

## FY2016 Third Quarter Consolidated Financial Results

(April 1, 2016 through December 31, 2016)

February 9, 2017

Company Name: TOWA CORPORATION  
 Stock Listings: Tokyo Stock Exchange  
 Code Number: 6315  
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 Quarterly Report Filing Date (as planned): February 10, 2017  
 Quarterly Results Supplemental Materials: Yes  
 Quarterly Results Presentation Meeting: None

(Amounts are rounded to the nearest million yen)

### 1. Consolidated Financial Results for the Third Quarter of FY 2016 (April 1, 2016 through December 31, 2016)

#### (1) Consolidated Financial Results (% indicates changes from the previous corresponding term)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3Q FY2016	21,541	34.7	3,269	189.4	3,563	192.2	2,967	167.7
3Q FY2015	15,986	—	1,129	—	1,219	—	1,108	—

Reference: Comprehensive income at the end of 3Q FY2016: 3,240 million yen (287.9%)  
 Comprehensive income at the end of 3Q FY2015: 835 million yen ( — %)

	Net income per share	Diluted net income per share
	Yen	Yen
3Q FY2016	118.67	—
3Q FY2015	44.33	—

Note: Year-on-year increases/decreases for the nine months ended December 31, 2016, are not stated as changes in accounting policies (change of revenue recognition standard) have been applied retroactively.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
3Q FY2016	34,926	23,984	67.6
FY2015	31,664	21,006	65.2

Reference: Equity at the end of 3Q FY2016: 23,609 million yen, Equity at the end of FY2015: 20,650 million yen

Note: The Company has changed its accounting policies from the first-quarter consolidated account period (change of revenue recognition standard).

To conform to this change, figures for the fiscal year 2015 have been modified retroactively.

## 2. Cash Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2015	—	0.00	—	10.00	10.00
FY2016	—	0.00	—		
FY2016(E)				10.00	10.00

Note: Revisions to forecast of dividends: None

## 3. Forecast of Consolidated Results for FY2016 (April 1, 2016 through March 31, 2017)

(% indicates changes from the previous corresponding term)

	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	27,000	21.2	3,500	79.1	3,700	76.8	3,500	91.7	139.94

Note: Revisions to forecast of financial results: Yes

The Company has changed its accounting policies from the first-quarter consolidated account period (change of revenue recognition standard).

To conform to this change, Year-on-year change have been calculated using figures applied retroactively.

## 4. Others

- (1) Changes in significant subsidiaries during the Third Quarter of FY2016  
(Changes in specified subsidiaries resulting in changes in scope of consolidation) : None
- (2) Simplified accounting procedures and adoption of special accounting methods for preparation of Quarterly Financial Statements: None
- (3) 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: Yes
  - 3) Changes in accounting estimates: None
  - 4) Restatement: None
- (4) Number of shares issued and outstanding (common stock)
  - 1) Number of shares issued and outstanding (including treasury shares):  
3Q FY2016 25,021,832 shares, FY2015 25,021,832 shares
  - 2) Number of treasury shares:  
3Q FY2016 11,527 shares, FY2015 11,253 shares
  - 3) Average number of shares outstanding during the quarterly period:  
3Q FY2016 25,010,474 shares, 3Q FY2015 25,010,686 shares

### \* Implementation status of quarterly financial review procedures

This quarterly financial report is not subject to audit procedures by independent auditors under Japan's Financial Instruments and Exchange Act. At the time of release of this report, quarterly financial review procedures under the Financial Instruments and Exchange Act 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.