

Consolidated Financial Results for the Nine Months Ended December 31, 2016 [Japanese GAAP]



January 31, 2017

Company name: Ryoden Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8084
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 Scheduled date of filing quarterly securities report: February 14, 2017
 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 Nine Months Ended December 31, 2016 (April 1, 2016 to December 31, 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	%
Nine months ended December 31, 2016	155,136	(5.2)	1,423	(38.2)	1,202	(48.4)	766	(33.3)
Nine months ended December 31, 2015	163,627	(4.2)	2,304	(37.7)	2,329	(46.3)	1,149	(59.2)

(Note) Comprehensive income: Nine months ended December 31, 2016: ¥27 million [(97.3)%]
 Nine months ended December 31, 2015: ¥1,011 million [(72.9)%]

	Profit per share	Diluted profit per share
	Yen	Yen
Nine months ended December 31, 2016	17.67	17.63
Nine months ended December 31, 2015	26.52	26.48

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2016	119,010	59,429	49.9	1,368.96
As of March 31, 2016	119,382	60,401	50.5	1,392.47

(Reference) Equity: As of December 31, 2016: ¥59,358 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	-	11.00	-		
Fiscal year ending March 31, 2017 (Forecast)				11.00	22.00

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
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	214,000	(3.6)	2,100	(42.8)	1,800	(45.4)	1,200	(35.0)	27.68

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):
 - December 31, 2016: 45,649,955 shares
 - March 31, 2016: 45,649,955 shares
 - 2) Total number of treasury stock at the end of the period:
 - December 31, 2016: 2,289,507 shares
 - March 31, 2016: 2,311,234 shares
 - 3) Average number of shares during the period:
 - Nine months ended December 31, 2016: 43,354,666 shares
 - Nine months ended December 31, 2015: 43,342,814 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 December 31, 2016
Assets		
Current assets		
Cash and deposits	16,665	21,361
Notes and accounts receivable - trade	54,853	52,349
Electronically recorded monetary claims - operating	6,242	8,850
Securities	853	500
Merchandise and finished goods	20,510	17,103
Short-term loans receivable	241	58
Other	4,852	3,219
Allowance for doubtful accounts	(244)	(16)
Total current assets	103,975	103,426
Non-current assets		
Property, plant and equipment	5,088	4,931
Intangible assets	669	637
Investments and other assets		
Other	9,702	10,344
Allowance for doubtful accounts	(53)	(328)
Total investments and other assets	9,648	10,015
Total non-current assets	15,407	15,584
Total assets	119,382	119,010

(Million yen)

	As of March 31, 2016	As of December 31, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	39,088	37,250
Electronically recorded obligations - operating	7,897	11,551
Short-term loans payable	2,083	1,172
Income taxes payable	736	59
Other	3,341	3,734
Total current liabilities	53,146	53,768
Non-current liabilities		
Net defined benefit liability	4,610	4,646
Other	1,224	1,165
Total non-current liabilities	5,834	5,812
Total liabilities	58,981	59,580
Net assets		
Shareholders' equity		
Capital stock	10,334	10,334
Capital surplus	7,380	7,388
Retained earnings	42,348	42,083
Treasury shares	(864)	(858)
Total shareholders' equity	59,199	58,948
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,368	1,926
Foreign currency translation adjustment	1,141	(254)
Remeasurements of defined benefit plans	(1,360)	(1,261)
Total accumulated other comprehensive income	1,148	410
Subscription rights to shares	53	70
Total net assets	60,401	59,429
Total liabilities and net assets	119,382	119,010

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

(Million yen)

	For the nine months ended December 31, 2015 (From April 1, 2015 to December 31, 2015)	For the nine months ended December 31, 2016 (From April 1, 2016 to December 31, 2016)
Net sales	163,627	155,136
Cost of sales	146,633	139,555
Gross profit	16,994	15,581
Selling, general and administrative expenses	14,690	14,157
Operating income	2,304	1,423
Non-operating income		
Interest income	63	35
Dividend income	131	105
Share of profit of entities accounted for using equity method	62	37
Other	83	194
Total non-operating income	340	373
Non-operating expenses		
Interest expenses	33	29
Sales discounts	64	75
Foreign exchange losses	14	402
Loss on sales of accounts receivable	44	30
Other	158	57
Total non-operating expenses	315	594
Ordinary income	2,329	1,202
Extraordinary income		
Gain on sales of investment securities	62	73
Total extraordinary income	62	73
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	177	56
Total extraordinary losses	177	56
Profit before income taxes	2,214	1,219
Income taxes	1,064	453
Profit	1,149	766
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	1,149	766

Consolidated Statements of Comprehensive Income

(Million yen)

	For the nine months ended December 31, 2015 (From April 1, 2015 to December 31, 2015)	For the nine months ended December 31, 2016 (From April 1, 2016 to December 31, 2016)
Profit	1,149	766
Other comprehensive income		
Valuation difference on available-for-sale securities	89	558
Foreign currency translation adjustment	(231)	(1,396)
Remeasurements of defined benefit plans, net of tax	4	99
Total other comprehensive income	(138)	(738)
Comprehensive income	1,011	27
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,011	27
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Million yen)

	For the nine months ended December 31, 2015 (From April 1, 2015 to December 31, 2015)	For the nine months ended December 31, 2016 (From April 1, 2016 to December 31, 2016)
Cash flows from operating activities		
Profit before income taxes	2,214	1,219
Depreciation	381	412
Increase (decrease) in allowance for doubtful accounts	129	7
Interest and dividend income	(194)	(141)
Interest expenses	33	29
Share of (profit) loss of entities accounted for using equity method	(62)	(37)
Loss (gain) on sales of investment securities	(62)	(73)
Loss on valuation of shares of subsidiaries and associates	177	56
Decrease (increase) in notes and accounts receivable - trade	4,225	(449)
Decrease (increase) in inventories	269	2,693
Increase (decrease) in notes and accounts payable - trade	(2,827)	3,036
Other, net	2,935	1,258
Subtotal	7,220	8,012
Interest and dividend income received	200	167
Interest expenses paid	(32)	(27)
Income taxes paid	(1,100)	(1,240)
Net cash provided by (used in) operating activities	6,289	6,911
Cash flows from investing activities		
Proceeds from redemption of securities	200	953
Purchase of property, plant and equipment	(512)	(186)
Proceeds from sales of property, plant and equipment	165	1
Purchase of intangible assets	(175)	(113)
Purchase of investment securities	(784)	(511)
Proceeds from sales of investment securities	953	601
Decrease (increase) in short-term loans receivable	(270)	(58)
Other, net	46	112
Net cash provided by (used in) investing activities	(375)	798
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(583)	(573)
Net decrease (increase) in treasury shares	(5)	(2)
Cash dividends paid	(1,028)	(1,013)
Net cash provided by (used in) financing activities	(1,617)	(1,589)
Effect of exchange rate change on cash and cash equivalents	(160)	(936)
Net increase (decrease) in cash and cash equivalents	4,135	5,183
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	19,548	21,856