

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

July 29, 2016

**Toagosei Co., Ltd.**

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Stock exchange listings: Tokyo

Code number: 4045

Scheduled date for the filing of the quarterly consolidated financial statements: August 10, 2016  
Scheduled date of interim dividends payout: September 6, 2016

**1. Consolidated results for the second quarter, ended June 30, 2016 (Jan. 1, 2016 – Jun. 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) | (%)  |
| 2Q. 2016 | 66,871            | △4.8 | 7,273             | 23.5 | 7,592             | 18.1 |
| 2Q. 2015 | 70,270            | △6.2 | 5,887             | △3.3 | 6,429             | 0.3  |

(Note) Comprehensive income: Jun.30, 2016: 507 million yen Jun.30, 2015: 7,491 million yen

|          | Net income attributable to owners of parent |      | Net income per share | Diluted net income per share |
|----------|---|------|----------------------|------------------------------|
|          | (millions of yen)                           | (%)  | (yen)                | (yen)                        |
| 2Q. 2016 | 4,947                                       | 28.6 | 37.58                | –                            |
| 2Q. 2015 | 3,847                                       | △9.6 | 29.22                | –                            |

\*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) | (%)                        |
| Jun. 30, 2016 | 205,157           | 161,749           | 76.5                       |
| Dec. 31, 2015 | 208,018           | 163,020           | 76.0                       |

(Reference) Shareholders' equity: Jun. 30, 2016: 157,030 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: Yes

\*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.

|             | Sales             |      | Operating income  |      | Ordinary income   |      | Net income        |      | 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: Yes

### 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 Jun. 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 Jun. 30, 2016: 348,230 As of Dec. 31, 2015: 345,500

iii. Average number of shares during the period (calculated cumulatively from the beginning of the fiscal year): 2Q, 2016: 131,649,649 2Q, 2015: 131,674,617

\*Number of shares issued at the end of period, number of treasury stock at the end of the term and average number of shares during the period are calculated on the assumption that the share consolidation was implemented at the beginning of the previous 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.