

Consolidated Financial Results for the Three Months Ended June 30, 2018 [Japanese GAAP]



July 27, 2018

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: August 10, 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 Three Months Ended June 30, 2018 (April 1, 2018 to June 30, 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	%
Three months ended June 30, 2018	7,729	1.7	555	32.2	565	34.9	359	31.5
June 30, 2017	7,598	28.4	420	77.8	419	105.9	273	350.8

(Note) Comprehensive income: Three months ended June 30, 2018: ¥341 million [39.9%]

Three months ended June 30, 2017: ¥244 million [—%]

	Profit per share		Diluted profit per share	
	Yen		Yen	
Three months ended June 30, 2018	19.12		-	
June 30, 2017	14.54		-	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2018	27,213	16,212	58.7
As of March 31, 2018	27,813	16,152	57.3

(Reference) Equity: As of June 30, 2018: ¥15,973 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
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2018	-	10.00	-	15.00	25.00
Fiscal year ending March 31, 2019	-				
Fiscal year ending March 31, 2019 (Forecast)		10.00	-	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
First half	15,500	0.7	1,150	24.4	1,150	21.8	750	23.2	39.89
Full year	32,000	3.6	2,400	16.7	2,400	12.7	1,560	10.8	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):

June 30, 2018: 20,703,000 shares

March 31, 2018: 20,703,000 shares

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

June 30, 2018: 1,900,420 shares

March 31, 2018: 1,900,380 shares

3) Average number of shares during the period:

Three months ended June 30, 2018: 18,802,610 shares

Three months ended June 30, 2017: 18,802,809 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 June 30, 2018
Assets		
Current assets		
Cash and deposits	4,460	4,142
Notes and accounts receivable - trade	7,323	7,548
Electronically recorded monetary claims - operating	1,270	1,069
Merchandise and finished goods	2,769	2,751
Work in process	2,509	2,702
Raw materials and supplies	422	493
Other	1,205	770
Allowance for doubtful accounts	(14)	(10)
Total current assets	19,946	19,468
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,876	3,842
Machinery, equipment and vehicles, net	1,799	1,749
Tools, furniture and fixtures, net	109	116
Land	780	780
Leased assets, net	7	5
Construction in progress	0	14
Total property, plant and equipment	6,573	6,509
Intangible assets	384	443
Investments and other assets		
Investment securities	202	218
Deferred tax assets	570	434
Net defined benefit asset	99	99
Other	37	56
Allowance for doubtful accounts	(0)	(15)
Total investments and other assets	909	792
Total non-current assets	7,867	7,744
Total assets	27,813	27,213

(Million yen)

	As of March 31, 2018	As of June 30, 2018
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,050	4,021
Electronically recorded obligations - operating	1,117	1,216
Short-term loans payable	600	600
Current portion of long-term loans payable	350	275
Accrued expenses	713	503
Income taxes payable	441	62
Accrued consumption taxes	18	23
Provision for product warranties	146	146
Provision for directors' bonuses	41	9
Other	1,173	1,190
Total current liabilities	8,653	8,048
Non-current liabilities		
Long-term loans payable	500	500
Net defined benefit liability	2,495	2,440
Other	12	11
Total non-current liabilities	3,007	2,951
Total liabilities	11,661	11,000
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,028	2,028
Retained earnings	12,000	12,077
Treasury shares	(783)	(783)
Total shareholders' equity	15,751	15,829
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	62	73
Foreign currency translation adjustment	170	126
Remeasurements of defined benefit plans	(59)	(55)
Total accumulated other comprehensive income	173	144
Non-controlling interests	227	238
Total net assets	16,152	16,212
Total liabilities and net assets	27,813	27,213

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2017	For the three months ended June 30, 2018
Net sales	7,598	7,729
Cost of sales	5,903	5,855
Gross profit	1,694	1,874
Selling, general and administrative expenses	1,274	1,318
Operating income	420	555
Non-operating income		
Interest and dividend income	4	3
Rent income on non-current assets	16	16
Other	4	10
Total non-operating income	26	30
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	22	16
Other	4	3
Total non-operating expenses	27	20
Ordinary income	419	565
Income before income taxes and minority interests	419	565
Income taxes - current	51	63
Income taxes - deferred	83	129
Total income taxes	135	193
Profit	283	372
Profit attributable to non-controlling interests	10	13
Profit attributable to owners of parent	273	359

Quarterly Consolidated Statements of Comprehensive Income
 Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2017	For the three months ended June 30, 2018
Profit	283	372
Other comprehensive income		
Valuation difference on available-for-sale securities	4	11
Deferred gains or losses on hedges	(0)	—
Foreign currency translation adjustment	(48)	(45)
Remeasurements of defined benefit plans, net of tax	5	3
Total other comprehensive income	(39)	(30)
Comprehensive income	244	341
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	232	330
Comprehensive income attributable to non-controlling interests	11	11