

# Consolidated Financial Results for FY2016

April 26, 2017

Company name : SMK Corporation  
 Code no : 6798  
 Representative : Yasumitsu Ikeda, President, CEO and COO  
 Contact person : Kohei Ohgaki, Executive Vice President and CFO  
 Scheduled date of shareholders' meeting : June 22, 2017  
 Scheduled date of payment of cash dividends : June 23, 2017  
 Scheduled date of filing securities report : June 22, 2017  
 The additional materials of the Financial Results for the FY2016 : Yes  
 The briefing session of the Financial Results for the FY2016 : Yes (for institutional investors and analysts)

Listed securities exchange: Tokyo  
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(Amounts less than one million yen are rounded)

## 1. Consolidated Financial Results for FY2016 (April 1, 2016 through March 31, 2017)

### <1> Consolidated operating results

(Percent indications show increase (decrease) from the same period of the previous year.)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss) attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2016	62,971	(18.4)	630	(84.9)	1,398	(60.5)	1,017	(62.0)
FY2015	77,206	16.6	4,171	97.4	3,541	(27.6)	2,678	35.1

(Note): Comprehensive income (loss): 502 million yen for FY2016, (35.3)% and 776 million yen for FY2015, (81.2)%

	Net income per share-basic	Net income per share-diluted	Return on equity	Ordinary income as a percentage of total assets	Operating income as a percentage of net sales
	yen	yen	%	%	%
FY2016	15.17	15.16	3.2	2.2	1.0
FY2015	37.94	37.86	8.0	5.3	5.4

(Reference): Equity in earnings (losses) of affiliates: 10 million yen for FY2016 and 2 million yen for FY2015

### <2> Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
FY2016	62,318	31,318	50.2	473.50
FY2015	67,606	33,287	48.8	471.02

(Reference): Equity: 31,303 million yen as of March 31, 2017 and 32,995 million yen as of March 31, 2016

### <3> Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2016	4,604	(3,465)	(1,541)	10,011
FY2015	6,211	(7,182)	1,636	10,668

## 2. Dividends

	Annual cash dividends per share					Total cash dividends (Annual)	Payout ratio (Consolidated)	Dividend on net assets ratio (Consolidated)
	at 1st quarter end	at 2nd quarter end	at 3rd quarter end	at fiscal year end	Total			
	yen	yen	yen	yen	yen	Millions of yen	%	%
FY2015	—	6.00	—	8.00	14.00	982	36.9	3.0
FY2016	—	5.00	—	5.00	10.00	662	65.9	2.1
FY2017 forecast	—	4.00	—	4.00	8.00		27.8	

## 3. Forecast of consolidated operating results for FY2017 (April 1, 2017 through March 31, 2018)

(Percent indications show increase (decrease) from the same period of the previous year.)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
2nd quarter (total)	30,300	(4.4)	400	(46.5)	700	—	500	—	7.56
FY2017	65,500	4.0	2,200	249.0	2,800	100.2	1,900	86.8	28.74

※ Notes

<1> Significant changes in scope of consolidation : None

<2> changes in accounting policies, accounting estimation change and restatement

<2>-1 Changes in accounting policies due to the revision of the accounting standards : Applicable  
 <2>-2 Changes in accounting policies except for those in <2>-1 : None  
 <2>-3 Changes due to accounting estimation change : None  
 <2>-4 Restatement : None

<3> Number of shares issued

<3>-1 Number of shares issued at the fiscal year end  
 (including treasury stocks)

FY2016	75,000,000 shares	FY2015	79,000,000 shares
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<3>-2 Number of treasury shares at the fiscal year end

FY2016	8,887,440 shares	FY2015	8,947,853 shares
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<3>-3 The average number of shares issued during the  
 fiscal year

FY2016	67,064,425 shares	FY2015	70,600,546 shares
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(Reference): Non-Consolidated Financial Results

Results of FY2016 (April 1, 2016 through March 31, 2017)

<1> Results of non-consolidated operations

(Percent indications show increase (decrease) from the same period of the previous year.)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2016	52,096	(17.1)	(340)	—	2,805	141.1	2,220	49.9
FY2015	62,818	17.1	(390)	—	1,163	(62.1)	1,481	57.8

	Net income per share - basic	Net income per share - diluted
FY2016	33.04 yen	33.03 yen
FY2015	20.94	20.90

<2> Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
FY2016	54,806	27,147	49.5	409.74
FY2015	55,959	27,225	48.6	387.52

(Reference): Equity: 27,147 million yen as of March 31, 2017 and 27,200 million yen as of March 31, 2016

※ This financial results report is exempt from audit.

※ Explanation regarding the appropriate use of forecasts of business results and special notes

1. This document contains forward-looking statements based on judgments and estimates derived from information available to the company at the time of this release. Actual future results may differ materially from any projections presented here due to a variety of factors.
2. SMK Corporation plans to hold a briefing of the financial results for institutional investors and analysts on May 8, 2017. Relevant financial explanatory documents to be handed out at the briefing will be posted on our corporate website immediately after the briefing.