

Consolidated Financial Results for the Three Months Ended June 30, 2016 [Japanese GAAP]



July 29, 2016

Company name: Ryoden Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8084
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 Scheduled date of filing quarterly securities report: August 10, 2016
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material 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, 2016 (April 1, 2016 to June 30, 2016)

(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, 2016	50,435	(5.8)	(121)	-	(328)	-	(289)	-
Three months ended June 30, 2015	53,527	(2.3)	770	11.4	1,072	39.3	548	10.3

(Note) Comprehensive income: Three months ended June 30, 2016: ¥(896) million [-%]
 Three months ended June 30, 2015: ¥827 million [53.9%]

	Profit per share	Diluted profit per share
	Yen	Yen
Three months ended June 30, 2016	(6.67)	(6.65)
Three months ended June 30, 2015	12.66	12.65

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2016	114,773	58,985	51.3	1,359.00
As of March 31, 2016	119,382	60,401	50.5	1,392.47

(Reference) Equity: As of June 30, 2016: ¥58,897 million
 As of March 31, 2016: ¥60,348 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2016	Yen -	Yen 13.00	Yen -	Yen 13.00	Yen 26.00
Fiscal year ending March 31, 2017	-				
Fiscal year ending March 31, 2017 (Forecast)		13.00	-	13.00	26.00

Note: Revision from the most recently announced dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(% 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	110,000	(0.6)	1,720	(7.0)	1,680	(8.9)	1,120	9.6	25.84
Full year	225,000	1.4	3,770	2.6	3,650	10.7	2,400	30.0	55.38

Note: Revision from the most recently announced 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
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (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 stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
 - June 30, 2016: 45,649,955 shares
 - March 31, 2016: 45,649,955 shares
 - 2) Total number of treasury stock at the end of the period:
 - June 30, 2016: 2,311,168 shares
 - March 31, 2016: 2,311,234 shares
 - 3) Average number of shares during the period:
 - Three months ended June 30, 2016: 43,338,853 shares
 - Three months ended June 30, 2015: 43,345,139 shares

* Presentation regarding the implementation status of the quarterly review procedures

These quarterly financial results are outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act. At the time of disclosure of these financial results, review procedures for the quarterly financial statements under the Financial Instruments and Exchange Act have not been completed.

* Explanation of the proper use of financial results forecast and other notes

The statements concerning future performance presented in this document are prepared based on currently available information and certain preconditions which the Company believes to be reasonable at this time. Actual results may be different from any projections presented herein due to various factors.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Current assets		
Cash and deposits	16,665	18,323
Notes and accounts receivable - trade	54,853	50,060
Electronically recorded monetary claims - operating	6,242	6,960
Securities	853	800
Merchandise and finished goods	20,510	19,610
Short-term loans receivable	241	—
Other	4,852	3,889
Allowance for doubtful accounts	(244)	(14)
Total current assets	103,975	99,630
Non-current assets		
Property, plant and equipment	5,088	5,069
Intangible assets	669	666
Investments and other assets		
Other	9,702	9,757
Allowance for doubtful accounts	(53)	(351)
Total investments and other assets	9,648	9,405
Total non-current assets	15,407	15,142
Total assets	119,382	114,773

(Million yen)

	As of March 31, 2016	As of June 30, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	39,088	36,535
Electronically recorded obligations - operating	7,897	8,157
Short-term loans payable	2,083	1,955
Income taxes payable	736	131
Other	3,341	3,218
Total current liabilities	53,146	49,998
Non-current liabilities		
Net defined benefit liability	4,610	4,606
Other	1,224	1,182
Total non-current liabilities	5,834	5,789
Total liabilities	58,981	55,787
Net assets		
Shareholders' equity		
Capital stock	10,334	10,334
Capital surplus	7,380	7,381
Retained earnings	42,348	41,505
Treasury shares	(864)	(864)
Total shareholders' equity	59,199	58,356
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,368	1,246
Foreign currency translation adjustment	1,141	622
Remeasurements of defined benefit plans	(1,360)	(1,327)
Total accumulated other comprehensive income	1,148	541
Subscription rights to shares	53	88
Total net assets	60,401	58,985
Total liabilities and net assets	119,382	114,773

