

Consolidated Financial Results for the Three Months Ended June 30, 2015 [Japanese GAAP]



July 24, 2015

Company name: Toyo Machinery & Metal Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 6210
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 Scheduled date of filing quarterly securities report: August 12, 2015
 Scheduled date of commencing dividend payments: —
 Availability of supplementary briefing materials on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2015 (April 1, 2015 to June 30, 2015)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2015	5,605	(2.3)	363	(19.5)	381	(11.3)	292	(27.2)
June 30, 2014	5,736	13.7	451	42.3	430	(12.8)	401	(2.8)

(Note) Comprehensive income: Three months ended June 30, 2015: ¥311 million [(10.9%)]

Three months ended June 30, 2014: ¥349 million [(35.7%)]

	Profit per share	Diluted profit per share
Three months ended June 30, 2015	Yen 14.20	Yen -
June 30, 2014	19.50	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2015	23,096	13,348	57.0
As of March 31, 2015	23,368	13,160	55.6

(Reference) Equity: As of June 30, 2015: ¥13,170 million

As of March 31, 2015: ¥12,992 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2015	Yen -	Yen 4.00	Yen -	Yen 6.00	Yen 10.00
Fiscal year ending March 31, 2016	-	-	-	-	-
Fiscal year ending March 31, 2016 (Forecast)	-	-	-	-	-

(Note) Revision to the most recent dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	12,000	(0.7)	900	0.3	900	2.5	740	(3.1)	35.90
Full year	26,000	0.0	2,000	6.1	2,000	0.1	1,650	1.1	80.04

(Note) Revision to the most recent financial results forecast: No

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
New companies: –
Excluded companies: –
- (2) Application of specific accounting methods in the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No

Note: For more details, please refer to “2. Matters Concerning Summary Information (Notes) (3) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatement” (Japanese only) on page 4 of the Appendix.

- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
June 30, 2015: 20,703,000 shares
March 31, 2015: 20,703,000 shares
 - 2) Total number of treasury shares at the end of the period:
June 30, 2015: 89,659 shares
March 31, 2015: 89,393 shares
 - 3) Average number of shares during the period:
Three months ended June 30, 2015: 20,613,514 shares
Three months ended June 30, 2014: 20,613,863 shares

* Presentation regarding the implementation status of the quarterly review procedures

These quarterly financial results are outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act. At the time of disclosure of these quarterly financial results, review procedures for the quarterly financial statements under the Financial Instruments and Exchange Act are still in progress.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions which the Company deems as reasonable, and do not constitute a guarantee that they will be achieved by the Company. Actual results may differ significantly from these forecasts due to a wide range of factors. With regard to the assumptions used as a basis for the financial results forecast and cautionary notes when using the financial results forecast, please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information” (Japanese only) on page 3 of the Appendix.

The dividend forecast for the fiscal year ending March 2016 is yet to be determined, and thus not disclosed at this time, as we are currently examining the status of our operations and results. We will announce the dividend forecast promptly as soon as its disclosure becomes possible.

1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	5,430,474	5,902,597
Notes and accounts receivable - trade	6,120,649	4,928,068
Electronically recorded monetary claims - operating	993,620	1,286,092
Merchandise and finished goods	2,401,026	2,960,607
Work in process	1,879,377	1,837,113
Raw materials and supplies	507,182	498,726
Deferred tax assets	39,724	21,506
Other	733,013	311,597
Allowance for doubtful accounts	(9,554)	(8,346)
Total current assets	18,095,515	17,737,963
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,399,577	2,388,428
Machinery, equipment and vehicles, net	750,399	823,420
Tools, furniture and fixtures, net	164,118	161,271
Land	804,581	804,581
Leased assets, net	15,605	14,384
Construction in progress	264,783	260,450
Total property, plant and equipment	4,399,066	4,452,536
Intangible assets	428,670	445,060
Investments and other assets		
Investment securities	240,238	246,737
Deferred tax assets	83,310	85,522
Net defined benefit asset	75,164	80,733
Other	47,194	48,300
Allowance for doubtful accounts	(183)	(183)
Total investments and other assets	445,724	461,110
Total non-current assets	5,273,461	5,358,707
Total assets	23,368,976	23,096,671

(Thousand yen)

	As of March 31, 2015	As of June 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,399,520	4,220,724
Current portion of long-term loans payable	300,000	300,000
Accrued expenses	626,728	450,560
Income taxes payable	98,629	19,839
Accrued consumption taxes	48,166	21,039
Deferred tax liabilities	1,748	1,748
Provision for product warranties	112,021	109,763
Provision for directors' bonuses	30,760	8,705
Other	1,383,729	1,480,510
Total current liabilities	7,001,304	6,612,891
Non-current liabilities		
Long-term loans payable	750,000	675,000
Deferred tax liabilities	295,221	298,195
Net defined benefit liability	2,141,931	2,143,166
Other	19,663	18,476
Total non-current liabilities	3,206,816	3,134,838
Total liabilities	10,208,120	9,747,729
Net assets		
Shareholders' equity		
Capital stock	2,506,512	2,506,512
Capital surplus	2,028,834	2,028,834
Retained earnings	8,146,749	8,315,703
Treasury shares	(48,558)	(48,696)
Total shareholders' equity	12,633,538	12,802,353
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	68,952	73,790
Foreign currency translation adjustment	409,408	405,442
Remeasurements of defined benefit plans	(119,557)	(111,042)
Total accumulated other comprehensive income	358,802	368,190
Non-controlling interests	168,514	178,397
Total net assets	13,160,855	13,348,941
Total liabilities and net assets	23,368,976	23,096,671

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Thousand yen)

	For the three months ended June 30, 2014	For the three months ended June 30, 2015
Net sales	5,736,097	5,605,729
Cost of sales	4,152,876	4,122,486
Gross profit	1,583,221	1,483,243
Selling, general and administrative expenses	1,131,672	1,119,568
Operating income	451,548	363,675
Non-operating income		
Interest and dividend income	3,176	3,654
Rent income on non-current assets	17,887	17,587
Foreign exchange gains	–	40
Other	5,196	5,436
Total non-operating income	26,260	26,719
Non-operating expenses		
Interest expenses	1,722	1,232
Rent expenses on non-current assets	2,040	2,033
Loss on retirement of non-current assets	136	3,003
Loss on sales of notes payable	775	843
Foreign exchange losses	40,514	–
Other	2,205	1,707
Total non-operating expenses	47,394	8,820
Ordinary income	430,414	381,574
Extraordinary losses		
Loss on retirement of non-current assets	–	26,339
Total extraordinary losses	–	26,339
Income before income taxes and minority interests	430,414	355,235
Income taxes - current	15,334	43,831
Income taxes - deferred	10,219	10,263
Total income taxes	25,553	54,095
Profit	404,860	301,140
Profit attributable to non-controlling interests	2,901	8,504
Profit attributable to owners of parent	401,959	292,635

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Thousand yen)

	For the three months ended June 30, 2014	For the three months ended June 30, 2015
Profit	404,860	301,140
Other comprehensive income		
Valuation difference on available-for-sale securities	6,655	4,838
Foreign currency translation adjustment	(72,264)	(2,588)
Remeasurements of defined benefit plans, net of tax	10,736	8,515
Total other comprehensive income	(54,872)	10,765
Comprehensive income	349,988	311,905
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	348,413	302,023
Comprehensive income attributable to non-controlling interests	1,575	9,882