

**Consolidated Financial Results
for the Fiscal Year Ended March 31, 2017
[Japanese GAAP]**



May 12, 2017

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 Annual General Meeting of Shareholders: June 29, 2017

Scheduled date of filing annual securities report: June 29, 2017

Scheduled date of commencing dividend payments: June 30, 2017

Availability of supplementary briefing material on annual financial results: Unavailable

Schedule of annual financial results briefing session: Scheduled (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(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	%
Fiscal year ended March 31, 2017	16,654	(5.0)	518	(29.9)	445	(37.0)	211	(73.2)
Fiscal year ended March 31, 2016	17,534	1.7	739	(2.1)	707	(1.0)	787	84.3

(Note) Comprehensive income: Fiscal year ended March 31, 2017: ¥ (31) million [-%]

Fiscal year ended March 31, 2016: ¥ 554 million [(35.1)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2017	29.84	-	2.8	2.4	3.1
Fiscal year ended March 31, 2016	111.23	-	10.6	3.9	4.2

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2017: ¥ - million

Fiscal year ended March 31, 2016: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2017	17,986	7,677	41.9	1,065.07
As of March 31, 2016	18,424	7,800	41.5	1,080.68

(Reference) Equity: As of March 31, 2017: ¥ 7,542 million

As of March 31, 2016: ¥ 7,653 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2017	1,128	(580)	(233)	4,213
Fiscal year ended March 31, 2016	743	(688)	(5)	3,958

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2016	-	5.00	-	7.00	12.00	84	10.8	1.1
Fiscal year ended March 31, 2017	-	6.00	-	6.00	12.00	84	40.2	1.1
Fiscal year ending March 31, 2018 (Forecast)	-	6.00	-	6.00	12.00		21.8	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(% 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	7.8	340	11.6	295	42.8	195	59.2	27.54
Full year	17,000	2.1	680	31.3	590	32.4	390	84.6	55.07

*** 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) 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

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2017: 7,210,000 shares

March 31, 2016: 7,210,000 shares

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

March 31, 2017: 128,216 shares

March 31, 2016: 128,216 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2017: 7,081,784 shares

Fiscal Year ended March 31, 2016: 7,081,998 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2017	8,227	(7.7)	225	(9.8)	376	9.5	392	34.5
Fiscal year ended March 31, 2016	8,916	18.0	250	358.3	344	113.9	291	220.2

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Fiscal year ended March 31, 2017	55.40		-	
Fiscal year ended March 31, 2016	41.20		-	

(2) Non-consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
As of March 31, 2017	10,612		5,034		47.4		710.96	
As of March 31, 2016	10,637		4,676		44.0		660.33	

(Reference) Equity: As of March 31, 2017: ¥ 5,034 million

As of March 31, 2016: ¥ 4,676 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income		Basic earnings per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
First half	4,400	10.2	135	29.7	120	(49.7)	100	(64.3)	14.12	
Full year	8,800	7.0	270	19.6	280	(25.7)	235	(40.1)	33.18	

* These financial results are outside the scope of audit.

* 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. Actual results may differ significantly from these forecasts due to various factors.