

## FY2018 First Quarter Consolidated Financial Results

(April 1, 2018 through June 30, 2018)

August 8, 2018

Company name: TOWA CORPORATION  
Stock exchange listings: First Section of Tokyo Stock Exchange  
Code number: 6315  
URL: <http://www.towajapan.co.jp>  
Representative: Hirokazu Okada, President and CEO  
Contact person: Nobutaka Shibahara, Division Manager of Corporate Planning Div.  
Tel. +81 75-692-0251  
Scheduled filing date of Quarterly Report: August 9, 2018  
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 FY2018 (April 1, 2018 through June 30, 2018)

#### (1) Consolidated Financial Results for the three months period

(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 FY2018	7,612	7.7	636	-37.2	694	-30.9	481	-27.7
1Q FY2017	7,068	4.9	1,014	56.3	1,004	62.5	665	39.6

[Note] Comprehensive income: Three months ended June 30, 2018; 254 million yen (-68.3%)  
Three months ended June 30, 2017; 802 million yen (959.0%)

	Net income per share	Diluted net income per share
	Yen	Yen
1Q FY2018	19.26	—
1Q FY2017	26.62	—

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2018	41,711	27,759	66.6
As of March 31, 2018	39,842	27,905	70.0

[Reference] Equity: June 30, 2018; 27,759 million yen  
March 31, 2018; 27,905 million yen

[Note] The Company applies revised accounting standard relating to tax effect accounting (the standard was set by ASBJ [Accounting Standards Board of Japan, an organization of Financial Accounting Standards Foundation] and the relevant revision was made on February 16, 2018) etc. from the beginning of the first quarter of FY2018. For comparison, the Company modified the figures in "As of March 31, 2018" retroactively.

## 2. Cash Dividends

	Cash Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2017	—	0.00	—	16.00	16.00
FY2018	—				
FY2018(E)		0.00	—	16.00	16.00

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

## 3. Forecast of Consolidated Financial Results for FY2018 (April 1, 2018 through March 31, 2019)

(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	16,700	7.0	2,000	-19.7	2,000	-19.1	1,450	-12.5	57.98
Year-end	33,500	8.0	4,000	8.6	4,000	13.0	2,900	-4.2	115.96

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

## 4. Other information

### (1) Changes in significant subsidiaries during the first quarter of FY2018

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

### (2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: None

### (3) Changes of accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes of accounting policies accompanied by revision of accounting standard etc.: None
- 2) Changes of accounting policies other than 1): None
- 3) Changes in accounting estimates: None
- 4) Retrospective restatement: None

### (4) Number of shares outstanding (common shares)

- 1) Number of shares outstanding (including treasury stock) as of June 30, 2018: 25,021,832 shares  
as of March 31, 2018: 25,021,832 shares
- 2) Number of treasury stock as of June 30, 2018: 12,312 shares  
as of March 31, 2018: 12,266 shares
- 3) Average number of shares outstanding during the three months ended June 30, 2018: 25,009,523 shares  
during the three months ended June 30, 2017: 25,010,099 shares

**\* This financial results report is not subject to audit by a certified public accountant or an audit corporation.**

### **\* 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.