

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

July 31, 2019

Company name: Toshiba Machine Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 6104 URL <https://www.toshiba-machine.co.jp>  
 Representative: President and Chief Operating Officer Takahiro Mikami  
 Corporate Strategy Department  
 Inquiries: Senior Manager Yoshiaki Kai TEL 055-926-5072  
 Scheduled date to file Quarterly Securities Report: August 9, 2019  
 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 three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2019	25,715	3.2	(388)	–	(401)	–	(441)	–
Three months ended June 30, 2018	24,913	8.3	(324)	–	(164)	–	(184)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2019	(18.29)	–
Three months ended June 30, 2018	(7.63)	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	148,488	81,295	54.7
As of March 31, 2019	150,724	83,197	55.2

### 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, 2019	–	7.50	–	37.50	–
Year ending March 31, 2020	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	42.50	–	42.50	85.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2019	60,000	0.9	2,400	48.2	2,700	(0.0)	2,000	3.4	82.86
Full year	122,000	3.9	5,300	38.2	6,300	13.0	4,400	7.9	182.30

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019  
 (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: No
- 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 June 30, 2019	29,977,106 shares	As of March 31, 2019	29,977,106 shares
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Number of treasury shares at the end of the period

As of June 30, 2019	5,841,713 shares	As of March 31, 2019	5,841,537 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2019	24,135,441 shares	Three months ended June 30, 2018	24,136,344 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	25,592	24,731
Notes and accounts receivable - trade	37,405	35,081
Merchandise and finished goods	12,153	11,091
Work in process	29,793	33,593
Raw materials and supplies	73	67
Other	3,909	2,482
Allowance for doubtful accounts	(89)	(58)
Total current assets	108,838	106,990
Non-current assets		
Property, plant and equipment		
Buildings and structures	39,350	39,096
Accumulated depreciation and impairment loss	(28,052)	(28,000)
Buildings and structures, net	11,297	11,095
Machinery, equipment and vehicles	24,185	24,426
Accumulated depreciation and impairment loss	(21,964)	(22,048)
Machinery, equipment and vehicles, net	2,220	2,377
Land	6,460	6,460
Leased assets	264	262
Accumulated depreciation and impairment loss	(160)	(155)
Leased assets, net	104	107
Construction in progress	130	97
Other	7,428	7,425
Accumulated depreciation and impairment loss	(6,877)	(6,895)
Other, net	550	529
Total property, plant and equipment	20,765	20,667
Intangible assets		
Other	641	609
Total intangible assets	641	609
Investments and other assets		
Investment securities	18,379	17,967
Long-term loans receivable	16	15
Deferred tax assets	703	800
Other	1,726	2,052
Allowance for doubtful accounts	(345)	(613)
Total investments and other assets	20,479	20,220
Total non-current assets	41,885	41,498
Total assets	150,724	148,488

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	28,207	28,155
Short-term borrowings	10,090	10,090
Income taxes payable	466	133
Accrued expenses	4,854	3,844
Provision for product warranties	604	643
Advances received	7,842	8,531
Other	1,423	1,864
<b>Total current liabilities</b>	<b>53,488</b>	<b>53,262</b>
<b>Non-current liabilities</b>		
Long-term borrowings	4,300	4,300
Long-term accounts payable - other	5	5
Deferred tax liabilities	66	19
Provision for retirement benefits for directors (and other officers)	32	33
Retirement benefit liability	9,475	9,414
Asset retirement obligations	51	51
Other	105	106
<b>Total non-current liabilities</b>	<b>14,037</b>	<b>13,931</b>
<b>Total liabilities</b>	<b>67,526</b>	<b>67,193</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	12,484	12,484
Capital surplus	11,538	11,538
Retained earnings	71,983	70,636
Treasury shares	(16,375)	(16,375)
<b>Total shareholders' equity</b>	<b>79,630</b>	<b>78,283</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	2,844	2,729
Deferred gains or losses on hedges	0	-
Foreign currency translation adjustment	1,711	1,235
Remeasurements of defined benefit plans	(988)	(953)
<b>Total accumulated other comprehensive income</b>	<b>3,566</b>	<b>3,011</b>
<b>Total net assets</b>	<b>83,197</b>	<b>81,295</b>
<b>Total liabilities and net assets</b>	<b>150,724</b>	<b>148,488</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	24,913	25,715
Cost of sales	18,171	18,497
Gross profit	6,742	7,218
Selling, general and administrative expenses	7,066	7,606
Operating loss	(324)	(388)
Non-operating income		
Interest income	11	14
Dividend income	136	122
Foreign exchange gains	225	–
Rental income	13	12
Other	97	46
Total non-operating income	484	196
Non-operating expenses		
Interest expenses	20	20
Brand fee expense	18	24
Foreign exchange losses	–	37
Share of loss of entities accounted for using equity method	232	87
Other	53	40
Total non-operating expenses	325	209
Ordinary loss	(164)	(401)
Extraordinary income		
Gain on sales of non-current assets	4	–
Total extraordinary income	4	–
Extraordinary losses		
Loss on disposal of non-current assets	1	21
Total extraordinary losses	1	21
Loss before income taxes	(162)	(422)
Income taxes - current	232	132
Income taxes - deferred	(210)	(113)
Total income taxes	21	18
Loss	(184)	(441)
Loss attributable to owners of parent	(184)	(441)

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Loss	(184)	(441)
Other comprehensive income		
Valuation difference on available-for-sale securities	56	(95)
Deferred gains or losses on hedges	(3)	(0)
Foreign currency translation adjustment	(3)	(475)
Remeasurements of defined benefit plans, net of tax	40	26
Share of other comprehensive income of entities accounted for using equity method	(26)	(10)
Total other comprehensive income	63	(555)
Comprehensive income	(120)	(997)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(120)	(997)
Comprehensive income attributable to non-controlling interests	—	—