

Consolidated Financial Results for the Six Months Ended September 30, 2015 [Japanese GAAP]



October 23, 2015

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: November 12, 2015
 Scheduled date of commencing dividend payments: December 4, 2015
 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, 2015 (April 1, 2015 to September 30, 2015)

(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, 2015	13,171	9.0	877	(2.2)	917	4.5	711	(6.8)
September 30, 2014	12,084	10.7	897	21.5	877	(9.9)	763	(4.0)

(Note) Comprehensive income: Six months ended September 30, 2015: ¥763 million [12.2%]

Six months ended September 30, 2014: ¥680 million [(32.0%)]

	Profit per share		Diluted profit per share	
	Yen		Yen	
Six months ended September 30, 2015	34.53		-	
September 30, 2014	37.05		-	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2015	24,287	13,800	56.1
As of March 31, 2015	23,368	13,160	55.6

(Reference) Equity: As of September 30, 2015: ¥13,620 million

As of March 31, 2015: ¥12,992 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, 2015	-	4.00	-	6.00	10.00
Fiscal year ending March 31, 2016	-	5.00			
Fiscal year ending March 31, 2016 (Forecast)			-	-	-

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(% 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	26,500	1.9	2,000	6.1	2,000	0.1	1,600	(1.9)	77.62

(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):

September 30, 2015: 20,703,000 shares

March 31, 2015: 20,703,000 shares

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

September 30, 2015: 89,699 shares

March 31, 2015: 89,393 shares

3) Average number of shares during the period:

Six months ended September 30, 2015: 20,613,422 shares

Six months ended September 30, 2014: 20,613,859 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 dividend forecast for the fiscal year ending March 2016 is yet to be determined, and thus not disclosed at this time, as we are currently examining the status of our operations and results. We will announce the dividend forecast promptly as soon as its disclosure becomes possible.

1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	5,430,474	5,727,105
Notes and accounts receivable - trade	6,120,649	5,863,861
Electronically recorded monetary claims - operating	993,620	1,191,876
Merchandise and finished goods	2,401,026	2,604,412
Work in process	1,879,377	1,550,366
Raw materials and supplies	507,182	475,051
Deferred tax assets	39,724	36,831
Other	733,013	441,941
Allowance for doubtful accounts	(9,554)	(9,595)
Total current assets	18,095,515	17,881,852
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,399,577	3,037,858
Machinery, equipment and vehicles, net	750,399	1,478,835
Tools, furniture and fixtures, net	164,118	161,685
Land	804,581	803,862
Leased assets, net	15,605	13,162
Construction in progress	264,783	6,804
Total property, plant and equipment	4,399,066	5,502,208
Intangible assets	428,670	453,652
Investments and other assets		
Investment securities	240,238	230,705
Deferred tax assets	83,310	87,734
Net defined benefit asset	75,164	86,105
Other	47,194	45,129
Allowance for doubtful accounts	(183)	(131)
Total investments and other assets	445,724	449,543
Total non-current assets	5,273,461	6,405,405
Total assets	23,368,976	24,287,257

(Thousand yen)

	As of March 31, 2015	As of September 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,399,520	4,257,351
Current portion of long-term loans payable	300,000	300,000
Accrued expenses	626,728	654,652
Income taxes payable	98,629	144,459
Accrued consumption taxes	48,166	15,845
Deferred tax liabilities	1,748	1,748
Provision for product warranties	112,021	115,015
Provision for directors' bonuses	30,760	17,570
Other	1,383,729	1,902,307
Total current liabilities	7,001,304	7,408,949
Non-current liabilities		
Long-term loans payable	750,000	600,000
Deferred tax liabilities	295,221	294,810
Net defined benefit liability	2,141,931	2,165,922
Other	19,663	17,148
Total non-current liabilities	3,206,816	3,077,880
Total liabilities	10,208,120	10,486,830
Net assets		
Shareholders' equity		
Capital stock	2,506,512	2,506,512
Capital surplus	2,028,834	2,028,834
Retained earnings	8,146,749	8,734,839
Treasury shares	(48,558)	(48,715)
Total shareholders' equity	12,633,538	13,221,470
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	68,952	62,452
Foreign currency translation adjustment	409,408	439,541
Remeasurements of defined benefit plans	(119,557)	(102,526)
Total accumulated other comprehensive income	358,802	399,466
Non-controlling interests	168,514	179,489
Total net assets	13,160,855	13,800,427
Total liabilities and net assets	23,368,976	24,287,257

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Six Months Ended September 30

(Thousand yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Net sales	12,084,520	13,171,122
Cost of sales	8,818,930	9,807,669
Gross profit	3,265,589	3,363,453
Selling, general and administrative expenses	2,368,319	2,486,155
Operating income	897,270	877,297
Non-operating income		
Interest and dividend income	3,921	6,069
Rent income on non-current assets	35,475	35,475
Foreign exchange gains	–	10,699
Other	9,189	9,139
Total non-operating income	48,586	61,384
Non-operating expenses		
Interest expenses	4,714	2,389
Rent expenses on non-current assets	4,080	4,066
Loss on retirement of non-current assets	1,841	10,624
Loss on sales of notes payable	2,000	1,313
Foreign exchange losses	50,893	–
Commission fee	1,210	1,207
Other	3,348	1,524
Total non-operating expenses	68,089	21,125
Ordinary income	877,766	917,556
Extraordinary income		
Gain on sales of non-current assets	–	10,980
Total extraordinary income	–	10,980
Extraordinary losses		
Loss on retirement of non-current assets	–	26,339
Total extraordinary losses	–	26,339
Income before income taxes and minority interests	877,766	902,198
Income taxes - current	120,439	183,129
Income taxes - deferred	(8,584)	(5,973)
Total income taxes	111,854	177,156
Profit	765,912	725,041
Profit attributable to non-controlling interests	2,264	13,270
Profit attributable to owners of parent	763,647	711,771

Quarterly Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Thousand yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Profit	765,912	725,041
Other comprehensive income		
Valuation difference on available-for-sale securities	4,415	(6,499)
Foreign currency translation adjustment	(100,669)	27,837
Remeasurements of defined benefit plans, net of tax	10,649	17,031
Total other comprehensive income	(85,604)	38,368
Comprehensive income	680,307	763,410
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	681,579	752,435
Comprehensive income attributable to non-controlling interests	(1,272)	10,974