(2) Consolidated Statements of Income and Comprehensive Income
 Consolidated Statements of Income

(Million yen)

	For the three months ended June 30, 2015 (From April 1, 2015 to June 30, 2015)	For the three months ended June 30, 2016 (From April 1, 2016 to June 30, 2016)
Net sales	53,527	50,435
Cost of sales	47,769	45,648
Gross profit	5,758	4,787
Selling, general and administrative expenses	4,988	4,909
Operating income (loss)	770	(121)
Non-operating income		
Interest income	18	12
Dividend income	75	58
Insurance income	—	37
Share of profit of entities accounted for using equity method	35	40
Foreign exchange gains	221	—
Other	37	34
Total non-operating income	387	184
Non-operating expenses		
Interest expenses	11	12
Sales discounts	20	27
Loss on retirement of non-current assets	21	—
Foreign exchange losses	—	286
Loss on sales of accounts receivable	15	—
Other	17	65
Total non-operating expenses	85	391
Ordinary income (loss)	1,072	(328)
Extraordinary income		
Gain on sales of investment securities	—	10
Total extraordinary income	—	10
Profit (loss) before income taxes	1,072	(318)
Income taxes	523	(29)
Profit (loss)	548	(289)
Profit attributable to non-controlling interests	—	—
Profit (loss) attributable to owners of parent	548	(289)

Consolidated Statements of Comprehensive Income

(Million yen)

	For the three months ended June 30, 2015 (From April 1, 2015 to June 30, 2015)	For the three months ended June 30, 2016 (From April 1, 2016 to June 30, 2016)
Profit (loss)	548	(289)
Other comprehensive income		
Valuation difference on available-for-sale securities	349	(121)
Foreign currency translation adjustment	(72)	(518)
Remeasurements of defined benefit plans, net of tax	1	33
Total other comprehensive income	279	(607)
Comprehensive income	827	(896)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	827	(896)
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Million yen)

	For the three months ended June 30, 2015 (From April 1, 2015 to June 30, 2015)	For the three months ended June 30, 2016 (From April 1, 2016 to June 30, 2016)
Cash flows from operating activities		
Profit (loss) before income taxes	1,072	(318)
Depreciation	132	128
Increase (decrease) in allowance for doubtful accounts	(13)	2
Interest and dividend income	(94)	(71)
Interest expenses	11	12
Share of (profit) loss of entities accounted for using equity method	(35)	(40)
Decrease (increase) in notes and accounts receivable - trade	3,362	3,473
Decrease (increase) in inventories	(469)	647
Increase (decrease) in notes and accounts payable - trade	(6,454)	(1,791)
Other, net	2,835	1,069
Subtotal	347	3,111
Interest and dividend income received	103	91
Interest expenses paid	(9)	(10)
Income taxes paid	(331)	(594)
Net cash provided by (used in) operating activities	109	2,597
Cash flows from investing activities		
Proceeds from redemption of securities	200	553
Purchase of property, plant and equipment	(209)	(137)
Proceeds from sales of property, plant and equipment	3	0
Purchase of intangible assets	(51)	(30)
Purchase of investment securities	(536)	(1)
Proceeds from sales of investment securities	480	21
Decrease (increase) in short-term loans receivable	—	(56)
Other, net	138	80
Net cash provided by (used in) investing activities	24	430
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(181)	(21)
Net decrease (increase) in treasury shares	(2)	0
Cash dividends paid	(489)	(530)
Net cash provided by (used in) financing activities	(672)	(552)
Effect of exchange rate change on cash and cash equivalents	(52)	(329)
Net increase (decrease) in cash and cash equivalents	(591)	2,145
Cash and cash equivalents at beginning of period	15,413	16,660
Increase in cash and cash equivalents from newly consolidated subsidiary	—	12
Cash and cash equivalents at end of period	14,821	18,818