

May 15, 2012

**Consolidated Financial Results of the Fiscal Year Ended March 31, 2012  
And  
Outlook for Fiscal Year Ending March 31, 2013**

Figures in Million Yen, unless otherwise noted

**1. Revenue and Income from April 1, 2011, through March 31, 2012**

	Revenue	Operating Income	Recurring Income	Net Income	Income Per Share
FY 2011 ended March 31, 2012	34,699	297	282	189	3.71Yen
FY 2010 ended March 31, 2011	41,626	2,581	2,484	1,725	33.82Yen

**2. Financial Status March 31, 2012**

	Total Assets	Net Assets	Capital to Asset Ratio	Net Asset Per Share
End of FY 2011 March 31, 2012	42,614	12,291	26.6%	222.38Yen
End of FY 2010 March 31, 2011	46,877	12,359	24.3%	223.72Yen

**3. Forecast of Current Fiscal Year ending March 31, 2013**

	Revenue	Operating Income	Recurring Income	Net Income	Net Income Per Share
First Half	17,500	150	150	50	0.98Yen
Whole fiscal year	36,000	700	700	450	8.82Yen

During the Fiscal Year, April 1, 2011 through March 31, 2012 (hereafter, "FY2011"), in addition to the global economic downturn and the historic level of Yen appreciation, TOMOEGAWA's sales were affected by the major struggle in the Flat Panel Display industry that hit the plastic-related business, one of our major business segments, extremely hard. Our yearly revenue was 34,699 million Yen which was 6,926 million Yen or 16.6% smaller than the previous year. Of that 6,926 million Yen, approximately 2,500 million Yen decrease was caused by accounting change; the sales from joint venture with TOPPAN PRINTING CO., LTD. that produces optic film for liquid crystal display was transferred to TOPPAN, and we started receiving profit in the form of royalty. Meanwhile, our profit figures showed large swings during FY2011. They plunged into the red in 2nd Quarter, but came back into the black in the 4th Quarter, thanks to production cost reduction to meet decreasing demand, and to the signs of sales recovery in some products. Whole FY2011 consolidated operating income, recurring income, and net income were 297 million Yen (88.5% decrease from previous FY), 282 million Yen (88.6% decrease), and 189 million Yen (89.0% decline), respectively.

We recognize current market circumstances which include a shrinking domestic market, increased competition from developing countries and the strong Yen exchange rate as continuous trends rather than short time occurrences. Based on that recognition, TOMOEGAWA Group launched the Fifth Medium-Term Management Plan, whose term started in April 2012 and completes in March 2015, the fiscal year we will celebrate our 100th anniversary. This Plan sets an ideal form of TOMOEGAWA as the "R&D-oriented, cohesive-cultured company that expands globally". This Plan outlines the processes to corporate growth through the expansion of overseas markets and the timely launch of high-function materials and products. The 5 main measures to achieve the Plan are; 1)Raising top line revenue, 2)Making structural change to prepare for global competition, 3)Optimizing development activity and continuous launch of new products, 4)Improve labor productivity to gain a competitive edge in global markets, and 5)Development of self-motivated human resources. In FY 2014, ending March 31, 2015, our group aims at sales revenue of more than 42,000 million Yen, and an operating profit margin of 6.4%, a company record, by realizing a large increase of overseas sales and overseas production, as well as increased contributions from new businesses.

For the current Fiscal Year FY 2012, ending March 31, 2013, which is the first year under the Fifth Medium-Term Management Plan, projected sales figure is 36,000 million Yen, an increase of 3.7% from the previous fiscal year. Our operating income, recurring income, and net income projections are 700 million Yen (135.5% increase); 700 million Yen (147.7% increase); and 450 million Yen (138.0% increase) respectively. Upcoming dividends payment will be 5 yen per share. We consider this amount proper for the balance between the need for internal funds to achieve future growth and rewarding our shareholders in a continuous manner.