



February 10, 2016

**Quarterly Financial Results for the Fiscal Year Ending September 30, 2016 (J-GAAP)**  
**(1st Quarter / October 1, 2015 – December 31, 2015)**

Company Name                      Hosokawa Micron Corporation  
 Stock Exchange Listing        Tokyo Stock Exchange  
 Stock Code                        6277                                      URL        <http://www.hosokawamicron.co.jp>  
 President                            Yoshio Hosokawa  
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 Scheduled date of filing Quarterly Report    February 12, 2016

(Figures are rounded down to the nearest million yen)

**1. Quarterly Consolidated Financial Results (October 1, 2015 to December 31, 2015)**
**(1) Consolidated Results of Operation** (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1st quarter ended Dec.2015	10,654	9.3	602	—	681	6,349.2	447	—
1st quarter ended Dec.2014	9,746	(10.5)	(93)	—	10	(98.1)	(18)	—

(Reference) Comprehensive Income (million Yen)    1st quarter ended Dec.2015: 153, 1st quarter ended Dec.2014: 1,086

	Net income per share (basic)		Net income per share (diluted)	
	Yen		Yen	
1st quarter ended Dec.2015	10.69		10.66	
1st quarter ended Dec.2014	(0.43)		—	

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Dec. 31, 2015	49,504	30,165	60.8
As of Sept. 30, 2015	50,714	30,323	59.7

(Reference) Shareholders' Equity (million Yen)    Dec. 2015    30,091, Sept. 2015    30,253

**2. Dividends**

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended Sept. 2015 (actual)	—	7.50	—	7.50	15.00
Year ended Sept. 2016 (actual)	—				
Year ended Sept. 2016 (forecast)		7.50	—	7.50	15.00

Note: Adjustment of forecast dividends during the period: No

**3. Consolidated Forecasts for the Fiscal Year Ending September 30, 2016**

(October 1, 2015 - September 30, 2016)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First Half	23,700	12.1	1,300	114.8	1,250	84.6	850	84.6	20.30
Full Year	48,500	2.4	3,000	22.4	3,000	13.4	2,000	(20.8)	47.77

Note: Adjustment in consolidated forecasts during the period: No



4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Adoption of simplified accounting treatment for quarterly closing: Yes

(3) Changes in accounting treatment for quarterly consolidated financial statement:

1) Changes caused by revision of accounting standards: Yes

2) Other changes: None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (incl. treasury stock)

Dec. 2015: 43,076,347 shares      Sep. 2015: 43,076,347 shares

2) Number of treasury stock at the end of the period

Dec. 2015: 1,213,407 shares      Sep. 2015: 1,211,304 shares

3) Average number of shares in the fiscal year

Dec. 2015: 41,864,044 shares      Dec. 2014: 41,857,318 shares

\* Cautionary statement

-This Quarterly Financial Results Report ("TANSHIN") is out of scope of quarterly review under Financial Instruments and Exchange Act of Japan and at the point of disclosing this TANSHIN Report, reviews by the independent auditors under Financial Instruments and Exchange Act of Japan has not been finished yet.

-The forecasts above are based on currently available information at the time of announcement. Actual results may differ from these forecasts for a number of factors.



# HOSOKAWA MICRON CORPORATION

## 5. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of September 30, 2015	As of December 31, 2015
Assets		
Current Assets		
Cash and deposits	10,017	10,420
Notes and accounts receivable-trade	11,652	10,583
Securities	119	—
Finished goods	1,748	1,816
Work in process	2,278	2,743
Raw materials and supplies	2,325	2,261
Deferred tax assets	460	462
Others	2,062	1,337
Allowance for doubtful accounts	(164)	(179)
Total Current Assets	30,500	29,445
Non-Current Assets		
Property, plant and equipment		
Buildings and structures (net)	17,325	17,135
Machinery, equipment and vehicles (net)	9,965	9,855
Land	4,555	4,527
Construction in progress	50	89
Other (net)	1,948	1,958
Accumulated depreciation & Impairment Loss	(16,365)	(16,408)
Total property, plant and equipment	17,480	17,159
Intangible assets		
Goodwill	206	194
Other	269	252
Total intangible assets	475	447
Investments and other assets		
Investment securities	1,188	1,414
Deferred tax assets	639	628
Other	439	418
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	2,258	2,451
Total Non-Current Assets	20,214	20,058
TOTAL ASSETS	50,714	49,504



