

TOWA Announces Revised Forecast for the Fiscal Year 2014

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TOWA CORPORATION announced today a revision of its financial forecast for the fiscal year from those issued on May 12, 2014.

1. Revision of Consolidated forecast for the first half of the fiscal year (from April 1, 2014 to September 30, 2014)

(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)	10,000	850	800	750	29.99
Revised forecast (B)	10,900	1,200	1,100	1,100	43.98
Difference (B-A)	900	350	300	350	
Percentage change (%)	9.0	41.2	37.5	46.7	
First half of FY2013 (ended September 30, 2013)	8,328	67	100	52	2.10

2. Revision of Consolidated forecast for the fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(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)	18,000	1,000	900	800	31.99
Revised forecast (B)	18,900	1,350	1,200	1,150	45.98
Difference (B-A)	900	350	300	350	
Percentage change (%)	5.0	35.0	33.3	43.8	
FY2013 (ended March 31, 2014)	17,165	457	666	568	22.72

3. Revision of Non-Consolidated forecast for the first half of the fiscal year (from April 1, 2014 to September 30, 2014)

(In millions of yen)

	Net Sales	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	9,700	200	190	7.60
Revised forecast (B)	10,400	900	900	35.98
Difference (B-A)	700	700	710	
Percentage change (%)	7.2	350.0	373.7	
First half of FY2013 (ended September 30, 2013)	7,889	-23	-0	-0.04

4. Revision of Non-Consolidated forecast for the fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(In millions of yen)

	Net Sales	Ordinary Income	Net Income	Net Income per share
	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	17,500	230	210	8.40
Revised forecast (B)	18,200	930	920	36.78
Difference (B-A)	700	700	710	
Percentage change (%)	4.0	304.3	338.1	
FY2013 (ended March 31, 2014)	16,239	386	394	15.76

5. Reason for Revision

While the capital investment of the OSAT companies is changing more powerfully than an assumption of the beginning of a term, we have developed optimal-site-production system involving both offshore production companies and subcontract companies in Japan, have dealt with exchange fluctuation, and have pushed forward cost-reduction. As a result, consolidated results and individual treatment achievements in the first half of the year are expected to exceed original expectation.

On the other hand, although it seems that the capital investment of the OSAT companies of the second half of the year maintains positive posture continuously, the general trend doesn't reach to a situation in which uncertainty of semiconductor demand or the market environment is casted aside. Therefore, we revised up earnings forecast of the first half and kept an assessment figure at the beginning of a term as it is in the second half of the year, and decided to revise the whole financial year earnings forecast.