

## FY2007 Consolidated Financial Results

(April 1, 2007 through March 31, 2008)

May 21, 2008

Company Name:	TOWA CORPORATION
Stock Listings:	First Section of Tokyo Stock Exchange First Section of Osaka Securities Exchange
Code Number:	6315
URL:	<a href="http://www.towajapan.co.jp">http://www.towajapan.co.jp</a>
Representative:	Yoichi Kawahara, President and COO
Inquiries:	Hisao Nishimura, Director and Senior Executive Officer Department Manager of Corporate Planning Dept.
Telephone Number:	(075)692-0251
Date of general shareholders' meeting:	June 27, 2008
Payment date of cash dividends:	June 30, 2008
Filing date of financial statements	June 30, 2008

(Amounts are rounded to the nearest million yen)

### 1. Consolidated Financial Results for the FY 2007 (April 1, 2007 through March 31, 2008)

#### (1) Consolidated Financial Results

(%of change from previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2007	25,753	2.4	2,381	94.5	2,125	64.8	2,118	104.0
FY2006	25,159	28.1	1,224	—	1,289	—	1,038	—

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Ordinary income to net sales
	Yen	Yen	%	%	%
FY2007	84.70	—	13.5	6.1	9.2
FY2006	41.59	—	7.4	3.6	4.9

Reference: Equity in earnings of affiliates: 331 million yen (For FY2007), 256 million yen (For FY2006)

#### (2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
FY2007	34,360	16,394	47.7	655.40
FY2006	34,925	14,941	42.8	597.27

Reference: Equity at the end of FY2007: 16,394 million yen, Equity at the end of FY2006: 14,941 million yen

#### (3) Consolidated Situation of a Cash Flow

	Cash flow from sales activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY2007	2,587	-1,083	-1,947	3,351
FY2006	1,894	252	-2,203	3,542

## 2. Cash Dividends

	Cash dividends per share			Total amount of cash dividends (annual)	Dividends payout ratio (Consolidated)	Ratio of total amount of dividends to shareholders' equity (consolidated)
	Interim	Year-end	Annual			
	Yen	Yen	Yen	Million yen	%	%
FY2006	0.00	5.00	5.00	125	12.0	0.9
FY2007	0.00	10.00	10.00	250	11.8	1.6
FY2008(E)	0.00	12.00	12.00	—	13.6	—

## 3. Forecast of Consolidated Results for FY2008 (April 1, 2008 through March 31, 2009)

(% 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	10,000	-12.7	400	-50.2	300	-63.6	200	-77.4	8.00
Year-end	24,000	-6.8	2,500	5.0	2,400	12.9	2,200	3.8	87.95

## 4. Others

### (1) Changes in significant subsidiaries during FY2007

(Changes in specified subsidiaries resulting in changes in scope of consolidation) : None

### (2) Changes in Accounting Principles, Procedures and the Presentation of the Consolidated Financial Statements

① Changes based on revisions of accounting standard: Yes

② Changes other than ① above: Yes

### (3) Number of shares issued and outstanding (common stock)

① Number of shares issued and outstanding at the end of each fiscal year (including treasury shares):

FY2007 25,021,832 shares, FY2006 25,021,832 shares

② Number of treasury shares at the end of each fiscal year:

FY2007 7,362 shares, FY2006 6,418 shares

(Preference) Outline of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the FY 2007 (April 1, 2007 through March 31, 2008)

(1) Non-Consolidated Financial Results

(% of change from previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2007	23,576	15.3	1,641	-0.2	1,234	-26.9	1,256	118.9
FY2006	20,444	25.6	1,644	—	1,689	—	573	—

	Net income per share	Diluted net income per share
	Yen	Yen
FY2007	50.21	—
FY2006	22.98	—

(2) Non-Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
FY2007	32,366	14,093	43.5	563.40
FY2006	32,308	13,250	41.0	529.71

Reference: Equity at the end of FY2007: 14,093 million yen, Equity at the end of FY2006: 13,250 million yen

2. Forecast of Non-Consolidated Results for FY2008 (April 1, 2008 through March 31, 2009)

(% 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	9,800	-7.7	270	-60.5	190	-65.5	120	-77.8	4.80
Year-end	23,500	-0.3	1,700	3.6	1,500	21.5	1,300	3.5	51.97