

**Consolidated Financial Results
for the Six Months Ended September 30, 2017
[Japanese GAAP]**



October 30, 2017

Company name: Toyo Machinery & Metal Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 6210
 URL: <http://www.toyo-mm.co.jp/>
 Representative: Kazunori Sogame, President and Representative Director
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 Phone: +81-78-942-2345
 Scheduled date of filing quarterly securities report: November 14, 2017
 Scheduled date of commencing dividend payments: December 4, 2017
 Availability of supplementary briefing materials on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: Yes (for analysts)

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2017 (April 1, 2017 to September 30, 2017)

(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	%
Six months ended September 30, 2017	15,392	16.0	924	27.7	943	46.1	608	72.9
September 30, 2016	13,275	0.8	723	(17.5)	645	(29.6)	352	(50.5)

(Note) Comprehensive income: Six months ended September 30, 2017: ¥613 million [- %]
 Six months ended September 30, 2016: ¥ (1) million [- %]

	Profit per share	Diluted profit per share
	Yen	Yen
Six months ended September 30, 2017	32.38	-
September 30, 2016	18.73	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2017	26,339	15,401	57.7
As of March 31, 2017	26,264	14,976	56.3

(Reference) Equity: As of September 30, 2017: ¥15,199 million
 As of March 31, 2017: ¥14,789 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2017	Yen -	Yen 7.00	Yen -	Yen 10.00	Yen 17.00
Fiscal year ending March 31, 2018	-	10.00			
Fiscal year ending March 31, 2018 (Forecast)			-	15.00	25.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	30,000	8.3	2,400	31.6	2,400	31.7	1,560	3.6	82.97

(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: No

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):

September 30, 2017: 20,703,000 shares

March 31, 2017: 20,703,000 shares

2) Total number of treasury shares at the end of the period:

September 30, 2017: 1,900,300 shares

March 31, 2017: 1,900,168 shares

3) Average number of shares during the period:

Six months ended September 30, 2017: 18,802,768 shares

Six months ended September 30, 2016: 18,802,940 shares

* This Consolidated Financial Results is exempt from auditing.

* 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.

1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2017	As of September 30, 2017
Assets		
Current assets		
Cash and deposits	5,319	5,020
Notes and accounts receivable - trade	5,649	6,596
Electronically recorded monetary claims - operating	1,493	908
Merchandise and finished goods	2,811	2,546
Work in process	1,797	2,019
Raw materials and supplies	329	343
Deferred tax assets	262	279
Other	881	805
Allowance for doubtful accounts	(8)	(9)
Total current assets	18,536	18,511
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,337	3,950
Machinery, equipment and vehicles, net	1,550	1,968
Tools, furniture and fixtures, net	117	118
Land	799	799
Leased assets, net	5	3
Construction in progress	900	0
Total property, plant and equipment	6,711	6,841
Intangible assets	412	392
Investments and other assets		
Investment securities	199	198
Deferred tax assets	292	289
Net defined benefit asset	76	75
Other	34	31
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	603	594
Total non-current assets	7,727	7,828
Total assets	26,264	26,339

(Million yen)

	As of March 31, 2017	As of September 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,205	3,492
Electronically recorded obligations - operating	313	1,412
Current portion of long-term loans payable	500	500
Accrued expenses	676	687
Income taxes payable	342	270
Accrued consumption taxes	19	18
Provision for product warranties	142	144
Provision for directors' bonuses	32	23
Other	1,780	1,330
Total current liabilities	8,011	7,878
Non-current liabilities		
Long-term loans payable	850	600
Net defined benefit liability	2,417	2,452
Other	8	7
Total non-current liabilities	3,276	3,059
Total liabilities	11,287	10,938
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,028	2,028
Retained earnings	10,968	11,389
Treasury shares	(783)	(783)
Total shareholders' equity	14,720	15,141
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	56	60
Deferred gains or losses on hedges	0	(0)
Foreign currency translation adjustment	92	68
Remeasurements of defined benefit plans	(80)	(69)
Total accumulated other comprehensive income	69	58
Non-controlling interests	186	201
Total net assets	14,976	15,401
Total liabilities and net assets	26,264	26,339

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2016	For the six months ended September 30, 2017
Net sales	13,275	15,392
Cost of sales	10,064	11,860
Gross profit	3,210	3,531
Selling, general and administrative expenses	2,486	2,607
Operating income	723	924
Non-operating income		
Interest and dividend income	3	6
Rent income on non-current assets	35	33
Other	8	10
Total non-operating income	48	50
Non-operating expenses		
Interest expenses	2	0
Loss on sales of notes receivable - trade	1	1
Loss on retirement of non-current assets	5	2
Rent expenses on non-current assets	4	4
Foreign exchange losses	109	18
Other	2	3
Total non-operating expenses	125	31
Ordinary income	645	943
Extraordinary income		
Gain on sales of investment securities	4	3
Total extraordinary income	4	3
Extraordinary losses		
Loss on retirement of non-current assets	52	-
Total extraordinary losses	52	-
Profit before income taxes	598	947
Income taxes - current	152	344
Income taxes - deferred	84	(18)
Total income taxes	237	325
Profit	360	621
Profit attributable to non-controlling interests	8	12
Profit attributable to owners of parent	352	608

Quarterly Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2016	For the six months ended September 30, 2017
Profit	360	621
Other comprehensive income		
Valuation difference on available-for-sale securities	(12)	3
Deferred gains or losses on hedges	2	(0)
Foreign currency translation adjustment	(362)	(21)
Remeasurements of defined benefit plans, net of tax	11	10
Total other comprehensive income	(362)	(7)
Comprehensive income	(1)	613
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11	598
Comprehensive income attributable to non-controlling interests	(12)	15