

TOWA Announces Revised Forecast for the Fiscal Year 2010

Company Name: TOWA CORPORATION
 Representative: Hisao Nishimura, President and COO
 Code Number: 6315
 Inquiries: Masatoshi Kishimoto, Executive Officer
 Division Manager of Administration Div.
 Telephone Number: (075)692-0251

TOWA CORPORATION announced today a revision of its financial forecast for the first half of the fiscal year (from April 1, 2010 to September 30, 2010) from those issued on May 13, 2010.

1. Revision of Consolidated forecast for the first half of the fiscal year (from April 1, 2010 to September 30, 2010)

(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	500	450	400	15.99
Revised forecast (B)	12,000	1,900	1,900	1,900	75.96
Difference (B-A)	2,000	1,400	1,450	1,500	—
Percentage change (%)	20.0	280.0	322.2	375.0	—
First half of FY2009 (ended September 30, 2009)	5,831	- 867	- 1,037	- 979	- 39.15

2. Revision of Non-Consolidated forecast for the first half of the fiscal year (from April 1, 2010 to September 30, 2010)

(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)	9,500	350	300	250	10.00
Revised forecast (B)	11,800	1,800	1,800	1,800	71.96
Difference (B-A)	2,300	1,450	1,500	1,550	—
Percentage change (%)	24.2	414.3	500.0	620.0	—
First half of FY2009 (ended September 30, 2009)	5,607	- 947	- 898	- 769	- 30.74

3. Reason for Revision

Rebounding greatly from the negative growth of the previous year, the semiconductor market during the first quarter of the year ending March 2011 displayed excellent performance, with demand being powerfully boosted by electronic devices such as PCs and multifunctional mobile phones, etc. In the area of manufacturing equipment investment, the market has recovered beyond expected levels due to the decision of semiconductor makers to invest in full-scale mass production in anticipation of increasing demand in Asia especially China.

Against this background, TOWA has adopted an increased production setup for responding to rapidly growing orders and has boosted production capacity while keeping increases in fixed costs to a minimum. Moreover, through building the setup to conduct direct shipping from overseas production centers, we have taken all possible steps geared to achieving quick deliveries.

As a result, we expect sales, operating profit, ordinary profit and quarterly net profit for the first quarter to exceed targets; moreover, since orders are likely to remain solid, we have revised our cumulative performance forecast through the second quarter.

In addition, we are currently scrutinizing the performance forecast for the overall term and will immediately inform you of this and the forecast dividend as soon as they are set.

(Note) Caution points concerning statements about future events

Statements contained herein about future business prospects, etc. are based on information that has been obtained by the Group and certain assumptions that are deemed to be rational, however, actual business performance may be subject to major fluctuations depending on various factors.