including supermarkets, drugstores, convenience stores, mass merchandisers, warehouse clubs, dollar stores, video outlets and other specialty accounts. The Company's employees also handle U.S. sales of entertainment card products to hobby stores, hobby distributors, national accounts and category managers who service major retail outlets.

In most of Europe, as well as in Latin America, Japan and Australia, sales are generated primarily through distributors serviced by Topps employees. In the U.K., sales of both Confectionery and Entertainment products are handled by a dedicated field sales force augmented by wholesalers selling to independent retailers. Together, the sales force and wholesalers reach approximately 30,000 retail news and confectionery outlets.

WizKids' products have traditionally been sold primarily to gaming stores via distributors. Topps' sales force is also assisting WizKids in reaching mass retailers in the U.S. and Europe. WizKids uses a network of 3,500 volunteers to run approximately 10,000 in-store tournaments a month for its customers.

Advertising and Promotion

The Company utilizes a variety of marketing techniques, including television, radio and print advertising campaigns, sweepstakes, on-line ads and promotions designed to create consumer awareness and stimulate retail sales of its products. Advertising and marketing expenses (which encompass media spending, consumer promotions and research) included in selling, general and administrative expenses amounted to $23,336,000 in fiscal 2005, $23,820,000 in fiscal 2004 and $20,145,000 in fiscal 2003.

Approximately 74% of the Company's fiscal 2005 sales, 75% of fiscal 2004 sales, and 80% of fiscal 2003 sales were made on a returnable basis. Reductions in the percentage starting in fiscal 2004 are due to the acquisition of WizKids, whose sales historically have been largely not returnable. As WizKids begins to sell more products to the mass market channel, its return rates will likely

increase. Industry practice requires that the Company provide the right to return on sales of trading card products (excluding those to certain channels of distribution), on confectionery products and on sales of most sticker album products. Consolidated net return provisions as a percentage of gross sales for the fiscal years ended 2005, 2004 and 2003 were 6.5%, 5.1%, and 6.7%, respectively. Returns significantly in excess of the Company's returns reserve could have a material adverse effect on the Company.

PRODUCTION

Confectionery

Ring Pop lollipops for sale in North America are manufactured at the Company's Scranton, Pennsylvania factory. Raw materials required for the manufacture of these products are generally available to the Company. Ring Pop lollipops for sale in international markets as well as all Push Pops, Baby Bottle Pops, Juicy Drop Pops and many of the Company's other lollipop products are manufactured by a single independent supplier in factories located in Taiwan, Thailand and China. The loss of production at one or more of these facilities due to civil unrest or for any other reason could have a material adverse effect on the Company until the Company could make other arrangements.

Bazooka bubble gum is produced for Topps by the Hershey Foods Corporation ("Hershey") under a contract that is renewable annually for a five-year term. This contract contains a number of conditions and requires the Company to source certain of its U.S. Bazooka production needs from Hershey, provided Hershey can fulfill the orders on a timely basis and can meet Topps' quality specifications. Failure by Hershey to supply the Company with quality product on a timely basis could have a material adverse effect on sales of Bazooka until the Company could make other arrangements.

Entertainment

In the U.S., photographs of athletes are generally taken by free-lance photographers on special assignment with the Company. In addition, certain photography is provided by the organizations representing the leagues and their member teams. Pictures of non-sports entertainment subjects are generally furnished by the respective licensor or created by artists retained by the Company. Computerized graphic artwork and design development for all of the Company's products is done by staff artists and through independent design agencies under the Company's direction. The Company's Graphic Services Department also utilizes computerized technology to enhance and color-correct photography and computer imaging to create interesting and unusual backgrounds and visual effects.

High-quality substrates (paperboard, foilboard) are sent directly to outside printers by the Company's suppliers. Pictures are printed utilizing a variety of techniques and sometimes include foil stamping and UV (ultra violet) coating. Cards that require specialized printing and the combination of various substrates like plastic, polystyrene and holographic foils are purchased in full sheet form from specialty printers. Full sheets are then cut into individual cards, collated, wrapped in a variety of package configurations, and shipped to customers by these same outside printers or by contract packers.

Sticker production in Europe is subcontracted and coordinated by a single supplier in Italy, and album production is subcontracted to three suppliers in Italy. Adhesive material and packaging are sourced and printed by various

subcontractors in Italy. The Company believes that there are other suitable sources available to meet its requirements if the current suppliers were unable to meet the Company's needs.

Collectible strategy games are manufactured by suppliers in China and Taiwan. Collectible figures are designed by the Company, and the tooling manufacture is subcontracted to a variety of tool and die manufacturers in China and Taiwan.

Paperboard, packaging materials, foil stamping and UV coating for cards, and other raw materials required to manufacture the Company's total line of entertainment products are generally available to the Company. The Company relies on single producers for several of these materials or processes, although alternative suppliers are generally available. If any of these single sources were no longer available to the Company, some adjustment in product specification would probably be required.

TRADEMARKS AND LICENSE AGREEMENTS

The Company considers its trademarks and license agreements to be of material importance to its business. Most of the Company's principal trademarks have been registered in the United States and many foreign countries where its products are sold. Sports picture products marketed in the U.S. are generally produced under license agreements with individual athletes and/or their players' associations, as well as under the licensing bodies of the professional sports leagues. These agreements cover the following sports: Major League Baseball, NBA Basketball and NFL Football. Because of the labor dispute in hockey during the 2004 season, the Company did not renew its NHL agreement when it expired in June 2004. The absence of hockey products did not have a material adverse effect on the Company's sales or earnings in fiscal 2005. The Company also has a contract with Premier League Soccer in England and with players and teams with regard to soccer in Italy, Denmark, and Spain. The Company's inability to renew, or continue to operate under licenses relating to Major League Baseball or England Premier League soccer, and its inability to market products in these sports, could have a material adverse effect on the Company.

The Company has an individual license agreement with virtually every major league baseball player. Each baseball player's license agreement is initially for four major league baseball seasons and may be extended for additional seasons as rights are used, if the player and the Company agree. Typically, these agreements are extended annually. Among the rights the Company receives are rights to use a player's name, picture, facsimile signature and biographical description in the form of two or three dimensional pictures, trading cards, postcards, stickers, stamps, transfers, decals, medallions or coins, each within certain size limitations. The licenses granted to the Company by athletes permit the athlete to grant others rights to the use of his name, picture and facsimile signature on other products, including collectible picture cards sold alone or with products other than gum and (with certain exceptions) candy. The Company conducts a related active licensing program with minor league baseball players and continuously seeks to supplement its relationship with the baseball community by personal visits and corporate identification. The Company considers such relationships to be good and to be of great importance to it. However, should an appreciable number of Major League Baseball players refuse to sign the Company's license agreement, it could have a material adverse effect on the Company.

The Company has a related agreement with the Major League Baseball Players Association, which governs certain terms of the individual player contracts. The Company also has an agreement with Major League Baseball Properties, Inc., which, among other things, covers the use of the names and insignias of the baseball teams and leagues in connection with its baseball picture products.

The Company also enters into license agreements with non-sports entertainment companies to produce certain products. The terms of these contracts depend on a variety of factors.

Total royalty expense under the Company's sports and non-sports entertainment licensing contracts for the fiscal years ended 2005, 2004 and 2003 was $24,916,000, $23,912,000 and $25,344,000, respectively. See Note 21 of Notes to Consolidated Financial Statements in the Annual Report, which is incorporated herein by reference, for a description of minimum guarantee payments required under the Company's existing sports and non-sports entertainment contracts.

In fiscal 2004, the Company initiated a program of licensing its own Bazooka, Bazooka Joe, Ring Pop, Push Pop, and Baby Bottle Pop trademarks to third parties. In fiscal 2005, the Company expanded the program to include seventeen licensees, including manufacturers of apparel, children's cosmetics, footwear and collectibles. Additionally, WizKids licenses out its trademarks, primarily Mech-Warrior, for fantasy books.

COMPETITION

The Company competes for sales as well as counter and shelf space with large corporations in the food, candy, publishing, toy and other industries. Many of these corporations have substantially greater resources than the Company. More narrowly, the Company competes with other companies, large and small, which market gum, candy, trading cards, sticker albums and strategy games for the spending money of children and adult collectors. The Company believes that the industries in which it operates are highly competitive.

SEASONALITY

The Company's sales of Confectionery products are generally seasonally stronger in the first two fiscal quarters of each year. However, sales can be significantly impacted by the introduction of new products and line extensions as well as by advertising and consumer and trade support programs.

In the Entertainment segment, sales of U.S. sports card products are sold throughout the year, spanning the three major sports seasons in which the Company currently participates, i.e. baseball, football, and basketball. Generally, Topps Europe's sales of sports sticker album products are driven by shipments of Premier League Soccer products, with much of the sales activity occurring in the fourth fiscal quarter. Sales of non-sports cards, sticker albums and games tend to be driven by the timing of product introductions and the property on which they are based, often peaking with the release of a movie or the rise in popularity of a particular licensed property. Hence, quarterly results may vary. (See footnote 20 "Quarterly Results of Operations" in the Company's Annual Report.)

DEPENDENCE ON CERTAIN CUSTOMERS

McLane Distribution Services, Inc. accounted for approximately 12% of

consolidated net sales in fiscal 2005. McLane purchases primarily confectionery products from the Company and distributes them to Wal-Mart, Sam's Club, Southland Corp., and convenience stores in the U.S. The loss of this customer could have a material adverse effect on the Company's plans and results.

ENVIRONMENT

The Company believes that it is in compliance in all material respects with existing federal, state and local regulations relating to the protection of the environment. Such environmental regulations have not had a material impact on the Company's capital expenditures, earnings or competitive position.

EMPLOYEES

The Company employed approximately 485 people in fiscal 2005.

All of the production employees at the Company's factory in Scranton, Pennsylvania are represented by a union. The current union agreement expires in February 2008.

The Company considers relations with its employees to be good.

AVAILABILITY OF THIS REPORT

The Company's financial information, including the information contained in this report filed on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to the above mentioned reports may be viewed on the Internet at www.topps.com. Copies are also available, without charge, from the Company. Alternatively, reports filed with the Securities and Exchange Commission (the "SEC") may be viewed or obtained at the SEC Public Reference Room in Washington, D.C., or at the SEC's Internet site at www.sec.gov.

CAUTIONARY STATEMENTS

In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"), the Company is hereby filing cautionary statements identifying important factors that could cause actual results to differ materially from those projected in any forward-looking statements of the Company made by or on behalf of the Company, whether oral or written. The Company wishes to ensure that any forward-looking statements are accompanied by meaningful cautionary statements in order to maximize to the fullest extent possible the protections of the safe harbor established in the Reform Act. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors, among others, that could cause the Company's actual results to differ materially from those projected in forward-looking statements of the Company:

1. Dependence on Licenses. The Company's trading card and sticker album businesses are highly dependent upon licensing arrangements with third parties. These licenses, which have varying expiration dates, are obtained from the various professional sports leagues, players associations and, in certain instances, the players themselves as well as from non-sports entertainment

companies. The Company's inability to renew or retain certain of these licenses, or the lack of vitality of these licenses, could materially adversely affect its future plans and results.

2. Contraction in Sports Card Industry. The sports card industry as a whole has contracted significantly over at least the last ten years. Further prolonged and material contraction in the sports card industry, whether caused by labor strife or otherwise, could materially adversely affect the Company's future plans and results.

3. New Products. The Company may be unable to produce timely, or at all, certain new planned products. The inability of the Company to produce planned products could materially adversely affect its future plans and results.

4. Returns. Approximately 74% of the Company's fiscal 2005 sales were made on a returnable basis. Although the Company maintains returns provisions, returns considerably in excess of the Company's provisions could materially adversely affect its future plans and results.

5. Suppliers. The Company has a single source of supply for most of its lollipop products. The loss of this supplier due to civil unrest or for any other reason could materially adversely affect the Company's future plans and results.

6. Customers. The Company has several large customers, some of which are serviced by single distributors. The loss of any of these customers or distributors could materially adversely affect the Company's future plans and results.

7. International Political and Economic Risk. There is an increase in risk generally associated with operating outside of the U.S. Events such as civil unrest, currency devaluation, political upheaval and health-related issues could materially adversely affect the Company's future plans and results.

8. Legal Proceedings. See Item 3: Legal Proceedings for a discussion of legal matters that could materially adversely affect the Company's future plans and results.

FINANCIAL INFORMATION ABOUT INDUSTRY SEGMENTS, FOREIGN AND DOMESTIC OPERATIONS AND EXPORT SALES

The Company operates in two business segments. They are: (i) the marketing and distribution of confectionery products; (ii) the marketing and distribution of entertainment products. Segment and geographic area information contained in Note 16 of the Notes to Consolidated Financial Statements included in the Annual Report is hereby incorporated by reference.

EXECUTIVE OFFICERS OF THE COMPANY

The information required by this item with respect to the directors of the Company and those executive officers who are also directors appearing in the Proxy Statement for the annual meeting of stockholders scheduled to be held on June 30, 2005 ("2005 Proxy Statement") is hereby incorporated by reference thereto. Set forth below is information required by this item covering the other executive officers of the Company.

Name	Position with the Company and business experience during the past five years

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Ronald L. Boyum	Vice President-Marketing and Sales and General Manager - Confectionery of the Company since February 2000; Vice President-Marketing and Sales of the Company since March 1995. Mr. Boyum is 53 years of age.
Edward P. Camp	Vice President of the Company since April 1997 and President-Hobby Division since October 1995. Previously, Mr. Camp held a number of sales-related positions within the Company. Mr. Camp is 58 years of age.
Michael P. Clancy	Vice President-International of the Company since December 1998 and Vice President since February 1995. Mr.Clancy has been Managing Director - Topps International Ltd. (formerly Topps Ireland) since July 1990 and was Joint Managing Director - Topps Europe Ltd. from January 1997 to December 1998. Mr. Clancy is 50 years of age.
Michael J. Drewniak	Vice President-Manufacturing of the Company since March 1991. Mr. Drewniak previously held the position of General Manager - Manufacturing Operations. Mr. Drewniak is 68 years of age.
Ira Friedman	Vice President-Publishing and New Product Development of the Company since September 1991. Mr. Friedman joined the Company in October 1988. Mr. Friedman is 51 years of age.
Warren Friss	Vice President-General Counsel and General Manager Sports. Mr. Friss was General Manager - Sports of the the Company since February 2005, Vice President and Internet Business General Manager since June 2001, and General Counsel of the Company since February 2000. Mr. Friss joined the Company as Deputy General Counsel in May 1995. Mr. Friss is 41 years of age.

Name	Position with the Company and business experience during the past five years
Catherine K. Jessup	Vice President-Chief Financial Officer and Treasurer. Ms. Jessup was Treasurer of the Company since July 2004 and Chief Financial Officer of the Company since July 1995. Prior to joining the Company, Ms. Jessup held a number of positions with PepsiCo (a food products company) from 1981 to July 1995. Ms. Jessup is 49 years of age.
Michael K. Murray	Vice President - Confectionery Sales of the Company since October 2004. Prior to joining the Company, Mr. Murray was Vice President - Regional Director of Sales North America for Reckitt Benckiser PLC. Mr Murray is 47 years of age.
William G. O'Connor	Vice President-Administration of the Company since September 1991. Mr. O'Connor was an Assistant Secretary of the Company from June 1982 until June 1994. Mr. O'Connor is 56 years of age.

John Perillo	Vice President-Operations of the Company since April 1995 and Vice President-Controller and Chief Financial Officer of the Company from April 1990 to July 1995. Mr. Perillo is 48 years of age.
Christopher Rodman	Vice President - Topps Europe of the Company since October 2004. Previously, Mr. Rodman was Managing Director, Topps Europe since November 1997. Mr. Rodman joined the Company in July 1995 with the acquisition of Merlin Publishing. Mr. Rodman is 48 years of age.
Scott Silverstein	President of the Company and Chief Operating Officer since August 2004. Previously, Mr. Silverstien was Executive Vice President of the Company since February 2000. Prior thereto, Mr. Silverstein ran the Pokemon business for Topps since 1999 and was Vice President - Business Affairs and General Counsel of the Company since February 1995. Mr. Silverstein held the position of General Counsel from July 1993 until February 2000. Mr. Silverstein is the son-in-law of Mr. Shorin, the Company's Chairman of the Board and Chief Executive Officer. Mr. Silverstein is 43 years of age.

ITEM 2. PROPERTIES

The location and general description of the principal properties owned or leased by the Company are as follows:

Location	Type of Facility	Area/Facility Square Footage	Owned or Leased, If Leased, Expiration Year
Duryea, Pennsylvania***	Office and warehouse	71,000	Leased; 2006
Scranton, Pennsylvania*	Manufacturing plant	41,000	Owned
Seattle, Washington**	Office	19,000	Leased; 2006
Cork, Ireland*	Office	8,000	Leased; 2006
New York, New York***	Executive offices	60,000	Leased; 2009
Cincinnati, Ohio**	Warehouse	14,000	Leased; 2006
Milton Keynes, United Kingdom***	Office and warehouse	12,000	Leased; 2014
Milan, Italy***	Office	7,000	Leased; 2008

The Company also leases offices in Delaware, Canada and Argentina. The Company believes that its active facilities are in good repair and are suitable for its needs for the foreseeable future.

* Serves confectionery segment.
** Serves entertainment segment.

*** Serves both business segments.

ITEM 3. LEGAL PROCEEDINGS

In November 2000, the Commission of the European Communities (the "Commission") began an investigation into whether Topps Europe's past distribution arrangements for the sale of Pokemon products complied with European law (the "EU investigation"). On June 17, 2003, the Commission filed a Statement of Objections against The Topps Company, Inc. and its European subsidiaries, therein coming to a preliminary conclusion that these entities infringed Article 81 of the EC treaty during 2000 by preventing parallel trade between member states of the European Union. A hearing in front of the European Commission Tribunal took place on October 23, 2003, and on May 27, 2004, the Commission found The Topps Company, Inc. and its European subsidiaries jointly and severally liable for infringement of Article 81(1) of the EC treaty. The Commission imposed a total fine of 1.6 million euros ($1.9 million) which was paid during fiscal 2005.

On February 17, 2000, Telepresence, Inc. sued Topps and nine other manufacturers of trading cards (the "Defendants") in the Federal District Court for the Central District of California for infringement of U.S. Patent No. 5,803,501 which was issued on September 8, 1998 (the "501 Patent"). In its suit, Telepresence contended that the patent covers all types of "relic" cards that contain an authentic piece of equipment, i.e., a piece of sporting equipment or jersey. The court awarded summary judgment to the Defendants on the grounds that the named Plaintiff (Telepresence, Inc.) did not have standing to sue for infringement of the 501 patent. The motion was granted, and the litigation was dismissed with prejudice on March 28, 2001.

