

For: THE OHIO ART COMPANY
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Immediate Release

THE OHIO ART COMPANY REPORTS OPERATING RESULTS FOR
THE THIRD QUARTER AND NINE MONTHS OF FISCAL 2008

BRYAN, OHIO, DECEMBER 19, 2007 - The Ohio Art Company, (OART.PK), today announced operating results for the third quarter and nine months ended October 31, 2007.

Net sales decreased approximately 4.7% to \$18,916,000 for the nine months ended October 31, 2007 compared to net sales of \$19,845,000 for the nine months ended October 31, 2006. For the quarter ended October 31, 2007, net sales decreased approximately 12% to \$9,503,000 compared to net sales of \$10,850,000 for the quarter ended October 31, 2006.

Domestic toy shipments continued to lag behind projections throughout the third quarter as both the retailer and consumer were buffeted by mixed economic signs and by toy industry recall publicity and also by macroeconomic pressures that were impacting discretionary income and retail inventory decisions. In addition, the Company's new product introductions were not performing well in the competitive retail environment although core branded toy products performed satisfactorily.

A 21% revenue increase in the Diversified Products division's results and a doubling of international toy shipments were both overshadowed by the weak domestic toy shipments.

Net loss after taxes for the nine months ended October 31, 2007 amounted to \$1,346,000 or \$1.54 per share on 876,000 average shares outstanding compared to a net income after taxes of \$937,000 or \$1.07 per share on 875,000 average shares outstanding during the nine months ended October 31, 2006.

Both the International Toy and Diversified Products divisions realized improved operational results with the Diversified Products division's strong profit performance exceeding projections for the nine months. Domestic Toy results were adversely impacted by both a decline in toy revenue and increased sales/marketing expenditures incurred in order to stimulate demand for the Company's newly launched fashion doll line.

For the quarter ended October 31, 2007, the Company experienced a net loss after taxes of \$146,000 or \$.17 per share on 875,000 average shares outstanding compared to a net profit after taxes of \$1,434,000 or \$1.64 per share on 875,000 average shares outstanding during the quarter ended October 31, 2006.

During the month of October 2007, the Company promoted Jeffrey L. Morris to Senior Vice President Sales and Operations and Martin L. Killgallon III to Senior Vice President Marketing and Product Development as part of a management restructuring strategy undertaken to improve sales and distribution quality and also to improve the new toy product flow process. Mr. Morris also retained his former title of Chief Financial Officer.

Established in 1908 and headquartered in Bryan, Ohio, The Ohio Art Company manufactures and markets the world famous Etch A Sketch® drawing toy, as well as a complete line of toys that enhance and provide development, creativity, and positive reinforcement. Product lines include "Making Creativity Fun" activity toys, such as Etch A Sketch® and Magna Doodle™, the Betty Spaghetti™ mix and match fashion doll line, and the K's Kids® brand line of infant and toddler stuffed toys. In addition, the Company's Diversified Products Division manufactures lithographed products for the photographic, food container, and specialty premium markets.

THE OHIO ART COMPANY AND SUBSIDIARIES*
(Thousands Except Per Share Data)

	<u>Nine Months Ended</u>		<u>Three Months Ended</u>	
	<u>10/31/07</u>	<u>10/31/06</u>	<u>10/31/07</u>	<u>10/31/06</u>
Net Sales	\$18,916	\$19,845	\$ 9,503	\$10,850
Income(Loss) Before Income Taxes	\$(1,332)	\$ 937	\$ (136)	\$ 1,434
Provision for (Benefit from) Income Taxes	\$ 14	\$ 0	\$ 10	\$ 0
Net Income (Loss)	\$(1,346)	\$ 937	\$ (146)	\$ 1,434
Net Income (Loss) Per Share	\$ (1.54)	\$ 1.07	\$ (.17)	\$ 1.64
Average Shares Outstanding	876	875	875	875

* Unaudited and subject to year-end adjustments.