

FY2019 Consolidated Financial Results

(April 1, 2019 through March 31, 2020)

May 28, 2020

Company name: TOWA CORPORATION
 Stock exchange listings: First Section of Tokyo Stock Exchange
 Code number: 6315
 URL: <https://www.towajapan.co.jp>
 Representative: Hirokazu Okada, President and CEO
 Contact person: Nobutaka Shibahara, Executive Officer and Corporate Planning Div. Manager
 Telephone number: +81 75-692-0251
 Scheduled date of annual shareholders' meeting: June 26, 2020
 Scheduled dividend payment date: June 29, 2020
 Scheduled filing date of financial statements: June 25, 2020
 Presentation meeting on financial results: None

(Monetary amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for FY2019 (April 1, 2019 through March 31, 2020)

(1) Consolidated Financial Results

(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	%
FY2019	25,255	-10.7	812	-13.3	647	-31.1	368	-58.0
FY2018	28,272	-8.8	937	-74.6	939	-73.5	877	-71.0

[Note] Comprehensive income: FY2019; -458 million yen (- %)

 FY2018; 105 million yen (-97.1%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY2019	14.75	-	1.4	1.5	3.2
FY2018	35.09	-	3.2	2.2	3.3

[Reference] Equity in net income (loss) of affiliate companies: FY2019; million yen

 FY2018; million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2020	43,124	27,017	62.4	1,076.63
As of March 31, 2019	43,968	27,722	62.8	1,104.23

[Reference] Equity: March 31, 2020; 26,925 million yen

 March 31, 2019; 27,616 million yen

(3) Consolidated Situation of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of FY
	Million yen	Million yen	Million yen	Million yen
FY2019	6,352	-2,536	-1,560	9,823
FY2018	-2,600	-2,520	6,580	7,626

2. Cash Dividends

	Cash Dividends per share					Total dividend payment (annual)	Pay-out ratio (consolidated)	Dividend to net assets (consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2018	-	0.00	-	16.00	16.00	400	45.6	1.4
FY2019	-	0.00	-	16.00	16.00	400	108.5	1.5
FY2020(E)	-	0.00	-	16.00	16.00		29.4	

3. Forecast of Consolidated Financial Results for FY2020 (April 1, 2020 through March 31, 2021)

(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	14,000	20.3	780	-	780	-	530	-	21.19
Year-end	29,000	14.8	2,000	146.2	2,000	209.1	1,360	268.8	54.38

4. Other information

(1) Changes in significant subsidiaries during FY2019

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

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

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

[Note] The Company has adopted IFRS 16 "Leases" for an overseas subsidiary from the beginning of FY2019.

(3) Number of shares outstanding (common shares)

- 1) Number of shares outstanding (including treasury stock) at the end of each fiscal year:
FY2019 25,021,832 shares, FY2018 25,021,832 shares
- 2) Number of treasury stock at the end of each fiscal year:
FY2019 12,620 shares, FY2018 12,526 shares
- 3) Average number of shares outstanding during each fiscal year:
FY2019 25,009,254 shares, FY2018 25,009,450 shares

(Reference) Outline of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for FY2019 (April 1, 2019 through March 31, 2020)

(1) Non-Consolidated Financial Results

(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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2019	20,385	-12.1	-451	-	-384	-	-289	-
FY2018	23,188	-18.6	-827	-	-737	-	-467	-

	Net income per share	Diluted net income per share
	Yen	Yen
FY2019	-11.59	-
FY2018	-18.71	-

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2020	35,521	20,949	59.0	837.66
As of March 31, 2019	36,530	21,699	59.4	867.67

[Reference] Equity: March 31, 2020; 20,949 million yen
March 31, 2019; 21,699 million yen

2. Forecast of Non-Consolidated Financial Results for FY2020 (April 1, 2020 through March 31, 2021)

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.)

	Net Sales		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Interim	11,000	20.0	160	-	110	-	4.40
Year-end	23,000	12.8	700	-	483	-	19.31

* 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 therefore are not guarantees of future performance. Actual results may differ substantially from the forecasts for various reasons.