After the dismissal, the 501 Patent was assigned to Media Technologies, Inc. which is under the control of the same person (the inventor, Adrian Gluck) who brought the Telepresence action. On November 19, 2001, Media Technologies sued essentially the same group of defendants in the same court for infringement of the 501 Patent. The court once again granted summary judgment and dismissed the case with prejudice. The Court of Appeals for the Federal Circuit reversed the judgment on July 11, 2003, and the case was returned to Judge Stotler in the Central District of California for trial. On October 16, 2003, Media Technologies amended its complaint by alleging that Defendants' sale of relic cards additionally infringed U.S. Patent No. 6,142,532 (the "532 Patent") which was issued on November 7, 2000 and is similar to the 501 Patent.

On March 17, 2004, Topps filed a motion for summary judgment based on non-infringement while other defendants filed a motion for summary judgment based on patent invalidity because of prior art. Both motions were denied on July 26, 2004. On September 15, 2004, defendant Upper Deck Company, LLC ("Upper Deck") moved for a separate trial on the issues of infringement, damages, willfulness and counterclaims, a motion the other defendants subsequently joined. On October 26, 2004, the court ruled that the patent validity issues would be tried first, before those of infringement. The court otherwise refused to bifurcate the trial.

On October 4, 2004, Defendants petitioned the United States Patent & Trademark Office (the "PTO") to reexamine the patentability of both the 501 Patent and the 532 Patent. On October 25, 2004, Defendants also filed a motion with the district court requesting a stay of the proceedings pending the petition with the PTO. On December 2, 2004, the court denied the motion for the stay. In mid-December, the PTO granted the petition for reexamination of the 501 and 532 Patents. Plaintiffs have petitioned the PTO to vacate the reexaminations and have also filed papers requesting the PTO, in the event it decides to proceed with the reexamination, to hold its claims patentable.

On December 29, 2004, Defendants once again filed a motion with the district court requesting a stay of the proceedings while the PTO reexamines the patentability of the 501 Patent and the 532 Patent. That motion was denied on February 28, 2005, along with another motion to dismiss the case based on lack of standing. The pretrial conference was held on March 21, 2005. Both parties requested that the judge construe Plaintiff's issued patent claims, and Defendants once again asked that the damages and infringement issues be tried separately as to each party.

On May 23, 2005 the Company entered into a settlement agreement with Media Technologies, Inc. ("Plaintiff") in which it would pay Plaintiff an immediate sum of $2,000,000. Plaintiff agreed to dismiss all claims against the Company and issue a license to the Company to distribute relic cards. The Company further agreed that under certain conditions which may arise in the future, it would make additional payments to the Plaintiff as part of the ongoing license. The Company is currently evaluating the accounting of the settlement and the license agreement See Footnote 15 - Legal Proceedings

The Company is a defendant in several other civil actions which are routine and incidental to its business. In management's opinion, after consultation with legal counsel, these other actions will not have a material adverse effect on the Company's consolidated financial statements or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year ended February 26, 2005.

PART II

ITEM 5. MARKET FOR COMPANY'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

Reference is made to the data appearing on page 46 of the Annual Report under the heading "Market and Dividend Information" which is hereby incorporated by reference and reference is also made to the Equity Compensation Plan Information on page 9 of the 2005 Proxy.

ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA

Reference is made to the data appearing on page 46 of the Annual Report under the heading "Selected Consolidated Financial Data" which is hereby incorporated by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Reference is made to the data appearing on pages 7 through 14 of the Annual Report under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" which is hereby incorporated by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Reference is made to the data appearing on page 14 of the Annual Report under the heading "Disclosures about Market Risk" which is hereby incorporated by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Reference is made to the data appearing on pages 15 through 43 and to the Report of Independent Registered Public Accounting Firm appearing on page 44 of the Annual Report which are hereby incorporated by reference.

ITEM 9. CHANGES IN ACCOUNTANTS AND DISAGREEMENTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed pursuant to the Securities and Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As of the end of the period covered by this report (the "Evaluation Date"), we carried out an evaluation, under the supervision and with the participation of our management, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, we have concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective.

(b) Design and Evaluation of Internal Control Over Financial Reporting

Under Section 404 of the Sarbanes-Oxley Act of 2002, we are required to include in this Annual Report on Form 10-K/A (i) a report from our management regarding the Company's internal controls over financial reporting, which report is required to include, among other things, an assessment and statement as to

the effectiveness of our internal controls over financial reporting as of February 26, 2005 and (ii) an attestation report from our independent registered public accounting firm on management's assessment of such internal controls.

(c) Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal controls over financial reporting during the fiscal quarter ended February 26, 2005 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reports.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

Information required by this item appears in Part I of this Report on Form 10-K under the heading "Executive Officers of the Company" and in the 2005 Proxy Statement and is hereby incorporated by reference.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this item appears in the 2005 Proxy Statement and is hereby incorporated by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information required by this item appears in the 2005 Proxy Statement and is hereby incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information required by this item appears in the 2005 Proxy Statement and is hereby incorporated by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by this item appears in the 2005 Proxy Statement and is hereby incorporated by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a)(1&2) Financial Statements and Financial Statement Schedules

Index to Financial Statements:

The following Consolidated Financial Statements included in the Annual Report are hereby incorporated by reference to Item 8:

Consolidated Statements of Operations - For Fiscal Years Ended March 1, 2003, February 28, 2004 and February 26, 2005.

Consolidated Balance Sheets February 28, 2004 and February 26, 2005.

Consolidated Statements of Cash Flows For Fiscal Years Ended March 1, 2003, February 28, 2004 and February 26, 2005.

Consolidated Statements of Stockholders' Equity and Comprehensive Income For Fiscal Years Ended March 1, 2003, February 28, 2004 and February 26, 2005.

Notes to Consolidated Financial Statements.

Index to Independent Registered Public Accounting Firm's Report and Financial Statement Schedules

Page No.

Schedule I -- Valuation and Qualifying Accounts - For Fiscal Years Ended March 1, 2003, February 28, 2004 and February 26, 2005 ....S-1

Schedules other than those listed above are omitted because they are either not required or not applicable or the required information is shown in the Consolidated Financial Statements or Notes thereto.

(3) Listing of Exhibits

3.1 - Restated Certificate of Incorporation of the Company (Incorporated by reference to Exhibit 3.1 to the Company's Report on Form 8-K dated December 2, 1991 SEC File Number 000-15817).

3.2 - Restated By-laws of the Company (Incorporated by reference to Exhibit 3.2 to the Company's Report on Form 8-K dated December 2, 1991 SEC File Number 000-15817).

10.1 - The Topps Company, Inc. Executive Officers' Annual Bonus Plan (Incorporated by reference to Exhibit 3.2 to the Company's Report on Form 8-K dated April 12, 2005).

10.2 - The Topps Company, Inc. Bonus Plan for Scott Silverstien, effective August 4, 2004 (Incorporated by reference to Exhibit 10-23 to the Company Quarterly Report for the quarter ended August 28, 2004 SEC File Number 000-15817)

10.3 - Retirement Plan and Trust as amended and restated effective February 28, 1993 (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended February 26, 1994 SEC File Number 000-15817).

10.4 - Supplemental Pension Agreement with Arthur T. Shorin (Incorporated by reference to Exhibit 10.16 to the Company's Registration Statement on Form S-1(No. 33-130821)).

10.5 - Amendment to Supplemental Pension Agreement with Arthur T. Shorin dated May 18, 1994 (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended February 25, 1995 SEC File Number 000-15817).

10.6 - License Agreement and Letter Amendment thereto with Major League Baseball Promotion Corporation (Incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K for the fiscal year ended March 2, 1991 SEC File Number 000-15817).

10.7 - Letter Amendment effective January 1, 2001 to the License Agreement dated January 1, 1969 and Letter Amendments thereto between the Company and Major League Baseball Properties, Inc. Portions have been redacted subject to an application to the Securities Exchange Commission for confidential treatment. (Incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report for the quarter ended November 29, 2003.)

Index to Exhibits (continued)

10.8 - Stock Option Agreement with Arthur T. Shorin dated March 29, 1995 (Incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K for the fiscal year ended February 25, 1995 SEC File Number 000-15817).

10.9 - Agreement of Lease with One Whitehall Company dated February 24, 1994 (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended February 26, 1994 SEC File Number 000-15817).

10.10- Amendment and Restatement of the 1994 Non-Employee Director Stock Option Plan. (Incorporated by reference to the Company's 1998 Proxy Statement filed on May 28, 1998 SEC File Number 000-15817).

10.11- Corporate Guaranty in favor of the Bank of Scotland (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended November 25, 1995 SEC File Number 000-15817).

10.12- 1996 Stock Option Plan and form of agreement pursuant to 1996 Stock Option Plan. (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended March 2, 1996 SEC File Number 000-15817).

10.13- Amended and Restated Manufacturing Agreement with Hershey Foods Corporation, dated March 13, 1998. (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended August

29, 1998).

10.14- Credit Agreement, dated September 7, 2004, between The Topps Company, Inc. and The JPMorganChase Bank. (Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period year ended August 28, 2004).

10.15- 2001 Stock Incentive Plan (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended March 2, 2002).

10.16- Memorandum of Agreement between the Company and Major League Baseball Players' Association dated January 6, 2003 (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended March 1, 2003).

Index to Exhibits (continued)

10.17- Amended and Restated Employment Agreement (the "Agreement"), effective as of the 1st day of June, 2001, by and between The Topps Company, Inc., a Delaware corporation (the "Company"), and Arthur T. Shorin, a resident of New York (the "Executive") (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended March 1, 2003).

10.18- Employment Agreement, dated as of July 9, 2003 between WizKids. LLC and Jordan K. Weisman. (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed November 29, 2003).

10.19- First Amendment, effective August 1, 2003, to the Employment Agreement, dated as of July 9, 2003 between WizKids. LLC and Jordan K. Weisman. (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed November 29, 2003).

10.20- Second Amendment, effective October 1, 2003, to the Employment Agreement, dated as of July 9, 2003 between WizKids. LLC and Jordan K. Weisman. (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed July 24, 2003).

10.21- Preferability Letter from Deloitte & Touche regarding the change in the measurement date for impairment of goodwill. (Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2004 SEC File Number 000-15817).

10.22- First Amendment, effective October 11, 2004 to the Amended and Restated Employment Agreement , by and between The Topps Company, Inc. and Arthur T. Shorin in which he consented to remove the title of President of the Corporation. (Incorporated by reference to the Company's Form 10-Q filed November 27, 2004).

10.23- License Agreement between Topps Europe Ltd., a wholly-owned subsidiary of The Topps Company, Inc., and The Football Association Premier League Ltd. Dated September 30, 2003 (Incorporated by reference to Exhibit 10.25 of the Company's Quarterly Report on Form 10-Q for the period year ended August 28, 2004).

10.24- The Topps Company, Inc. Executive Severance Plan, effective July 1, 2004*

13 Annual Report (except for those portions specifically incorporated by

reference, the 2005 Annual Report to Stockholders is furnished for the information of the Commission and is not to be deemed "filed as part of this filing").*

21 Significant subsidiaries of the Company (Incorporated by reference in the Annual Report to Stockholders).

23 Deloitte Consent

31.1 Certification of Principal Executive Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) under the Securities Exchange Act of 1934.*

31.2 Certification of Principal Financial Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) under the Securities Exchange Act of 1934.*

32.1 Certification of Arthur T. Shorin, Chairman and Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

32.2 Certification of Catherine K. Jessup, Vice-President and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

*filed herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 12, 2005

THE TOPPS COMPANY, INC.

Registrant

/s/Arthur T. Shorin

Arthur T. Shorin
Chairman and
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed on the 12th day of May 2005 by the following persons on behalf of the Registrant and in the capacities indicated.

/s/Arthur T. Shorin

Arthur T. Shorin
Chairman and Chief Executive Officer
(Principal Executive Officer)

/s/Catherine K. Jessup

Catherine K. Jessup
Vice President-Chief Financial Officer and Treasurer (Principal Financial Accounting Officer)

/s/Allan A. Feder Allan A. Feder Director	/s/David Mauer David Mauer Director
/s/Stephen D. Greenberg Stephen D. Greenberg Director	/s/Jack H. Nusbaum Jack H. Nusbaum Director
/s/Ann Kirschner Ann Kirschner Director	/s/Richard Tarlow Richard Tarlow Director
/s/Edward Miller Edward Miller Director	/s/Stanley Tulchin Stanley Tulchin Director

VALUATION AND QUALIFYING ACCOUNTS -- Years Ended Mar 1, 2003, February 28, 2004, and February 26, 2005

THE TOPPS COMPANY, INC. AND SUBSIDIARIES
SCHEDULE I - VALUATION AND QUALIFYING ACCOUNTS
(Amounts in thousands)

Column A	Column B	Column C		Column D	Colu
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged Against Sales	Additions (Deductions)	Bal At of P
Year Ended March 1, 2003:					
Accumulated Amortization of Sports, Entertainment and Proprietary Products	$ 36,363	$ --	$ --	$(36,363)(g)	$
Accumulated Amortization of Other Intangible Assets	12,419	1,160	--	18,090 (g)	$ 3
	$ 48,782	$ 1,160	$ --	$(18,273)	$ 3
Reserve for Estimated Returns	$ 15,875	$ --	$ 22,413	$(21,845)(b)	$ 1
Reserve for Doubtful Accounts	$ 1,234	$ 456	$ --	$ (88)(c)	$
Reserve for Cash Discounts	$ 415	$ --	$ 4,660	$ (4,110)(d)	$
Reserve for Customer Deductions	$ --	$ 528	$ --	$ -- (e)	$

Reserve for Obsolete Inventory	$ 4,525	$ 3,298	$ --	$ (4,296)(f)	$

Year Ended February 28, 2004:

Accumulated Amortization of Other Intangible Assets	$ 31,669	$ 2,333	$ --	$ (762)(a)	$ 3
Reserve for Estimated Returns	$ 16,443	$ --	$ 17,404	$(14,331)(b)	$ 1
Reserve for Doubtful Accounts	$ 1,602	$ (143)	$ --	$ (810)(c)	$
Reserve for Cash Discounts	$ 965	--	$ 3,882	$ (3,410)(d)	$
Reserve for Customer Deductions	$ 528	$ 1,132	$ --	$ (528)(e)	$
Reserve for Obsolete Inventory	$ 3,527	$ 7,462	$ --	$ (3,874)(f)	$

Year Ended February 26, 2005:

Accumulated Amortization of Other Intangible Assets	$ 33,240	$ 1,797	$ --	$ --	$ 3
Reserve for Estimated Returns	$ 19,516	$ --	$ 22,020	$(20,712)(b)	$ 2
Reserve for Doubtful Accounts	$ 649	$ (110)	$ --	$ (276)(c)	$
Reserve for Cash Discounts	$ 1,437	$ --	$ 4,692	$ (4,685)(d)	$
Reserve for Customer Deductions	$ 1,132	$ --	$ 883	$ (1,132)(e)	$
Reserve for Obsolete Inventory	$ 7,115	$ 4,917	$ --	$ (7,741)(f)	$

a) Write-off of thePit.com marketing agreement.
b) Returns charged against provision, net of recoveries.
c) Bad debt write-offs
d) Early payment discounts taken by customers.
e) Pricing allowance and slotting credits issued to customers.
f) Disposals, net of recoveries.
g) Reclassifed (to)/from goodwill accumulated amotization in accordance with FAS 142.

S-1

The Topps Company, Inc.
Executive Severance Plan
Summary Plan Description/Plan Document

1. General Information

(a) The Topps Company, Inc. Executive Severance Plan (the "Plan") provides a select group of management or highly compensated designated executives of The Topps Company, Inc. (the "Company") with severance pay if they are separated from service with the Company for the reasons described herein.

(b) Notwithstanding any other provision of the Plan, as of the date any employee becomes an "Eligible Employee" (as defined below), the Plan supersedes any and all prior plans, policies, or practices, written or oral, which may have previously applied governing the payment of severance to such Eligible Employee, including, but not limited to The Topps Company, Inc. Severance Plan, effective February 1, 2003.

(c) The Plan is adopted and effective as of July 1, 2004 (the "Effective Date").

(d) This Summary Plan Description/Plan Document is intended to comply with the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

2. Definitions. For purposes of the Plan, the following definitions shall apply:

(a) "Base Salary" shall mean the Participant's base annual salary, excluding shift premiums, overtime, bonuses, commissions, other special payments or any other allowance.

(b) "Board" shall mean the Board of Directors of the Company.

(c) "Cause" shall mean that an Eligible Employee has (i) refused or repeatedly failed to perform the duties assigned to him/her; (ii) engaged in a willful or intentional act that has the effect of injuring the reputation or business of the Company in any material respect; (iii) continually or repeatedly been absent from the Company, unless due to serious illness or disability; (iv) used illegal drugs or been impaired due to other substances; (v) been convicted of any felony; (vi) committed an act of gross misconduct, fraud, embezzlement or theft against the Company; (vii) engaged in any act of such extreme nature that the Company determines to be grounds for immediate dismissal, including, but not limited to harassment of any nature; or (viii) violated a material company policy; provided, however, that following a Change in Control, a termination for Cause pursuant to clause (i) shall only be permitted if the Eligible Employee's refusal or repeated failure to perform the duties assigned to him/her were willful and deliberate on the Eligible Employee's part or committed in bad faith or without reasonable belief that such refusal or failure was in the best interests of the Company. The determination of whether any conduct, action or failure to act on the part of any Eligible Employee constitutes Cause shall be made by the CEO in the CEO's sole discretion; provided, however, that following a Change in Control, any such determination by the CEO shall be approved by the Successor Compensation Committee.

(d) "Change in Control" shall have the meaning assigned to it in the Company's 2001 Stock Incentive Plan, except that, in determining whether a Change in Control has occurred, the fact that the Board may have previously approved the acquisition of voting securities, or tender or exchange offer for the purchase of the Company's common stock, shall be disregarded.

(e) "CEO" shall mean the Chief Executive Officer of the Company.

(f) "Disability" shall mean the Eligible Employee's absence from his/her duties with the Company on a full-time basis for at least 180 consecutive days as a result of the Eligible Employee's incapacity due to physical or mental illness.

(g) "Eligible Employee" shall mean an executive of the Company, other than the CEO, who has been selected by the CEO as a covered employee under this Plan and who has executed the Acknowledgment and Acceptance of the Terms and Conditions of the Plan and agreed to be bound by the terms and conditions of the Plan.

