

May 12, 2016

**Attention:** All concerned parties

## Toyo Tanso Co., Ltd.

5-7-12 Takeshima, Nishiyodogawa-ku, Osaka 555-0011, Japan  
(Stock Exchange Code: 5310; 1st Section, Tokyo Stock Exchange)

### **Notice regarding Provision of Allowance for Doubtful Accounts and Foreign Exchange Losses**

Toyo Tanso Co., Ltd. has posted provision of allowance for doubtful accounts and non-operating expenses (foreign exchange losses) for the first quarter of the fiscal year ending December 31, 2016, as described below.

#### **Particulars**

1. Posting of provision of allowance for doubtful accounts

After consulting with the Company's audit firm, the Company decided to post 139 million yen in provision of allowance for doubtful accounts under selling, general and administrative expenses in the first quarter of the consolidated fiscal year ending December 31, 2016, given the extremely low probability that the partially uncollected claim against a business partner of a US subsidiary would be recovered.

2. Posting of foreign exchange losses

Due to recent fluctuations in exchange rates, the Company posted a 213 million yen foreign exchange loss as a non-operating expense in the first quarter of the consolidated fiscal year ending December 31, 2016.

3. Impact on earnings

Please refer to the consolidated financial results report for the first quarter of the fiscal year ending December 31, 2016 (Japanese GAAP), which will be released today, for information on the impact that this posting of a provision of allowance for doubtful accounts and foreign exchange loss will have on earnings. In addition, there are no changes to the consolidated earnings forecasts for the fiscal year ending December 31, 2016, released on February 12, 2016.

Please direct inquiries regarding the current situation to:

Toyo Tanso Co., Ltd. Publicity & Investor Relations E-mail: <a href="mailto:info@toyotanso.co.jp">info@toyotanso.co.jp</a>
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