

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



July 29, 2016

Company name: KAWATA MFG. CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 6292

URL: <http://www.kawata.cc/>

Representative: Hidenori Shirai, President and Representative Director

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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: Unavailable

Schedule of quarterly financial results briefing session: Not scheduled

(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		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2016	4,108	(2.3)	219	(25.7)	172	(40.5)	69	(63.0)
Three months ended June 30, 2015	4,206	8.1	296	55.3	289	67.3	187	112.5

(Note) Comprehensive income: Three months ended June 30, 2016: ¥ (125) million [-%]

Three months ended June 30, 2015: ¥ 208 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2016	9.81	—
Three months ended June 30, 2015	26.53	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2016	18,440	7,626	40.6
As of March 31, 2016	18,424	7,800	41.5

(Reference) Equity: As of June 30, 2016: ¥ 7,489 million

As of March 31, 2016: ¥ 7,653 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 5.00	Yen —	Yen 7.00	Yen 12.00
Fiscal year ending March 31, 2017	—				
Fiscal year ending March 31, 2017 (Forecast)		6.00	—	6.00	12.00

(Note) Revision to the forecast for dividends announced most recently: 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		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	8,500	(6.5)	255	(57.7)	210	(65.2)	130	(84.3)	18.36
Full year	17,300	(1.3)	600	(18.8)	510	(27.9)	320	(59.4)	45.19

(Note) Revision to the financial results forecast announced most recently: No

*** Notes:**

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New: -

Excluded: -

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

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: 7,210,000 shares

March 31, 2016: 7,210,000 shares

2) Total number of treasury stock at the end of the period:

June 30, 2016: 128,216 shares

March 31, 2016: 128,216 shares

3) Average number of shares during the period:

Three months ended June 30, 2016: 7,081,784 shares

Three months ended June 30, 2015: 7,082,552 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 quarterly 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 earnings forecasts and other forward-looking statements herein are based on data currently available to the Company and certain assumptions that the Company believes are reasonable, and the Company has no intention of guaranteeing the achievability of them. Actual results may differ significantly from these forecasts due to various factors.