

# Summary of Consolidated Quarterly Financial Statements for the First Quarter of the Term Ending March 2016 (Japan GAAP)

August 4, 2015

Name of Listed Company: **TSUMURA & CO.** Exchange: Tokyo Stock Exchange  
 Code: 4540 URL: <http://www.tsumura.co.jp>  
 Representative: Position: President & Representative Director Name: Terukazu Kato  
 Contact: Position: Head of Corporate Communications Dept. Name: Noboru Suzuki  
 Telephone: 81-3-6361-7100

Scheduled date of submission: August 5, 2015  
 Scheduled date of dividend payment commencement: -  
 Preparation of supplementary materials for the quarterly financial statements: No  
 Holding of the quarterly results briefing: No

(Figures are rounded down to the nearest one million yen.)

## 1. Consolidated business results for the first quarter of the term ending March 2016 (from April 1, 2015 to June 30, 2015)

### (1) Financial results (total sum) (Figures in percentages denote the year-on-year change.)

	Net sales		Operating profit		Recurring income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter ended June 30, 2015	26,760	0.5	4,787	6.1	5,133	15.0	3,136	4.4
First quarter ended June 30, 2014	26,628	0.5	4,514	-15.9	4,462	-24.6	3,005	-21.1

(Note) Comprehensive income  
 First quarter ended June 30, 2015: 4,868 million yen (198.4%)  
 First quarter ended June 30, 2014: 1,631 million yen (-59.0%)

	Net income per share		Fully diluted net income per share	
	Yen		Yen	
First quarter ended June 30, 2015	44.48		—	
First quarter ended June 30, 2014	42.62		—	

### (2) Consolidated financial conditions

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
First quarter ended June 30, 2015	222,551	153,558	67.8
FY 3/2015	215,654	150,947	68.8

(Reference) Shareholders' equity: First quarter ended June 30, 2015: 150,862 million yen FY 3/2015: 148,316 million yen

## 2. Dividends

	Dividend per share				
	End of Q1	End of Q2	End of Q3	End of FY	Total
	Yen				
F Y 3/2015	—	32.00	—	32.00	64.00
F Y 3/2016	—				
FY 3/2016 (Projection)		32.00	—	32.00	64.00

(Note) Revisions to dividends projection published most recently: No

## 3. Projections of consolidated business results for the term ending March 2016 (From April 1, 2015 to March 31, 2016)

(Figures in percentage show the rate of increase or decrease from the previous fiscal year for full-year and from the second quarter of the previous fiscal year for second quarter (aggregate).)

	Net sales		Operating profit		Recurring income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Second quarter (aggregate)	54,800	4.0	8,400	-2.2	8,500	-7.5	5,400	-11.9	76.57
Full-year	113,000	2.3	18,000	-7.7	18,300	-15.2	12,200	-13.3	172.99

(Note) Revisions to business results projection published most recently: No

Notes

- (1) Important changes of subsidiaries during the term  
(change of specified subsidiaries that lead to a change in the scope of consolidation) : No
- (2) Application of special accounting practices in consolidated quarterly financial statements preparation: Yes
- (3) Changes in accounting principles and procedures and the method for indication, etc.
- 1) Changes associated with the revision of accounting principles, etc.: Yes
  - 2) Change other than 1): No
  - 3) Accounting estimate change: No
  - 4) Retrospective restatement: No

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the term (including treasury stock) (shares)	FY 3/2016 1Q	70,771,662	FY 3/2015	70,771,662
2) Number of treasury stock at the end of the term (shares)	FY 3/2016 1Q	247,208	FY 3/2015	246,883
3) Average number of shares during the term (shares)	FY 3/2016 1Q	70,524,573	FY 3/2015 1Q	70,525,231

\* Indication concerning the condition of carrying-out of the quarterly audit procedure

This Summary of Consolidated Quarterly Financial Statements does not require the quarterly audit procedure based on the Financial Instruments and Exchange Act. As of the time of disclosure of this Summary of Consolidated Quarterly Financial Statements, the procedure to quarterly audit financial statements based on the Financial Instruments and Exchange Act was not yet completed.

\* Explanation about the proper use of financial projections and other important notes

Forward-looking statements such as financial projections, which are stated in this document, are based on information currently available to the Company and certain assumptions deemed reasonable. There is a possibility that actual results, etc. will differ materially from forecasts due to various factors. Please refer to page 2 of the attachment: "Qualitative Information on Consolidated Business Forecasts" to note when using conditions that are the assumptions for the financial projections and the financial projections themselves.

4. Consolidated Quarterly Financial Statements  
(i) Consolidated Quarterly Balance Sheets

(Unit: million yen)

	Previous fiscal year (March 31, 2015)	End of first quarter under review (June 30, 2015)
<b>Assets</b>		
<b>Current assets</b>		
Cash and time deposits	19,379	24,371
Trade notes and accounts receivable	42,142	39,464
Merchandise and finished goods	8,887	9,192
Work in process	13,276	13,126
Raw materials and stores	28,552	28,833
Other	16,250	17,069
Less allowance for doubtful receivables	-4	-3
Total current assets	128,484	132,053
<b>Long-term assets</b>		
Property, plant and equipment, at cost		
Buildings and structures	57,353	56,676
Other	68,291	68,150
Accumulated depreciation	-65,020	-64,659
Property, plant and equipment, net	60,624	60,168
Intangible fixed assets	209	201
Investment and other assets		
Investment in securities	18,167	20,990
Net defined benefit asset	1,123	1,278
Other	7,047	7,862
Less allowance for doubtful receivables	-2	-2
Total investment and other assets	26,336	30,128
Total long-term assets	87,169	90,498
Total assets	215,654	222,551
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable trade	2,828	3,652
Short-term payable loans	21,957	21,957
Accrued income taxes	635	1,702
Allowance for sales returns	8	9
Other	15,936	17,518
Total current liabilities	41,366	44,840
<b>Long-term liabilities</b>		
Long-term loans payable	15,000	15,000
Net defined benefit liability	64	59
Other	8,275	9,093
Total long-term liabilities	23,339	24,153
Total liabilities	64,706	68,993

