

March 15, 2011

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President and COO
TOWA Corporation

Effect of the Tohoku Earthquake on TOWA Corporation

TOWA Corporation would like to express its condolences to the victims of the Earthquake.

TOWA Corporation has established a Countermeasures Division with the president of the company functioning as the Disaster Countermeasures GM for the Tohoku Earthquake occurred on the afternoon of March 11. We will immediately consider the policy and act accordingly to gather information and implement appropriate countermeasures.

Below is information we had confirmed as of now;

- (1) It is confirmed that there is no human damage at our production, development and sales site of TOWA group. In addition, there is only a minor property damage and will not affect to our operation and business.
- (2) According to our logistics partners, oversea air and ocean cargo shipment is operating as usual.
- (3) According to our logistics partners, below is the area that is impossible to deliver domestically.
 - Tohoku area and nearby prefecture
 - Below area is possible to deliver but it is hard to specify the delivery date and time.
 - Hokkaido and part of Kanto (Tokyo) area
- (4) We are now investigating the delivery system of our suppliers which has production site in Tohoku area. However we will arrange replacements for those products which is planned to deliver soon without waiting above investigation.
- (5) The planned power stoppage prevailed by Tokyo Electric Power Company includes our Yamanashi plant which fabricates the fine plastic products but the rest of our fabrication plant is operating as usual. Furthermore, our fabrication plants are located far away from the Fukushima nuclear energy plant of Tokyo Electric Power Company and will not affect our operation.

We will continue to gather information and if there's any change to the business environment, we will inform immediately to the stake holders.