

FY2014 Consolidated Financial Results

(April 1, 2014 through March 31, 2015)

May 11, 2015

Company Name: TOWA CORPORATION
 Stock Listings: First Section of Tokyo Stock Exchange
 Code Number: 6315
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 Representative: Hirokazu Okada, President and CEO
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 Date of general shareholders' meeting: June 26, 2015
 Payment date of cash dividends: June 29, 2015
 Filing date of financial statements: June 25, 2015
 Financial Results Supplemental Materials: Yes
 Financial Results Presentation Meeting: Yes

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the FY 2014 (April 1, 2014 through March 31, 2015)

(1) Consolidated Financial Results

(%of change from previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2014	21,204	23.5	1,671	265.2	2,316	247.3	2,095	268.8
FY2013	17,165	4.3	457	—	666	0.6	568	-17.8

Note: Comprehensive income: 3,045 million yen(192.5%) (For FY2014), 1,041 million yen(-3.6%) (For FY2013)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Ordinary income to net sales
	Yen	Yen	%	%	%
FY2014	83.78	—	10.9	7.6	7.9
FY2013	22.72	—	3.3	2.4	2.7

Reference: Equity in earnings of affiliates: 26 million yen (For FY2014), 12 million yen (For FY2013)

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
FY2014	31,735	21,060	65.4	829.31
FY2013	29,132	17,909	60.6	705.77

Reference: Equity at the end of FY2014: 20,741 million yen, Equity at the end of FY2013: 17,652 million yen

(3) Consolidated Situation of a Cash Flow

	Cash flow from sales activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
FY2014	2,612	-1,452	-1,173	5,617
FY2013	935	-1,553	819	5,533

2. Cash Dividends

	Cash dividends per share					Total amount of cash dividends (annual)	Dividends payout ratio (Consolidated)	Ratio of total amount of dividends to shareholders' equity (consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2013	—	0.00	—	10.00	10.00	250	44.0	1.4
FY2014	—	0.00	—	10.00	10.00	250	11.9	1.3
FY2015(E)	—	0.00	—	10.00	10.00		12.7	

3. Forecast of Consolidated Results for FY2015 (April 1, 2015 through March 31, 2016)

(% of change from previous year)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Interim	10,900	-0.1	930	-18.7	930	-36.7	790	-27.4	31.59
Year-end	22,500	6.1	2,350	40.6	2,350	1.4	1,970	-6.0	78.77

4. Others

(1) Changes in significant subsidiaries during FY2014

(Changes in specified subsidiaries resulting in changes in scope of consolidation) : None

(2) Changes in Accounting Policies, Accounting estimation and Restatement

- ① Changes in accounting policies along with changes in accounting standards: Yes
- ② Other changes of accounting policies besides ① above: None
- ③ Changes in accounting estimates: None
- ④ Restatement: None

(3) Number of shares issued and outstanding (common stock)

- ① Number of shares issued and outstanding at the end of each fiscal year (including treasury shares):
FY2014 25,021,832 shares, FY2013 25,021,832 shares
- ② Number of treasury shares at the end of each fiscal year:
FY2014 11,059 shares, FY2013 10,633 shares
- ③ Average number of outstanding stock for each fiscal year:
FY2014 25,011,015 shares, FY2013 25,011,610 shares

(Preference) Outline of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the FY 2014 (April 1, 2014 through March 31, 2015)

(1) Non-Consolidated Financial Results

(%of change from previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2014	20,012	23.2	1,515	539.3	1,861	382.2	1,734	339.9
FY2013	16,239	3.6	237	322.7	386	12.1	394	-0.4

	Net income per share	Diluted net income per share
	Yen	Yen
FY2014	69.33	—
FY2013	15.76	—

(2) Non-Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
FY2014	27,550	17,256	62.6	689.97
FY2013	25,576	14,909	58.3	596.12

Reference: Equity at the end of FY2014: 17,256 million yen, Equity at the end of FY2013: 14,909 million yen

2. Forecast of Non-Consolidated Results for FY2015 (April 1, 2015 through March 31, 2016)

(% of change from previous year)

	Net Sales		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Interim	10,300	-0.8	720	-39.1	1,120	19.1	44.78
Year-end	21,000	4.9	1,600	-14.1	1,850	6.7	73.97

*** Implementation status of audit procedures**

This consolidated financial results report is not subject to audit procedures by independent auditors under Japan's Financial Instruments and Exchange Law. At the time of release of this report, audit procedures under the Financial Instruments and Exchange Law have not been completed.

*** Explanation on the appropriate use of future earnings projections and other special instructions**

The above forecasts reflect the Company's judgments and assumptions based on the currently available information and actual results could differ from the forecast for various reasons.