(h) "Good Reason" shall mean the occurrence of any of the following events following a Change in Control, without the Eligible Employee's express written consent:

(i) the assignment to the Eligible Employee of any duties which constitute, in any material respect, a change in the Eligible Employee's position(s), duties or responsibilities with the Company immediately prior to such Change in Control;

(ii) a reduction in the Eligible Employee's Base Salary or bonus opportunity as in effect immediately prior to such Change in Control or as the same may be increased from time to time thereafter;

(iii) any requirement that the Eligible Employee be based more than thirty (30) miles from the Eligible Employee's principal place of employment immediately prior to the Change in Control;

(iv) the failure of the Successor to (A) continue in effect any employee benefit plan or compensation plan in which the Eligible Employee and the Eligible Employee's eligible dependants are participating immediately prior to such Change in Control, unless the Eligible Employee is permitted to participate in other plans providing the Eligible Employee with substantially equivalent benefits in the aggregate or (B) provide the Eligible Employee with paid vacation in accordance with the plans, practices, programs and policies of the Company and its affiliated companies in effect for the Eligible Employee immediately prior to such Change in Control or as in effect generally at any time thereafter with respect to other peer executives of the Company.

For purposes of this Plan, any good faith determination of Good Reason made by the Eligible Employee shall be conclusive; provided, however, that an isolated, insubstantial and inadvertent action taken in good faith and which is remedied by the Successor promptly after receipt of notice thereof given by the Eligible Employee shall not constitute Good Reason.

(i) "Participant" shall mean an Eligible Employee whose employment has been terminated for any of the reasons set forth in Section 3(b) below.

(j) "Plan Administrator" shall have the meaning assigned to it in Section 6(e) below.

(k) "Release" shall mean an agreement releasing any and all claims the Participant may have against, among others, the Company, its parents, subsidiaries, affiliates and each of its current and former shareholders, officers, and directors, each of the foregoing in their capacity as such.

(l) "Successor" shall mean the Company's successor in interest or other entity acquiring control of the Company or its assets as a result of a Change in Control.

(m) "Successor Compensation Committee" shall mean the Compensation Committee of the Board of Directors of the Successor; provided, however, that if the Successor does not have a Compensation Committee, "Successor Compensation Committee" shall refer to such entity's full Board of Directors or similar governing body.

(n) "Termination Date" shall mean the last official work day for which the Participant receives pay for service with the Company.

(o) "Years of Service" shall mean a Participant's completed year of service measured from his/her date of hire by the Company; provided, however, that following the completion of the Participant's first Year of Service, a Participant will be considered to have completed a full Year of Service after completing six (6) months of service in that year.

3. Eligibility for Severance Benefits

(a) The Plan Administrator shall provide each Eligible Employee with written notice of his/her eligibility in the Plan. Such notification shall be delivered to the Eligible Employee as soon as practicable following the Effective Date.

(b) An Eligible Employee shall become a "Participant" for purposes of this Plan, if his/her employment is terminated for any of the following reasons:

(i) Termination of employment by the Company without Cause and such termination is unrelated to a Change in Control of the Company (a "Non-Change in Control Termination"), or

(ii) Termination of employment by (A) the Company without Cause in connection with a Change in Control of the Company or within two years following a Change in Control of the Company or (B) the Eligible Employee for Good Reason within two years following a Change in Control of the Company (either of which shall be referred to as a "Change in Control Termination").

4. Severance Benefits

(a) Severance Benefit Amounts.

(i) Non-Change in Control Termination. Subject to Section 4(b) below, in the event a Participant becomes entitled to benefits pursuant to Section 3(b)(i) above, the Company shall pay to the Participant a lump sum payment equal to the sum of (A) six (6) weeks of Base Salary (determined as of the Termination Date) and (B) one (1) week of Base Salary (determined as of the Termination Date) for each Year of Service, provided, however, that each such Participant shall receive a minimum of eight (8) weeks of Base Salary (determined as of the Termination Date).

(ii) Change in Control Termination. Subject to Section 4(b) below, in the event a Participant becomes entitled to benefits pursuant to Section 3(b)(ii) above, the Company shall pay to the Participant a lump sum payment equal to two (2) times the sum of (A) the Participant's Base Salary (determined as of the Termination Date) and (B) the Participant's highest annual bonus paid or payable with respect to any of the last three fiscal years of the Company that ended immediately prior to the Termination Date.

(b) Notwithstanding anything contained herein to the contrary, the payments to be provided to the Participant as set forth in Section 4(a):

(i) shall be lieu of any and all benefits otherwise provided under any

severance pay policy, plan or program maintained from time to time by the Company for its employees, including, but not limited to any and all provisions relating to severance or separation benefits that are contained in any written employment agreement entered into between the Company and the Participant or any offer letter received from the Company; and,

(ii) shall not be paid upon termination of the Eligible Employee's employment (A) by the Company for Cause, (B) by the Eligible Employee for any reason prior to a Change in Control, (C) by the Eligible Employee for any reason other than Good Reason following a Change in Control, (D) as a result of the Eligible Employee's death, or (E) by the Company due to a Disability; and

(iii) shall not be due or paid or made available hereunder unless and until the Participant or his representative has executed a Release, and any applicable revocation period described in such Release has expired.

(c) Taxes on Severance Pay. Severance payments are considered taxable income. All appropriate federal, state and local taxes will be withheld from all severance pay.

(d) Severance Benefit Offsets. Payment of severance benefits pursuant to this Plan shall not be subject to offset, counterclaim, recoupment, defense or other claim, right or action which the Company may have, provided, however, that the amount of the severance benefit which any Participant is entitled to receive under the Plan shall be reduced, on a dollar for dollar basis, by all amounts, if any, which the Participant is entitled to receive as a result of the circumstances of his or her termination under the Federal Worker Adjustment and Retraining Notification Act (Pub. L. 100-379) or other similar federal, state or local statute. Payment of severance benefits pursuant to this Plan shall not be subject to a requirement that the Participant mitigate or attempt to mitigate damages resulting from the Participant's termination of employment.

(e) Continuation of Benefits in the Event of Death. In the event a Participant dies prior to receipt of his or her entire severance benefit, the remaining portion of such severance benefit shall continue to be paid, in the same form as it was paid prior to death, to the Participant's spouse, or if the Participant is not married on the date of death, to the Participant's estate.

5. Restrictive Covenants. In consideration for the benefits provided under this Plan, each Participant hereby agrees and acknowledges to be bound to the following restrictive covenants:

(a) Confidentiality. Except as may be required by law or legal process, the Participant shall not at any time during the course of his/her employment or after the Termination Date disclose to any person or entity or use any information not in the public domain or generally known in the industry that the Company treats as confidential or proprietary, in any form, acquired by the Participant while employed by the Company or any predecessor to the Company's business or, if acquired following the Termination Date, such information which, to the Participant's knowledge, has been acquired, directly or indirectly, from any person or entity owing a duty of confidentiality to the Company or any of its subsidiaries or affiliates, including but not limited to information regarding clients, customers, investors, vendors, suppliers, trade secrets, training programs, manuals or materials, technical information, contracts, systems, procedures, mailing lists, know-how, trade names, improvements, price lists, financial or other data (including the revenues, costs or profits associated with any of the Company's products or services), business plans, code books, invoices and other financial statements, computer programs, software systems, databases, discs and printouts, plans (business, technical or

otherwise), customer and industry lists, correspondence, internal reports, personnel files, sales and advertising material or any other compilation of information, written or unwritten, which is or was used in the business of the Company or any subsidiaries or affiliates thereof. The Participant agrees and acknowledges that all of such information, in any form, and copies and extracts thereof, are and shall remain the sole and exclusive property of the Company, and upon the Termination Date, the Participant shall return to the Company the originals and all copies of any such information provided to or acquired by the Participant in connection with the performance of his duties for the Company, and shall return to the Company all files, correspondence and/or other communications received, maintained and/or originated by the Participant during the course of his/her employment.

(b) Non-Compete. The Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company and its affiliates and accordingly agrees that in the event of a Change in Control Termination pursuant to Section 3(b)(ii) above, during the six (6) month period following the Termination Date, the Participant shall not, directly or indirectly, whether as an employee, consultant, owner, shareholder, partner, member or otherwise, (i) engage in any business for his/her own account of the type performed by the Company in the geographic areas where the Company is actively doing business or soliciting business at the time of the Participant's termination ("Competitive Business"); (ii) enter the employ of, or render any services to, any person engaged in a Competitive Business; or (iii) acquire a financial interest in, or otherwise become actively involved with, any person engaged in a Competitive Business. Notwithstanding anything contained herein to the contrary, the Participant may, directly or indirectly own, solely as an investment, securities of any person engaged a Competitive Business which are publicly traded on a national or regional stock exchange or on the over-the-counter market if he/she (A) is not a controlling person of, or a member of a group which controls, such person and (B) does not, directly or indirectly, own 5% or more of any class of securities of such person.

(c) Non-Solicitation. In the event of a Change In Control Termination pursuant to Section 3(b)(ii) above, for a period of six (6) months following the Termination Date, the Participant shall not, whether for his/her own account or for the account of any other individual, partnership, firm, corporation or other business organization, directly or indirectly: (i) solicit, endeavor to entice away from the Company or any of its subsidiaries or affiliates, or otherwise directly interfere with the relationship of the Company or any of its subsidiaries or affiliates with any person who, to the knowledge of the Participant, is or was within the then most recent twelve-month period, a customer or client of the Company, its predecessors or any of its subsidiaries or (ii) attempt to influence, persuade or induce, or assist any other person in so persuading or inducing, any employee of the Company to give up, or to not commence, employment or a business relationship with the Company.

(d) Non-Disparagement. The Participant agrees that he/she will make no disparaging or defamatory comments regarding the Company or its directors, officers, shareholders or employees in any respect or make any comments concerning any aspect of the Participant's relationship with the Company or the conduct or events which precipitated the Participant's termination of employment from the Company. The obligations of the Participant under this Section 5(d) shall not apply to disclosures required by applicable law, regulation or order of a court or governmental agency.

(e) Acknowledgment: In consideration for the benefits provided under this Plan, each Participant acknowledges and confirms that (i) the restrictive covenants contained in this Section 5 are reasonably necessary to protect the legitimate business interests of the Company, and (ii) the restrictions

contained in this Section 5 (including without limitation the length of the term of the provisions of this Section 5) are not overbroad, overlong, or unfair and are not the result of overreaching, duress or coercion of any kind. The Participant further acknowledges and confirms that his/her full, uninhibited and faithful observance of each of the covenants contained in this Section 5 will not cause him/her any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained herein will not impair his/her ability to obtain employment commensurate with his/her abilities and on terms fully acceptable to him/her or otherwise to obtain income required for the comfortable support of him/her and his/her family and the satisfaction of the needs of his/her creditors. The Participant acknowledges and confirms that his/her special knowledge of the business of the Company is such as would cause the Company serious injury or loss if he/she were to use such ability and knowledge to the benefit of a competitor or were to compete with the Company in violation of the terms of this Section 5. The Participant further acknowledges that the restrictions contained in this Section 5 are intended to be, and shall be, for the benefit of and shall be enforceable by, the Company's successors and assigns.

(f) Reformation by the Court: In the event that a court of competent jurisdiction shall determine that any provision of this Section 5 is invalid or more restrictive than permitted under the governing law of such jurisdiction, then only as to enforcement of this Section 5 within the jurisdiction of such court, such provision shall be interpreted and enforced as if it provided for the maximum restriction permitted under such governing law.

(g) Injunction: It is recognized and hereby acknowledged by the parties hereto that a breach by the Participant of any of the covenants contained in this Section 5 will cause irreparable harm and damage to the Company, the monetary amount of which may be virtually impossible to ascertain. As a result, the Participant recognizes and hereby acknowledges that the Company shall be entitled to an injunction from any court of competent jurisdiction enjoining and restraining any violation of any or all of the covenants contained in this Section 5 by the Participant or any of his/her affiliates, associates, partners or agents, either directly or indirectly, and that such right to injunction shall be cumulative and in addition to whatever other remedies the Company may possess.

6. Administrative Information

(a) Plan Name. The full name of the Plan is The Topps Company, Inc. Executive Severance Plan.

(b) Plan's Sponsor. The Plan is sponsored by The Topps Company, Inc., One Whitehall Street, New York, NY 10004-2109, (212) 376-0300.

(c) Plan Number and Employer Identification Number. The employer identification number (EIN) assigned by the Internal Revenue Service to the Plan Sponsor is 11-2849283. The Plan number assigned by the Company pursuant to instructions of the United States Department of Labor is 511.

(d) Type of Plan and Funding. The Plan is an employee welfare benefit plan which is maintained primarily for the purpose of providing benefits to a select group of management or highly compensated employees. The benefits provided under the Plan are paid from the Company's general assets. No fund has been established for the payment of Plan benefits. No contributions are required under the Plan.

(e) Plan Administrator.

(i) The Plan shall be administered by the Vice President - Administration of The Topps Company, Inc. (the "VP"), provided that, with respect to benefits provided under the Plan to the VP, the Executive Vice President of The Topps Company, Inc. (the "EVP") shall administer the Plan; further, provided, that, following a Change in Control, the Plan shall be administered by the Successor Compensation Committee. The term "Plan Administrator" shall refer to the VP, except as described in the preceding sentence, in which case the "Plan Administrator" shall refer to the EVP or the Successor Compensation Committee.

(ii) The Plan Administrator has full responsibility for the operation of the Plan. Supervisors or other officers of the Company are not authorized to interpret provisions of the Plan or make representations which are contrary to the provisions of the Plan document as interpreted by the Plan Administrator. All correspondence and requests for information should be directed as follows: The Topps Company, Inc., Plan Administrator, The Topps Company, Inc. Severance Plan, One Whitehall Street, New York, NY 10004-2109, (212) 376-0300.

(iii) Subject to the express provisions of this Plan, the Plan Administrator shall have sole authority to interpret the Plan (including any vague or ambiguous provisions) and to make all other determinations deemed necessary or advisable for the administration of the Plan. All determinations and interpretations of the Plan Administrator shall be final, binding and conclusive as to all persons.

(f) Agent for Service of Process. Should it ever be necessary, legal process may be served on the Plan Administrator at: The Topps Company, Inc., One Whitehall Street, New York, NY 10004-2109, Attn: General Counsel.

(g) Type of Administration. The Plan is administered by The Topps Company, Inc.

(h) Plan Year. January 1 - December 31.

7. Plan Amendment or Termination.

The Company reserves the right, in its sole and absolute discretion to amend or terminate, in whole or in part, any or all of the provisions of the Plan by action of the Board (or a duly authorized committee thereof) at any time; provided, however, that (i) any amendment that would reduce the aggregate level of benefits or terminate the Plan shall not become effective prior to the second anniversary of the Company giving notice to the Eligible Employees of such amendment or termination; and (ii) that any such amendment or termination of the Plan shall not affect the severance benefits payable under the Plan to any Participant whose Termination Date has occurred prior to the effective date of the amendment or termination of the Plan.

8. Other Important Plan Information

(a) Employment Rights Not Implied. Participation in the Plan neither gives you the right to be retained in the employ of the Company, nor does it guarantee your right to claim any benefit except as outlined in the Plan.

(b) Governing Law. The construction and administration of the Plan will be governed by ERISA.

(c) No Liability. No director, officer, agent or employee of the Company shall be personally liable in the event the Company is unable to make any payments under the Plan due to a lack of, or inability to access, funding or

financing, legal prohibition (including statutory or judicial limitations) or failure to obtain any required consent. In addition, neither the Plan Administrator nor any employee, officer or director of the Company shall be personally liable by reason of any action taken with respect to the Plan for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless each employee, officer or director of the Company, including the Plan Administrator, to whom any duty or power relating to the administration or interpretation of the Plan may be allocated or delegated, against any reasonable cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Plan unless arising out of such person's own fraud, bad faith or gross negligence.

9. Claims Appeal Procedure

The following information is intended to comply with the requirements of ERISA and provides the procedures an employee may follow if he or she disagrees with any decision about eligibility for Plan payments.

(a) An Eligible Employee will be informed as to whether or not he/she is a Participant under the Plan, and thereby entitled to benefits under the Plan, on or before the last day worked. Eligible Employees who believe they are entitled to benefits under the Plan and do not receive notice of their status as a Participant, or who have questions about the amounts they receive, must write to the Plan Administrator within thirty (30) days of the date of their respective termination.

(b) If the Plan Administrator denies an Eligible Employee's claim for benefits under the Plan, the Eligible Employee will be sent a letter within ninety (90) days (in special cases, more than 90 days may be needed and you will be notified if this is the case) explaining:

(i) the specific reason or reasons for the denial;

(ii) the specific provisions on which the denial is based;

(iii) any additional material or information necessary for the Participant to perfect the claim and an explanation of why such material or information is necessary; and

(iv) an explanation of the Plan's claim review procedure.

(c) If payment is denied or the Eligible Employee disagrees with the amount of the payment, he or she may file a written request for review within sixty (60) days after receipt of such denial. This request should be filed with the Plan Administrator. The letter which constitutes the filing of an appeal should ask for a review and include the reasons why the Eligible Employee believes the claim was improperly denied, as well as any other appropriate data, questions, or comments. In addition, an Eligible Employee is entitled to:

(i) review documents pertinent to his or her claim at such reasonable time and location as shall be mutually agreeable to the Eligible Employee and the Plan Administrator; and

(ii) submit issues and comments in writing to the Plan Administrator relating to its review of the claim.

(d) A final decision will normally be reached within sixty (60) days, unless special circumstances require an extension of time for processing, in which case a decision will be rendered as soon as possible. The Eligible

Employee will receive a written notice of the decision on the appeal, indicating the specific reasons for the decision as well as specific references to the Plan provisions on which the decision is based.

10. Statement of ERISA Rights

The following statement of ERISA rights is required by federal law and rulings:

(a) As a person covered under the Plan, you are entitled to certain rights and protections under ERISA. This law provides that all people covered by the Plan are entitled to:

(i) Receive information about your plan and benefits.

(ii) Examine, without charge, all plan documents, including copies of all documents filed by the Plan with the U.S. Department of Labor at the Plan Administrator's offices.

(iii) Obtain copies of all plan documents and other plan information by writing to the Plan Administrator and asking for them. The Plan Administrator may make a reasonable charge for the copies.

(b) In addition to creating rights for persons covered by the Plan, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in your interest and in the interest of the other people covered by the Plan. The law provides that no one may terminate you or otherwise discriminate against you in any way to prevent you from getting a benefit or exercising your rights under ERISA. The law provides that if your claim for a benefit is denied in whole or in part, you will receive a written notice explaining why your claim was denied. You have the right to have your claim reviewed and reconsidered.

(c) Under ERISA, there are steps you can take to enforce your rights. For instance, if you request copies of documents from the Plan Administrator and do not receive them within thirty (30) days, you may file suit in federal court. In such a case, the court may require the Plan Administrator to provide the documents and pay up to $110 a day until you receive them, unless they were not sent because of reasons beyond the control of the Plan Administrator.

