

April 28, 2011

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President and COO
TOWA Corporation

Effect of the Tohoku Earthquake on TOWA Corporation (The 2nd report)

We at TOWA extend our heartfelt condolences to all those affected by this disaster and wish that the region will soon be able to begin the rebuilding and healing process.

We hereby inform you of the effect of the 2011 Japan Tohoku earthquake and TSUNAMI on our business (The 2nd report).

1. Status of company members

As already reported in the 1st report, we have confirmed the safety of all the staff.
Currently at almost all the sites our staff is doing their business as usual.

* A building where our affiliate, TOWATEC Co., Ltd, had its TOHOKU service office (rental) was partly damaged by the earthquake. To ensure safety against aftershocks, etc., it is now planning to move its office. The influence on costs in relation to the move is so small that the cost will not affect the earnings forecast.

2. State of production site

As already reported in the 1st report, our production buildings and facilities were fortunately undamaged by the earthquake, tsunami or the nuclear power plant accident. Accordingly all the production sites operate as usual now.

The distances from Fukushima I Nuclear Power Plant to our domestic production and development sites are shown below. As shown in the map at the end of this document, they are not within the area which might be subjected to radioactive contamination.

(1) Headquarter / Factory

Address: 5 Kamichoshi-cho, Kamitoba, Minami-ku, Kyoto 601-8105 Japan
The distances from Fukushima I Nuclear Power Plant : About 543 km

(2) Kyoto East Plant

Address: Industrial Park, 1-35 Ujitawara-cho, Tsuzuki-gun, Kyoto 610-0231 Japan
The distances from Fukushima I Nuclear Power Plant : About 545 km

(3) Bando Memorial Research Laboratory

Address: 122-2 Megawa, Makishima-cho, Uji-shi, Kyoto 611-0041 Japan
The distances from Fukushima I Nuclear Power Plant : About 546 km

(4) Kyushu Work

Address: 7-27 Yayoigaoka, Tosu-shi, Saga 841-0005 Japan

The distances from Fukushima I Nuclear Power Plant : About 1,053km

(5) BANDICK Corporation (Manufacturing of molded fine-plastic products)

Address: 596-146 Shimojominamiwari, Tatsuoka-cho, Nirasaki-shi,
Yamanashi 407-0033 Japan

The distances from Fukushima I Nuclear Power Plant : About 300km

3. Others

Although there has been no situation that may affect our group business extremely reported to now, we assume that the effect of this disaster on semiconductor manufacturers and/or supply chains will appear in various forms. We will make efforts to collect accurate information continuously and will inform all the stakeholders immediately of the change in our group business environment as appropriate.

We will assist the equipment re-setup and repair, and provide alternative products for our disaster-affected customers as much as possible so that they can re-start routine production activities as soon as possible.

(Reference) TOWA Group of production and development sites in Japan

