

November 13, 2017

Attention: All concerned parties

Toyo Tanso Co., Ltd.

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(Stock Exchange Code: 5310, 1st Section, Tokyo Stock Exchange)

Notification of Revisions to Consolidated Earnings Forecasts and Dividend Forecasts

In light of recent earnings trends, we have revised the earnings forecasts for the consolidated fiscal year released on August 9, 2017, and the dividend forecasts released on February 14, 2017.

Particulars

1. Revisions to earnings forecasts

Revision of figures in consolidated earnings forecasts for the year ending December 31, 2017
(January 1, 2017 – December 31, 2017)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit attributable to owners of parent per share
	(million yen)	(million yen)	(million yen)	(million yen)	(yen)
Previous forecast (A)	32,500	1,900	1,700	1,600	77.12
Revised forecast (B)	34,500	3,300	3,300	2,500	120.49
Amount of increase/decrease (B-A)	2,000	1,400	1,600	900	—
Percentage of increase/decrease (%)	6.2	73.7	94.1	56.3	—
(Ref.) Previous fiscal year results (Year ended December 31, 2016)	32,464	652	759	284	13.71

(Reasons for revision)

In the third quarter of the fiscal year ending December 31, 2017, net sales surpassed the forecast due to strong demand for electronics applications in particular, such as solar cell applications and semiconductor applications, as well as a weaker yen than anticipated. On the profit side, in addition to higher net sales, improved profitability led to an increase in marginal profits, and this resulted in operating income, ordinary income, and profit attributable to owners of parent that significantly surpassed forecasts. In light of these conditions and current exchange rate trends, we decided to revise the consolidated earnings forecasts released on August 9, 2017, as well as our exchange rate assumptions. (Assumed exchange rates for the fourth quarter: 110 yen/US\$, 125 yen/EUR, and 16.5 yen/CNY)

Delivery of the graphite materials for the Chinese high-temperature reactor-pebble-bed module (HTR-PM) project is complete at present, but we expect that the client's inspection of the delivered products will take time, and thus we expect to post sales in the next fiscal year (approximately 3 billion yen).

2. Revisions to dividend forecasts

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total (Full year)
	(yen)	(yen)	(yen)	(yen)	(yen)
Previous forecast (February 14, 2017)				25.00	25.00
Revised forecast				30.00	30.00
Actual in current fiscal year	—	0.00	—		
Actual in previous fiscal year (Year ended December 31, 2016)	—	0.00	—	25.00	25.00

(Reasons for revisions)

Our basic policy for profit allocation is to make strategic investments in order to strengthen our competitiveness and enhance our corporate value over the long term and return profits to shareholders in a stable fashion with due consideration of business results for the fiscal year, funding needs for the future expansion of our business operations and consolidation of our business foundation. Based on the aforementioned policy, and given the increase in profits attributable to owners of parent compared to the previous forecast, as noted in the revisions to earnings forecasts described above, as well as financial conditions overall, we have decided to revise our forecast for the year-end dividend for the fiscal year ending December 31, 2017 with a 5 yen increase to 30 yen.

Note: The above forecasts are based on the information available when these materials were released, and actual results or dividends may differ from these forecasts due to various factors.

Please direct inquiries regarding the current situation to:

<p>Toyo Tanso Co., Ltd. Publicity & Investor Relations E-mail: info@toyotanso.co.jp</p>
