

Company name: **Toagosei Co., Ltd.** (Code number: 4045)
 Representative: Mikishi Takamura, President
 Contact: Hiroshi Nemoto, General Manager
 Investor Relations & Public Relations Sec.
 TEL: +81-3-3597-7215

Toagosei Co., Ltd. Announces Revisions to Performance Forecast, Payment of an Interim Dividend from Surplus and Year-End Dividend Forecast

Based on the current performance trend, Toagosei Co., Ltd. has revised the performance forecast for the fiscal year ended December 31, 2016, announced on February 4, 2016.

Additionally, The Board of Directors of the Company approved a resolution on July 29, 2016 to pay an interim dividend from surplus with the record date of June 30, 2016, and to revise its year-end dividend forecast.

1. Revised of the Consolidated Performance Forecast

(1) Full-Year of Fiscal 2016(from January 1, 2016 to December 31, 2016)

(Millions of yen)

| | Sales | Operating income | Ordinary income | Net income attributable to owners of parent | Net income per share (yen) |
|---------------------------------------|---------|------------------|-----------------|---|----------------------------|
| Previous Forecast (A) | 140,000 | 13,000 | 14,000 | 9,000 | 68.36 |
| Revised Forecast (B) | 137,000 | 15,000 | 16,000 | 10,000 | 75.96 |
| Variance of Amount (B-A) | (3,000) | 2,000 | 2,000 | 1,000 | — |
| Variance in Percentage | (2.1) | 15.4 | 14.3 | 11.1 | — |
| (Reference) Results of fiscal 2015 | 139,848 | 12,347 | 13,201 | 6,696 | 50.86 |

* Toagosei Co., Ltd. has implemented the share consolidation of common stocks at a ratio of one share per two shares effective on July 1, 2015. Accordingly, net income per-share is calculated on the assumption that the share consolidation was implemented at the beginning of the previous fiscal year.

(2) Reason for the revision

Toagosei Co., Ltd. expects its sales to be lower than previously forecasted because of declines in product selling prices caused by falling prices of raw materials. Full-year income, conversely, are expected to be higher than previously forecasted because of reduction of production costs caused by prices for raw materials.

2. Payment of an Interim Dividend from Surplus and Change in Year-End Dividend Forecast

(1)Details of Payment of an Interim Dividend from Surplus

| | Fixed figures | Most Recent dividend forecast (Announced on February 4,2016) | FY2015 (actual) |
|--|-------------------|--|-------------------|
| Record date | June 30, 2016 | Same as left | June 30, 2015 |
| Dividend per share(Yen) | 13.00 | 12.00 | 6.00 |
| Total dividend amount(Millions of yen) | 1,711 | — | 1,579 |
| Effective date | September 6, 2016 | — | September 4, 2016 |
| Source of funds for dividend | Retained earnings | — | Retained earnings |

(2)Details of revisions to Year-End Dividend Forecast

| | Dividend per Share (Yen) | | |
|---|--------------------------|----------|-------|
| | Second quarter-end | Year-end | Total |
| Previous Forecast (February 4, 2016) | 12.00 | 12.00 | 24.00 |
| Revised forecast | — | 13.00 | 26.00 |
| Current year Result | 13.00 | — | — |
| (Reference) Results of fiscal 2015 | 6.00 | 12.00 | — |

*Per-share dividend at the end of fiscal year ending December 31, 2015 is calculated and listed in consideration of the share consolidation effective on July 1, 2015, and total amount of year-end dividends is referred to “—”

(3) Reason for the revision

Following the revision of performance forecast, Toagosei Co., Ltd. has revised its second quarter-end dividend from previously forecasted ¥12.00 to ¥13.00 per share (an increase of ¥1.00). The year-end dividend forecast has also been raised from the previously forecasted ¥12.00 to ¥13.00 per share (an increase of ¥1.00). This will result in the annual dividend forecast of ¥26.00 per share, an increase of ¥2.00 from the previous forecast. The plan of year-end dividend will be placed on the agenda at the time of the regular shareholders' meeting that will be held in March 2017.

* Cautions pertaining to the appropriate use of performance forecasts and other particular items

The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance etc. because of various factors that may arise from now on.

* Disclaimer

This document is a translation of the official Japanese version provided for information purpose only.