

Tsugami Corporation Financial data. Briefing on Financial Statements for the First Half of the Year Ending March 2017

November 11, 2016

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

	Full-year			Six-month					Quarter								
	FY2016/3 Actual	FY2017/3		FY2016/3 Actual		FY2017/3					FY2016/3 Actual				FY2017/3 Actual		
		Initial forecasts (May 12, 2016)	Revised forecast (Nov 11, 2016)	1H	2H	1H forecasts (May 12, 2016)	1H Actual	YoY (%)	2H forecasts (May 12, 2016)	2H forecasts (Nov 11, 2016)	1Q	2Q	3Q	4Q	1Q	2Q	YoY (%)
Net sales	40,132	43,000	40,000	21,141	18,991	20,000	18,401	-13.0%	23,000	21,599	11,892	9,249	9,708	9,283	8,665	9,736	+5.3%
Gross profit	8,968	-	-	5,213	3,755	-	4,565	-12.4%	-	-	3,020	2,193	2,009	1,746	2,134	2,431	+10.9%
Gross profit margin	22.3%	-	-	24.7%	19.8%	-	24.8%	-	-	-	25.4%	23.7%	20.7%	18.8%	24.6%	25.0%	-
Operating income	2,125	3,500	3,450	1,321	804	1,500	1,452	+9.9%	2,000	1,998	908	413	438	366	598	854	+106.8%
Operating income margin	5.3%	8.1%	8.6%	6.2%	4.2%	7.5%	7.9%	-	8.7%	9.3%	7.6%	4.5%	4.5%	3.9%	6.9%	8.8%	-
Ordinary income	1,095	3,200	3,000	848	247	1,300	1,057	+24.6%	1,900	1,943	974	-126	210	37	267	790	-
Ordinary income margin	2.7%	7.4%	7.5%	4.0%	1.3%	6.5%	5.7%	-	8.3%	9.0%	8.2%	-1.4%	2.2%	0.4%	3.1%	8.1%	-
Net income	877	2,300	2,200	679	198	900	730	+7.5%	1,400	1,470	721	-42	135	63	149	581	-
Net income margin	2.2%	5.3%	5.5%	3.2%	1.0%	4.5%	4.0%	-	6.1%	6.8%	6.1%	-0.5%	1.4%	0.7%	1.7%	6.0%	-
Net income per share	13.04	35.37	34.88	10.05	2.99	13.81	11.39	+13.3%	21.56	23.49	10.58	-0.63	2.02	0.94	2.30	9.99	-

CNY/JPY 17.39 yen

18.96 yen 17.39 yen

15.14 yen

19.73 yen 18.96 yen 18.36 yen 17.39 yen 15.46 yen 15.14 yen

Reportable segment (which are the areas where Group companies are located.)

	FY2016/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual
Net sales to external customers	40,132	21,141	18,991	18,401	-13.0%	23,000	21,599	11,892	9,249	9,708	9,283	8,665	9,736	+5.3%					
Japan	24,965	12,330	12,635	11,018	-10.6%			6,410	5,920	6,296	6,339	5,112	5,906	-0.2%					
China	13,612	8,023	5,589	6,686	-16.7%			4,971	3,052	2,813	2,776	3,148	3,538	+15.9%					
South Korea	1,554	787	767	696	-11.6%			511	276	599	168	404	292	+5.8%					
Segment income	2,125	1,321	804	1,452	+9.9%	2,000	1,998	908	413	438	366	598	854	+106.8%					
Japan	-28	328	-356	315	-4.0%			335	-7	-143	-213	-38	353	-					
China	1,907	994	913	1,163	+17.0%			491	503	370	543	628	535	+6.4%					
South Korea	128	61	67	17	-72.1%			60	1	100	-33	13	4	+300.0%					
Adjustment of unrealized	118	-63	181	-43	-			20	-83	111	70	-3	-40	-					

Net sales by Geographic category

	FY2016/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual
Asia	21,659	12,132	9,527	9,801	-19.2%			7,440	4,692	4,987	4,540	4,714	5,087	+8.4%					
America	3,649	2,089	1,560	1,770	-15.3%			1,075	1,014	746	814	976	794	-21.7%					
Europe	3,526	1,533	1,993	1,855	+21.0%			810	723	1,058	935	811	1,044	+44.4%					
Overseas net sales	28,834	15,755	13,079	13,426	-14.8%			9,326	6,429	6,791	6,288	6,501	6,925	+7.7%					
Japan	11,298	5,386	5,912	4,974	-7.6%			2,566	2,820	2,917	2,995	2,164	2,810	-0.4%					

Net sales, of total

	FY2016/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual
Asia	54.0%	57.4%	50.2%	53.3%				62.6%	50.7%	51.4%	48.9%	54.4%	52.2%						
America	9.1%	9.9%	8.2%	9.6%				9.0%	11.0%	7.7%	8.8%	11.3%	8.2%						
Europe	8.8%	7.2%	10.5%	10.1%				6.8%	7.8%	10.9%	10.1%	9.3%	10.7%						
Overseas net sales	71.8%	74.5%	68.9%	73.0%				78.4%	69.5%	70.0%	67.7%	75.0%	71.1%						
Japan	28.2%	25.5%	31.1%	27.0%				21.6%	30.5%	30.0%	32.3%	25.0%	28.9%						

Net sales by machinery category

	FY2016/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual
Automatic lathes	31,579	16,610	14,969	15,097	-9.1%			9,036	7,574	7,554	7,415	7,211	7,886	+4.1%					
Grinding machines	4,399	1,910	2,489	1,605	-16.0%			889	1,021	1,437	1,052	659	946	-7.3%					
Machining centers	570	344	226	328	-4.7%			232	112	71	155	265	63	-43.8%					
Rolling machines and specialized machines	3,326	2,143	1,183	1,235	-42.4%			1,665	478	585	598	462	773	+61.7%					
Other	257	132	125	135	+2.3%			69	63	61	64	66	69	+9.5%					

Net sales, of total

	FY2016/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual	FY2017/3 Actual
Automatic lathes	78.7%	78.6%	78.8%	82.1%				76.0%	81.9%	77.8%	79.9%	83.2%	81.0%						
Grinding machines	11.0%	9.0%	13.1%	8.7%				7.5%	11.0%	14.8%	11.3%	7.6%	9.7%						
Machining centers	1.4%	1.6%	1.2%	1.8%				1.9%	1.2%	0.7%	1.7%	3.1%	0.6%						
Rolling machines and specialized machines	8.3%	10.2%	6.2%	6.7%				14.0%	5.2%	6.0%	6.4%	5.3%	7.9%						
Other	0.6%	0.6%	0.7%	0.7%				0.6%	0.7%	0.6%	0.7%	0.8%	0.7%						