

FY2017 First Quarter Consolidated Financial Results

(April 1, 2017 through June 30, 2017)

August 8, 2017

Company name: TOWA CORPORATION
Stock exchange listings: First Section of Tokyo Stock Exchange
Code number: 6315
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Representative: Hirokazu Okada, President and CEO
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Scheduled filing date of Quarterly Report: August 9, 2017
Scheduled dividend payment date: —
Presentation meeting on Quarterly Results: None

(Monetary amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the First Quarter of FY2017 (April 1, 2017 through June 30, 2017)

(1) Consolidated Financial Results

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q FY2017	7,068	4.9	1,014	56.3	1,004	62.5	665	39.6
1Q FY2016	6,738	17.6	648	30.7	618	17.2	476	-21.4

[Note] Comprehensive income: June 30, 2017; 802 million yen (959.0%)
June 30, 2016; 75 million yen (-87.9%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
1Q FY2017	26.62		—	
1Q FY2016	19.06		—	

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
As of June 30, 2017	36,063		25,481		69.6	
As of March 31, 2017	36,036		25,100		68.5	

[Reference] Equity: June 30, 2017; 25,104 million yen
March 31, 2017; 24,694 million yen

2. Cash Dividends

	Cash Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2016	—	0.00	—	16.00	16.00
FY2017	—				
FY2017(E)		0.00	—	16.00	16.00

[Note] Revisions to the latest forecast of cash dividends: None

3. Forecast of Consolidated Financial Results for FY2017 (April 1, 2017 through March 31, 2018)

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.)

	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
Interim	14,500	2.4	2,000	1.6	2,100	2.8	1,450	-9.9	57.98
Year-end	29,500	6.8	4,000	4.4	4,150	0.4	2,850	-26.3	113.95

[Note] Revisions to the latest forecast of financial results: None

4. Other information

(1) Changes in significant subsidiaries during the First Quarter of FY2017

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

(2) Adoption of special accounting methods for preparation of quarterly financial statements: None

(3) Changes in accounting policies, accounting estimates and restatement

- 1) Changes in accounting policies along with changes in accounting standards: None
- 2) Changes in accounting policies besides 1) above: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of shares outstanding (common shares)

- 1) Number of shares outstanding (including treasury shares) as of June 30, 2017: 25,021,832 shares
as of March 31, 2017: 25,021,832 shares
- 2) Number of treasury shares as of June 30, 2017: 11,758 shares
as of March 31, 2017: 11,698 shares
- 3) Average number of shares outstanding during the three months ended June 30, 2017: 25,010,099 shares
during the three months ended June 30, 2016: 25,010,579 shares

*** This quarterly financial results report is not subject to audit.**

*** 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 available information as of the announcement date and actual results could differ from the forecasts for various reasons.