

Consolidated Business Results for the Six Months Ended September 30, 2015 **REPORTED BY KOMORI CORPORATION (Japanese GAAP)**

October 29, 2015

Company name: KOMORI CORPORATION
 Securities code: 6349 (Tokyo Stock Exchange)
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Payment date of second quarter period-end dividend: November 30, 2015
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of presentation meeting for quarterly financial results: Yes (for securities analysts only)

1. Consolidated Business Results for the Second Quarter (April 1, 2015 to September 30, 2015)

(1) Results of operations (In millions of yen, rounded down)

	Six months ended September 30, 2015	%	Six months ended September 30, 2014	%
Net sales	43,259	8.0	40,042	(2.0)
Operating income	2,160	(1.4)	2,191	(34.9)
Ordinary income	2,819	2.7	2,746	(34.9)
Profit attributable to owners of parent	3,842	34.8	2,850	(29.9)

(Yen)

Net income per share	62.01	46.00
Diluted net income per share	-	-

Notes:

1. Comprehensive income:

Six months ended September 30, 2015: 3,421 million yen (11.3) %

Six months ended September 30, 2014: 3,855 million yen (15.9) %

2. Percentage figures accompanying consolidated net sales indicate the percentage increase/decrease from the corresponding period of the previous fiscal year.

(2) Financial position (In millions of yen, rounded down)

	September 30, 2015	March 31, 2015
Total assets	187,885	184,622
Net assets	137,301	135,128
Equity ratio (%)	73.1	73.2

Reference:

Equity as of: September 30, 2015: 137,287 million yen
 March 31, 2015: 135,128 million yen

2. Dividends

(Yen)

	Fiscal year ended March 31, 2015	Fiscal year ending March 31, 2016	Fiscal year ending March 31, 2016 (Forecast)
Cash dividends per share			
First quarter period-end dividends	-	-	-
Second quarter period-end dividends	10.00	20.00	-
Third quarter period-end dividends	-	-	-
Year-end dividends	20.00	-	20.00
Annual cash dividends	30.00	-	40.00

Note: Revision to the latest dividend forecast announced in May 2015: None

3. Forecast of Consolidated Business Results for the Fiscal Year Ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(In millions of yen, rounded down)

	Fiscal year ending March 31, 2016	%
Net sales	103,000	12.9
Operating income	8,000	23.3
Ordinary income	7,800	(0.5)
Profit attributable to owners of parent	7,800	3.0
(Yen)		
Net income per share	125.88	

Notes:

1. Revision to the latest forecast of consolidated business results announced in May 2015: None
2. Percentage figures in the above table indicate the percentage increase/decrease from the corresponding period of the previous fiscal year.

*Notes

(1) Changes in significant subsidiaries during the period under review: None

Note: Indicates changes in the scope of consolidation accompanying changes in specified subsidiaries during the period under review

(2) Adoption of the simplified accounting and special accounting methods for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies; changes in accounting estimates; restatements

- | | |
|-----------------------------------------------------------------------------------|------|
| 1. Changes in accounting policies accompanying revisions to accounting standards: | Yes |
| 2. Changes other than those in item 1. above: | None |
| 3. Changes in accounting estimates: | None |
| 4. Restatements: | None |

Note: For further information, please refer to "1. Items Regarding Summary (and Notes) Information" on page 4.

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock) as of:

September 30, 2015:	68,292,340 shares
March 31, 2015:	68,292,340 shares
2. Number of treasury shares as of:

September 30, 2015:	6,327,410 shares
March 31, 2015:	6,327,390 shares
3. Average number of shares during the period

Six months ended September 30, 2015:	61,964,944 shares
Six months ended September 30, 2014:	61,966,225 shares

* Implementation status of quarterly review

This quarterly financial flash report (KESSAN TANSIN) is not subject to the review procedure by certified public accountants or auditing firm, as is required under the Financial Instruments and Exchange Law of Japan. Nevertheless, as of the date of announcement of this report, the review of the quarterly financial statements contained herein is in progress.