(Unit: million yen)

	Previous fiscal year (March 31, 2015)	End of first quarter under review (June 30, 2015)
Net Assets		
Shareholders' equity		
Common stock	19,487	19,487
Capital surplus	1,940	1,940
Retained earnings	114,313	115,193
Treasury stock	-389	-390
Total shareholders' equity	135,351	136,231
Accumulated other comprehensive income		
Difference on valuation of other marketable securities	2,432	4,353
Deferred hedge gain or loss	3,559	3,578
Difference on revaluation of land	2,130	2,130
Foreign currency translation adjustment	4,207	3,935
Remeasurements of defined benefit plans	633	633
Total accumulated other comprehensive income	12,964	14,631
Non-controlling interests	2,631	2,695
Total net assets	150,947	153,558
Liabilities and net assets	215,654	222,551

(ii) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income  
 Consolidated Quarterly Statements of Income / For the First Quarter Consolidated Accumulative Term

(Unit: million yen)

	Previous first quarter (From April 1, 2014 to June 30, 2014)	First quarter under review (From April 1, 2015 to June 30, 2015)
Net sales	26,628	26,760
Cost of sales	10,305	10,304
Gross profit	16,322	16,455
Selling, general and administrative expenses	11,808	11,667
Operating profit	4,514	4,787
Other income		
Interest received	10	20
Dividend income	163	169
Gain from investments by equity method	3	0
Foreign exchange gains	—	149
Other	62	58
Total other income	239	398
Other expenses		
Interest expenses	44	46
Foreign exchange loss	228	—
Other	18	7
Total other expenses	291	53
Recurring income	4,462	5,133
Extraordinary income		
Gain on sales of non-current assets	2	0
Gain on sales of investment securities	—	0
Total extraordinary income	2	0
Extraordinary loss		
Loss on sales of non-current assets	1	—
Loss on retirement of non-current assets	7	7
Total extraordinary loss	8	7
Income before income taxes	4,456	5,125
Income taxes	1,464	1,890
Net income	2,992	3,234
Profit (loss) attributable to non-controlling interests	-13	97
Net income attributable to owners of parent	3,005	3,136

## Consolidated Quarterly Statements of Comprehensive Income / For the First Quarter Consolidated Accumulative Term

(Unit: million yen)

	Previous first quarter (From April 1, 2014 to June 30, 2014)	First quarter under review (From April 1, 2015 to June 30, 2015)
Net Income	2,992	3,234
Other comprehensive income		
Difference on valuation of other marketable securities	-248	1,920
Deferred hedge gain or loss	-557	19
Foreign currency translation adjustments	-549	-302
Remeasurements of defined benefit plans	9	-0
Share of other comprehensive income of entities accounted for using equity method	-15	-3
Total other comprehensive income	-1,360	1,633
Comprehensive income	1,631	4,868
(Breakdown)		
Comprehensive income attributable to owners of parent	1,719	4,804
Comprehensive income attributable to non-controlling interests	-88	64

## (iii) Consolidated Quarterly Statements of Cash Flows

	(Unit: million yen)	
	Previous first quarter (From April 1, 2014 to June 30, 2014)	First quarter under review (From April 1, 2015 to June 30, 2015)
Cash flows from operating activities		
Income before income taxes	4,456	5,125
Depreciation	1,331	1,248
Increase (decrease) in allowance for doubtful receivables	0	-0
Interest and dividends	-173	-190
Interest expenses	44	46
Loss (gain) from investments by equity method	-3	-0
Loss (profit) on sales and disposition of property, plant and equipment	6	7
Decrease (increase) in receivables	2,081	2,672
Decrease (increase) in inventories	-5,085	-531
Increase (decrease) in liabilities on purchases	118	719
Loss (gain) on sales of short-term and long-term investment securities	—	-0
Decrease (increase) in net defined benefit assets	-91	-154
Increase (decrease) in net defined benefit liability	-40	-5
Others, net	5,361	-431
Subtotal	8,007	8,507
Interest and dividends received	196	212
Interest paid	-38	-46
Income taxes paid	-5,787	-1,051
Cash flows from operating activities	2,378	7,622
Cash flows from investing activities		
Purchase of property, plant and equipment	-1,387	-572
Proceeds from sales of property, plant and equipment	2	1,200
Purchase of intangible assets	-10	-3
Purchase of securities and investment securities	-2	-2
Proceeds from sales and redemption of short-term and long-term investment securities	—	0
Increase in loans	-1,101	-801
Collection of loans	0	1
Deposits of time deposits (more than three months)	-12	-8
Refunds of time deposits (more than three months)	12	24
Other	9	-33
Cash flows from investing activities	-2,488	-196
Cash flows from financing activities		
Proceeds from long-term loans payable	15,000	—
Acquisition of treasury common stock	-0	-0
Cash dividends	-2,042	-2,174
Dividends paid to non-controlling interests	-39	-54
Other	-8	-9
Cash flows from financing activities	12,909	-2,239
Effect of exchange rate changes on cash and cash equivalents	-106	-179
Net increase (decrease) in cash and cash equivalents	12,692	5,007
Cash and cash equivalents at beginning of the term	14,418	19,343
Cash and cash equivalents at end of the term	27,110	24,351

## (iv) Note

Notes on premise of a going concern

No relevant items.

Notes on case of extreme change in shareholder's equity amount

No relevant items.