

FY2008 First Quarter Consolidated Financial Results

(April 1, 2008 through June 30, 2008)

August 11, 2008

Company Name:	TOWA CORPORATION
Stock Listings:	Tokyo Stock Exchange Osaka Securities Exchange
Code Number:	6315
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Filing date of quarterly consolidated financial statements	August 12, 2008

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of FY 2008 (April 1, 2008 through June 30, 2008)

(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 FY2008	3,192	—	-1,061	—	-1,095	—	-1,136	—
1Q FY2007	6,090	9.0	470	143.5	583	356.5	562	600.3

	Net income per share	Diluted net income per share
	Yen	Yen
1Q FY2008	-45.44	—
1Q FY2007	22.48	—

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
1Q FY2008	33,393	14,969	44.8	598.42
FY2007	34,360	16,394	47.7	655.40

Reference: Equity at the end of 1Q FY2008: 14,969 million yen, Equity at the end of FY2007: 16,394 million yen

2. Cash Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2007	—	0.00	—	10.00	10.00
FY2008	—	—	—	—	—
FY2008(E)	—	0.00	—	12.00	12.00

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

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	9,200	-19.7	-500	—	-500	—	-500	—	-19.98
Year-end	22,000	-14.6	1,200	-49.6	1,200	-43.5	1,200	-43.3	47.96

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

4. Others

(1) Changes in significant subsidiaries during the First Quarter of FY2008

(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: Yes

(3) Changes in Accounting Principles, Procedures and the Presentation of the Quarterly Consolidated Financial Statements

1) Changes based on revisions of accounting standard: Yes

2) Changes other than 1) above: None

(4) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding (including treasury shares):

1Q FY2008 25,021,832 shares, FY2007 25,021,832 shares

2) Number of treasury shares:

1Q FY2008 7,418 shares, FY2007 7,362 shares

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

1Q FY2008 25,014,453 shares, 1Q FY2007 25,015,302 shares