

February 10, 2012

**Consolidated Financial Results**  
**Year-to-Date Through the 3<sup>rd</sup> Quarter**  
**and**  
**Revision of the Annual Forecast**

Figures in Million Yen, unless otherwise noted

1. Revenue and Income from April 1, 2011, through December 31, 2011

	Revenue	Operating Income	Recurring Income	Net Income	Income Per Share
This 3rd Quarter Year-to-Date	25,860	121	149	-111	-2.19Yen
Last 3 <sup>rd</sup> Quarter Year-to-Date	30,810	2,003	1,934	1,332	26.12Yen

2. Financial Status December 31, 2011

	Total Assets	Net Assets	Capital to Asset Ratio
End of this 3rd Quarter Dec. 31, 2011	42,832	11,846	25.4%
End of last Fiscal Year March 31, 2011	46,877	12,359	24.3%

3. Forecast of Current Fiscal Year ending March 31, 2012

	Revenue	Operating Income	Recurring Income	Net Income	Net Income Per Share
Revised Forecast	34,000	50	100	-150	-2.94Yen
<i>Previously Forecasted in August 2011</i>	37,000	1,000	1,100	700	13.72Yen

During the first nine months of current Fiscal Year, April 1 through December 31, 2011, the Japanese economy has gradually recovered from the stagnant state in production caused by March 11 earthquake. However, it still remains sluggish due to the appreciation of Yen, dragging deflation, and the flood in Thailand. The global economy is also unpredictable as seen in the slowing growth in China and the financial instability in Europe. Fortunately, the US economy has been improving, though slightly.

Because of these circumstances, Tomoegawa has experienced a downward trend. Demand for our plastic-related business has not rallied from the slump caused by the disaster in Japan and the historically high value of Yen. Our nine month year-to-date Revenue decreased to 25,860 million Yen, which is a decline of 16.1% compared to the same period of the previous fiscal year. Operating Income decreased to 121 million Yen, and Recurring Income decreased 149 million Yen, 93.9% and 92.3% declines respectively. Net Income saw a loss of 111 million Yen. Revenue and income results were lower than the forecast numbers published last August.

Due to the current economic condition of the industries our businesses are in, there don't seem to be any significant increases in demands in the next quarter. Therefore, Tomoegawa revised the forecasts of this fiscal year; decreasing Revenue, Operating Income, and Recurring Income by 8.1%, 95.0%, and 90.9% respectively, from the previous forecasts.

We also modified Net Income forecast from 700 million Yen to a loss of 150 million Yen, in addition to the downward profit projection, reflecting the estimated effect of corporate tax law revision in December 2011 by reducing deferred tax assets.

Even under these challenging circumstances, Tomoegawa Group targets surpluses in both Operating and Recurring Incomes in the current fiscal year ending on March 31, 2012. To ensure further increases in income and profits, we will continue the corporate-wide effort of expanding global sales and developing new products. In addition, we will pursue the structural improvement to attain a competitive edge in the global market under the next three year management plan that starts in April 2012.