

FY2014 First Quarter Consolidated Financial Results

(April 1, 2014 through June 30, 2014)

August 8, 2014

Company Name: TOWA CORPORATION
 Stock Listings: Tokyo Stock Exchange
 Code Number: 6315
 URL: <http://www.towajapan.co.jp>
 Representative: Hirokazu Okada, President and CEO
 Inquiries: Yoshizumi Tamura, Director, Executive Officer
 Division Manager of Administration Div.
 Telephone Number: (075)692-0251
 Quarterly Report Filing Date (as planned): August 11, 2014
 Quarterly Results Supplemental Materials: Yes
 Quarterly Results Presentation Meeting: None

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of FY 2014 (April 1, 2014 through June 30, 2014)

(1) Consolidated Financial Results (% of change from the same quarter of the prior fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q FY2014	4,897	37.7	425	—	414	—	377	—
1Q FY2013	3,555	-36.6	-148	—	-133	—	-157	—

Note: Comprehensive income at the end of 1Q FY2014: 360 million yen (177.7%),

Comprehensive income at the end of 1Q FY2013: 129 million yen (-80.4%)

	Net income per share	Diluted net income per share
	Yen	Yen
1Q FY2014	15.10	—
1Q FY2013	-6.31	—

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio
	Million yen	Million yen	%
1Q FY2014	30,156	18,375	60.0
FY2013	29,132	17,909	60.6

Reference: Equity at the end of 1Q FY2014: 18,097 million yen,

Equity at the end of FY2013: 17,652 million yen

2. Cash Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2013	—	0.00	—	10.00	10.00
FY2014	—				
FY2014(E)		0.00	—	10.00	10.00

Note: Revisions to forecast of dividends in this quarter: None

3. Forecast of Consolidated Results for FY2014 (April 1, 2014 through March 31, 2015)

(% of change from previous year)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Interim	10,900	30.9	1,200	—	1,100	995.4	1,100	—	43.98
Year-end	18,900	10.1	1,350	194.9	1,200	79.9	1,150	102.4	45.98

Note: Revisions to forecast of financial results in this quarter: Yes

4. Others

(1) Changes in significant subsidiaries during the First Quarter of FY2014

(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: None

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):

1Q FY2014 25,021,832 shares, FY2013 25,021,832 shares

2) Number of treasury shares:

1Q FY2014 10,633 shares, FY2013 10,633 shares

3) Average number of shares outstanding during the quarterly period:

1Q FY2014 25,011,199 shares, 1Q FY2013 25,011,880 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 Law. At the time of release of this report, quarterly financial review procedures under the Financial Instruments and Exchange Law 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.

The forecast of consolidated financial results for FY 2014 which TOWA announced on May 12, 2014 was revised on this document.