(d) If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court that has jurisdiction. If it should happen that the people who operate the Plan misuse the Plan's money or if you are discriminated against for asserting your rights, you may ask the U.S. Department of Labor for help, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If your suit is successful, the court may order the person you have sued to pay costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous. If you have any questions about your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

IN WITNESS WHEREOF, the Company has caused the Plan to be executed as of the 1st day of July, 2004.

THE TOPPS COMPANY, INC.

By: /s/ William O'Connor

William O'Connor

THE TOPPS COMPANY, INC.
EXECUTIVE SEVERANCE PLAN

ACKNOWLEDGMENT AND ACCEPTANCE OF
THE TERMS AND CONDITIONS OF THE PLAN

I acknowledge receipt of a copy of The Topps Company, Inc. Executive Severance Plan (the "Plan"). I have familiarized myself with the information in the Plan and do hereby agree to be bound by the terms and conditions of the Plan.

I understand and agree that my employment with The Topps Company, Inc. (the "Company") will continue to be "at-will," that either the Company or I may terminate my employment relationship with the Company at any time, and that nothing in this Plan is intended to imply or create any guarantee of employment between the Company and me.

Employee Signature   Date

Please sign and return to Bill O'Connor

F'05 STOCKHOLDERS LETTER

Dear Stockholders,

At the conclusion of our letter in last year's Annual Report, we said our plan for the upcoming fiscal year called for financial and strategic progress. Fair to say, we kept only half of that bargain. Were it not for a European Commission fine (previously disclosed) of $1.9 million, stemming from an investigation initiated back in 2000, financial results would have approximated prior year, but not ahead as envisioned.

Specifically, for the fiscal year 2005, consolidated Net Sales were $295.9 million versus $297.3 million in fiscal '04, with stronger European currencies versus the prior year providing a $6.6 million benefit. Income from operations was $12.0 million, versus $14.6 in the prior year. Excluding the fine, income from operations in fiscal 2005 would have been $13.9 million.

Similarly, since the fine was not tax deductible, its full amount affected net income which was $11.0 million or $0.27 per diluted share, compared with $12.7 million or $0.31 per diluted share last year. Were it not for the fine, net income would have been $12.9 million or $0.31 per diluted share, essentially flat with the prior year.

Strategic progress is a better story, marked by planned achievement. During the year, we commissioned an outside consulting firm to conduct a thorough review of our U.S. Confectionery and Entertainment business segments and to help us develop potential growth opportunities for the future. We also gained a better understanding of our strengths and weaknesses, the markets in which we operate and our competition.

The balance of this letter is dedicated to providing you with background and insights emanating from the strategic study and, to the extent practical, some of the steps contemplated, or already being taken, toward implementation. We hope you find the discussion of interest.

U.S. CONFECTIONERY

Over the last five years, Topps has gained market share, becoming a more important player in the non-chocolate confectionery business.

During that time period, we built distribution with the help of a fact-based selling approach, demonstrating that our products...

- enjoy widespread consumer appeal,
- generate high dollars per point of distribution, and
- make more money for our trade partners than do many stock keeping units (SKU's) of major competitors.

In fact, according to recent Nielsen reports on Food, Drug and Mass outlets, three Topps brands, Baby Bottle Pop, Push Pop and Ring Pop are numbers four, seven and nine, respectively, among the top ten best-selling SKU's in the non-chocolate category.*

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*Source: AC Nielsen Total U.S. FDM (excluding Wal-Mart) 52 weeks ended March 19, 2005, dollar sales for non-chocolate candy category items less than 3.70 ounces excluding mints, roll candy, breath fresheners, and gum.

Nonetheless, sales over this past year were lower than last, due in part to the impact of industry trends such as retail consolidation and consumer nutritional concerns. Because such factors appear to be abating, and the fact that we have a variety of sales/marketing measures in the works, our plan calls for a return to organic top line growth in fiscal '06.

Going forward, we will concentrate on further improvement in the breadth and quality of our distribution, particularly as regards convenience stores. We will restore advertising investments to historic levels or higher, redesign our product development process and bolster sourcing activities. More detail about each of these key areas may be helpful.

Distribution

Reflecting the success of our distribution efforts over the last few years, we have achieved an impressive presence at large grocery chains and mass merchandisers. The strategic study showed that additional promise exists for us in the convenience channel where previous in-store representation had been insufficient. To that end, we have adopted a new go-to-market strategy that, among other positives, will help us take advantage of this opportunity. Our broker network has been consolidated, thus affording us greater leverage with retailers by significantly increasing coverage at store level. We will now have the benefit of a retail team visiting 40,000 targeted convenience stores at least six times a year. The incremental costs of doing so are not inconsequential but, in the long run, this investment should serve us well.

Advertising

TV advertising is one of the key drivers of our confectionery business. Early this past year, based on the strong brand awareness levels enjoyed by our core brands--each is over 90% with kids 6-14--we eased up somewhat on our advertising levels. The study helped us understand that if we restored advertising to historical levels, we could expect to see a demonstrable pay-off. Accordingly, we increased ad spending in last year's 4th quarter and plan to exceed previous levels in fiscal `06.

New Product Development

To date, we have taken an opportunistic approach to new product development. Guided largely by instinct, we have created successful brands including Ring Pop, Push Pop, Baby Bottle Pop and, most recently, Juicy Drop Pop, which continues building up a head of steam, so to speak. All tolled, we've done very well with new products but believe we can do even better through a more disciplined, data driven, systematic development process that compliments our creative capabilities.

Another key priority on the new product front will be to leverage our investments in the brands we create. This may take the form of line extensions and flankers, different packaging formats such as value bags to reach new distribution targets and consumers and seasonal opportunities such as Halloween and Easter.

Sourcing

We will support the decision to place greater emphasis on new products by significantly improving our sourcing capabilities. After all, with the exception of Ring Pop for North America, we outsource all of our manufacturing. Today, we are under-resourced in this area, but will begin devoting time, attention and funding to improve performance against this important initiative.

One final note on Confectionery...when we referred to organic growth earlier --"organic" implied not-by-acquisition. This is because we believe that for the most part prices commanded by candy businesses today are simply out of our reach. Still, Topps will continue keeping an eye open for affordable product lines that can strengthen our portfolio and enhance our position in the market.

U. S. ENTERTAINMENT

There are three key aspects to this segment: Sports Trading Cards, Publishing

and Collectible Gaming products.

Turning first to sports cards, it's no secret that the industry has experienced a steady decline since reaching historic highs in the early 1990's. In fact, the current level of all sport card sales is approximately $300MM in wholesale dollars, having trended down over the past five years at an annual rate of approximately 15%. Although a number of factors influenced these declines, the study forcefully confirmed that the combination of product proliferation and higher pack prices emerged as the key causes for losing young consumers and the casual adult collector. Accordingly, going forward three elements will drive our strategy:

- First, as referenced above, the sheer number of products in stores is intimidating to all but the most serious card collector, driving consumers away and creating a barrier to bringing in new ones. Believing that current negative trends will persist unless there is a significant reduction in the number of products introduced into the marketplace, we will increase efforts to persuade our licensing partners to aggressively address product proliferation.

- Second, we will expand our efforts toward creating more sports products that are specifically designed for kids. This is going to take significant investments of time and money, but given that kids have all but left sports trading cards, the benefit of recapturing them can be substantial. Work in this area has already begun. As a matter of fact, a new product called "Hot Button" baseball was recently launched in selected test markets. If it goes well, rollout will occur next year around Opening Day. "Hot Button" represents step one of our drive to "bring 'em back."

- Finally, we will be even more aggressive in our marketing to the serious collector, whose purchases presently fund the business, and who truly appreciates our brands and who represents the most stable community of sports card buyers today. Our efforts in this regard will include getting closer to these consumers, strengthening our product development activities and enhancing Topps' presence within hobby stores.

As regards Publishing, we will continue to participate in this potentially lucrative area. Over the years, we have demonstrated a track record of identifying, and in some instances creating, breakout opportunities that generate meaningful results. Looking ahead, we will be as highly selective about choosing licenses as before and will maintain a focus on only those truly meriting pursuit.

We recently introduced a line of products featuring the final episode of the Star Wars saga: Revenge of the Sith, another milestone in our relationship with the Lucas Film organization spanning some 25 years. Furthermore, exploitation of our own creations -- Garbage Pail Kids and Wacky Packages -- continues apace, and a TV advertising campaign featuring Wacky Packs is scheduled for this coming August.

Finally, we believe that Collectible Gaming continues to represent a significant opportunity, as originally envisioned when we acquired WizKids.

- The Collectible Gaming market is just over $1B and growing.

- Collectible Miniatures represent a 20% segment in which WizKids is the #2 player.

- The other 80% is comprised primarily of Collectible Card Games which accounts for much of the industry's growth and represents a new opportunity for us.

WizKids will remain an important factor in the miniatures market. At the same time, we will also leverage its impressive game design, grass roots marketing and culture of innovation against new collectible gaming formats, "Pirates of the Spanish Main," the first constructible strategy game, is a perfect example of such an effort. "Pirates" is enjoying good trade and consumer acceptance and there are a number of other new products in the development pipeline. However, part of our WizKids strategy is to branch out even more broadly.

Coming out of the study, our view is that Collectible Card Games can generate significant financial returns on investment, through either licensed or internally developed properties. Given the nature of this business, the timing of "hits" is difficult to predict. Even so, within a 3 to 5-year time frame, empirical evidence suggests overall returns on investment could exceed 20%, excluding huge home runs such as a "Pokemon." Accordingly, we intend to systematically invest in self-development and acquisition of licenses for the Collectible Card Game market. As part of the Topps family, WizKids provides the platform for such investment and opportunity.

INTERNATIONAL

Most of the initial strategic study did not encompass overseas activities, primarily due to cost and time constraints. However, a second phase of work undertaken recently is focused on improving our operational processes, methods and procedures across the entire business. This phase will also include assessing opportunities to drive top-line growth abroad.

CONCLUSION

The tireless devotion of our people in Asia, Europe, North and South America has become a greater asset than ever, especially taking into account various challenges our business has weathered over the last two years. However, the need to accelerate efforts toward operational excellence persists.

Accordingly, we are sharply focused on cultivating a new performance-driven work ethic company-wide to facilitate increased accountability and productivity and to drive future growth. This represents a significant cultural change for the organization, but one that makes eminent sense all around.

On behalf of the organization, we'd like to thank our consumers, fans, collectors, licensors, stockholders and suppliers for their valued support.

TABLE OF CONTENTS

Page

Stockholders Letter.. 37

Financial Highlights... 42

Management's Discussion and Analysis of Financial Condition
and Results of Operations.................................... 43

Consolidated Financial Statements.............................. 51

Notes to Consolidated Financial Statements..................... 55

Management's Report on Internal Control over Financial Reporting.. 80

Reports of Independent Registered Public Accounting Firm.......... 79,81

Market and Dividend Information 83

Selected Consolidated Financial Data............................ 83

Directors, Officers, Subsidiaries
and Corporate Information....................... Inside Back Cover

FINANCIAL HIGHLIGHTS

	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars, except share data)		
Net sales	$ 295,865	$ 297,338	$ 290,115
Income from operations	11,967	14,595	20,782
Net income	10,999	12,695	16,936
Cash provided by operations	22,930	11,954	6,200
Working capital	138,146	133,299	141,484
Stockholders' equity	219,189	211,277	196,768
Per share items:			
Net diluted earnings	$ 0.27	$ 0.31	$ 0.40
Cash dividend paid	$ 0.16	0.12	$ --
Average diluted shares outstanding	41,327,000	41,515,000	42,065,000

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This section provides an analysis of the Company's operating results, cash flow,

critical accounting policies, and other matters. It includes or incorporates "forward-looking statements" as that term is defined by the U.S. federal securities laws. In particular, statements using words such as "may", "should", "intend", "estimate", "anticipate", "believe", "predict", "potential", or words of similar import generally involve forward-looking statements. We based these forward-looking statements on our current expectations and projections about future events, and, therefore, these statements are subject to numerous risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution readers not to place undue reliance on these forward-looking statements, which speak only as of the date of this report.

The Company has two reportable business segments, Confectionery and Entertainment. The following table sets forth, for the periods indicated, net sales by business segment:

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars)		
Confectionery	$143,762	$147,188	$146,901
Entertainment	152,103	150,150	143,214
Total	$295,865	$297,338	$290,115

|X|FISCAL 2005 VERSUS 2004*

CONSOLIDATED NET SALES

In fiscal 2005, the Company's consolidated net sales decreased 0.5% to $295.9 million from $297.3 million in fiscal 2004. Stronger foreign currencies versus the prior year added $6.6 million to fiscal 2005 sales. Excluding the impact of stronger foreign currencies, net sales decreased 2.7%.

Worldwide net sales of the Confectionery segment, which includes Ring Pop, Push Pop, Baby Bottle Pop, Juicy Drop Pop and Bazooka brand bubble gum, decreased 2.3% to $143.8 million in 2005 from $147.2 million in 2004. Stronger foreign currencies provided a $2.7 million benefit to fiscal 2005 sales. Confectionery products accounted for 49% of the Company's net sales in 2005 and 50% in 2004.

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* Unless otherwise indicated, all date references to 2005, 2004 and 2003 refer to the fiscal years ended February 26, 2005, February 28, 2004, and March 1, 2003, respectively.

Fiscal 2005 U.S. confectionery sales were impacted in part by industry trends such as consumer nutritional concerns and retail consolidation, particularly in the first nine months of the year. Incremental sales of chewy products and strong gains on Juicy Drop Pop contributed favorably to results. For the full year, declines in U.S. confectionery sales of 2.8% were in line with trends in the non-chocolate industry. Going forward, the Company intends to improve retail distribution particularly in the convenience channel, step up television

advertising levels, re-design its product development process and strengthen sourcing activities.

Net sales of international confectionery products were also down comparatively in fiscal 2005 due to strong 2004 performance of both Push Pop Flip N'Dip in Japan and Yu-Gi-Oh! candy products in Europe. International sales represented 32% of total confectionery sales in fiscal 2005 versus 31% in 2004.

Net sales of the Entertainment segment, which includes cards, sticker album collections, Internet activities and strategy games, increased 1.3% in fiscal 2005 to $152.1 million. Stronger foreign currencies provided a $3.9 million benefit to fiscal 2005 sales. Entertainment products represented 51% of the Company's net sales in 2005 and 50% in fiscal 2004.

Within the segment, sales from WizKids, a developer and marketer of strategy games acquired in July 2003, increased $6 million to $22 million, reflecting a full year of ownership in fiscal 2005 versus a partial year in fiscal 2004. In late 2005, WizKids created a new product category, constructible strategy games, and launched two new products, Pirates and Football Flix. In addition, sales of European sports products increased in fiscal 2005, reflecting the inclusion of products featuring the European Football Championship held once every four years.

Net sales of U.S. sports products were below the prior year, a function of the absence of an NHL hockey season and continued industry softness, in general. The Company believes that this downward trend is due largely to the proliferation of card and memorabilia products and to significantly higher price points and that these are principal factors in driving children and the casual adult collector from the market.

Going forward, the Company intends to make a case to the leagues and player associations to address product proliferation in order to promote a more rational retail environment and a more satisfying consumer experience. The Company will also focus on creating sports products specifically designed for kids and market even more aggressively to the core collector.

As anticipated, sales of Internet products were below year ago levels in 2005 as the Company reduced advertising support and explored new directions for this venture. Internet operations were virtually breakeven this year versus a loss of almost $3 million last year.

Finally, fiscal 2005 sales of non-sports publishing products were impacted by the absence of strong licenses, particularly in the fourth quarter. However, during the year, WWE, Barbie, Pokemon and Yu-Gi-Oh! were solid contributors in Europe and Garbage Pail Kids, now in its fourth series, performed well in the U.S.

RESULTS OF OPERATIONS

Fiscal 2005 consolidated gross profit as a percentage of net sales was 35.6%, up from 35.0% in 2004. Margins this year were favorably impacted by lower obsolescence costs following abnormally high write-offs at WizKids and the domestic confectionery and European publishing businesses in fiscal 2004. Improved gross profit margins also reflected lower tooling and mold costs on WizKids and European confectionery products. Partially offsetting these improvements were higher autograph and relic costs on U.S. sports cards and an increase in effective royalties associated with England Premier League products.

Other income was $1,675,000 in 2005 versus $631,000 last year. This increase was

primarily due to more favorable foreign exchange translation gains on non-local currency cash balances in Europe, the absence of a write-off associated with closing our Brazilian office last year, and increases in royalty income from the licensing of our WizKids and confectionery trademarks.

Selling, general & administrative expenses ("SG&A") increased as a percentage of net sales to 32.1% in 2005 from 30.3% a year ago. SG&A dollar spending increased to $94.9 million in 2005 from $90.0 million. A $1.9 million fine paid to the European Commission and the full year of WizKids ownership versus a partial year in 2004, were the primary reasons for the dollar increase. Additionally, higher professional fees, in particular legal, Sarbanes-Oxley and consulting-related expenses, impacted fiscal 2005 SG&A. The Company estimates fees paid to third parties related to Sarbanes-Oxley Section 404 were approximately $1.1 million in 2005.

Within SG&A, full year advertising and marketing expenses of $23.3 million were $0.5 million below 2004 due to reduced spending on U.S. confectionery and Internet products, partially offset by increased marketing activity overseas. U.S. confectionery advertising exceeded historical levels in the fourth quarter.

Net interest income increased slightly to $2.7 million in fiscal 2005 from $2.4 million in fiscal 2004, reflecting rising interest rates and higher average investment balances.

The fiscal 2005 effective tax rate was 25.0% versus 25.4% in fiscal 2004.

Net income in fiscal 2005 was $11.0 million, or $0.27 per diluted share, versus $12.7 million, or $0.31 per diluted share in 2004. Excluding the impact of the non-tax deductible European Commission fine, fiscal 2005 net income was $12.9 million, or $0.31 per diluted share.

|X|FISCAL 2004 VERSUS 2003

CONSOLIDATED NET SALES

In fiscal 2004, the Company's consolidated net sales increased 2.5% to $297.3 million from $290.1 million in fiscal 2003. The July 2003 acquisition of WizKids added $15.9 million to sales in fiscal 2004, and stronger European currencies increased sales by $9.7 million. Excluding these two factors, fiscal 2004 net sales were below 2003 levels, largely the result of declines in sales of U.S. sports cards and U.S. confectionery products.

Worldwide net sales of the Confectionery segment increased 0.2% to $147.3 million in 2004 from $146.9 million in 2003. Confectionery products accounted for 50% of the Company's net sales in 2004 and 51% in 2003.

U.S. confectionery sales decreased year-over-year, in part the result of softness in wholesale clubs, the effects of delayed new product introductions and a reduction in promotional activity undertaken by certain retailers in fiscal 2003.

