

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2015 (Based on Japanese GAAP)

February 5, 2016

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: February 10, 2016
 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 nine months ended December 31, 2015 (from April 1, 2015 to December 31, 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	%
Nine months ended December 31, 2015	97,065	0.1	1,267	(7.0)	1,378	(9.0)	1,077	(13.3)
Nine months ended December 31, 2014	96,982	(0.2)	1,362	(2.5)	1,514	(0.0)	1,242	6.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2015	27.08	–
Nine months ended December 31, 2014	31.23	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2015	29,373	13,430	45.7	337.59
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 nine months ended December 31, 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 December 31, 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 December 31, 2015	475,536 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)

Nine months ended December 31, 2015	39,785,376 shares	Nine months ended December 31, 2014	39,790,205 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	7,741	7,185
Notes and accounts receivable - trade	7,123	9,859
Merchandise and finished goods	3,587	3,568
Work in process	23	24
Raw materials and supplies	356	363
Other	433	304
Allowance for doubtful accounts	(1,051)	(965)
Total current assets	18,215	20,341
Non-current assets		
Property, plant and equipment		
Land	3,606	3,553
Other, net	2,663	2,503
Total property, plant and equipment	6,270	6,056
Intangible assets	899	730
Investments and other assets		
Other	2,475	2,665
Allowance for doubtful accounts	(275)	(419)
Total investments and other assets	2,200	2,245
Total non-current assets	9,370	9,032
Total assets	27,585	29,373
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,167	5,291
Short-term loans payable	3,944	3,899
Income taxes payable	129	190
Provision for bonuses	82	20
Other	883	877
Total current liabilities	8,207	10,280
Non-current liabilities		
Long-term loans payable	2,744	2,175
Net defined benefit liability	1,686	1,739
Asset retirement obligations	85	86
Other	1,621	1,661
Total non-current liabilities	6,137	5,662
Total liabilities	14,344	15,942

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Net assets		
Shareholders' equity		
Capital stock	2,376	2,376
Capital surplus	1,048	1,048
Retained earnings	8,597	9,492
Treasury shares	(94)	(95)
Total shareholders' equity	11,927	12,821
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	405	459
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	362	343
Foreign currency translation adjustment	632	(109)
Remeasurements of defined benefit plans	(86)	(85)
Total accumulated other comprehensive income	1,313	609
Total net assets	13,240	13,430
Total liabilities and net assets	27,585	29,373

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	96,982	97,065
Cost of sales	91,177	91,319
Gross profit	5,805	5,745
Selling, general and administrative expenses	4,442	4,478
Operating income	1,362	1,267
Non-operating income		
Interest income	29	35
Dividend income	45	46
Foreign exchange gains	68	104
Other	54	48
Total non-operating income	198	235
Non-operating expenses		
Interest expenses	41	35
Loss on retirement of non-current assets	4	39
Loss on valuation of currency swaps	—	43
Other	1	6
Total non-operating expenses	46	124
Ordinary income	1,514	1,378
Extraordinary income		
Compensation income for damage by rumor	97	61
Total extraordinary income	97	61
Income before income taxes and minority interests	1,612	1,439
Income taxes - current	377	368
Income taxes - deferred	(8)	(5)
Total income taxes	369	362
Profit	1,242	1,077
Profit attributable to owners of parent	1,242	1,077

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit	1,242	1,077
Other comprehensive income		
Valuation difference on available-for-sale securities	100	54
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	(16)	(741)
Remeasurements of defined benefit plans, net of tax	9	1
Total other comprehensive income	92	(685)
Comprehensive income	1,335	391
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,335	391
Comprehensive income attributable to non-controlling interests	—	—