

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2015 (Based on Japanese GAAP)

November 5, 2015

Company name: Tohto Suisan Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8038 URL <http://www.tohsui.co.jp>
 Representative: President and Representative Director Yoshinari Sekimoto
 Director, General Affairs Dept. and
 Inquiries: Accountants Dept. Koh Ehara TEL 03-3541-5468
 Scheduled date to file Quarterly Securities Report: November 12, 2015
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2015	60,492	0.7	401	(42.3)	491	(34.4)	398	(38.9)
Six months ended September 30, 2014	60,095	(0.1)	695	(9.1)	749	(10.8)	652	2.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2015	10.01		–	
Six months ended September 30, 2014	16.40		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2015	27,688	13,168	47.6	331.00
As of March 31, 2015	27,585	13,240	48.0	332.79

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2015	–	–	–	5.00	5.00
Year ending March 31, 2016	–	–	–	–	–
Year ending March 31, 2016 (Forecast)	–	–	–	5.00	5.00

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	120,000	(5.1)	1,000	(40.5)	1,100	(43.5)	800	(50.0)	20.11

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2015
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2015	40,260,000 shares	As of March 31, 2015	40,260,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2015	475,336 shares	As of March 31, 2015	473,135 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2015	39,785,739 shares	Six months ended September 30, 2014	39,791,216 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	7,741	6,615
Notes and accounts receivable - trade	7,123	7,732
Merchandise and finished goods	3,587	4,116
Work in process	23	22
Raw materials and supplies	356	346
Other	433	477
Allowance for doubtful accounts	(1,051)	(832)
Total current assets	18,215	18,478
Non-current assets		
Property, plant and equipment		
Land	3,606	3,599
Other, net	2,663	2,577
Total property, plant and equipment	6,270	6,177
Intangible assets	899	818
Investments and other assets		
Other	2,475	2,649
Allowance for doubtful accounts	(275)	(435)
Total investments and other assets	2,200	2,213
Total non-current assets	9,370	9,209
Total assets	27,585	27,688
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,167	3,722
Short-term loans payable	3,944	3,930
Income taxes payable	129	106
Provision for bonuses	82	95
Other	883	782
Total current liabilities	8,207	8,636
Non-current liabilities		
Long-term loans payable	2,744	2,429
Net defined benefit liability	1,686	1,722
Asset retirement obligations	85	86
Other	1,621	1,644
Total non-current liabilities	6,137	5,882
Total liabilities	14,344	14,519

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Net assets		
Shareholders' equity		
Capital stock	2,376	2,376
Capital surplus	1,048	1,048
Retained earnings	8,597	8,794
Treasury shares	(94)	(95)
Total shareholders' equity	11,927	12,123
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	405	396
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	362	362
Foreign currency translation adjustment	632	371
Remeasurements of defined benefit plans	(86)	(85)
Total accumulated other comprehensive income	1,313	1,044
Total net assets	13,240	13,168
Total liabilities and net assets	27,585	27,688

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	60,095	60,492
Cost of sales	56,574	57,163
Gross profit	3,520	3,329
Selling, general and administrative expenses	2,824	2,928
Operating income	695	401
Non-operating income		
Interest income	22	25
Dividend income	31	32
Foreign exchange gains	4	40
Other	29	35
Total non-operating income	88	134
Non-operating expenses		
Interest expenses	27	25
Loss on valuation of currency swaps	5	10
Other	1	8
Total non-operating expenses	34	44
Ordinary income	749	491
Extraordinary income		
Compensation income for damage by rumor	95	59
Total extraordinary income	95	59
Income before income taxes and minority interests	845	551
Income taxes - current	206	189
Income taxes - deferred	(13)	(36)
Total income taxes	192	153
Profit	652	398
Profit attributable to owners of parent	652	398

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	652	398
Other comprehensive income		
Valuation difference on available-for-sale securities	36	(8)
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	(150)	(260)
Remeasurements of defined benefit plans, net of tax	6	0
Total other comprehensive income	(107)	(268)
Comprehensive income	544	129
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	544	129
Comprehensive income attributable to non-controlling interests	—	—