Net sales of international confectionery products increased in 2004, offsetting the U.S. declines. Increases were largely driven by the roll out of Juicy Drop Pop, solid sales of licensed confectionery products and stronger European currencies. International sales represented 31% of total confectionery sales in fiscal 2004.

Net sales of the Entertainment segment increased 4.8% in fiscal 2004 to $150.1 million. Entertainment products represented 50% of the Company's net sales in 2004 and 49% in fiscal 2003.

Within the segment, sales of international sports sticker albums increased, a function of the expansion and further success of the mini album format, higher sales of traditional Premier League sticker album collections and the impact of stronger European currencies. The acquisition of WizKids added $15.9 million to segment sales. In addition, sales of non-sports publishing products exceeded those in fiscal 2003 due to the strength of products featuring the Yu-Gi-Oh!, Garbage Pail Kids and Hamtaro properties.

Also within the Entertainment segment, sales of traditional U.S. sports cards declined in fiscal 2004, a function of continued industry softness and reduced product offerings. The Company reduced the number of sports products it released in fiscal 2004 by almost 20%, and restructured the sports organization, eliminating over $1.5 million in costs on an annualized basis.

Finally, sales of product sold via the Internet decreased in fiscal 2004, primarily as a result of declines experienced at thePit.com. The Company has refocused the etopps website to feature trading capabilities and fantasy-style games played with etopps cards.

RESULTS OF OPERATIONS

Fiscal 2004 consolidated gross profit as a percentage of net sales was 35.0%, virtually flat with 2003's figure of 35.1%. Margins in fiscal 2004 were negatively impacted by higher obsolescence costs which reflected write-offs associated with slow-moving WizKids product, excess domestic confectionery inventories and components related to an Italian publishing product. Lower royalty costs as a function of the smaller U.S. sports business and reduced costs at our Scranton, Pennsylvania manufacturing facility largely offset the higher obsolescence costs.

Other income was $631,000 in fiscal 2004 versus $184,000 in fiscal 2003. This increase was primarily due to favorable mark-to-market adjustments on forward currency contracts which were partially offset by translation losses on non-local currency cash balances in Europe. The licensing-out of intellectual property associated with WizKids and the confectionery business also contributed favorably in fiscal 2004.

Selling, general & administrative expenses increased as a percentage of net sales to 30.3% in 2004 from 28.0% a year ago. SG&A dollar spending increased to $90.0 million from $81.1 million, largely as a result of the addition of WizKids. Additionally, advertising and marketing costs were higher in fiscal 2004 due to increased media activity and stronger foreign currencies.

Partially offsetting these increases in SG&A was a reduction in overhead expenses achieved through the restructuring of the U.S. sports card organization and headcount eliminations at the Internet operations. Fiscal 2004 SG&A also benefited from reduced costs associated with employee incentive compensation and the absence of a payment related to a legal settlement that occurred in fiscal 2003.

Net interest income decreased slightly to $2.4 million in fiscal 2004 from $2.5 million in fiscal 2003, reflecting less favorable interest rates and a lower average cash balance following the WizKids acquisition.

The fiscal 2004 effective tax rate was 25.4%. The decrease versus the 2003 rate of 27.3% was primarily a function of foreign tax benefits received in 2004.

Net income in fiscal 2004 was $12.7 million, or $0.31 per diluted share, versus

$16.9 million, or $0.40 per diluted share in 2003.

|X|QUARTERLY COMPARISONS

Management believes that quarter-to-quarter comparisons of sales and operating results are affected by a number of factors. The Company's sales of Confectionery products are generally seasonally stronger in the first two fiscal quarters of the year. However, sales can be significantly impacted by the introduction of new products and line extensions as well as by advertising and consumer and trade support programs.

In the Entertainment segment, sales of U.S. sports card products are sold throughout the year, spanning the three major sports seasons in which the Company currently participates: baseball, football, and basketball. Topps Europe's sales of sports sticker albums are driven largely by shipments of Premier League Soccer products, with much of the sales activity occurring in the fourth fiscal quarter. Sales of non-sports cards, sticker albums and games tend to be impacted by the timing of product introductions and the property on which they are based, often peaking with the release of a movie or the rise in popularity of a particular licensed property.

The net result of the above factors is that quarterly results vary. See Note 20 - Quarterly Results of Operations.

|X|INFLATION

In the opinion of management, inflation has not had a material effect on the operations or financial results of the Company.

|X|LIQUIDITY AND CAPITAL RESOURCES

Management believes that the Company has adequate means to meet its liquidity and capital resource needs over the foreseeable future as a result of the combination of cash on hand, anticipated cash from operations and credit line availability.

The Company entered into a credit agreement with Chase Manhattan Bank on September 14, 2004. The agreement provides for a $30.0 million unsecured facility to cover revolver and letter of credit needs and expires on September 13, 2007. With the exception of $2.1 million currently reserved for letters of credit, the $30.0 million credit line was available as of February 26, 2005. (See Note 9 - Long-Term Debt.)

The Company has reclassified its portfolio of auction rate securities from cash to short-term investments in the Consolidated Balance Sheets, in line with recent clarification from regulatory bodies. All periods contained in this report reflect this reclassification. Year-over-year changes in the amounts of these securities are now being shown under investing activities on the Consolidated Statement of Cash Flows. While these securities are no longer included in cash and cash equivalents, the Company believes them to be similar to a cash equivalent since they can be redeemed at any time at nominal cost.

As of February 26, 2005, the Company had $36.4 million in cash and cash equivalents.

During fiscal 2005, the Company's net decrease in cash and cash equivalents was $20.5 million versus a decrease of $28.7 million in 2004. The fiscal 2005 use of cash was primarily the result of the purchase of an additional $33.1 million in auction rate securities. The fiscal 2004 cash use was driven by the acquisition of WizKids for $28.7 million.

Cash provided by operating activities in 2005 was $22.9 million versus $12.0 million in 2004. The improvement was primarily due to a decrease in receivables stemming from lower fourth quarter sales in Europe, the timing of inventory and royalty payments and the collection of income tax refunds. These and other items more than offset the $1.7 million decline in net income in 2005.

Cash used in investing activities this year of $35.7 million largely reflects the purchase of $33.1 million of auction rate securities. The Company also spent $2.6 million in capital expenditures, which included the first phase of a multi-year ERP project as well as Ring Pop production-related equipment. Fiscal 2006 full year capital spending is projected to be approximately $4 million, driven by investments in Ring Pop production equipment and computer software and hardware. Capital spending will be funded out of cash flow from operating activities.

Cash used in financing activities this year of $8.8 million reflects $2.3 million of treasury stock purchases net of options exercised plus $6.5 million in dividend payments, versus $1.0 million net treasury stock purchases and $4.9 million in dividend payments last year.

Finally, the $1.0 million favorable effect of exchange rate changes on cash and cash equivalents, which is due to the impact of stronger currencies on foreign subsidiaries' cash balances when translated into U.S. dollars, was $4.0 million lower than in 2004. This change reflects a slowdown in the strengthening of European currencies against the U.S. dollar.

In October 2001, the Board of Directors authorized the purchase of up to 5 million shares of Company stock. As of February 2005, the Company had purchased 3.4 million shares against this authorization. See Note 13 - Capital Stock. The Company anticipates purchasing additional shares in the future to complete the authorization.

|X|CONTRACTUAL OBLIGATIONS

Future minimum payments under existing key contractual obligations are as follows:

Fiscal Year	Future Payments Under Non-Cancelable Leases	Purchase Obligations	Future Payments Under Royalty Contracts	Total
	(in thousands of dollars)			
2006	$ 2,733	$12,198	$12,088	$27,019
2007	2,361	175	10,944	13,480
2008	1,956	-	3,726	5,682
2009	1,770	-	-	1,770
2010	1,644	-	-	1,644
Thereafter	1,139	-	-	1,139

The Company anticipates making a payment of approximately $3 - 4 million in fiscal 2006 for the funding of its qualified pension plans.

|X| CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Topps' management to make estimates and judgments that affect the reported amounts of revenue, expenses, assets, liabilities and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions.

Note 1 to the Company's consolidated financial statements "Summary of Significant Accounting Policies" summarizes its significant accounting policies and discusses the impact of new accounting pronouncements. Following is a summary of the critical policies and methods used.

Revenue Recognition:

Revenue related to sales of the Company's products is generally recognized when products are shipped, the title and risk of loss has passed to the customer, the sales price is fixed or determinable and collectibility is reasonably assured. Sales made on a returnable basis are recorded net of a provision for estimated returns. These estimates are revised, as necessary, to reflect actual experience and market conditions.

Returns Provisions:

In determining the provision for returns, the Company performs an in-depth review of wholesale and retail inventory levels, trends in product sell-through by sales channel, and other factors. The provision for returns was $22.0 million in 2005 and $17.4 million in 2004, which equates to 7.4% and 5.9% of net sales, respectively. An increase or decrease in the provision for returns by 1% of sales would decrease or increase operating income by approximately $3.0 million.

Intangible Assets:

Intangible assets include trademarks and the value of sports, entertainment and proprietary product rights. Amortization is by the straight-line method over estimated lives of up to fifteen years. Management evaluates the recoverability of finite-lived intangible assets under the provisions of Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" ("SFAS 142") based on the projected undiscounted cash flows attributable to the individual assets, among other methods.

Accruals for Obsolete Inventory:

The Company's accrual for obsolete inventory reflects the cost of items in inventory not anticipated to be sold. This accrual may be deemed necessary as a result of discontinued items and packaging or a reduction in forecasted sales. The provision for obsolete inventory was $4.9 million in fiscal 2005 and $7.5 million in fiscal 2004, which equates to 1.7% and 2.5% of net sales, respectively. An increase or decrease in the provision for obsolescence by 1% of sales would decrease or increase operating income by approximately $3.0 million.

Income Taxes:

Deferred tax assets and liabilities represent the tax effects of temporary

book-tax differences which will become payable or refundable in future periods. The Company has accrued tax reserves for probable exposures and, as a result, any assessments resulting from current tax audits should not have a material adverse effect on the Company's consolidated net income.

|X|DISCLOSURES ABOUT MARKET RISK

There is no material risk to financial results due to market risk. The Company's exposure to market risk is largely related to the impact of mark-to-market changes in foreign currency rates on forward contracts. As of February 26, 2005, the Company had $26.6 million in forward contracts which were entered into for the purpose of reducing the impact of changes in foreign currency rates associated with firm and forecasted receipts and disbursements.

The Company's primary exchange rate exposure is with the Euro against the British pound, the Japanese yen and the U.S. dollar. At maturity, the proceeds or outlays from the foreign exchange contracts offset a corresponding additional or reduced outlay in the underlying currency. The recognition of mark-to-market gains and losses on these contracts accelerates the gains and losses that would otherwise be recognized when the contracts mature and generally does not result in an incremental impact on earnings or cash flows. The Company has no long-term debt and does not engage in any commodity-related derivative transactions.

CONSOLIDATED STATEMENTS OF OPERATIONS

The Topps Company, Inc. and Subsidiaries
(in thousands of dollars, except share data)

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
Net sales	$ 295,865	$ 297,338	$ 290,115
Cost of sales	190,667	193,417	188,375
Gross profit on sales	105,198	103,921	101,740
Other income, net	1,675	631	184
Selling, general and administrative expenses	94,906	89,957	81,142
Income from operations	11,967	14,595	20,782
Interest income, net	2,706	2,426	2,516
Income before provision for income taxes	14,673	17,021	23,298
Provision for income taxes	3,674	4,326	6,362
Net income	$ 10,999	$ 12,695	$ 16,936

Net income per share - basic	$ 0.27	$ 0.31	$ 0.41
- diluted	$ 0.27	$ 0.31	$ 0.40
Cash dividends per share	$ 0.16	$ 0.12	$ -
Weighted average shares			
outstanding - basic	40,471,000	40,604,000	41,353,000
- diluted	41,327,000	41,515,000	42,065,000

See Notes to Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS

The Topps Company, Inc. and Subsidiaries
(in thousands of dollars)

	February 26, 2005	February 28, 2004
ASSETS		
Current assets:		
Cash and cash equivalents	$ 36,442	$ 56,959
Short-term investments	69,955	36,878
Accounts receivable, net	27,851	30,109
Inventories	32,936	33,009
Income tax receivable	338	2,697
Deferred tax assets	3,616	1,505
Prepaid expenses and other current assets	14,541	11,691
Total current assets	185,679	172,848
Property, plant and equipment, net	12,553	13,786
Goodwill	67,566	67,586
Intangible assets, net	8,544	10,474
Other assets	16,069	10,769
TOTAL ASSETS	$290,411	$275,463
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 12,658	$ 10,946
Accrued expenses and other liabilities	27,485	26,249
Income taxes payable	7,390	2,354
Total current liabilities	47,533	39,549
Deferred income taxes	-	1,956
Other liabilities	23,689	22,681
Total liabilities	71,222	64,186

Stockholders' equity:		
Preferred stock, par value $.01 per share, authorized 10,000,000 shares, none issued	--	--
Common stock, par value $.01 per share, authorized 100,000,000 shares, issued 49,244,000 in 2005 and 2004	492	492
Additional paid-in capital	28,293	27,829
Treasury stock, 8,790,000 shares in 2005 and 8,632,000 shares in 2004	(85,060)	(82,287)
Retained earnings	275,226	270,704
Accumulated other comprehensive loss, net of tax	238	(5,461)
Total stockholders' equity	219,189	211,277
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$290,411	$275,463

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

The Topss Company, Inc. and Subsidiaries
(in thousands of dollars)

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
Operating Activities			
Net income	$ 10,999	$ 12,695	$ 16,936
Non-cash items included in net income:			
Depreciation and amortization	6,261	6,593	5,038
Deferred taxes on income	1,895	1,905	(984)
Net effect of changes in:			
Receivables	2,258	(2,538)	(4,638)
Inventories	73	562	(7,241)
Income taxes receivable/payable	580	(2,256)	3,261
Prepaid expenses and other current assets .	(2,850)	(1,048)	1,505
Payables and other current liabilities	2,948	(7,696)	(3,796)
All other	766	3,737	(3,881)
Cash provided by operating activities .	22,930	11,954	6,200
Investing Activities			
Net purchases of short-term investments	(33,077)	(8,303)	(5,525)
Purchase of subsidiary	--	(28,650)	--
Additions to property, plant and equipment ...	(2,634)	(2,842)	(3,807)
Cash used in investing activities	(35,711)	(39,795)	(9,332)

Financing Activities			
Exercise of employee stock options	1,814	1,770	1,449
Dividends paid to stockholders	(6,477)	(4,868)	--
Purchase of treasury stock	(4,123)	(2,781)	(14,305)
Cash used in financing activities	(8,786)	(5,879)	(12,856)
Effect of exchange rate changes on cash and cash equivalents	1,050	4,995	3,665
Net Decrease in Cash and Cash Equivalents	$ (20,517)	$ (28,725)	$ (12,323)
Cash and cash equivalents at beginning of year ..	$ 56,959	$ 85,684	$ 98,007
Cash and cash equivalents at end of year	$ 36,442	$ 56,959	$ 85,684
Supplemental disclosure of cash flow information:			
Interest paid	$ 258	$ 322	$ 91
Income taxes paid	$ 3,883	$ 6,398	$ 12,578

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME

The Topps Company, Inc. and Subsidiaries
(In thousands of dollars)

	Total	Common Stock	Additional Paid-in Capital	Treasury Stock
Stockholders' equity as of 3/3/2002	$ 194,054	$ 492	$ 26,824	$ (67,415)
Net income	16,936	--	--	--
Translation adjustment, net of tax	3,399	--	--	--
Minimum pension liability	(4,765)	--	--	--
Total comprehensive income	15,570	--	--	--
Purchase of treasury stock	(14,305)	--	--	(14,305)
Exercise of employee stock options	1,449	--	520	929
Stockholders' equity as of 3/1/2003	$ 196,768	$ 492	$ 27,344	$ (80,791)
Net income	12,695	--	--	--
Translation adjustment, net of tax	6,823	--	--	--
Minimum pension liability	870	--	--	--
Total comprehensive income	20,388	--	--	--
Cash Dividends	(4,868)	--	--	--
Purchase of treasury stock	(2,781)	--	--	(2,781)
Exercise of employee stock options	1,770	--	485	1,285
Stockholders' equity as of 2/28/2004..........	$ 211,277	$ 492	$ 27,829	$ (82,287)
Net income	10,999	--	--	--
Translation adjustment, net of tax	1,864	--	--	--

Minimum pension liability, net of tax	3,835	--	--	--
Total comprehensive income	16,698	--	--	--
Cash dividends	(6,477)	--	--	--
Purchase of treasury stock	(4,123)	--	--	(4,123)
Exercise of employee stock options	1,814	--	464	1,350
Stockholders' equity as of 2/26/2005	$ 219,189	$ 492	$ 28,293	$ (85,060)

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation:

The consolidated financial statements include the accounts of The Topps Company, Inc. and its subsidiaries (the "Company"). All intercompany items and transactions have been eliminated in consolidation.

The Company and its subsidiaries operate and report financial results on a fiscal year of 52 or 53 weeks which ends on the Saturday closest to the end of February. Fiscal 2003, fiscal 2004 and fiscal 2005 were all comprised of 52 weeks.

Foreign Currency Translation:

The financial statements of subsidiaries outside the United States, except those subsidiaries located in highly inflationary economies or where costs are primarily U.S. dollar-based, are generally measured using the local currency as the functional currency. Assets and liabilities of these subsidiaries are translated at the rates of exchange as of the balance sheet date, with the resultant translation adjustments included in accumulated other comprehensive income. Income and expense items are translated at the average exchange rate for the month. Gains and losses from foreign currency transactions of these subsidiaries are included in net income. The Company has no foreign subsidiaries operating in highly inflationary economies or where inventory costs are U.S. dollar-based for which the financial statements are measured using the U.S. dollar as the functional currency.

Derivative Financial Instruments:

From time to time, the Company enters into contracts that are intended and effective as hedges of foreign currency risks associated with the anticipated purchase of confectionery inventories from foreign suppliers. It also enters into contracts in order to hedge risks associated with the collection of receivables from certain foreign countries. The Company does not hold or issue derivative financial instruments for trading purposes.

Gains or losses arising from derivative financial instruments are recorded in earnings. On March 4, 2001, the Company adopted the provisions of SFAS 133 "Accounting for Derivative Instruments and Hedging Activities," as amended. SFAS 133 provides a comprehensive standard for the recognition and measurement of derivatives and hedging activities.

Cash Equivalents:

The Company considers investments in highly liquid debt instruments with a

maturity of three months or less to be cash equivalents.

Short-term Investments:

Investments in auction rate instruments as well as bank certificates of deposit with maturities in excess of three months and subject to an early withdrawal penalty are reported as short-term investments.

Inventories:

Inventories are stated at lower of cost or market. Cost is determined on the first-in, first-out basis.

