

TOWA Announces Revised Forecast for the Fiscal Year 2012

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TOWA CORPORATION announced today a revision of its financial forecast for the fiscal year from those issued on August 8, 2012.

1. Revision of Consolidated forecast for the fiscal year ended March 31, 2013 (from April 1, 2012 to March 31, 2013)

(In millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	19,000	1,800	1,710	1,680	67.17
Revised forecast (B)	16,300	220	800	780	31.18
Difference (B-A)	-2,700	-1,580	-910	-900	
Percentage change (%)	-14.2	-87.8	-53.2	-53.6	
FY2011 (ended March 31, 2012)	17,140	1,476	1,672	968	38.71

2. Revision of Non-Consolidated forecast for the fiscal year ended March 31, 2013 (from April 1, 2012 to March 31, 2013)

(In millions of yen)

	Net Sales	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	18,660	1,140	1,080	43.18
Revised forecast (B)	15,600	670	700	27.99
Difference (B-A)	-3,060	-470	-380	
Percentage change (%)	-16.4	-41.2	-35.2	
FY2011 (ended March 31, 2012)	16,396	1,674	2,233	89.28

3. Reason for Revision

As described in "TOWA Announces Revised Forecast for the Fiscal Year 2012" issued on Aug. 8, 2012, TOWA has revised downward our initial plans for the second half of the year due to reasons such as the investment plans of semiconductor manufacturers and assembly firms being unclear for the second half of the present consolidated accounting year, and in some cases they are showing a conservative trend.

Additionally, the building up of distributors' stocks of semiconductor and electronic products for the Christmas and Chinese New Year sales wars was contrary to expectations and market conditions are worsening such that we have reached a point where an adjustment in the production of even smartphones, previously driving demand, can be foreseen.

As a result, investment in manufacturing equipment has been more stagnant than previously expected by TOWA, resulting in extremely poor figures for the amount of orders received and net sales for TOWA in this third quarter of the consolidated accounting year.

For these reasons, we have decided to revise our financial forecast as described above.