

February 10, 2014

Consolidated Financial Results
Year-to-Date through the 3rd Quarter
From April 1 through December 31, 2013 of FY ending March 31, 2014

Figures in Million Yen, unless otherwise noted

1. Revenue and Income from April 1, 2013, through December 31, 2013

	Revenue	Operating Income	Ordinary Income	Net Income	Net Income Per Share
Current Year First 3 Quarters Year-to-Date (YTD)	26,168	797	737	590	11.57Yen
Converted into Millions of U.S. dollars	248.3	7.6	7.0	5.6	US\$0.110
Last Year First 3 Quarters YTD	25,610	332	171	243	4.78Yen
Percent Change From First 3 Quarters YTD	2.2%	139.8%	329.3%	142.0%	-

Note:

U.S. dollar amounts are converted from Yen, for convenience only, at the rate of
¥105.40=U.S.\$1.00

2. Financial Status

December 31, 2013

	Total Assets	Net Assets	Capital to Asset Ratio	Net Assets Per Share
End of Current Year 3rd Quarter, Dec. 31, 2013	39,733	13,422	31.7%	246.54Yen
Converted into Millions of U.S. dollars	377.0	127.4	-	US\$2.339
End of Last Year March 31, 2013	41,909	12,730	28.0%	230.03Yen

Note:

U.S. dollar amounts are converted from Yen, for convenience only, at the rate of ¥105.40=U.S.\$1.00

3. Forecast of Current Fiscal Year, which will end on March 31, 2014

	Revenue	Operating Income	Ordinary Income	Net Income	Net Income Per Share
Whole fiscal year	37,000	800	700	400	7.84Yen

During first three quarters of the current Fiscal Year (April to December, 2013), the effect of Japanese economic recovery can be seen at more occasions; The adjustment of strong Yen exchange rate and the rise of stock market were achieved thanks to the expectation to the successful governmental economic policy and the positive effect of easing monetary policy. On the other hand, the price increase of raw material, fuel, and import goods and the concerns to the negative effect of scheduled consumption tax rate increase make future projections somewhat unclear.

Under such circumstance, Tomoegawa recorded revenues of ¥26,168 million for the first three quarters, which was ¥557 million or 2.2% higher than the revenue of same period of the previous year. Because of the market demand shift from PCs to tablets, the sales of our product used for the manufacturing of semiconductors in PCs have weakened, but our toner business has been strong, thanks to the improvement in the export environment and robust condition of overseas business, which contributed to this revenue increase.

Our Operating income, Ordinary income, and Net income were ¥797 million (+464 million, +139.8% from the first three quarters figures of previous year), ¥737 million (+565million, +329.3%), and ¥590 million (+346million, +142.0%), respectively. In addition to the aforementioned strong overseas toner business, cost reductions achieved through the improvement of production yields and energy efficiency, and favorable shift of Yen exchange rate contributed to this profit increase. While we had to record extraordinary loss caused by the fixed asset disposal, our tax expense was reduced thanks to the increase of deferred tax assets account, which is the reason why our Net income to Ordinary income ratio is higher than usual.

We TOMOEGAWA set an ideal form of Tomoegawa's status as "R & D oriented cohesive-cultured company that expands globally". And, we are under the Fifth Mid-Term Management Plan of three years that will conclude during the fiscal

year 2014, which is our 100th anniversary year. As a path to approach that form, we set the target of current year (Fiscal Year 2013, ending on March 31, 2014) as “Stabilize the trend of sales and profit increase by harvesting the result of expansion to global market, to the new business field and launching of new products.”

So far, our overseas sales ratio during the first three quarters of current fiscal year has risen to 35% from 30% of last year number and 26% of the year before. This result was achieved thanks to the productivity and profitability improvement at the factories in the United States and China. To increase overseas sales even more, we started active marketing of our advanced electric insulating material technology at our Taiwan representative office, which was opened last October.

We have merged a paper business subsidiary to integrate our business resources in order to accelerate new technology development through the fusion of different techniques. We aim to increase sales of new products through the expansion into the emerging markets. In the field of Flat Panel Display (FPD) business, we continue to shift our business focus from used-for-TV products to the used-for-Mid/Small-display of tablets and touch panels, while try to acquire new businesses.

TOMOEGAWA have decided not to alter our yearly forecast figures which we announced last May. As foreign currency exchange market is settling down, the competition becomes intense again in Toner business that has been the leading factor of our recovery in the current fiscal year. Also, there are general concern on the currency instability and economic slow down among the emerging nations. Those are the reasons why we did not make an upward revision of our current year forecasts.