Property, Plant and Equipment ("PP&E"):

PP&E is stated at cost. Depreciation is computed using the straight-line method based on estimated useful lives of twenty-five years for buildings, three to twelve years for machinery, equipment and software, and the remaining lease period for leasehold improvements. Expenditures for new property, plant or equipment that substantially extend the useful life of an asset are capitalized. Ordinary repair and maintenance costs are expensed as incurred. In accordance with SFAS 144, "Accounting for the Impairment or Disposal of Long-lived Assets," the Company periodically evaluates the carrying value of its PP&E for circumstances which may indicate impairment.

Goodwill and Intangible Assets:

Goodwill and Intangible Assets represent amounts paid for the purchase of businesses in excess of the fair value of the acquired assets. Intangible assets include trademarks and the value of sports, entertainment and proprietary product rights. Amortization is by the straight-line method over estimated lives of up to fifteen years. Under the provisions of SFAS 144, the Company reviews intangibles on at least an annual basis to determine if there are indicators of impairment. Goodwill is not amortized. Management evaluates the recoverability of goodwill and finite-lived intangible assets under the provisions of Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" ("SFAS 142") based on the projected undiscounted cash flows attributable to the individual assets, among other methods. See Note 6 - Goodwill and Intangible Assets.

Revenue Recognition:

The Company recognizes revenue when the following criteria are met: the products are shipped, the title and risk of loss has passed to the customer, the sales price is fixed or determinable and collectibility is reasonably assured. Sales made on a returnable basis are recorded net of a provision for estimated returns. These estimates are revised, as necessary, to reflect actual experience and market conditions. In fiscal 2005, approximately 74% of the Company's sales were made on a returnable basis, and the returns provision as of February 26, 2005 was $22.0 million.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates which affect the reporting of assets and liabilities as of the dates of the financial statements and revenues and expenses during the reporting period. These estimates primarily relate to the provision for sales returns, allowance for doubtful accounts and inventory obsolescence. In each case, prior to booking an accounting entry, the Company does an in-depth review of available information including wholesale and

retail inventory levels and product sell-through in the case of returns, receivables aging and account credit-worthiness for the allowance for doubtful accounts and component and finished goods inventory levels and product sell-through for obsolescence. Actual results could differ from these estimates.

Reclassifications:

Certain items in the prior years' financial statements have been reclassified to conform with the current year's presentation.

The Company has classified its portfolio of auction rate securities ("ARS") from cash to short-term investments, in line with recent clarification from regulatory bodies. The Company classified approximately $69,955,000 as of February 26, 2005 and reclassified $36,878,000, $28,575,000 and $23,050,000 of investments in ARS as of February 28, 2004, March 1, 2003 and March 2, 2002, respectively. Year-over-year changes in the accounts of these securities are now being reflected under investing activities on the Consolidated Statements of Cash Flows. The impact of the reclassification on investing activities, related to the ARS, was approximately ($8,303,000) and ($5,525,000) for the two year period ended February 28, 2004.

Income Taxes:

The Company provides for deferred income taxes resulting from temporary differences between the valuation of assets and liabilities in the financial statements and the carrying amounts for tax purposes. Such differences are measured using the tax rates and laws in effect for the years in which the differences are expected to reverse.

Employee Stock Options:

The Company accounts for stock-based employee compensation based on the intrinsic value of stock options granted in accordance with the provisions of APB 25, "Accounting for Stock Issued to Employees." The pro forma effect, had the Company accounted for stock-based employee compensation based on the fair value of stock options granted in accordance with SFAS 123, "Accounting for Stock-Based Compensation," is shown below:

(In thousands of dollars, except share data)

	As Reported	Stock-based Employee Compensation	Pro forma
		2005	
Net income	$10,999	$ (1,054)	$ 9,945
Earnings per share			
Basic	$ 0.27		$ 0.25
Diluted	$ 0.27		$ 0.24
		2004	
Net income	$12,695	$ (1,247)	$ 11,448

Earnings per share			
Basic	$ 0.31		$ 0.28
Diluted	$ 0.31		$ 0.28

	2003		
Net income	$16,936	$ (1,350)	$ 15,586
Earnings per share			
Basic	$ 0.41		$ 0.38
Diluted	$ 0.40		$ 0.37

Options typically vest within a three-year period. In determining the preceding pro forma amounts under SFAS 123, the fair value of each option grant is estimated as of the date of grant using the Black-Scholes option pricing model. Following are the key assumptions: $0.16 per share dividend on fiscal 2005 and 2004 options, but no dividend on fiscal 2003 options; risk free interest rate, estimated volatility and expected life as follows: fiscal 2005 options - 4.4%, 32% and 5.8 years, respectively; fiscal 2004 options - 4.4%, 38% and 6.5 years, respectively; fiscal 2003 options - 4.5%, 35% and 6.5 years, respectively.

Advertising and Marketing Expenses:

Advertising and marketing expenses (which encompass media spending, customer promotions and research) included in selling, general and administrative expenses amounted to $23,336,000 in fiscal 2005, $23,820,000 in fiscal 2004 and $20,145,000 in fiscal 2003. Advertising and marketing expenses are recognized as incurred. Costs relating to future periods are classified as prepaid.

NEW ACCOUNTING PRONOUNCEMENTS

In January 2004, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position No. 106-1 ("FSP 106-1"), which allowed companies to elect a one-time deferral of the recognition of effects of the Medicare Prescription Drug Act and disclosures related to the postretirement healthcare plan. The FASB allowed the one-time deferral due to a lack of clarification regarding its accounting and uncertainties regarding the effects of the Medicare Prescription Drug Act on plan participants. For companies electing the one-time deferral, the deferral was to remain in effect until guidance on the accounting for the federal subsidy was issued, or until certain other events, such as a plan amendment, settlement or curtailment, had occurred. The Company has evaluated the effects of the Medicare Prescription Drug Act on the postretirement benefit plan and its participants, and has elected the one-time deferral. In May 2004, the FASB issued FASB Staff Position No. 106-2 ("FSP 106-2"), which superceded FSP 106-1. FSP 106-2 provides authoritative guidance on the accounting for the Act and specifies the disclosure requirements for employers who have adopted FSP 106-2. FSP 106-2 is effective for the interim or annual period beginning after June 15, 2004. The Company's accumulated postretirement benefit obligation and net postretirement benefit cost for fiscal 2004 and fiscal 2005 reflect the effects of the Medicare Prescription Drug Act. The Medicare Prescription Drug Act reduced the Company's fiscal 2005 postretirement medical expenses by $0.2 million.

On November 24, 2004, the FASB issued FASB Statement No. 151 to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage). This statement is effective for annual periods beginning after June 15, 2005 and requires that those items be recognized as current period charges regardless of whether they meet the criterion of "so abnormal" as defined by Accounting Research Bulletin No. 43. This Statement had no effect on the Company's consolidated results of operations or financial position.

On December 16, 2004, the FASB issued Statement of Financial Accounting Standards No. 123 (revised 2004) "Share-Based Payments"("SFAS 123(r)"), which requires that the cost resulting from all share-based payment transactions be recognized in the financial statements starting with interim statements issued after June 15, 2005. The SEC has since extended the date to be effective for fiscal years beginning after June 15, 2005. This statement establishes fair value as the measurement objective in accounting for share-based payment arrangements and requires all entities to apply a fair-value-based measurement method in accounting for share-based payment transactions with employees, except for equity instruments held by employee share ownership plans. SFAS 123(r) also establishes fair value as the measurement objective for transactions in which an entity acquires goods or services from non-employees in share-based payment transactions. With limited exceptions, the amount of compensation cost will be measured based on the grant-date fair value of the equity or liability instruments issued. In addition, liability awards will be remeasured each reporting period. Compensation cost will be recognized over the period that an employee provides service in exchange for the award. SFAS 123(r) replaces SFAS No. 123, "Accounting for Stock-Based Compensation", and supercedes Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees". The Company is currently evaluating the impact of adopting this standard on its future financial statements.

On December 21, 2004, the FASB issued FASB Staff Position No. 109-2 "Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision With the American Job Creation Act of 2004" ("FSP 109-2"). The Act introduces a one-time dividend received deduction on the repatriation of certain foreign earnings to a U.S. taxpayer provided certain criteria are met. An enterprise that is evaluating the repatriation statute shall apply the requirements of FSP 109-2 as it decides on a plan for reinvestment or repatriation of its unremitted foreign earnings. The enterprise shall measure the income tax effects of such repatriation without the effects of the repatriation provision until it has decided on a plan. The range of possible amounts the Company is considering for repatriation under this provision is between zero and $11 million. The related potential range of income tax effects is between zero and $0.4 million.

In March 2004, the FASB ratified EITF Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and its Application to Certain Investments" ("EITF No. 03-1"). In September 2004, the recognition and measurement provisions of EITF No. 03-1 were delayed. For reporting periods beginning after June 15, 2004, only the disclosure requirements for available-for-sale securities and cost method investment are required. The Company does not expect the adoption of EITF No. 03-1 to have a material effect on its financial condition or results of operations.

NOTE 2 - EARNINGS PER SHARE

Earnings per share ("EPS") is computed in accordance with SFAS No. 128 "Earnings Per Share" and both basic and diluted EPS figures are provided in this report. Basic EPS is computed using weighted average shares outstanding. Diluted EPS is computed using weighted average shares outstanding plus additional shares issued

as if in-the-money options were exercised (utilizing the treasury stock method).

The following table represents the computation of weighted average diluted shares outstanding:

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
Weighted average shares outstanding:			
Basic	40,471,000	40,604,000	41,353,000
Dilutive stock options	856,000	911,000	712,000
Diluted	41,327,000	41,515,000	42,065,000

In the above calculation, the impact of out-of-the-money options, (i.e. where the exercise price exceeds current market price) was not included. These incremental shares totaled 823,765 in 2005, 1,070,103 in 2004 and 1,532,000 in 2003.

NOTE 3 - ACCOUNTS RECEIVABLE

	February 26, 2005	February 28, 2004
	(in thousands of dollars)	
Gross receivables	$ 51,265	$ 52,843
Reserve for estimated returns	(20,824)	(19,516)
Other reserves	(2,590)	(3,218)
Net receivables	$ 27,851	$ 30,109

Other reserves consist of allowances for discounts, doubtful accounts and customer deductions for marketing promotion programs.

NOTE 4 - INVENTORIES

	February 26, 2005	February 28, 2004
	(in thousands of dollars)	
Raw materials	$ 7,468	$ 5,571
Work in process	3,703	2,824
Finished product	21,765	24,614

Total inventory	$ 32,936	$ 33,009

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT, NET

	February 26, 2005	February 28, 2004
	(in thousands of dollars)	
Land	$ 42	$ 42
Buildings and improvements	2,722	2,676
Machinery, equipment and software	32,219	29,631
Total PP&E	34,983	32,349
Accumulated depreciation	(22,430)	(18,563)
Net PP&E	$ 12,553	$ 13,786

NOTE 6 - GOODWILL AND INTANGIBLE ASSETS

Goodwill and Intangible Assets represent amounts paid for the purchase of businesses in excess of the fair value of the acquired assets. Intangible assets consist principally of licenses and contracts, intellectual property, and software; amortization is by the straight-line method over estimated lives of up to fifteen years. Goodwill represents the purchase price less the fair value of acquired assets and less the appraised value of the intangible assets. Goodwill is not amortized. Management evaluates the recoverability of goodwill and finite-lived intangible assets on the first day of each fiscal fourth quarter under the provisions of SFAS 142, based on the projected undiscounted cash flows attributable to the individual assets, among other methods. Prior to fiscal 2004, the measurement date was the first day of each fiscal first quarter.

Licenses and contracts consist primarily of licensing rights to produce sticker albums featuring Premier League soccer players obtained as a part of the Merlin Publishing Group acquisition in July 1995. Intellectual property refers to rights including trademarks and copyrights related to branded products obtained as part of the July 2003 acquisition of Wizkids, LLC. Software and other consists of proprietary software developed by thePit.com and acquired by Topps in August 2001.

Intangible assets consisted of the following as of February 26, 2005 and February 28, 2004:

	February 26, 2005		
	Gross Carrying Value	Accumulated Amortization	Net
	(in thousands of dollars)		
Licenses and contracts	$ 21,569	$(17,942)	$ 3,627

Intellectual property	18,784	(14,284)	4,500
Software and other	2,953	(2,811)	142
FAS 132 pension	275	--	275
Total intangibles	$ 43,581	$(35,037)	$ 8,544

February 28, 2004	Gross Carrying Value	Accumulated Amortization	Net
	(in thousands of dollars)		
Licenses and contracts	$ 21,569	$(17,272)	$ 4,297
Intellectual property	18,784	(13,251)	5,533
Software and other	2,953	(2,717)	236
FAS 132 pension	408	--	408
Total intangibles	$ 43,714	$(33,240)	$ 10,474

Useful lives of the Company's intangible assets have been established based on the Company's intended use of such assets and their estimated period of future benefit, which are reviewed periodically. Useful lives are as follows:

Category	Useful Life	Weighted Average Remaining Useful Life
Licenses and contracts	15 years	5.4 years
Intellectual property	6 years	4.4 years
Software and other	5 years	1.5 years

The weighted average remaining useful life for the Company's intangible assets in aggregate is 4.8 years. Over the next five years the Company expects the annual amortization of intangible assets to be as follows:

Fiscal Year	Amount
	(in thousands)
2006	$ 1,797
2007	$ 1,750
2008	$ 1,703
2009	$ 1,703
2010 and thereafter	$ 1,315

In addition to the amortization of intangibles listed above, reported amortization expense, which was $2,458,000 and $2,456,000 for the years ended February 26, 2005 and February 28, 2004, respectively, included amortization of deferred financing fees and deferred compensation costs.

Intangible assets and goodwill for the reporting units is tested for impairment on an annual basis and between annual tests in certain circumstances. The impairment test is conducted at the reporting unit level by comparing the reporting unit's carrying amount, including intangible assets and goodwill, to the fair value of the reporting unit. If the carrying amount of the reporting unit exceeds its fair value, a second step is performed to measure the amount of

impairment, if any. Further, in the event that the carrying amount of the Company as a whole is greater than its market capitalization, there is a potential that some or all of its intangible assets and goodwill would be considered impaired. The Company completed its annual impairment testing for each of the years presented, and no impairment was found. However, no assurances can be given that future impairment tests of goodwill will not result in an impairment.

NOTE 7 - DEPRECIATION AND AMORTIZATION

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars)		
Depreciation expense	$3,803	$ 4,137	$3,756
Amortization of:			
Intangible assets	1,797	1,881	1,160
Compensation & other	570	452	--
Deferred financing fees	91	123	122
Total	$6,261	$ 6,593	$5,038

NOTE 8 - ACCRUED EXPENSES AND OTHER LIABILITIES

	February 26, 2005	February 28, 2004
	(in thousands of dollars)	
Royalties	$ 5,400	$ 5,665
Advertising and marketing expenses	5,079	3,713
Employee compensation	4,031	2,946
Payments received in advance	1,555	1,768
Inventory in transit	1,363	1,472
Deferred rent expense	1,123	1,215
Other	8,934	9,470
Total	$ 27,485	$ 26,249

NOTE 9 - LONG-TERM DEBT

On June 26, 2000, the Company entered into a credit agreement with Chase Manhattan Bank and LaSalle Bank National Association for a term of four years, which ended on June 25, 2004. On June 25, 2004, the credit agreement was amended to extend the expiration date for 90 days in order to provide the Company

sufficient time to complete refinancing arrangements. On September 14, 2004, the Company entered into a new credit agreement with JPMorgan Chase Bank. The agreement provides for a $30.0 million unsecured facility to cover revolver and letter of credit needs and expires on September 13, 2007. Interest rates are variable and a function of market rates and the Company's EBITDA. The credit agreement contains restrictions and prohibitions of a nature generally found in loan agreements of this type and requires the Company, among other things, to comply with certain financial covenants, limits the Company's ability to sell or acquire assets or borrow additional money and places certain restrictions on the purchase of Company shares and the payment of dividends. The Company cannot pay dividends and/or purchase Company shares where the total cash outlay exceeds $30 million in three consecutive quarters or $50 million over the term of the credit agreement.

The credit agreement may be terminated by the Company at any point over the three-year term (provided the Company repays all outstanding amounts thereunder) without penalty. With the exception of $2.1 million currently reserved for letters of credit, the $30.0 million credit line was available as of February 26, 2005.

NOTE 10 - INCOME TAXES

The Company provides for deferred income taxes resulting from temporary differences between the valuation of assets and liabilities in the financial statements and the carrying amounts for tax purposes. Such differences are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

U.S. and foreign operations contributed to income/(loss) before provision for income taxes as follows:

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars)		
United States	$ 11,650	$ 7,581	$ 14,157
Europe	4,049	10,941	7,861
Canada	(1,282)	(996)	992
Latin America	256	(505)	288
Total	$ 14,673	$17,021	$ 23,298

Provision for income taxes consists of:

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars)		
Current income taxes/(benefit):			
Federal	$ (321)	$ (460)	$ 3,899
Foreign	1,031	2,771	3,301

State and local	1,069	110	146
Total current	$ 1,779	$ 2,421	$ 7,346
Deferred income taxes /(benefit):			
Federal	$ 1,678	$ 1,341	$ (434)
Foreign	41	373	(330)
State and local	176	191	(220)
Total deferred	$ 1,895	$ 1,905	$ (984)
Total provision for income taxes	$ 3,674	$ 4,326	$ 6,362

The total provision for income taxes is less than the amount computed by applying the statutory federal income tax rate to income before provision for income taxes. This difference is largely due to foreign tax planning and the impact of lower tax rates in foreign countries as shown below:

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars)		
Computed expected tax provision	$ 5,135	$ 5,957	$ 8,154
Increase in taxes resulting from:			
Dividend income from foreign affiliates	6,292	1,636	-
State and local taxes, net of federal tax benefit	871	213	572
European Commission fine	578	-	-
Foreign tax credits	(8,556)	(2,550)	(1,343)
Tax-exempt interest income	(285)	(208)	(206)
R & D tax credits	(210)	(310)	(503)
Other items	(151)	(412)	(312)
Provision for income taxes	$ 3,674	$ 4,326	$ 6,362

U. S. income taxes have not been provided on undistributed earnings of foreign subsidiaries as the Company considers such earnings to be permanently reinvested in the businesses. As of February 26, 2005, the cumulative amount of unremitted earnings from foreign subsidiaries that is expected to be permanently reinvested

was approximately $21 million. These undistributed foreign earnings could become subject to U.S. income tax if remitted, or deemed remitted, as a dividend. Management has determined that the U.S. income tax liability on these unremitted earnings should not be material, although it is dependent on circumstances existing at the time of the remittance. During the year, the Company remitted non-recurring dividends from two foreign subsidiaries in the aggregate amount of $9.6 million. The taxes payable on these dividends were fully offset by foreign tax credits.

