

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

August 4, 2017

Company name: Toshiba Machine Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 6104 URL <http://www.toshiba-machine.co.jp>  
 Representative: President and Chief Operating Officer Takahiro Mikami  
 Executive Officer and General Affairs  
 Inquiries: Department Senior Manager Kazuya Ogawa TEL 055-926-5141  
 Scheduled date to file Quarterly Securities Report: August 8, 2017  
 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, 2017 (from April 1, 2017 to June 30, 2017)

#### (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, 2017	23,002	7.5	(152)	–	327	–	263	–
Three months ended June 30, 2016	21,401	(19.4)	(97)	–	(173)	–	(134)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2017	2.18		–	
Three months ended June 30, 2016	(0.88)		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	140,474	76,927	54.8
As of March 31, 2017	140,530	77,120	54.9

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2017	–	6.00	–	6.00	12.00
Year ending March 31, 2018	–	–	–	–	–
Year ending March 31, 2018 (Forecast)	–	6.00	–	6.00	12.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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, 2017	58,000	14.1	1,700	18.9	1,800	(5.6)	1,200	(13.2)	9.94
Full year	120,000	7.8	5,200	16.2	5,800	7.3	4,200	136.4	34.80

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017  
 (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, 2017	149,885,530 shares	As of March 31, 2017	166,885,530 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	29,197,296 shares	As of March 31, 2017	46,195,547 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, 2017	120,689,425 shares	Three months ended June 30, 2016	152,020,782 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	29,914	28,589
Notes and accounts receivable - trade	39,444	34,112
Securities	146	257
Merchandise and finished goods	6,529	7,795
Work in process	20,100	24,493
Raw materials and supplies	82	82
Deferred tax assets	2,772	2,819
Other	2,823	2,539
Allowance for doubtful accounts	(197)	(189)
Total current assets	101,615	100,500
Non-current assets		
Property, plant and equipment		
Buildings and structures	36,285	39,050
Accumulated depreciation and impairment loss	(26,907)	(26,752)
Buildings and structures, net	9,377	12,297
Machinery, equipment and vehicles	25,320	24,934
Accumulated depreciation and impairment loss	(23,119)	(22,629)
Machinery, equipment and vehicles, net	2,200	2,304
Land	6,439	6,443
Leased assets	227	243
Accumulated depreciation and impairment loss	(180)	(187)
Leased assets, net	46	55
Construction in progress	2,603	117
Other	7,114	7,312
Accumulated depreciation and impairment loss	(6,656)	(6,672)
Other, net	458	639
Total property, plant and equipment	21,125	21,859
Intangible assets		
Other	749	840
Total intangible assets	749	840
Investments and other assets		
Investment securities	16,346	16,524
Long-term loans receivable	23	22
Deferred tax assets	87	91
Other	687	725
Allowance for doubtful accounts	(104)	(88)
Total investments and other assets	17,039	17,275
Total non-current assets	38,915	39,974
Total assets	140,530	140,474

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	26,097	27,356
Short-term loans payable	10,590	14,640
Income taxes payable	573	113
Accrued expenses	4,785	3,826
Provision for product warranties	530	536
Other	4,904	5,409
<b>Total current liabilities</b>	<b>47,481</b>	<b>51,881</b>
<b>Non-current liabilities</b>		
Long-term loans payable	4,300	—
Long-term accounts payable - other	5	5
Deferred tax liabilities	2,275	2,292
Provision for directors' retirement benefits	29	31
Net defined benefit liability	9,244	9,251
Asset retirement obligations	49	49
Other	25	35
<b>Total non-current liabilities</b>	<b>15,929</b>	<b>11,665</b>
<b>Total liabilities</b>	<b>63,410</b>	<b>63,547</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	12,484	12,484
Capital surplus	19,600	11,538
Retained earnings	67,534	65,605
Treasury shares	(25,898)	(16,368)
<b>Total shareholders' equity</b>	<b>73,722</b>	<b>73,260</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	3,210	3,339
Deferred gains or losses on hedges	1	(7)
Foreign currency translation adjustment	1,600	1,700
Remeasurements of defined benefit plans	(1,415)	(1,365)
<b>Total accumulated other comprehensive income</b>	<b>3,397</b>	<b>3,666</b>
<b>Total net assets</b>	<b>77,120</b>	<b>76,927</b>
<b>Total liabilities and net assets</b>	<b>140,530</b>	<b>140,474</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, 2016	Three months ended June 30, 2017
Net sales	21,401	23,002
Cost of sales	15,115	16,292
Gross profit	6,286	6,710
Selling, general and administrative expenses	6,383	6,862
Operating loss	(97)	(152)
Non-operating income		
Interest income	6	12
Dividend income	115	246
Foreign exchange gains	–	81
Rent income	16	12
Share of profit of entities accounted for using equity method	300	219
Other	25	27
Total non-operating income	463	600
Non-operating expenses		
Interest expenses	31	25
Brand fee expense	39	27
Foreign exchange losses	433	–
Other	35	67
Total non-operating expenses	539	120
Ordinary profit (loss)	(173)	327
Extraordinary income		
Gain on sales of non-current assets	1	–
Total extraordinary income	1	–
Extraordinary losses		
Loss on disposal of non-current assets	–	8
Total extraordinary losses	–	8
Profit (loss) before income taxes	(172)	319
Income taxes - current	139	140
Income taxes - deferred	(177)	(84)
Total income taxes	(37)	56
Profit (loss)	(134)	263
Profit (loss) attributable to owners of parent	(134)	263

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

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit (loss)	(134)	263
Other comprehensive income		
Valuation difference on available-for-sale securities	(497)	128
Deferred gains or losses on hedges	–	(9)
Foreign currency translation adjustment	(1,586)	100
Remeasurements of defined benefit plans, net of tax	56	47
Share of other comprehensive income of entities accounted for using equity method	1	2
Total other comprehensive income	(2,026)	269
Comprehensive income	(2,160)	532
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,160)	532
Comprehensive income attributable to non-controlling interests	–	–