

# Consolidated Financial Results for the Nine Months Ended December 31, 2019 [Japanese GAAP]



January 28, 2020

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, 2020

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, 2019 (April 1, 2019 to December 31, 2019)

(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, 2019	23,608	(0.9)	1,237	(17.1)	1,236	(20.2)	706	(26.7)
December 31, 2018	23,823	1.9	1,492	(6.4)	1,548	(6.4)	963	(9.6)

(Note) Comprehensive income: Nine months ended December 31, 2019: ¥631 million [(31.7)%]

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

	Profit per share	Diluted profit per share
Nine months ended	Yen	Yen
December 31, 2019	34.58	—
December 31, 2018	51.10	—

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2019	29,067	18,219	61.7
As of March 31, 2019	29,080	17,038	57.7

(Reference) Equity: As of December 31, 2019: ¥17,934 million

As of March 31, 2019: ¥16,778 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2019	Yen —	Yen 10.00	Yen —	Yen 15.00	Yen 25.00
Fiscal year ending March 31, 2020	—	10.00			
Fiscal year ending March 31, 2020 (Forecast)			—	5.00	15.00

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

**3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020 (April 1, 2019 to March 31, 2020)**

(% 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
	30,900	(2.8)	1,550	(24.6)	1,520	(28.9)	930	(30.8)	45.55

(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, 2019: 20,703,000 shares

March 31, 2019: 20,703,000 shares

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

December 31, 2019: 112,695 shares

March 31, 2019: 1,816,446 shares

3) Average number of shares during the period:

Nine months ended December 31, 2019: 20,416,950 shares

Nine months ended December 31, 2018: 18,852,979 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, 2019	As of December 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	5,613	3,958
Notes and accounts receivable - trade	5,927	6,564
Electronically recorded monetary claims - operating	1,338	2,278
Merchandise and finished goods	3,176	3,032
Work in process	3,056	2,702
Raw materials and supplies	411	429
Other	1,516	1,014
Allowance for doubtful accounts	(8)	(10)
Total current assets	21,030	19,969
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,677	3,755
Machinery, equipment and vehicles, net	1,912	1,837
Tools, furniture and fixtures, net	116	104
Land	780	780
Leased assets, net	4	3
Construction in progress	52	448
Total property, plant and equipment	6,544	6,929
Intangible assets	565	572
Investments and other assets		
Investment securities	219	1,038
Deferred tax assets	524	365
Net defined benefit asset	136	137
Other	59	58
Allowance for doubtful accounts	—	(3)
Total investments and other assets	940	1,595
Total non-current assets	8,050	9,098
Total assets	29,080	29,067

(Million yen)

	As of March 31, 2019	As of December 31, 2019
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,293	3,319
Electronically recorded obligations - operating	1,236	1,308
Short-term loans payable	800	1,500
Current portion of long-term loans payable	200	200
Accrued expenses	726	510
Income taxes payable	300	22
Accrued consumption taxes	14	9
Provision for product warranties	123	126
Provision for directors' bonuses	25	12
Other	1,505	1,233
<b>Total current liabilities</b>	<b>9,227</b>	<b>8,242</b>
Non-current liabilities		
Long-term loans payable	300	200
Net defined benefit liability	2,503	2,395
Other	11	9
<b>Total non-current liabilities</b>	<b>2,814</b>	<b>2,605</b>
<b>Total liabilities</b>	<b>12,041</b>	<b>10,848</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,053	2,382
Retained earnings	12,874	13,091
Treasury shares	(749)	(40)
<b>Total shareholders' equity</b>	<b>16,685</b>	<b>17,940</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74	117
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	28	(119)
Remeasurements of defined benefit plans	(8)	(3)
<b>Total accumulated other comprehensive income</b>	<b>93</b>	<b>(6)</b>
Non-controlling interests	260	285
<b>Total net assets</b>	<b>17,038</b>	<b>18,219</b>
<b>Total liabilities and net assets</b>	<b>29,080</b>	<b>29,067</b>

## (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, 2018	For the Nine months ended December 31, 2019
Net sales	23,823	23,608
Cost of sales	18,345	18,431
Gross profit	5,478	5,177
Selling, general and administrative expenses	3,985	3,939
Operating income	1,492	1,237
Non-operating income		
Interest and dividend income	7	11
Rent income on non-current assets	50	50
Other	49	63
Total non-operating income	108	126
Non-operating expenses		
Interest expenses	1	3
Loss on sales of notes receivable - trade	8	1
Loss on retirement of non-current assets	2	2
Rent expenses on non-current assets	6	6
Foreign exchange losses	29	86
Share of loss of entities accounted for using equity method	—	5
Other	4	21
Total non-operating expenses	52	127
Ordinary income	1,548	1,236
Extraordinary losses		
Loss on retirement of non-current assets	—	96
Total extraordinary losses	—	96
Profit before income taxes	1,548	1,139
Income taxes - current	424	280
Income taxes - deferred	127	137
Total income taxes	552	417
Profit	996	722
Profit attributable to non-controlling interests	32	15
Profit attributable to owners of parent	963	706

Quarterly Consolidated Statements of Comprehensive Income  
 Nine Months Ended December 31

(Million yen)

	For the Nine months ended December 31, 2018	For the Nine months ended December 31, 2019
Profit	996	722
Other comprehensive income		
Valuation difference on available-for-sale securities	7	43
Deferred gains or losses on hedges	—	(0)
Foreign currency translation adjustment	(88)	(138)
Remeasurements of defined benefit plans, net of tax	10	5
Total other comprehensive income	(70)	(90)
Comprehensive income	925	631
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	889	606
Comprehensive income attributable to non-controlling interests	36	25