

**Revisions of Forecast for the Fiscal Year Ending March 31, 2020**

Company name: TOWA CORPORATION  
 Stock exchange listings: First Section of Tokyo Stock Exchange  
 Code number: 6315  
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In view of the recent business performance, the board of directors of TOWA CORPORATION (“the Company”) resolved today to revise the forecast of the results for interim and year-end of the fiscal year ending March 31, 2020 (“FY2019”) announced on May 13, 2019 (“the Previous Forecast”).

## ● Revised forecast

## 1. Consolidated

## (1) Revisions of forecast for the interim FY2019 (From April 1 to September 30, 2019)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast (A)	14,000	400	420	320	12.80
Revised forecast (B)	11,641	- 182	- 284	- 202	- 8.08
Change (B – A)	- 2,359	- 582	- 704	- 522	
Rate of change (%)	- 16.9	—	—	—	
(Ref.) Results of the interim FY 2018 (April 1 to Sep. 30, 2018)	15,298	873	954	881	35.26

## (2) Revisions of forecast for the year-end of FY2019 (From April 1, 2019 to March 31, 2020)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast (A)	30,000	1,600	1,620	1,165	46.58
Revised forecast (B)	25,741	718	616	438	17.51
Change (B – A)	- 4,259	- 882	- 1,004	- 727	
Rate of change (%)	- 14.2	- 55.1	- 62.0	- 62.4	
(Ref.) Results of FY 2018 (April 1, 2018 to March 31, 2019)	28,272	937	939	877	35.09

## 2. Non-Consolidated

### (1) Revisions of forecast for the interim FY2019 (From April 1 to September 30, 2019)

	Net sales	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast (A)	11,000	80	55	2.20
Revised forecast (B)	9,165	- 798	- 573	- 22.91
Change (B – A)	- 1,835	- 878	- 628	
Rate of change (%)	- 16.7	—	—	
(Ref.) Results of the interim FY 2018 (April 1 to Sep. 30, 2018)	13,279	51	38	1.56

### (2) Revisions of forecast for the year-end of FY2019 (From April 1, 2019 to March 31, 2020)

	Net sales	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast (A)	24,000	680	470	18.79
Revised forecast (B)	21,115	- 548	- 403	- 16.11
Change (B – A)	- 2,885	- 1,228	- 873	
Rate of change (%)	- 12.0	—	—	
(Ref.) Results of FY 2018 (April 1, 2018 to March 31, 2019)	23,188	- 737	- 467	- 18.71

#### < Reasons for the revise >

As to the net sales, the Company expects it will not be able to achieve the Previous Forecast. This is because semiconductor manufacturers are still prudent to make capital investments due to the trade war between USA and China, and it delays the expected full recovery of semiconductor market.

As to the incomes, the Company expects each income of the interim FY2019 will be the red though it seems that the Company has achieved the 2Q (From July to September, 2019) income forecast. Cost reduction and fixed cost examination since the previous 4Q and sales increase of compression type equipment (such type requires the Company's unique technology and the Company holds 100% market share of the type) have contributed to the achievement of 2Q income forecast but it is not enough to compensate the harsh income decrease in 1Q (From April to June, 2019).

As to the incomes of the last half of FY2019, though the Company expects each income will return to the black due to the continuous cost reduction and improvement of order volume for the profitable compression type equipment, it will not be able to achieve the Previous Forecast due to the decrease in sales amount.

Forecast for the cash dividend remains unchanged from the Previous Forecast (16 yen per share).

[Note] The above forecasts reflect the Company's judgments and assumptions based on available information as of the announcement date, and therefore are not guarantees of future performance. Actual results may differ substantially from the forecasts for various reasons.