

**Summary of Consolidated Financial Statements for the Third Quarter, Ended September 2016**  
(From January 1, 2016 to September 30, 2016)

October 28, 2016

**Toagosei Co., Ltd.**

(URL <http://www.toagosei.co.jp/>)

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Stock exchange listings: Tokyo

Code number: 4045

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**1. Consolidated results for the Third quarter, ended September 30, 2016 (Jan. 1, 2016 – Sep. 30, 2016)**

Note: All amounts are rounded down to the nearest million yen.

**(1) Performance**

% indicates year-on-year changes

|          | Net sales         |      | Operating income  |      | Ordinary income   |      |
|----------|-------------------|------|-------------------|------|-------------------|------|
|          | (millions of yen) | (%)  | (millions of yen) | (%)  | (millions of yen) | (%)  |
| 3Q. 2016 | 99,887            | △5.0 | 11,729            | 25.3 | 12,090            | 21.7 |
| 3Q. 2015 | 105,120           | △5.3 | 9,364             | 4.2  | 9,935             | 4.9  |

(Note) Comprehensive income: 3Q, 2016: 4,280million yen 3Q, 2015: 7,638million yen

|          | Net income attributable to owners of parent |      | Net income per share | Diluted net income per share |
|----------|---|------|----------------------|------------------------------|
|          | (millions of yen)                           | (%)  | (yen)                | (yen)                        |
| 3Q. 2016 | 7,886                                       | 21.8 | 59.90                | –                            |
| 3Q. 2015 | 6,474                                       | 6.7  | 49.17                | –                            |

\*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) Financial position**

|               | Total assets      | Net assets        | Shareholders' equity ratio |
|---------------|-------------------|-------------------|----------------------------|
|               | (millions of yen) | (millions of yen) | (%)                        |
| Sep. 30, 2016 | 206,456           | 163,809           | 77.0                       |
| Dec. 31, 2015 | 208,018           | 163,020           | 76.0                       |

(Reference) Shareholders' equity: Sep. 30, 2016: 158,982 million yen Dec. 31, 2015: 158,173 million yen

**2. Cash Dividends**

| (Period)               | Dividend per share |             |             |          |        |
|------------------------|--------------------|-------------|-------------|----------|--------|
|                        | 1st quarter        | 2nd quarter | 3rd quarter | Year-end | Annual |
|                        | (yen)              | (yen)       | (yen)       | (yen)    | (yen)  |
| Fiscal 2015            | –                  | 6.00        | –           | 12.00    | –      |
| Fiscal 2016            | –                  | 13.00       | –           |          |        |
| Fiscal 2016 (Forecast) |                    |             |             | 13.00    | 26.00  |

Note: Changes in dividend forecast during the quarter under review: No

\*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. Dividend per share at the second quarter for the fiscal year ended December, 2015 is the amount paid before the share consolidation.

### 3. Consolidated performance forecast for Fiscal 2016(Jan. 1, 2016 – Dec. 31, 2016)

Note: % indicates the rate of change over the corresponding previous period.

|             | Net sales         |      | Operating income  |      | Ordinary income   |      | Net income attributable to owners of parent |      | Net income per share |
|-------------|-------------------|------|-------------------|------|-------------------|------|---|------|----------------------|
|             | (millions of yen) | (%)  | (millions of yen) | (%)  | (millions of yen) | (%)  | (millions of yen)                           | (%)  | (yen)                |
| Fiscal 2016 | 137,000           | △2.0 | 15,000            | 21.5 | 16,000            | 21.2 | 10,000                                      | 49.3 | 75.96                |

Note: Revisions to consolidated performance forecast during the quarter under review: No

#### 4. Other information

- (1) Changes of significant subsidiaries in the scope of consolidation during this period : No
- (2) Application of simplified accounting methods and accounting methods specific to the preparation of the quarterly consolidated financial statements: No
- (3) Changes of accounting principles, procedures and presentation methods, etc. related to the preparation of the quarterly consolidated financial statements
- i. Changes by revision of accounting standard: Yes
  - ii. Changes other than the above: No
  - iii. Changes in accounting estimates: No
  - iv. Retrospective restatements: No
- (4) Number of shares issued (in common stock)
- i. Number of shares issued at the end of period (including treasury stock):  
As of Sep. 30, 2016: 131,996,299 As of Dec. 31, 2015: 131,996,299
  - ii. Number of treasury stock at the end of period:  
As of Sep. 30, 2016: 350,717 As of Dec. 31, 2015: 345,500
  - iii. Average number of shares during the period (calculated cumulatively from the beginning of the fiscal year):  
3Q, 2016: 131,648,791 3Q, 2015: 131,668,830

\*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. Average number of shares issued is calculated on the assumption that the share consolidation was implemented at the beginning of the previous fiscal year.

#### \* 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.