* Disclaimer regarding the appropriate use of performance forecasts and other remarks

The aforementioned forecasts are based on management's assumptions and beliefs held in light of information currently available to it and accordingly involve risks and uncertainties that may cause actual results to differ materially from forecasts. These uncertainties include, but are not limited to, changes in economic conditions, market trends, changes in foreign currency exchange rates and other factors.

Materials for summary result presentation in Japanese will be disclosed through the Tokyo Stock Exchange's Timely Disclosure Network, known as TDnet, on November 9, 2015. The same materials will be posted on Komori's website. Also, English translation of these materials will be posted on the Company's website at:
http://www.komori.com/contents_com/ir/index.htm

(English translation of "KESSAN TANSIN" originally issued in Japanese.)

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1. Items Regarding Summary (and Notes) Information

(1) Changes in significant subsidiaries during the period under review

Not applicable.

From the first quarter of the fiscal year ending March 31, 2016, Komori Southeast Asia Pte. Ltd. in Singapore and Komori Malaysia Sdn. Bhd. in Malaysia were included in the scope of consolidation due to their increased importance to the Group. These inclusions, however, do not constitute changes in specified subsidiaries.

(2) Changes in accounting principles; changes in accounting estimates; restatements

(Changes in accounting principles)

From the first quarter of the fiscal year ending March 31, 2016, the Company adopted the Accounting Standard for Business Combinations (Accounting Standards Board of Japan (ASBJ) Statement No. 21, dated September 13, 2013), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, dated September 13, 2013) and Accounting Standard for Business Divestitures (ASBJ Statement No. 7, dated September 13, 2013).

In line with these standards, the Company records differences arising from changes in its equity in subsidiaries under its ongoing control as capital surplus while posting business acquisition costs as expenses for the fiscal year in which such acquisition was executed. In addition, with regard to business combinations that come into effect at the commencement of the first quarter of the fiscal year ending March 31, 2016 or later, after the allocation of acquisition costs under provisional accounting treatment is finalized, said allocation shall be retrospectively reflected in the consolidated quarterly financial statements of the fiscal period in which such business combinations takes effect. Moreover, the adoption of the aforementioned accounting standards led to a change in methods for presenting net income. To reflect this change, certain items presented in the consolidated financial statements regarding the six-month and full-year operating results for the previous fiscal year have been reclassified.

The adoption of these standards is effective from the beginning of the first quarter of the fiscal year ending March 31, 2016 and subject to the transitional treatment stipulated by Item 4, Paragraph 2, Article 58 of the Accounting Standard for Business Combinations; Item 4, Paragraph 5, Article 44 of the Accounting Standard for Consolidated Financial Statements; and Item 4, Paragraph 4, Article 57 of the Accounting Standard for Business Divestitures.

In addition, as of September 30, 2015, the aforementioned changes in accounting methods had no impact on the Company's consolidated quarterly financial statements.

2. CONSOLIDATED FINANCIAL STATEMENTS**(1) Consolidated Balance Sheets**

	(In millions of yen)	
	Fiscal 2015	Fiscal 2016
	(March 31, 2015)	September 30, 2015
(ASSETS)		
Current Assets:		
Cash and deposits	44,306	42,915
Notes and accounts receivable-trade	21,968	21,466
Short-term investment securities	21,288	19,653
Merchandise and finished goods	13,918	17,782
Work in process	10,397	9,951
Raw materials and supplies	7,209	7,574
Other	9,280	9,735
Allowance for doubtful accounts	(183)	(201)
Total current assets	128,186	128,877
Noncurrent Assets:		
Property, plant and equipment		
Land	18,392	18,388
Other, net	15,595	16,439
Total property, plant and equipment	33,987	34,827
Intangible assets	3,004	3,412
Investments and other assets	19,444	20,768
Total noncurrent assets	56,436	59,008
Total Assets	184,622	187,885

(English translation of "KESSAN TANSIN" originally issued in Japanese.)

