



November 6<sup>th</sup>, 2013

Company Name: TOPY INDUSTRIES, LIMITED

Representative: President and CEO, Yasuo Fujii

(Code: 7231 Tokyo and Nagoya Stock Exchange; first section)

## Announcement Regarding the Difference between Second Quarter Financial Forecast and Actual Results, and the Adjustment of Financial and Dividend Forecasts for Fiscal 2013

The following is with regards to the difference between the financial forecast for the cumulative second quarter for Fiscal 2013 (April 1<sup>st</sup>, 2013 - September 30<sup>th</sup> 2013) announced on May 9<sup>th</sup> 2013, and the actual results.

In addition, this announcement is with regards to the decision made by the Board of Directors Meeting held on November 6<sup>th</sup>, 2013 to adjust the consolidated and non-consolidated financial forecasts for fiscal 2013(April. 1<sup>st</sup>, 2013 - March.31<sup>st</sup>, 2014), and the dividends forecast per share, originally announced on May 9<sup>th</sup>, 2013 to reflect recent performance trends.

### ● Regarding the difference between financial forecasts and actual results, and adjustment of financial forecasts

Difference from the estimated values of the consolidated financial forecasts for the cumulative second quarter for fiscal 2013

(April. 1<sup>st</sup>, 2013 - September. 30<sup>th</sup>, 2013)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast(A) (Announced May 9 <sup>th</sup> , 2013)	111,000	1,200	700	100	0.42
Actual Results(B)	111,303	1,667	1,205	390	1.65
Difference in Forecast (B - A)	+303	+467	+505	+290	
Percentage Difference(%)	+0.3%	+38.9%	+72.2%	+290.3%	
(Ref.) Previous Second Quarter Results (Second Quarter of Fiscal 2012)	115,852	4,004	3,563	2,133	8.99

Consolidated Financial Forecasts for Fiscal 2013 (April. 1<sup>st</sup>, 2013 - March. 31<sup>st</sup>, 2014)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast(A) (Announced May 9 <sup>th</sup> , 2013)	233,000	7,400	6,600	3,700	15.60
Adjusted Forecast(B)	232,000	4,500	3,700	1,500	6.33
Difference in Forecast (B - A)	(1,000)	(2,900)	(2,900)	(2,200)	
Percentage Forecast(%)	(0.4%)	(39.2%)	(43.9%)	(59.5%)	
(Ref.) Previous Year Results (Fiscal 2012)	226,912	6,990	6,234	3,409	14.38

Difference from the estimated values of non-consolidated financial forecasts for the cumulative second quarter for fiscal 2013  
(April. 1<sup>st</sup>, 2013 – September. 30<sup>th</sup>, 2013)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast(A) (Announced May 9 <sup>th</sup> , 2013)	67,000	300	700	600	2.53
Actual Results (B)	67,795	433	935	715	3.02
Difference in Forecast (B - A)	+795	+133	+235	+115	
Percentage Difference(%)	+1.2%	+44.4%	+33.6%	+19.3%	
(Ref.) Previous Second Quarter Results (Second Quarter of Fiscal 2012)	75,421	2,445	2,670	1,789	7.54

Non-Consolidated Financial Forecasts for Fiscal 2013 (April. 1<sup>st</sup>, 2013 - March. 31<sup>st</sup>, 2013)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast(A) (Announced May 9 <sup>th</sup> , 2013)	138,100	3,400	4,400	3,100	13.07
Adjusted Forecast(B)	136,800	1,100	2,200	1,600	6.75
Difference in Forecast (B - A)	(1,300)	(2,300)	(2,200)	(1,500)	
Percentage Difference(%)	(0.9%)	(67.6%)	(50.0%)	(48.4%)	
(Ref.) Previous Year Results (Fiscal 2012)	143,672	3,609	4,900	3,367	14.20

Reason for the difference and need of adjustment

With regards to the financial performance for the cumulative second quarter for fiscal 2013, the results exceeded the initial estimate due to demand increase and effective cost reduction in automobiles and industrial machinery components business despite negative impact of increasing scrap and electricity etc. prices. The forecast for the entire fiscal year has been adjusted as shown above due to raising raw material price, and slower than initially estimated recovery of demand for ultra-large wheels used at mining sites.

●Adjustment of Dividends Forecast

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Full fiscal year
	Yen	Yen	Yen	Yen	Yen
Previous Forecast (Announced May 9 <sup>th</sup> , 2013)	—	0.00	—	4.00	4.00
Adjusted Forecast	—	—	—	2.00	2.00
Current Forecast	—	0.00	—		
Previous Year Results (Fiscal 2012)	—	2.00	—	2.00	4.00

Reason for Adjustment

The basic policy regarding profit allocation at Topy Industries, Limited is to return profit to our shareholders appropriately according to consolidated business results, to retain earnings for future business development, and for strengthening our corporate structure. Distribution of surplus will be decided upon significant consideration for a stable and continued dividend.

After general consideration of the above mentioned basic policy and the financial forecast, the year end dividend for this consolidated fiscal year is estimated to be ¥2.

Note: This document has been translated from the original Japanese version for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese version, the original shall prevail.

The original disclosure in Japanese was released on November 6<sup>th</sup>, 2013 at 13:30(GMT+9).

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