

# Consolidated Financial Results for the Three Months Ended June 30, 2016 [Japanese GAAP]



July 25, 2016

Company name: Toyo Machinery & Metal Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 6210  
 URL: <http://www.toyo-mm.co.jp/>  
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 Scheduled date of filing quarterly securities report: August 10, 2016  
 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, 2016 (April 1, 2016 to June 30, 2016)

(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, 2016	5,917	5.6	236	(35.0)	203	(46.6)	60	(79.3)
June 30, 2015	5,605	(2.3)	363	(19.5)	381	(11.3)	292	(27.2)

(Note) Comprehensive income: Three months ended June 30, 2016: (¥59) million [(−%)]

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

	Profit per share	Diluted profit per share
	Yen	Yen
Three months ended June 30, 2016	3.23	-
June 30, 2015	14.20	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2016	24,072	13,686	56.1
As of March 31, 2016	24,528	13,934	56.1

(Reference) Equity: As of June 30, 2016: ¥13,516 million

As of March 31, 2016: ¥13,761 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2016	-	5.00	-	10.00	15.00
Fiscal year ending March 31, 2017	-				
Fiscal year ending March 31, 2017 (Forecast)		7.00	-	8.00	15.00

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

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(% 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	13,000	(1.3)	760	(13.4)	670	(27.0)	440	(38.2)	23.40
Full year	27,000	1.3	1,830	1.7	1,740	(4.0)	1,270	(31.8)	67.54

(Note) Revision to the most recent financial results forecast: Yes

#### \* 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
- (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, 2016: 20,703,000 shares  
March 31, 2016: 20,703,000 shares
  - 2) Total number of treasury shares at the end of the period:  
June 30, 2016: 1,900,060 shares  
March 31, 2016: 1,900,054 shares
  - 3) Average number of shares during the period:  
Three months ended June 30, 2016: 18,802,941 shares  
Three months ended June 30, 2015: 20,613,514 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.

The amounts in each account title and other items on our quarterly consolidated financial statements have been expressed so far in a unit of “Thousand yen”; but we changed the unit to “Million yen” starting from the first quarter of the current consolidated fiscal year and the consolidated cumulative first quarter.

For your easy reference, financial statements for previous consolidated fiscal year and consolidated cumulative first quarter of last fiscal year are also re-expressed in the unit of “Million yen.”

## 1. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2016	As of June 30, 2016
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,027	5,071
Notes and accounts receivable - trade	6,076	5,239
Electronically recorded monetary claims - operating	1,056	996
Merchandise and finished goods	2,812	3,251
Work in process	1,591	1,713
Raw materials and supplies	398	368
Deferred tax assets	328	244
Other	652	368
Allowance for doubtful accounts	(8)	(7)
<b>Total current assets</b>	<b>17,935</b>	<b>17,244</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	2,929	3,443
Machinery, equipment and vehicles, net	1,447	1,521
Tools, furniture and fixtures, net	132	141
Land	799	799
Leased assets, net	10	9
Construction in progress	378	55
<b>Total property, plant and equipment</b>	<b>5,697</b>	<b>5,971</b>
Intangible assets	487	465
<b>Investments and other assets</b>		
Investment securities	201	177
Deferred tax assets	92	95
Net defined benefit asset	70	76
Other	42	42
Allowance for doubtful accounts	(0)	(0)
<b>Total investments and other assets</b>	<b>407</b>	<b>391</b>
<b>Total non-current assets</b>	<b>6,592</b>	<b>6,828</b>
<b>Total assets</b>	<b>24,528</b>	<b>24,072</b>

(Million yen)

	As of March 31, 2016	As of June 30, 2016
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,342	4,577
Current portion of long-term loans payable	400	400
Accrued expenses	671	464
Income taxes payable	201	10
Accrued consumption taxes	14	16
Provision for product warranties	136	134
Provision for directors' bonuses	27	9
Other	1,109	1,142
<b>Total current liabilities</b>	<b>6,904</b>	<b>6,756</b>
Non-current liabilities		
Long-term loans payable	1,350	1,275
Deferred tax liabilities	77	60
Net defined benefit liability	2,248	2,283
Other	14	12
<b>Total non-current liabilities</b>	<b>3,689</b>	<b>3,630</b>
<b>Total liabilities</b>	<b>10,593</b>	<b>10,386</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,028	2,028
Retained earnings	9,783	9,655
Treasury shares	(783)	(783)
<b>Total shareholders' equity</b>	<b>13,534</b>	<b>13,407</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	42	25
Deferred gains or losses on hedges	2	5
Foreign currency translation adjustment	274	165
Remeasurements of defined benefit plans	(93)	(87)
<b>Total accumulated other comprehensive income</b>	<b>226</b>	<b>108</b>
Non-controlling interests	173	170
<b>Total net assets</b>	<b>13,934</b>	<b>13,686</b>
<b>Total liabilities and net assets</b>	<b>24,528</b>	<b>24,072</b>

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2015	For the three months ended June 30, 2016
Net sales	5,605	5,917
Cost of sales	4,122	4,480
Gross profit	1,483	1,437
Selling, general and administrative expenses	1,119	1,200
Operating income	363	236
Non-operating income		
Interest and dividend income	3	2
Rent income on non-current assets	17	17
Other	5	4
Total non-operating income	26	24
Non-operating expenses		
Interest expenses	1	1
Foreign exchange losses	-	47
Other	7	8
Total non-operating expenses	8	57
Ordinary income	381	203
Extraordinary losses		
Loss on retirement of non-current assets	26	52
Total extraordinary losses	26	52
Income before income taxes and minority interests	355	151
Income taxes - current	43	18
Income taxes - deferred	10	67
Total income taxes	54	85
Profit	301	65
Profit attributable to non-controlling interests	8	4
Profit attributable to owners of parent	292	60

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2015	For the three months ended June 30, 2016
Profit	301	65
Other comprehensive income		
Valuation difference on available-for-sale securities	4	(16)
Deferred gains or losses on hedges	-	2
Foreign currency translation adjustment	(2)	(116)
Remeasurements of defined benefit plans, net of tax	8	5
Total other comprehensive income	10	(125)
Comprehensive income	311	(59)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	302	(57)
Comprehensive income attributable to non-controlling interests	9	(2)