

FY2017 Third Quarter Consolidated Financial Results

(April 1, 2017 through December 31, 2017)

February 8, 2018

Company name: TOWA CORPORATION
Stock exchange listings: First Section of Tokyo Stock Exchange
Code number: 6315
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Scheduled filing date of Quarterly Report: February 9, 2018
Scheduled dividend payment date: —
Presentation meeting on Quarterly Results: None

(Monetary amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Third Quarter of FY2017 (April 1, 2017 through Dec. 31, 2017)

(1) Consolidated Financial Results for the nine months period

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3Q FY2017	22,678	5.3	3,230	-1.2	3,190	-10.5	2,204	-25.7
3Q FY2016	21,541	34.7	3,269	189.4	3,563	192.2	2,967	167.7

[Note] Comprehensive income on Dec. 31, 2017; 3,059 million yen (-5.6%)
Comprehensive income on Dec. 31, 2016; 3,240 million yen (287.9%)

	Net income per share	Diluted net income per share
	Yen	Yen
3Q FY2017	88.13	—
3Q FY2016	118.67	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Dec. 31, 2017	40,052	27,736	68.2
As of March 31, 2017	36,036	25,100	68.5

[Reference] Equity on Dec. 31, 2017; 27,308 million yen
Equity on March 31, 2017; 24,694 million yen

2. Cash Dividends

	Cash Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2016	—	0.00	—	16.00	16.00
FY2017	—	0.00	—		
FY2017(E)				16.00	16.00

[Note] Revisions to the latest forecast of cash dividends: None

3. Forecast of Consolidated Financial Results for FY2017 (April 1, 2017 through March 31, 2018)

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.)

	Net Sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Year-end	30,605	10.8	4,491	17.2	4,521	9.4	3,057	-21.0	122.23

[Note] Revisions to the latest forecast of financial results: None

4. Other information

(1) Changes in significant subsidiaries during the Third Quarter of FY2017

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

(2) Adoption of special accounting methods for preparation of quarterly financial statements: None

(3) Changes in accounting policies, accounting estimates and restatement

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

(4) Number of shares outstanding (common shares)

- 1) Number of shares outstanding (including treasury shares) as of Dec. 31, 2017: 25,021,832 shares
as of March 31, 2017: 25,021,832 shares
- 2) Number of treasury shares as of Dec. 31, 2017: 12,246 shares
as of March 31, 2017: 11,698 shares
- 3) Average number of shares outstanding during the three months ended Dec. 31, 2017: 25,009,894 shares
during the three months ended Dec. 31, 2016: 25,010,474 shares

*** This quarterly financial results report is not subject to audit.**

*** 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 available information as of the announcement date and actual results could differ from the forecasts for various reasons.