

TOWA Announces Revised Forecast for the Fiscal Year 2013

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TOWA CORPORATION announced today a revision of its financial forecast for the fiscal year from those issued on May 13, 2013.

1. Revision of Consolidated forecast for the first half of the fiscal year (from April 1, 2013 to September 30, 2013)

(In millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	8,000	200	190	120	4.80
Revised forecast (B)	8,328	67	100	52	2.08
Difference (B-A)	328	-133	-90	-68	
Percentage change (%)	4.1	-66.5	-47.4	-56.7	
First half of FY2012 (ended September 30, 2012)	10,715	1,582	1,523	1,468	58.70

2. Revision of Consolidated forecast for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(In millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	18,500	1,100	1,000	900	35.98
Revised forecast (B)	17,000	240	270	220	8.80
Difference (B-A)	-1,500	-860	-730	-680	
Percentage change (%)	-8.1	-78.2	-73.0	-75.6	
FY2012 (ended March 31, 2013)	16,454	-439	663	691	27.64

3. Revision of Non-Consolidated forecast for the first half of the fiscal year (from April 1, 2013 to September 30, 2013)

(In millions of yen)

	Net Sales	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	7,700	10	10	0.40
Revised forecast (B)	7,889	-23	-1	-0.04
Difference (B-A)	189	-33	-11	
Percentage change (%)	2.5	-330.0	-110.0	
First half of FY2012 (ended September 30, 2012)	10,395	1,067	1,037	41.47

4. Revision of Non-Consolidated forecast for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(In millions of yen)

	Net Sales	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	17,600	220	200	8.00
Revised forecast (B)	16,100	50	10	0.40
Difference (B-A)	-1,500	-170	-190	
Percentage change (%)	-8.5	-77.3	-95.0	
FY2012 (ended March 31, 2013)	15,680	344	395	15.82

5. Reason for Revision

Although there's currently nothing reassuring about capital investment at semiconductor manufacturers or assembly factories, our original compression molding device is gradually penetrating the market, and our singulation business, which we have been putting more effort into, and repeat mold strategy are supplementing our orders and sales. As a result, we predict our sales for this consolidated cumulative second quarter will surpass our plan.

However, our singulation products still require reform and improvement, repeat molding is the strategic sale price setting, and we developed next-generation development of products with compression technology positively. These factors have pushed up the cost of sales for this consolidated cumulative quarter, and therefore, we predict profits lower than our plan.

Furthermore, at the beginning of the fiscal year, we predicted extending investment for post-process manufacturing devices until the latter half of the fiscal year. While there won't be a huge drop in capital investment at semiconductor manufacturers and assembly factories for the second half of the year, it is unlikely that investment will quickly shift to a more active stance. We believe it's unlikely our group's orders and sales will increase remarkably in the second half of the fiscal year.

As a result of the above, we have decided to revise expected results for the second half of the fiscal year and for the full fiscal year as shown above.