In December 2004, the FASB issued FSP No. 109-2, "Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision with the American Job Creation Act of 2004". FSP No. 109-2 provides guidance for reporting and disclosing certain foreign earnings that are repatriated, as defined by the Act, which was signed into law on October 22, 2004. The Act allows the company to deduct 85% of certain qualifying foreign earnings available for repatriation to the United States during the fiscal years ended 2005 and 2006. The Act is expected to be supplemented by additional legislation during the fiscal year ended 2006, which will clarify the manner in which repatriated earnings will be taxed. The Company has begun to evaluate the potential impact of repatriating earnings pursuant to the Act; however, until such technical corrections to the Act are enacted, the Company is not in a position to finalize its analysis. The range of possible amounts the Company is considering for repatriation under this provision is between zero and $11 million. The related potential range of income tax effects is between zero and $0.4 million.

The Company is currently under audit by the Internal Revenue Service and New York State. Taxing authorities periodically challenge positions taken by the Company on its tax returns. On the basis of present information, it is the opinion of the Company's management that the Company has appropriately accrued tax reserves for probable exposures and, as a result, any assessments resulting from current tax audits should not have a materially adverse effect on the Company's consolidated financial statements. To the extent the Company were to prevail in matters for which accrued tax reserves have been established or be required to pay amounts in excess of such reserves, the Company's consolidated financial statements for a given period could be materially impacted. The Company has $5.5 million of tax reserves within income taxes payable in fiscal 2005. In fiscal 2004, $3.7 million of tax reserves are included within deferred tax liabilities.

The components of deferred income tax assets and liabilities are as follows:

	Year Ended	
	February 26, 2005	February 28, 2004
	(in thousands of dollars)	
Deferred income tax assets:		
Pension	$ 4,047	$ -
Inventory	3,034	1,005
Postretirement benefits	1,969	2,232
Foreign tax credits	1,399	-
Estimated losses on sales returns	470	500
Rent	463	-

Other	755	-
Total deferred income tax assets	$ 12,137	$ 3,737
Deferred income tax liabilities:		
Depreciation	(1,808)	(1,911)
Package design	(1,204)	-
Prepaid expenses	(1,287)	-
Other	-	(2,277)
Total deferred income tax liabilities	(4,299)	(4,188)
Net Deferred	$ 7,838	$ (451)

Historically, the Company has not recorded a deferred income tax asset relating to its minimum pension obligation (which is included within accumulated other comprehensive income). As of February 26, 2005, the Company recorded a deferred income tax asset of $4.0 million relating to the minimum pension obligation at February 26, 2005. Amounts relating to prior periods were not considered material.

The deferred tax assets and liabilities reflected in the previous table are included on the Company's balance sheets as net current deferred tax assets of $3.6 million and $1.5 million in fiscal 2005 and fiscal 2004, respectively, and as a net long term deferred tax asset of $4.2 million, which is included in other assets in fiscal 2005, and a net long term deferred tax liability of $2.0 million in fiscal 2004.

As of February 26, 2005, the Company had foreign tax credits of approximately $1.4 million available for use that will expire beginning in 2009 through 2015.

NOTE 11 - EMPLOYEE BENEFIT PLANS

The Company maintains qualified and non-qualified defined benefit pensions in the U.S. and Ireland as well as a postretirement healthcare plan in the U.S. for all eligible non-union personnel (the "Plans"). The Company also contributes to a multi-employer defined pension plan for its union employees. The Company's policy is to fund the domestic plans in accordance with the limits defined by the Employee Retirement Income Security Act of 1971 and U.S. income tax regulations. The Ireland plan is funded in accordance with local regulations. The Company contributed a total of $3.7 million in funding to its pension plans in fiscal 2005 and estimates fiscal 2006 contributions at approximately $3 - 4 million.

In addition, the Company sponsors a defined contribution plan, which qualifies under Sections 401(a) and 401(k) of the Internal Revenue Code (the "401(k) Plan"). While all non-union employees are eligible to participate in the 401(k) Plan, participation is optional. With the exception of one recently-acquired subsidiary, the Company does not contribute to the 401(k) Plan.

The Company's strategy is to fund its defined benefit plan obligations. The need for future contributions will be based on changes in the value of plan assets,

movements in interest rates and assumptions regarding employee demographics and compensation. The asset allocation for the Company's U.S. qualified pension plan at the end of 2005 and 2004 and the projection for 2006 are as follows:

	Percentage of Plan Assets		
	2006	2005	2004
Asset Category			
Equity Securities	65%	54%	58%
Debt Securities	35%	40%	38%
Cash	-	6%	4%

The expected rate of return on plan assets is estimated using a variety of factors including long-term historical returns, the targeted allocation of plan assets and expectations regarding future market returns for both equity and debt securities. The measurement date for all Topps plans is February 26, 2005.

The following tables summarize benefit costs, benefit obligations, plan assets and the funded status of the Company's U.S. and Ireland pension plans and U.S. postretirement healthcare benefit plan:

	Pension		Postretirement Healthcare	
	February 26, 2005	February 28, 2004	February 26, 2005	February 28, 2004
	(in thousands of dollars)			
Change In Benefits Obligation				
Benefits obligation at beginning of year	$ 39,709	$ 37,858	$ 10,755	$ 9,518
Service cost	1,419	1,383	305	283
Interest cost	2,414	2,390	568	602
Benefits paid	(1,462)	(2,524)	(619)	(576)
Actuarial (gains)/losses	2,786	(98)	(440)	928
Participants' contributions	19	25	--	--
Foreign currency impact.....................	306	675	--	--
Benefit obligation at end of year	$ 45,191	$ 39,709	$ 10,569	$ 10,755
Change in Plan Assets				
Fair value of plan assets at beginning of year .	$ 25,551	$ 18,191	$ --	$ --
Actual return on plan assets	1,722	4,396	--	--
Employer contributions	3,666	4,999	619	576
Benefits	(1,462)	(2,524)	(619)	(576)
Participants' contributions	19	25	--	--
Foreign currency impact	255	464	--	--
Fair value of plan assets at end of year	$ 29,751	$ 25,551	$ --	$ --

	Pension		Postretirement Healthcare	
	February 26, 2005	February 28, 2004	February 26, 2005	February 28, 2004
	(in thousands of dollars)			
Funded status				
Funded status at year end	$(15,440)	$(14,158)	$(10,568)	$(10,754)
Unrecognized actuarial losses	14,599	12,151	1,789	2,229
Unamortized prior service cost	276	408	--	--
Unrecognized initial transition obligation/(asset)	(744)	(761)	1,900	2,099
Accrued benefit cost	$ (1,309)	$ (2,360)	$ (6,879)	$ (6,426)

Amounts recognized in the consolidated balance sheets are as follows:

	Pension		Postretirement Healthcare	
	February 26, 2005	February 28, 2004	February 26, 2005	February 28, 2004
	(in thousands of dollars)			
Prepaid benefit cost	$ 5,353	$ 3,827	$ --	$ --
Accrued benefit liability	(16,808)	(16,254)	(6,879)	(6,426)
Intangible asset	275	408	--	--
Accumulated other comprehensive expense	9,871	9,659	--	--
Net amount recognized in the consolidated balance sheets	$ (1,309)	$ (2,360)	$ (6,879)	$ (6,426)

Prior service cost changes are amortized on a straight-line basis over the average remaining service period for employees active on the date of an amendment. Gains and losses are amortized on a straight-line basis over the average remaining service period of employees active on the valuation date.

At the end of fiscal 2005 and 2004 the qualified and non-qualified pension plans had projected and accumulated benefit obligations in excess of plan assets, as follows:

For Pension Plans Where:		
	Projected Benefit Obligation Exceeds the Fair Value of Plan Assets	Accumulated Exceeds the Fair

	February 26, 2005	February 28, 2004	February 26, 2005
	(in thousands of dollars)		(in thousa
Projected benefit obligation	$ 45,191	$ 39,709	$ 40,081
Accumulated benefit obligation	40,591	37,657	36,429
Fair value of plan assets	$ 29,751	$ 25,551	$ 24,851

The accumulated benefit obligation is less than the fair value of plan assets for the Ireland pension plan.

The postretirement medical plan has no assets, and the premiums are paid on an on-going basis. The accumulated postretirement benefit obligation at the end of fiscal 2005 and 2004 was $10,568,000 and $10,755,000, respectively, and is included in non-current liabilities.

The weighted-average assumptions used to calculate net period benefit costs are as follows:

	U.S. Pension Plan			Postretirement Healthcare Plan		
	2005	2004	2003	2005	2004	2003
Discount rate	6.0%	6.3%	7.0%	6.0%	6.3%	7.0%
Expected return on plan assets	8.0%	8.0%	8.5%	N/A	N/A	N/A
Rate of compensation increase	4.0%	4.5%	5.0%	N/A	N/A	N/A
Healthcare cost trend on covered charges	N/A	N/A	N/A	10.0%, decreasing to 5.0% in 2009	10.0%, decreasing to 5.0% in 2008	7.0% decreasin 5.5% in 2

The discount rate and rate of compensation increase for the Ireland Pension Plan are 5.3% and 3.3%, respectively, for 2005, 5.5% and 3.8%, respectively, for 2004 and 6.0% and 4.0%, respectively, for 2003.

The components of net periodic benefit cost are as follows:

	Pension			Postretirement Healthcare		
	February 26, 2005	February 28, 2004	March 1, 2003	February 26, 2005	February 28, 2004	Mar 1, 2
	(in thousands of dollars)					
Service cost	$ 1,419	$ 1,384	$ 1,184	$ 304	$ 283	$ 22
Interest cost	2,414	2,390	2,316	568	602	51

Expected return on plan assets .	(2,096)	(1,451)	(1,643)	--	--	-
Amortization of:						
Initial transition obligation	(59)	(51)	(51)	199	199	22
Prior service cost	132	131	133	--	--	--
Actuarial (gains) losses	808	1,117	688	--	47	--
Curtailments and special termination benefits	--	--	187	--	--	33
Net periodic benefit cost	$ 2,618	$ 3,520	$ 2,814	$ 1,071	$ 1,131	$ 1,29

Expected benefit payments are as follows:

	Pension	Postretirement	Total
2006	$ 2,459,361	$ 677,996	$ 3,137,357
2007	$ 3,108,988	$ 732,126	$ 3,841,114
2008	$ 3,628,888	$ 790,188	$ 4,419,076
2009	$ 3,483,036	$ 849,470	$ 4,332,506
2010	$ 3,301,677	$ 893,135	$ 4,194,812
2011-2015	$17,843,331	$ 4,744,350	$22,587,681

The postretirement benefits payments do not include the impact of any Medicare D subsidies, which are not expected to be material.

Increases in healthcare costs could significantly affect reported postretirement benefits cost and benefit obligations. A one-percentage point change in assumed healthcare benefit cost trends would have the following effect:

	One Percentage Point	
	Increase	Decrease
	(in thousands of dollars)	
On total service and interest cost component	$ 137	$ (113)
On postretirement benefit obligation	$ 1,225	$ (1,038)

NOTE 12 - STOCK OPTION PLANS

The Company has Stock Option Plans that provide for the granting of non-qualified stock options, incentive stock options and stock appreciation rights (SARs) to employees, non-employee directors and consultants within the meaning of Section 422A of the Internal Revenue Code. Options are granted with an exercise price equal to the closing market price of the stock on the grant date, vest within three years and expire ten years after the grant date.

The following table summarizes information about the Stock Option Plans.

	February 26, 2005		February 28, 2004		March
Stock Options	Shares	Wtd. Avg. Exercise Price	Shares	Wtd. Avg. Exercise Price	Shares
Outstanding at beginning of year	3,800,407	$ 6.90	3,756,977	$ 6.73	3,956,127
Granted	262,000	$ 9.34	890,000	$ 8.52	166,000
Exercised	(270,550)	$ 4.55	(234,680)	$ 4.85	(220,750
Forfeited	(28,938)	$ 9.50	(611,890)	$ 9.01	(144,400
Outstanding at end of year	3,762,919	$ 7.22	3,800,407	$ 6.90	3,756,977
Options exercisable at end of year	2,973,416	$ 6.80	2,973,323	$ 6.44	3,383,854
Weighted average fair value of options granted during the year	$ 2.99		$ 2.70		$

In 2005, the shares forfeited represent those cancelled due to termination of employment; none expired during the year. In 2004, of the 611,890 stock options shown as forfeited, 90,390 were unvested options which were lost when employees were terminated from the Company. The remaining 521,500 "forfeited" options were the results of the expiration of options in the normal course.

Summarized information about stock options outstanding and exercisable at February 26, 2005 is as follows:

	Options Outstanding			Options Exerci	
Exercise Price Range	Outstanding as of 2/26/2005	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Exercisable as of 2/26/2005	W A E
$ 1.76 - $ 3.53	753,984	2.9	$ 2.60	753,984	
$ 3.54 - $ 5.29	511,436	3.7	$ 4.51	511,436	
$ 5.30 - $ 7.05	98,500	4.3	$ 6.94	98,500	
$ 7.06 - $ 8.81	1,091,584	7.6	$ 8.27	564,081	
$ 8.82 - $10.57	1,077,165	6.9	$ 9.83	815,165	
$10.58 - $12.34	230,250	5.9	$11.24	230,250	
	3,762,919	5.7	$ 7.22	2,973,416	

NOTE 13 - CAPITAL STOCK

In October 1999, the Company's Board of Directors authorized the repurchase of up to 5 million shares of the Company's common stock. In October 2001, the Company completed purchases against this authorization and the Company's Board of Directors authorized the repurchase of up to another 5 million shares of the Company's common stock. During fiscal 2005, the Company purchased 444,400 shares

at an average price of $9.25 per share.

There were no shares purchased as part of publicly announced plans in the most recent quarter. The maximum number of shares that may yet be purchased under the plan is 1,609,300 shares.

NOTE 14 - DIVIDENDS

On June 26, 2003, the Board of Directors of the Company initiated a regular quarterly cash dividend of $0.04 per share. In fiscal 2005, four quarterly payments totaling $0.16 per share or $6.5 million, were made and in 2004, three quarterly payments totaling $0.12 per share, or $4.9 million, were made.

NOTE 15 - LEGAL PROCEEDINGS

In November 2000, the Commission of the European Communities (the "Commission") began an investigation into whether Topps Europe's past distribution arrangements for the sale of Pokemon products complied with European law (the "EU investigation"). On June 17, 2003, the Commission filed a Statement of Objections against The Topps Company, Inc. and its European subsidiaries, therein coming to a preliminary conclusion that these entities infringed Article 81 of the EC treaty during 2000 by preventing parallel trade between member states of the European Union. A hearing in front of the European Commission Tribunal took place on October 23, 2003, and on May 27, 2004, the Commission found The Topps Company, Inc. and its European subsidiaries jointly and severally liable for infringement of Article 81(1) of the EC treaty. The Commission imposed a total fine of 1.6 million euros ($1.9 million) which was paid during fiscal 2005.

On February 17, 2000, Telepresence, Inc. sued Topps and nine other manufacturers of trading cards (the "Defendants") in the Federal District Court for the Central District of California for infringement of U.S. Patent No. 5,803,501 which was issued on September 8, 1998 (the "501 Patent"). In its suit, Telepresence contended that the patent covers all types of "relic" cards that contain an authentic piece of equipment, i.e., a piece of sporting equipment or jersey. The court awarded summary judgment to the Defendants on the grounds that the named Plaintiff (Telepresence, Inc.) did not have standing to sue for infringement of the 501 patent. The motion was granted, and the litigation was dismissed with prejudice on March 28, 2001.

After the dismissal, the 501 Patent was assigned to Media Technologies, Inc. which is under the control of the same person (the inventor, Adrian Gluck) who brought the Telepresence action. On November 19, 2001, Media Technologies sued essentially the same group of defendants in the same court for infringement of the 501 Patent. The court once again granted summary judgment and dismissed the case with prejudice. The Court of Appeals for the Federal Circuit reversed the judgment on July 11, 2003, and the case was returned to Judge Stotler in the Central District of California for trial. On October 16, 2003, Media Technologies amended its complaint by alleging that Defendants' sale of relic cards additionally infringed U.S. Patent No. 6,142,532 (the "532 Patent") which was issued on November 7, 2000 and is similar to the 501 Patent.

On March 17, 2004, Topps filed a motion for summary judgment based on non-infringement while other defendants filed a motion for summary judgment based on patent invalidity because of prior art. Both motions were denied on July 26, 2004. On September 15, 2004, defendant Upper Deck Company, LLC ("Upper Deck") moved for a separate trial on the issues of infringement, damages, willfulness and counterclaims, a motion the other defendants subsequently

joined. On October 26, 2004, the court ruled that the patent validity issues would be tried first, before those of infringement. The court otherwise refused to bifurcate the trial.

On October 4, 2004, Defendants petitioned the United States Patent & Trademark Office (the "PTO") to reexamine the patentability of both the 501 Patent and the 532 Patent. On October 25, 2004, Defendants also filed a motion with the district court requesting a stay of the proceedings pending the petition with the PTO. On December 2, 2004, the court denied the motion for the stay. In mid-December, the PTO granted the petition for reexamination of the 501 and 532 Patents. Plaintiffs have petitioned the PTO to vacate the reexaminations and have also filed papers requesting the PTO, in the event it decides to proceed with the reexamination, to hold its claims patentable.

On December 29, 2004, Defendants once again filed a motion with the district court requesting a stay of the proceedings while the PTO reexamines the patentability of the 501 Patent and the 532 Patent. That motion was denied on February 28, 2005, along with another motion to dismiss the case based on lack of standing. The pretrial conference was held on March 21, 2005. Both parties requested that the judge construe Plaintiff's issued patent claims, and Defendants once again asked that the damages and infringement issues be tried separately as to each party.

The trial was initially scheduled for February 2005 but was adjourned to June 2005. An adverse outcome in the litigation could result in a substantial liability for the Company and could have a material impact on the Company's financial statements. Plaintiff argues it is entitled to a royalty on all sales of all product releases containing relic cards since issuance of the patent, treble damages, and is also seeking to enjoin us from future distribution of relic cards. It is not possible to determine the likelihood of any damages or equitable relief , or to estimate the range of loss, if any. Accordingly, no provision has been recorded for this matter in the accompanying condensed consolidated financial statements.

The Company is a defendant in several other civil actions which are routine and incidental to its business. In management's opinion, after consultation with legal counsel, these other actions will not have a material adverse effect on the Company's consolidated financial statements or results of operations.

NOTE 16 - SEGMENT AND GEOGRAPHIC INFORMATION

Following is the breakdown of industry segments as required by SFAS 131, "Disclosures About Segments of an Enterprise and Related Information." The Company has two reportable business segments: Confectionery and Entertainment.