(1) Consolidated Balance Sheets

	(In millions of yen)	
	Fiscal 2015	Fiscal 2016
	(March 31, 2015)	September 30, 2015
(LIABILITIES)		
Current Liabilities:		
Notes and accounts payable-trade	12,420	12,734
Electronically recorded obligations-operating	5,794	5,399
Short-term loans payable	211	64
Income taxes payable	460	604
Provision for loss on guarantees	479	446
Other provision	2,162	2,161
Other	13,331	14,761
Total current liabilities	34,860	36,172
Noncurrent Liabilities:		
Bonds payable	10,000	10,000
Long-term loans payable	49	37
Net defined benefit liability	2,090	1,955
Provision	159	131
Other	2,334	2,286
Total noncurrent liabilities	14,633	14,411
Total Liabilities	49,493	50,584
(NET ASSETS)		
Shareholders' Equity:		
Capital stock	37,714	37,714
Capital surplus	37,797	37,797
Retained earnings	61,685	64,264
Treasury stock	(4,954)	(4,954)
Total shareholders' equity	132,242	134,822
Other Comprehensive Income:		
Valuation difference on available-for-sale securities	3,447	3,009
Foreign currency translation adjustment	404	339
Remeasurements of defined benefit plans	(966)	(884)
Total other comprehensive income	2,886	2,465
Non-controlling interests	-	14
Total Net Assets	135,128	137,301
Total Liabilities and Net Assets	184,622	187,885

(English translation of "KESSAN TANSIN" originally issued in Japanese.)

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

For the six months ended September 30, 2015 and 2014

(In millions of yen)

	Fiscal 2015 (April 1, 2014 to September 30, 2014)	Fiscal 2016 (April 1, 2015 to September 30, 2015)
Net Sales	40,042	43,259
Cost of Sales	26,397	28,230
Reversal of unrealized income on installment sales	12	9
Gross profit	13,657	15,038
Selling, General and Administrative Expenses	11,465	12,877
Operating Income	2,191	2,160
Non-Operating Income		
Interest income	61	62
Dividends income	108	118
Foreign exchange gains	290	130
Late-payment penalty charges received	-	242
Other	228	210
Total non-operating income	688	764
Non-Operating Expenses		
Interest expenses	49	32
Compensation for damage	33	40
Other	50	31
Total non-operating expenses	133	105
Ordinary income	2,746	2,819
Extraordinary Income		
Gain on sales of noncurrent assets	5	1
Total extraordinary income	5	1
Extraordinary Loss		
Loss on sales of noncurrent assets	0	1
Loss on retirement of noncurrent assets	1	9
Total extraordinary loss	2	10
Income before income taxes	2,750	2,810
Income taxes-current	343	580
Income taxes-deferred	(444)	(1,612)
Total income taxes	(100)	(1,032)
Profit	2,850	3,842
Profit attributable to non-controlling interests	-	0
Profit attributable to owners of parent	2,850	3,842

(English translation of "KESSAN TANSIN" originally issued in Japanese.)

Consolidated Statements of Comprehensive Income

For the six months ended September 30, 2015 and 2014

(In millions of yen)

	Fiscal 2015	Fiscal 2016
	(April 1, 2014 to September 30, 2014)	(April 1, 2015 to September 30, 2015)
Profit	2,850	3,842
Other comprehensive income		
Valuation difference on available-for-sale securities	474	(438)
Foreign currency translation adjustment	440	(64)
Remeasurements of defined benefit plans, net of tax	90	81
Total other comprehensive income	1,005	(421)
Comprehensive Income	3,855	3,421
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	3,855	3,422
Comprehensive income attributable to non-controlling interests	—	(1)

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(3) Notes regarding Quarterly Consolidated Financial Statements

(Notes on Premise as a Going Concern)

None

(Notes in the Case of a Significant Change in Shareholders' Equity)

None