

Consolidated Financial Results for the Three Months Ended June 30, 2019 [Japanese GAAP]



July 25, 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: August 8, 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 Three Months Ended June 30, 2019 (April 1, 2019 to June 30, 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	%
Three months ended June 30, 2019	7,956	2.9	531	(4.3)	563	(0.4)	349	(2.7)
June 30, 2018	7,729	1.7	555	32.2	565	34.9	359	31.5

(Note) Comprehensive income: Three months ended June 30, 2019: ¥417 million [22.2%]

Three months ended June 30, 2018: ¥341 million [39.9%]

	Profit per share		Diluted profit per share	
	Yen		Yen	
Three months ended June 30, 2019	17.36		—	
June 30, 2018	19.12		—	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2019	29,720	18,198	60.3
As of March 31, 2019	29,080	17,038	57.7

(Reference) Equity: As of June 30, 2019: ¥17,922 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	-				
Fiscal year ending March 31, 2020 (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, 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	16,000	3.0	1,100	14.6	1,100	10.4	640	3.4	31.13
Full year	32,000	0.7	2,200	7.1	2,200	2.9	1,350	0.4	65.66

(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, 2019: 20,703,000 shares

March 31, 2019: 20,703,000 shares

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

June 30, 2019: 135,046 shares

March 31, 2019: 1,816,446 shares

3) Average number of shares during the period:

Three months ended June 30, 2019: 20,156,904 shares

Three months ended June 30, 2018: 18,802,610 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 June 30, 2019
Assets		
Current assets		
Cash and deposits	5,613	6,382
Notes and accounts receivable - trade	5,927	6,208
Electronically recorded monetary claims - operating	1,338	1,257
Merchandise and finished goods	3,176	3,346
Work in process	3,056	2,990
Raw materials and supplies	411	429
Other	1,516	986
Allowance for doubtful accounts	(8)	(9)
Total current assets	21,030	21,592
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,677	3,815
Machinery, equipment and vehicles, net	1,912	1,948
Tools, furniture and fixtures, net	116	119
Land	780	780
Leased assets, net	4	4
Construction in progress	52	111
Total property, plant and equipment	6,544	6,779
Intangible assets	565	547
Investments and other assets		
Investment securities	219	221
Deferred tax assets	524	391
Net defined benefit asset	136	136
Other	59	54
Allowance for doubtful accounts	—	(3)
Total investments and other assets	940	801
Total non-current assets	8,050	8,127
Total assets	29,080	29,720

(Million yen)

	As of March 31, 2019	As of June 30, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,293	3,821
Electronically recorded obligations - operating	1,236	1,366
Short-term loans payable	800	800
Current portion of long-term loans payable	200	200
Accrued expenses	726	519
Income taxes payable	300	60
Accrued consumption taxes	14	18
Provision for product warranties	123	126
Provision for directors' bonuses	25	6
Other	1,505	1,872
Total current liabilities	9,227	8,792
Non-current liabilities		
Long-term loans payable	300	300
Net defined benefit liability	2,503	2,418
Other	11	11
Total non-current liabilities	2,814	2,729
Total liabilities	12,041	11,522
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,053	2,377
Retained earnings	12,874	12,940
Treasury shares	(749)	(48)
Total shareholders' equity	16,685	17,776
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74	75
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	28	75
Remeasurements of defined benefit plans	(8)	(6)
Total accumulated other comprehensive income	93	145
Non-controlling interests	260	276
Total net assets	17,038	18,198
Total liabilities and net assets	29,080	29,720

(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, 2018	For the three months ended June 30, 2019
Net sales	7,729	7,956
Cost of sales	5,855	6,083
Gross profit	1,874	1,873
Selling, general and administrative expenses	1,318	1,341
Operating profit	555	531
Non-operating income		
Interest and dividend income	3	3
Rent income on non-current assets	16	16
Foreign exchange gains	—	4
Compensation income	—	17
Other	10	8
Total non-operating income	30	50
Non-operating expenses		
Interest expenses	0	1
Foreign exchange losses	16	—
Commission fee	0	11
Other	3	6
Total non-operating expenses	20	19
Ordinary profit	565	563
Profit before income taxes	565	563
Income taxes - current	63	72
Income taxes - deferred	129	131
Total income taxes	193	203
Profit	372	359
Profit attributable to non-controlling interests	13	9
Profit attributable to owners of parent	359	349

Quarterly Consolidated Statements of Comprehensive Income
 Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019
Profit	372	359
Other comprehensive income		
Valuation difference on available-for-sale securities	11	1
Deferred gains or losses on hedges	—	0
Foreign currency translation adjustment	(45)	53
Remeasurements of defined benefit plans, net of tax	3	2
Total other comprehensive income	(30)	58
Comprehensive income	341	417
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	330	401
Comprehensive income attributable to non-controlling interests	11	15