

**Consolidated Financial Results
for the Nine Months Ended December 31, 2017
[Japanese GAAP]**



January 29, 2018

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
 Contact: Kazumi Sunamoto, Director, General Manager of Administrative Division
 Phone: +81-78-942-2345
 Scheduled date of filing quarterly securities report: February 14, 2018
 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 Nine Months Ended December 31, 2017 (April 1, 2017 to December 31, 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	%
Nine months ended December 31, 2017	23,385	14.0	1,595	17.2	1,655	27.4	1,065	35.1
December 31, 2016	20,514	1.9	1,361	0.2	1,299	(5.3)	788	(35.8)

(Note) Comprehensive income: Nine months ended December 31, 2017: ¥1,160 million [170.1%]
 Nine months ended December 31, 2016: ¥ 429 million [(63.3) %]

	Profit per share	Diluted profit per share
	Yen	Yen
Nine months ended December 31, 2017	56.68	-
December 31, 2016	41.96	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2017	26,625	15,760	58.4
As of March 31, 2017	26,264	14,976	56.3

(Reference) Equity: As of December 31, 2017: ¥15,545 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	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):
December 31, 2017: 20,703,000 shares
March 31, 2017: 20,703,000 shares
 - 2) Total number of treasury shares at the end of the period:
December 31, 2017: 1,900,380 shares
March 31, 2017: 1,900,168 shares
 - 3) Average number of shares during the period:
Nine months ended December 31, 2017: 18,802,731 shares
Nine months ended December 31, 2016: 18,802,937 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 December 31, 2017
Assets		
Current assets		
Cash and deposits	5,319	4,599
Notes and accounts receivable - trade	5,649	6,932
Electronically recorded monetary claims - operating	1,493	1,157
Merchandise and finished goods	2,811	2,533
Work in process	1,797	2,149
Raw materials and supplies	329	388
Deferred tax assets	262	177
Other	881	967
Allowance for doubtful accounts	(8)	(10)
Total current assets	18,536	18,896
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,337	3,918
Machinery, equipment and vehicles, net	1,550	1,901
Tools, furniture and fixtures, net	117	125
Land	799	799
Leased assets, net	5	8
Construction in progress	900	1
Total property, plant and equipment	6,711	6,753
Intangible assets	412	378
Investments and other assets		
Investment securities	199	217
Deferred tax assets	292	264
Net defined benefit asset	76	74
Other	34	39
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	603	596
Total non-current assets	7,727	7,728
Total assets	26,264	26,625

(Million yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,205	3,826
Electronically recorded obligations - operating	313	1,078
Short-term loans payable	—	600
Current portion of long-term loans payable	500	425
Accrued expenses	676	491
Income taxes payable	342	131
Accrued consumption taxes	19	18
Provision for product warranties	142	146
Provision for directors' bonuses	32	34
Other	1,780	1,065
Total current liabilities	8,011	7,818
Non-current liabilities		
Long-term loans payable	850	600
Net defined benefit liability	2,417	2,433
Other	8	12
Total non-current liabilities	3,276	3,046
Total liabilities	11,287	10,864
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,028	2,028
Retained earnings	10,968	11,658
Treasury shares	(783)	(783)
Total shareholders' equity	14,720	15,410
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	56	73
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	92	125
Remeasurements of defined benefit plans	(80)	(64)
Total accumulated other comprehensive income	69	135
Non-controlling interests	186	215
Total net assets	14,976	15,760
Total liabilities and net assets	26,264	26,625

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Net sales	20,514	23,385
Cost of sales	15,483	17,856
Gross profit	5,031	5,529
Selling, general and administrative expenses	3,669	3,933
Operating income	1,361	1,595
Non-operating income		
Interest and dividend income	6	9
Rent income on non-current assets	53	50
Other	12	17
Total non-operating income	72	78
Non-operating expenses		
Interest expenses	3	1
Loss on sales of notes receivable - trade	5	1
Loss on retirement of non-current assets	6	3
Rent expenses on non-current assets	6	6
Foreign exchange losses	109	1
Other	3	5
Total non-operating expenses	134	19
Ordinary income	1,299	1,655
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	1,251	1,658
Income taxes - current	226	472
Income taxes - deferred	223	99
Total income taxes	450	571
Profit	801	1,086
Profit attributable to non-controlling interests	12	21
Profit attributable to owners of parent	788	1,065

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Profit	801	1,086
Other comprehensive income		
Valuation difference on available-for-sale securities	16	16
Deferred gains or losses on hedges	(2)	(0)
Foreign currency translation adjustment	(402)	41
Remeasurements of defined benefit plans, net of tax	16	16
Total other comprehensive income	(371)	73
Comprehensive income	429	1,160
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	439	1,131
Comprehensive income attributable to non-controlling interests	(9)	29