# HOSOKAWA MICRON CORPORATION

(Millions of Yen)

	As of September 30, 2015	As of December 31, 2015
<b>Liability</b>		
<b>Current Liabilities</b>		
Notes and accounts payable-trade	4,974	4,427
Short-term loans payable	—	52
Current portion of long-term loans payable	1,724	1,627
Accrued expenses	2,328	1,788
Income taxes payable	278	262
Deferred tax liabilities	100	140
Advances received	2,561	3,449
Provision for bonuses	351	156
Provision for directors' bonuses	58	19
Provision for product warranties	434	487
Provision for point card certificates	35	38
Other	1,309	991
<b>Total Current Liabilities</b>	<b>14,158</b>	<b>13,442</b>
<b>Non-Current Liabilities</b>		
Long-term loans payable	1,802	1,537
Net defined benefit liability	4,222	4,179
Deferred tax liabilities	37	50
Other	170	128
<b>Total Non-Current Liabilities</b>	<b>6,233</b>	<b>5,896</b>
<b>Total Liabilities</b>	<b>20,391</b>	<b>19,339</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Capital stock	14,496	14,496
Capital surplus	5,148	5,148
Legal retained earnings	14,771	14,905
Treasury stock	(913)	(914)
<b>Total Shareholders' Equity</b>	<b>33,503</b>	<b>33,635</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	164	183
Deferred gains or losses on hedges	(19)	(12)
Foreign currency translation adjustment	(2,820)	(3,163)
Remeasurements of defined benefit plans	(574)	(551)
<b>Total valuation and translation adjustments</b>	<b>(3,249)</b>	<b>(3,543)</b>
Subscription rights to shares	69	73
<b>Total Net Assets</b>	<b>30,323</b>	<b>30,165</b>
<b>Total Liabilities and Net Assets</b>	<b>50,714</b>	<b>49,504</b>



# HOSOKAWA MICRON CORPORATION

## (2) Quarterly Consolidated Statements of Income

(Million of Yen)

	Oct. 1, 2014 - Dec. 31, 2014	Oct. 1, 2015 - Dec. 31, 2015
Net sales	9,746	10,654
Cost of sales	6,468	6,903
Gross profit	3,278	3,751
Selling, general and administrative expenses	3,371	3,149
Operating income (loss)	(93)	602
Non-operating income		
Interest income	5	3
Dividends income	6	7
Equity in earnings of affiliates	21	7
Foreign exchange gains	76	16
Gain on reversal of litigation expenses	—	33
Other	21	33
Total non-operating Income	130	102
Non-operating expenses		
Interest expenses	11	7
Others	15	15
Total non-operating Expenses	26	22
Ordinary income (loss)	10	681
Extraordinary income		
Gain on sales of non-current assets	0	2
Total extraordinary income	0	2
Extraordinary loss		
Loss on disposal of non-current assets	0	—
Special retirement benefits	6	—
Total extraordinary loss	6	—
Income (loss) before income taxes	4	684
Income Taxes	22	236
Net income (loss)	(18)	447
Profit (loss) attributable to owners of parent	(18)	447



## HOSOKAWA MICRON CORPORATION

### (3) Quarterly Consolidated Statements of Comprehensive Income

(Million of Yen)

	Oct. 1, 2014 - Dec. 31, 2014	Oct. 1, 2015 - Dec. 31, 2015
Income before minority interests	(18)	447
Other comprehensive income		
Valuation difference on available-for-sale securities	59	19
Deferred gains or losses on hedges	(7)	6
Foreign currency translation adjustment	1,093	(343)
Remeasurements of defined benefit plans	(40)	22
Total other comprehensive income	1,104	(294)
Quarterly Comprehensive income	1,086	153
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,086	153
Comprehensive income attributable to minority interests	—	—