

Consolidated Financial Results for the Nine Months Ended December 31, 2018 [Japanese GAAP]



January 30, 2019

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: February 14, 2019

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, 2018 (April 1, 2018 to December 31, 2018)

(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, 2018	23,823	1.9	1,492	(6.4)	1,548	(6.4)	963	(9.6)
December 31, 2017	23,385	14.0	1,595	17.2	1,655	27.4	1,065	35.1

(Note) Comprehensive income: Nine months ended December 31, 2018: ¥925 million [(20.2)%]

Nine months ended December 31, 2017: ¥1,160 million [170.1%]

	Profit per share		Diluted profit per share	
	Yen		Yen	
Nine months ended December 31, 2018	51.10		—	
December 31, 2017	56.68		—	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2018	28,148	16,667	58.3
As of March 31, 2018	27,813	16,152	57.3

(Reference) Equity: As of December 31, 2018: ¥16,403 million

As of March 31, 2018: ¥15,925 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2018	Yen —	Yen 10.00	Yen —	Yen 15.00	Yen 25.00
Fiscal year ending March 31, 2019	—	10.00	—		
Fiscal year ending March 31, 2019 (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, 2019 (April 1, 2018 to March 31, 2019)

(% 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	31,500	2.0	2,150	4.5	2,190	2.8	1,410	0.2	74.79

(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, 2018: 20,703,000 shares
March 31, 2018: 20,703,000 shares
 - 2) Total number of treasury shares at the end of the period:
December 31, 2018: 1,816,446 shares
March 31, 2018: 1,900,380 shares
 - 3) Average number of shares during the period:
Nine months ended December 31, 2018: 18,852,979 shares
Nine months ended December 31, 2017: 18,802,731 shares

* This Consolidated Financial Results is not subject to auditing performed by certified public accountant or audit firm

* 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, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	4,460	4,968
Notes and accounts receivable - trade	7,323	5,848
Electronically recorded monetary claims - operating	1,270	1,808
Merchandise and finished goods	2,769	3,061
Work in process	2,509	2,918
Raw materials and supplies	422	514
Other	1,205	1,272
Allowance for doubtful accounts	(14)	(9)
Total current assets	19,946	20,383
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,876	3,735
Machinery, equipment and vehicles, net	1,799	1,755
Tools, furniture and fixtures, net	109	124
Land	780	780
Leased assets, net	7	4
Construction in progress	0	13
Total property, plant and equipment	6,573	6,414
Intangible assets	384	536
Investments and other assets		
Investment securities	202	213
Deferred tax assets	570	434
Net defined benefit asset	99	98
Other	37	83
Allowance for doubtful accounts	(0)	(16)
Total investments and other assets	909	812
Total non-current assets	7,867	7,764
Total assets	27,813	28,148

(Million yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,050	4,115
Electronically recorded obligations - operating	1,117	1,266
Short-term loans payable	600	800
Current portion of long-term loans payable	350	200
Accrued expenses	713	506
Income taxes payable	441	40
Accrued consumption taxes	18	13
Provision for product warranties	146	149
Provision for directors' bonuses	41	24
Other	1,173	1,471
Total current liabilities	8,653	8,588
Non-current liabilities		
Long-term loans payable	500	400
Net defined benefit liability	2,495	2,481
Other	12	11
Total non-current liabilities	3,007	2,892
Total liabilities	11,661	11,481
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,028	2,053
Retained earnings	12,000	12,492
Treasury shares	(783)	(749)
Total shareholders' equity	15,751	16,303
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	62	70
Foreign currency translation adjustment	170	78
Remeasurements of defined benefit plans	(59)	(48)
Total accumulated other comprehensive income	173	100
Non-controlling interests	227	263
Total net assets	16,152	16,667
Total liabilities and net assets	27,813	28,148

(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, 2017	For the Nine months ended December 31, 2018
Net sales	23,385	23,823
Cost of sales	17,856	18,345
Gross profit	5,529	5,478
Selling, general and administrative expenses	3,933	3,985
Operating income	1,595	1,492
Non-operating income		
Interest and dividend income	9	7
Rent income on non-current assets	50	50
Other	17	49
Total non-operating income	78	108
Non-operating expenses		
Interest expenses	1	1
Loss on sales of notes receivable - trade	1	8
Loss on retirement of non-current assets	3	2
Rent expenses on non-current assets	6	6
Foreign exchange losses	1	29
Other	5	4
Total non-operating expenses	19	52
Ordinary income	1,655	1,548
Extraordinary income		
Gain on sales of investment securities	3	—
Total extraordinary income	3	—
Income before income taxes and minority interests	1,658	1,548
Income taxes - current	472	424
Income taxes - deferred	99	127
Total income taxes	571	552
Profit	1,086	996
Profit attributable to non-controlling interests	21	32
Profit attributable to owners of parent	1,065	963

Quarterly Consolidated Statements of Comprehensive Income
 Nine Months Ended December 31

(Million yen)

	For the Nine months ended December 31, 2017	For the Nine months ended December 31, 2018
Profit	1,086	996
Other comprehensive income		
Valuation difference on available-for-sale securities	16	7
Deferred gains or losses on hedges	(0)	—
Foreign currency translation adjustment	41	(88)
Remeasurements of defined benefit plans, net of tax	16	10
Total other comprehensive income	73	(70)
Comprehensive income	1,160	925
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,131	889
Comprehensive income attributable to non-controlling interests	29	36