The Confectionery segment consists of a variety of candy products including Ring Pop, Push Pop, Baby Bottle Pop, Juicy Drop Pop, the Bazooka bubble gum line and, from time to time, confectionery products based on licensed characters, such as Pokemon and Yu-Gi-Oh!

The Entertainment segment primarily consists of cards and sticker album products featuring sports and non-sports subjects. Trading cards feature players from Major League Baseball, the National Basketball Association, the National Football League, and the National Hockey League (although our contract with the NHL has expired), as well as characters from popular films, television shows and other entertainment properties. Sticker album products feature players from the English Premier League and characters from entertainment properties such as Pokemon and Yu-Gi-Oh! This segment also includes products from WizKids, a designer and marketer of strategy games acquired in July 2003.

The Company's chief decision-maker regularly evaluates the performance of each

segment based upon its contributed margin, which is profit after cost of goods, product development, advertising and promotional costs and obsolescence, but before general and administrative expenses and manufacturing overhead, depreciation and amortization, other income (expense), net interest and income taxes.

The majority of the Company's assets are shared across both segments, and the Company's chief decision-maker does not evaluate the performance of each segment utilizing asset-based measures. Therefore, the Company does not include a breakdown of assets or depreciation and amortization by segment.

BUSINESS SEGMENTS

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars)		
Net sales			
Confectionery	$ 143,762	$ 147,188	$ 146,901
Entertainment	152,103	150,150	143,214
Total net sales	$ 295,865	$ 297,338	$ 290,115
Contributed margin			
Confectionery	$ 46,781	$ 45,734	$ 52,101
Entertainment	45,135	42,467	39,313
Total contributed margin	$ 91,916	$ 88,201	$ 91,414
Reconciliation of contributed margin to income before provision for income taxes			
Total contributed margin	$ 91,916	$ 88,201	$ 91,414
Unallocated general and administrative expenses and manufacturing overhead	(75,363)	(67,644)	(65,778)
Depreciation & amortization	(6,261)	(6,593)	(5,038)
Other income	1,675	631	184
Income from operations	11,967	14,595	20,782
Interest income, net	2,706	2,426	2,516
Income before provision for income taxes	$ 14,673	$ 17,021	$ 23,298

Net sales to unaffiliated customers and income from operations are based on the location of the ultimate customer. Income from operations is defined as contributed margin less unallocated general and administrative expenses and manufacturing overhead, depreciation and amortization, and other income. Certain foreign markets are in part supported from the U.S. and Europe; however, the full costs of this support have not been allocated to them. Identifiable assets are those assets located in each geographic area.

GEOGRAPHIC AREAS

	Year Ended		
	February 26, 2005	February 28, 2004	March 1, 2003
	(in thousands of dollars)		
Net Sales			
United States	$ 199,632	$ 203,602	$ 212,496
Europe	70,252	65,135	48,555
Canada, Latin America and Asia	25,981	28,601	29,064
Total Net Sales	$ 295,865	$ 297,338	$ 290,115
Income from Operations			
United States	$ 6,315	$ 1,410	$ 9,428
Europe	795	9,535	5,406
Canada, Latin America and Asia	4,857	3,650	5,948
Total Income from Operations...	$ 11,967	$ 14,595	$ 20,782
Identifiable Assets			
United States	$ 236,995	$ 214,615	$ 214,525
Europe	47,623	55,520	41,020
Canada, Latin America and Asia	5,793	5,328	7,456
Total Identifiable Assets	$ 290,411	$ 275,463	$ 263,001

NOTE 17 - ACQUISITION OF WIZKIDS, LLC

On July 9, 2003, the Company acquired Wizkids, LLC ("WizKids"), a designer and marketer of collectible strategy games, for a cash purchase price of approximately $28.4 million. It is believed that the acquisition will serve to enhance and accelerate the expansion of the Company's entertainment business. The acquisition was accounted for using the purchase method of accounting. The financial statements of WizKids have been consolidated into the financial statements of the Company subsequent to the acquisition. The allocation of the purchase price is reflected in the financial statements contained herein.

The total consideration paid by the Company to WizKids' shareholders was comprised of $29,500,000 in cash, net of a working capital adjustment of $1,123,500. The purchase price also reflected a $1,326,130 payment to a third party for associated licenses and legal, accounting, and investment banking fees of $679,075. The purchase price was determined based on discounted cash flow projections, which reflected expected synergies with the Company.

The purchase price includes a $6.2 million allocation for intellectual property rights associated with the WizKids product line, which is being amortized over an estimated useful life of 6 years. There were no contingent payments with the purchase price.

Contemporaneous with the acquisition, the Company entered into an employment agreement with Jordan Weisman, the majority shareholder and founder of WizKids, for a forty-eight month period following the closing. As part of this employment agreement, $2 million of the consideration paid to Mr. Weisman as a shareholder is being accounted for as deferred compensation, and is being amortized over four years. If Mr. Weisman does not remain a WizKids' employee for the full four years of the agreement, he will be required to pay the Company the unamortized balance of his deferred compensation. As an additional part of his employment agreement, Mr. Weisman is entitled to contingent payments during the forty-eight months subsequent to the closing equal to 2% of WizKids' annual net revenue in excess of $35 million, assuming that certain operating margin targets are met. In addition, Mr. Weisman was granted 165,000 options to acquire the Company's common stock, which were granted at fair market value on the date of grant and vest over a four-year period.

The following table sets forth the components of the purchase price:

Total consideration	$ 29,500,000
Less: Working capital adjustment	(1,123,500)
Deferred compensation agreement	(2,000,000)
Add: Purchase of license	1,326,130
Transaction costs	679,075
Total purchase price	$ 28,381,705

The following table provides the fair value of the acquired assets and liabilities assumed based upon WizKids' July 9, 2003 balance sheet:

Current assets	$ 8,201,851
Property and equipment	564,743
Other assets	115,000
Liabilities assumed, current	(5,426,072)
Fair value of net assets acquired	3,455,522
Intangible assets	6,200,000
Goodwill	18,726,183
Total estimated fair value of net assets acquired and goodwill	$ 28,381,705

The final purchase price differs slightly from the amount shown for Purchase of Subsidiary in the Consolidated Statement of Cash Flows which reflects estimated transaction costs as of February 28, 2004.

The goodwill of $18.7 million is included in the Entertainment business segment and is deductible for tax purposes over a fifteen-year period.

The impact of including WizKids in the consolidated statements of operations on a pro forma basis as if the acquisition had occurred on March 3, 2002, is as follows:

	Year Ended	
	February 28, 2004	March 1, 2003
	(amounts in thousands, except share data)	

Net sales	$ 310,726	$ 324,119
Income from operations	12,792	25,587
Net income	$ 11,584	$ 20,043
Net income per share - basic	$ 0.29	$ 0.48
- diluted ..	$ 0.28	$ 0.48

NOTE 18 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximates fair value due to their short-term nature.

The Company enters into foreign currency forward contracts to hedge its foreign currency exposure. As of February 26, 2005, the Company had outstanding foreign currency forward contracts, which will mature at various dates during fiscal 2006, in the amount of $26,563,000, as compared to $22,996,000 as of February 28, 2004. Over 67% of the contracts will mature within six months.

The fair value of these forward contracts is the amount the Company would receive or pay to terminate them. The approximate pre-tax benefit or cost to the Company to terminate these agreements as of February 26, 2005 and February 28, 2004 would have been $49,000 and $(127,000) respectively. The Company may be exposed to credit losses in the event of non-performance by counterparties to these instruments. Management believes, however, the risk of incurring such losses is remote as the contracts are entered into with major financial institutions.

NOTE 19 - OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources that is expected to be material.

NOTE 20- QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

	2005				
	1st	2nd	3rd	4th	1st
			(in thousands of dollars, except share		
Net sales	$ 88,089	$ 68,781	$ 70,650	$ 68,345	$ 75,992
Gross profit on sales	33,799	26,280	23,660	21,459	28,124
Income from operations	5,639	4,812	3,228	(1,712)	4,383
Net income	4,102	3,655	2,791	451	3,521
Net income per share-basic	$ 0.10	$ 0.09	$ 0.07	$ 0.01	$ 0.09
-diluted	$ 0.10	$ 0.09	$ 0.07	$ 0.01	$ 0.08

NOTE 21- CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Future minimum payments under existing key contractual obligations are as follows:

Fiscal Year	Future Payments Under Non-Cancelable Leases	Purchase Obligations	Future Payments Under Royalty Contracts	Total
	(in thousands of dollars)			
2006	$ 2,733	$12,198	$12,088	$27,019
2007	2,361	175	10,944	13,480
2008	1,956	-	3,726	5,682
2009	1,770	-	-	1,770
2010	1,644	-	-	1,644
Thereafter	1,139	-	-	1,139

The Company anticipates making a payment of approximately $3 - 4 million in fiscal 2006 for the funding of its qualified pension plans.

Historically, lease expense under the Company's contracts was $3,141,000 (2005), $2,752,000 (2004) and $2,332,000 (2003).

Historically, the total royalty expense under the Company's sports and entertainment licensing contracts was $24,916,000 (2005), $23,912,000 (2004) and $25,344,000 (2003).

NOTE 22 - SUBSEQUENT EVENT

On May 23, 2005 the Company entered into a settlement agreement with Media Technologies, Inc. ("Plaintiff") in which it would pay Plaintiff an immediate sum of $2,000,000. Plaintiff agreed to dismiss all claims against the Company and issue a license to the Company to distribute relic cards. The Company further agreed that under certain conditions which may arise in the future, it would make additional payments to the Plaintiff as part of the ongoing license. The Company is currently evaluating the accounting of the settlement and the license agreement.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors and Stockholders of The Topps Company, Inc.

We have audited the accompanying consolidated balance sheets of The Topps Company, Inc. and its subsidiaries (the "Company") as of February 26, 2005 and February 28, 2004, and the related consolidated statements of operations, stockholders' equity and comprehensive income, and of cash flows for each of the three years in the period ended February 26, 2005. Our audits also include the

consolidated financial statement schedule listed in the Index at Item 15. These consolidated financial statements and consolidated financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and consolidated financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company as of February 26, 2005 and February 28, 2004, and the results of their operations and of their cash flows for each of the three years in the period ended February 26, 2005, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

DELOITTE & TOUCHE LLP
New York, New York
May 10, 2005 (May 23, 2005 as to note 22)

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of The Topps Company, Inc. (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is designed to provide reasonable assurance to the Company's management and to the Board of Directors regarding the preparation and presentation of financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those internal controls determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management assessed the effectiveness of the Company's internal control over financial reporting as of February 26, 2005. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control --- Integrated Framework. Based on this assessment and those criteria, we believe that, as of February 26, 2005, the Company's internal control over financial reporting was effective.

Deloitte & Touche LLP, the Company's independent registered public accounting firm, has issued an audit report on management's assessment of the Company's internal control over financial reporting, and their report is included herein.

The Topps Company, Inc.
New York, NY
May 23, 2005

REPORT OF REGISTERED INDEPENDENT PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Board of Directors and Stockholders
The Topps Company, Inc.:

We have audited management's assessment, included in the accompanying Management's Report on Internal Control Over Financial Reporting that The Topps Company, Inc. and its subsidiaries ("the "Company") maintained effective internal control over financial reporting as of February 26, 2005, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion the effectiveness of the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control over financial reporting, and performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A Company's internal control over financial reporting is a process designed by or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial

reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that the Company maintained effective internal control over financial reporting as of February 26, 2005 is fairly stated, in all material respects, based on the criteria established in Internal Control-Integrated Framework issued by COSO. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of February 26, 2005, based on the criteria established in Internal Control-Integrated Framework issued by COSO.

We have also audited, in accordance with the standards of the PCAOB, the Company's consolidated financial statements and financial statement schedule as of and for the year ended February 26, 2005 and our report dated May 10, 2005 (May 23, 2005 as to Note 22)expressed an unqualified opinion on those consolidated financial statements and financial statement schedule.

DELOITTE & TOUCHE LLP
New York, New York
May 23, 2005

MARKET AND DIVIDEND INFORMATION

The Company's common stock is traded on the Nasdaq National Market under the symbol TOPP. The following table sets forth, for the periods indicated, the high and low stock price for the common stock as reported on the Nasdaq National Market as well as cash dividends per share paid by the Company. As of February 26, 2005, there were approximately 4,500 shareholders of record.

	Fiscal Year Ended February 26, 2005			Fiscal Year Ended February 28, 2004		
	Stock Price		Dividends	Stock Price		Dividends
	High	Low	Paid	High	Low	Paid
First quarter	$ 9.76	$ 8.40	$ 0.04	$ 9.52	$ 7.24	$ -
Second quarter	$ 10.09	$ 8.82	$ 0.04	$ 9.25	$ 8.00	$ 0.04
Third quarter	$ 10.55	$ 9.23	$ 0.04	$ 10.75	$ 8.92	$ 0.04
Fourth quarter	$ 10.00	$ 9.38	$ 0.04	$ 10.69	$ 8.97	$ 0.04

SELECTED CONSOLIDATED FINANCIAL DATA

	2005	2004	2003	2002	
	(in thousands of dollars, except share data, unaud				
OPERATING DATA:					
Net sales	$ 295,865	$ 297,338	$ 290,115	$ 300,180	$
Gross profit on sales	105,198	103,921	101,740	113,841	
Selling, general and administrative expenses	94,906	89,957	81,142	77,062	
Income from operations	11,967	14,595	20,782	36,564	
Interest income, net	2,706	2,426	2,516	4,894	
Net income	10,999	12,695	16,936	28,462	
Net income per share - basic	$ 0.27	$ 0.31	$ 0.41	$ 0.66	$
- diluted	$ 0.27	$ 0.31	$ 0.40	$ 0.64	$
Dividends per share	$ 0.16	0.12	--	--	
Wtd. avg. shares outstanding - basic	40,471,000	40,604,000	41,353,000	43,073,000	
- diluted	41,327,000	41,515,000	42,065,000	44,276,000	
BALANCE SHEET DATA:					
Cash and equivalents	$ 36,442	$ 56,959	$ 85,684	$ 98,007	$
Short-term investments	69,955	36,878	28,575	23,050	
Working capital	138,146	133,299	141,484	136,389	
Net property, plant and equipment ...	12,553	13,786	14,606	14,606	
Long-term debt	--	--	--	--	
Total assets	290,411	275,463	263,001	257,950	
Stockholders' equity	219,189	211,277	196,768	194,054	

Certain items in the prior years' financial statements have been reclassified to conform with the current year's presentation.

BOARD OF DIRECTORS

Arthur T. Shorin
Chairman and Chief
Executive Officer

Ann Kirschner*
President
Comma International

Jack H. Nusbaum
Partner and Chairman
Willkie Farr & Gallagher, LLP

Allan A. Feder
Independent Business
Consultant

David Mauer
Chief Executive Officer
E&B Giftware, LLC

Richard Tarlow*
Chairman
Roberts & Tarlow

Stephen D. Greenberg* Managing Director Allen & Company, LLC	Edward D. Miller Former President and CEO AXA Financial, Inc.	Stanley Tulchin Chairman STA International

*Nominated to stand for re-election to the Company's Board of Directors at the 2005 Annual Meeting of Stockholders.

OFFICERS

Arthur T. Shorin Chairman and Chief Executive Officer	Michael P. Clancy Vice President - International and Managing Director, Topps International Limited	Warren Friss Vice President - General Counsel and General Manager Sports	W V A
Scott Silverstein President and Chief Operating Officer	Michael J. Drewniak Vice President - Manufacturing	Catherine K. Jessup Vice President - Chief Financial Officer and Treasurer	J V O
Ronald L. Boyum Vice President - Marketing and Sales and General Manager Confectionery	Ira Friedman Vice President - Publishing and New Product Development	Michael K. Murray Vice President - Confectionery Sales	C V T
Edward P. Camp Vice President and President - Hobby Division			

SUBSIDIARIES

Topps Argentina, SRL Managing Director - Juan P. Georgalos	Topps Canada, Inc. General Manager - Michael Pearl	Topps International Limited Managing Director - Michael P. Clancy
Topps Europe Limited Managing Director - Christopher Rodman	Topps Italia, SRL Managing Director - Furio Cicogna	WizKids, Inc. President - Jordan Weisman

CORPORATE INFORMATION

Annual Meeting	Corporate Counsel	Registrar and Transfer Agent
Thursday, June 30, 2005 10:30 A.M. J.P. Morgan Chase & Co. One Chase Manhattan Plaza New York, NY 10081	Willkie Farr & Gallagher, LLP 787 Seventh Avenue New York, NY 10019	American Stock Transfer & Trust C 59 Maiden Lane New York, NY 10038 877-777-0800 ext 6820

Investor Relations	Independent Auditors
Brod & Schaffer, LLC 230 Park Avenue, Suite 1831 New York, NY 10169	Deloitte & Touche LLP Two World Financial Center New York, NY 10281

Form 10-K -- A copy of the Company's Annual Report on Form 10-K as filed with the Securities and Exchange Commission is available without charge at the Topps website www.topps.com or upon written request to the Chief Financial Officer.

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-116234 of The Topps Company, Inc. on Form S-8 of our report dated May 10, 2005 (May 23, 2005, as to Note 22) relating to the consolidated financial statements and consolidated financial statement schedule of The Topps Company, Inc. and its subsidiaries and our report dated May 23, 2005 relating to management's report on the effectiveness of internal control over financial reporting appearing in the Annual Report on Form 10-K/A of the The Topps Company, Inc., for the year ended February 26, 2005.

DELOITTE & TOUCHE LLP

New York, New York
May 23, 2005

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Arthur T. Shorin, certify that:

1. I have reviewed this annual report on Form 10-K of The Topps Company, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined under Exchange Act Rules 13a-15(f) and 15a-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   (b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

   (d) disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based

on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 23, 2005

/s/ Arthur T. Shorin

Arthur T. Shorin
Chairman and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Catherine K. Jessup, certify that:

1. I have reviewed this annual report on Form 10-K of The Topps Company, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)))) and internal controls over financial reporting (as defined under Exchange Act Rules 13a-15(f) and 15a-15(f)for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

(b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

(d) disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 23, 2005

/s/ Catherine K. Jessup

Catherine K. Jessup
Chief Financial Officer and Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of The Topps Company, Inc. (the "Company") on Form 10-K for the year ended February 26, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Arthur T. Shorin, Chairman, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Arthur T. Shorin

Arthur T. Shorin
Chairman and Chief Executive
Officer

May 23, 2005

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of The Topps Company, Inc. (the "Company") on Form 10-K for the year ended February 26, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Catherine K. Jessup, Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Catherine K. Jessup

Catherine K. Jessup
Vice President - Chief Financial Officer and Treasurer

May 23, 2005