

## FY2018 Third Quarter Consolidated Financial Results

(April 1, 2018 through December 31, 2018)

February 7, 2019

Company name: TOWA CORPORATION  
Stock exchange listings: First Section of Tokyo Stock Exchange  
Code number: 6315  
URL: <http://www.towajapan.co.jp>  
Representative: Hirokazu Okada, President and CEO  
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Scheduled filing date of Quarterly Report: February 8, 2019  
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 FY2018 (April 1, 2018 through December 31, 2018)

#### (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 FY2018	21,341	- 5.9	606	- 81.2	606	- 81.0	540	- 75.5
3Q FY2017	22,678	5.3	3,230	- 1.2	3,190	- 10.5	2,204	- 25.7

[Note] Comprehensive income: Nine months ended on December 31, 2018; - 501 million yen ( — %)   
Nine months ended on December 31, 2017; 3,059 million yen (- 5.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
3Q FY2018	21.62	—
3Q FY2017	88.13	—

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Dec. 31, 2018	42,888	27,115	63.0
As of March 31, 2018	39,842	27,905	70.0

[Reference] Equity: December 31, 2018; 27,006 million yen   
March 31, 2018; 27,905 million yen

[Note] The Company applies revised accounting standard relating to tax effect accounting (the standard was set by ASBJ [Accounting Standards Board of Japan, an organization of Financial Accounting Standards Foundation] and the relevant revision was made on February 16, 2018) etc. from the beginning of the first quarter of FY2018. For comparison, the Company modified the figures in "As of March 31, 2018" retroactively.

## 2. Cash Dividends

	Cash Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2017	—	0.00	—	16.00	16.00
FY2018	—	0.00	—		
FY2018(E)				16.00	16.00

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

## 3. Forecast of Consolidated Financial Results for FY2018 (April 1, 2018 through March 31, 2019)

(The percentage figures represent the percentage of increase or decrease against the previous fiscal 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	28,250	- 8.9	550	- 85.1	550	- 84.5	500	- 83.5	19.99

[Note] Revisions to the latest forecast of financial results: Yes

Regarding revisions of the forecast of consolidated financial results, please refer “Revisions of Forecast for the Fiscal Year Ending March 31, 2019” announced today (February 7, 2019).

## 4. Other information

### (1) Changes in significant subsidiaries during the nine months ended December 31, 2018

(Changes in specified subsidiaries resulting in changes in scope of consolidation) : Yes

Newly added: One company

TOWA (Nantong) Co., Ltd.

Excluded: None

### (2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: None

### (3) Changes of accounting policies, changes in accounting estimates and retrospective restatement

1) Changes of accounting policies accompanied by revision of accounting standard etc.: None

2) Changes of accounting policies other than 1): None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

### (4) Number of shares outstanding (common shares)

1) Number of shares outstanding (including treasury stock) as of Dec. 31, 2018: 25,021,832 shares

as of March 31, 2018: 25,021,832 shares

2) Number of treasury stock as of Dec. 31, 2018: 12,450 shares

as of March 31, 2018: 12,266 shares

3) Average number of shares outstanding during the nine months ended Dec. 31, 2018: 25,009,485 shares

during the nine months ended Dec. 31, 2017: 25,009,894 shares

**\* This financial results report is not subject to audit by a certified public accountant or an audit corporation.**

### **\* Explanation on the appropriate use of financial results forecasts and other special instructions**

1. 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 considerably for various reasons.

2. The Company hereby revises the forecast of financial results announced on October 29, 2018.