

Consolidated Financial Results for the Six Months Ended September 30, 2020 [Japanese GAAP]



October 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: November 13, 2020

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing materials on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2020 (April 1, 2020 to September 30, 2020)

(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, 2020	9,785	(42.6)	(531)	-	(484)	-	(439)	-
September 30, 2019	17,038	9.6	1,093	13.8	1,091	9.5	652	5.5

(Note) Comprehensive income: Six months ended September 30, 2020: (¥511) million [-%]

Six months ended September 30, 2019: ¥629 million [10.0%]

	Profit per share		Diluted profit per share	
	Yen		Yen	
Six months ended September 30, 2020	(21.34)		—	
September 30, 2019	32.09		—	

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
As of September 30, 2020	28,686		17,771		61.0	
As of March 31, 2020	28,128		18,386		64.3	

(Reference) Equity: As of September 30, 2020: ¥17,485 million

As of March 31, 2020: ¥18,091 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2020	Yen —	Yen 10.00	Yen —	Yen 5.00	Yen 15.00
Fiscal year ending March 31, 2021	—	0.00			
Fiscal year ending March 31, 2021 (Forecast)			—	—	—

(Note) Revision to the most recent dividend forecast: Yes

The dividend forecast for the fiscal year ending March 2021 is yet to be determined.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(% 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
	21,600	(29.1)	(600)	-	(560)	-	(500)	-	(24.29)

(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: 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):

September 30, 2020: 20,703,000 shares

March 31, 2020: 20,703,000 shares

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

September 30, 2020: 122,174 shares

March 31, 2020: 112,815 shares

3) Average number of shares during the period:

Six months ended September 30, 2020: 20,586,165 shares

Six months ended September 30, 2019: 20,342,655 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, 2020	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	5,054	7,811
Notes and accounts receivable - trade	5,827	3,692
Electronically recorded monetary claims - operating	1,642	1,414
Merchandise and finished goods	2,750	2,543
Work in process	2,482	2,462
Raw materials and supplies	407	502
Other	903	816
Allowance for doubtful accounts	(8)	(6)
Total current assets	19,061	19,237
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,725	4,239
Machinery, equipment and vehicles, net	1,796	1,995
Tools, furniture and fixtures, net	118	134
Land	780	780
Leased assets, net	3	2
Construction in progress	400	13
Total property, plant and equipment	6,825	7,166
Intangible assets	644	648
Investments and other assets		
Investment securities	968	899
Deferred tax assets	492	601
Net defined benefit asset	87	88
Other	53	45
Allowance for doubtful accounts	(3)	(0)
Total investments and other assets	1,597	1,634
Total non-current assets	9,067	9,449
Total assets	28,128	28,686

(Million yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,101	2,639
Electronically recorded obligations - operating	891	728
Short-term loans payable	900	1,700
Current portion of long-term loans payable	200	400
Accrued expenses	648	642
Income taxes payable	73	85
Accrued consumption taxes	18	10
Provision for product warranties	89	71
Provision for directors' bonuses	7	-
Other	1,231	1,378
Total current liabilities	7,161	7,656
Non-current liabilities		
Long-term loans payable	100	760
Net defined benefit liability	2,471	2,489
Other	9	8
Total non-current liabilities	2,580	3,257
Total liabilities	9,742	10,914
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,382	2,382
Retained earnings	13,268	12,726
Treasury shares	(40)	(40)
Total shareholders' equity	18,117	17,575
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52	71
Deferred gains or losses on hedges	(0)	-
Foreign currency translation adjustment	(14)	(103)
Remeasurements of defined benefit plans	(63)	(57)
Total accumulated other comprehensive income	(25)	(90)
Non-controlling interests	294	286
Total net assets	18,386	17,771
Total liabilities and net assets	28,128	28,686

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Six Months Ended September 30

(Million yen)

	For the Six months ended September 30, 2019	For the Six months ended September 30, 2020
Net sales	17,038	9,785
Cost of sales	13,178	8,242
Gross profit	3,860	1,543
Selling, general and administrative expenses	2,767	2,074
Operating profit (Loss)	1,093	(531)
Non-operating profit		
Interest and dividend income	4	12
Rent income on non-current assets	33	33
Subsidy income	-	47
Compensation income	17	-
Other	18	25
Total non-operating income	74	118
Non-operating expenses		
Interest expenses	2	4
Commission fee	11	1
Loss on sales of notes receivable - trade	1	0
Loss on disposal of non-current assets	2	0
Rent expenses on non-current assets	4	4
Foreign exchange losses	44	10
Share of loss of entities accounted for using equity method	-	48
Other	8	1
Total non-operating expenses	75	71
Ordinary profit (Loss)	1,091	(484)
Extraordinary losses		
Loss on retirement of non-current assets	96	-
Total extraordinary losses	96	-
Profit (Loss) before income tax	995	(484)
Income taxes - current	322	94
Income taxes refund	-	(23)
Income taxes - deferred	5	(120)
Total income taxes	328	(48)
Profit (Loss)	667	(435)
Profit attributable to non-controlling interests	14	3
Profit (Loss) attributable to owners of parent	652	(439)

Quarterly Consolidated Statements of Comprehensive Income
Six Months Ended September 30

(Million yen)

	For the Six months ended September 30, 2019	For the Six months ended September 30, 2020
Profit (Loss)	667	(435)
Other comprehensive income		
Valuation difference on available-for-sale securities	11	18
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	(52)	(92)
Remeasurements of defined benefit plans, net of tax	3	5
Share of other comprehensive income of entities	-	(7)
Total other comprehensive income	(37)	(75)
Comprehensive income	629	(511)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	608	(503)
Comprehensive income attributable to non-controlling interests	21	(7)