

Summary

31-Jan-2012

Consolidated Financial Results for the Third Quarter of Fiscal Year 2011 (April 1, 2011- December 31, 2011)

Name of registrant: ShinMaywa Industries, Ltd. Stock Exchange Listed: Tokyo, Osaka
Code number: 7224 (URL: <http://www.shinmaywa.co.jp>)
Representative: Yoshihiro Onishi, President and Chief Executive Officer
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1. Financial Results for the Third Quarter of FY 2011 (April 1, 2011– December 31, 2011)

(1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Third Quarter of FY2011	74,217	(1.9)	343	(54.3)	66	(67.9)	(2,161)	—
Third Quarter of FY2010	75,679	5.6	752	—	207	—	(89)	—

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
Third Quarter of FY2011	yen (21.66)	yen —
Third Quarter of FY2010	(0.89)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (Ratio of net assets to total assets)
Third Quarter of FY2011	million yen 126,569	million yen 76,996	% 59.9
FY2010	130,273	80,833	60.8

2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
FY2010	—	yen 5	—	yen 5	yen 10
FY2011	—	5	—	—	—
FY2011 (Forecast)	—	—	—	5	10

3. Financial Results Forecast for FY 2011 (April 1, 2011 – March 31, 2012)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
Full Year	million yen 109,000	% 1.7	million yen 1,550	% (5.9)	million yen 1,350	% (1.6)	million yen (900)	% —	yen (9.02)

Consolidated Balance Sheets

	Millions of Yen		Millions of Yen	
	Third Quarter of FY2011	FY2010	Third Quarter of FY2011	FY2010
Assets			Liabilities	
Current assets			Current liabilities	
Cash and deposits	16,041	17,150	Notes and accounts payable-trade	17,307
Notes and accounts receivable-trade	40,386	46,370	Short-term loans payable	6,000
Merchandise and finished goods	2,385	1,884	Current portion of long-term loans payable	1,000
Work in process	23,088	19,960	Income taxes payable	296
Raw materials and supplies	9,193	9,298	Provision for product warranties	12
Real estate for sale	93	93	Provision for loss on construction contracts	2,061
Other	4,050	3,894	Other	8,468
Allowance for doubtful accounts	(36)	(45)	Total current liabilities	35,146
Total current assets	95,203	98,606	Noncurrent liabilities	
Noncurrent assets			Long-term loans payable	11
Property, plant and equipment			Provision for retirement benefits	8,220
Buildings and structures, net	9,896	10,280	Provision for directors' retirement benefits	445
Other, net	10,893	10,687	Deferred tax liabilities for land revaluation	54
Total property, plant and equipment	20,790	20,968	Negative goodwill	130
Intangible assets	858	980	Other	5,562
Investments and other assets			Total noncurrent liabilities	14,425
Other	9,784	9,792	Total liabilities	49,572
Allowance for doubtful accounts	(66)	(74)	Net assets	
Total investments and other assets	9,717	9,718	Shareholders' equity	
Total noncurrent assets	31,365	31,667	Capital stock	15,981
Total assets	126,569	130,273	Capital surplus	15,737
			Retained earnings	52,738
			Treasury stock	(8,203)
			Total shareholders' equity	76,254
			Accumulated other comprehensive income	
			Valuation difference on available-for-sale securities	342
			Revaluation reserve for land	(383)
			Foreign currency translation adjustment	(428)
			Total accumulated other comprehensive income	(468)
			Minority interests	1,211
			Total net assets	76,996
			Total liabilities and net assets	126,569
				130,273

ShinMaywa Industries, Ltd.

Consolidated Statements of Income

	Millions of Yen	
	Third Quarter of FY2011	Third Quarter of FY2010
Net sales	74,217	75,679
Cost of sales	63,200	64,318
Gross profit	11,016	11,360
Selling, general and administrative expenses	10,673	10,608
Operating income	343	752
Non-operating income		
Interest income	26	16
Dividends income	38	34
Amortization of negative goodwill	109	110
Equity in earnings of affiliates	56	4
Rent income	15	39
Dividends income of insurance	151	153
Other	52	48
Total non-operating income	449	407
Non-operating expenses		
Interest expenses	49	64
Foreign exchange losses	593	781
Other	83	106
Total non-operating expenses	726	952
Ordinary income	66	207
Extraordinary income		
Reversal of allowance for doubtful accounts	—	52
Gain on sales of noncurrent assets	65	—
Gain on sales of investment securities	—	12
Gain on sales of golf memberships	5	—
Total extraordinary income	71	65
Extraordinary loss		
Loss on sales of noncurrent assets	1	—
Loss on disposal of noncurrent assets	15	53
Loss on disaster	97	—
Equipment relocation expenses	—	44
Loss on litigation	900	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	76
Total extraordinary losses	1,015	174
Income (loss) before income taxes and minority interests	(877)	98
Income taxes—current	620	323
Income taxes—deferred	1,103	(132)
Total income taxes	1,724	190
Loss before minority interests	(2,601)	(92)
Minority interests in loss	(439)	(2)
Net loss	(2,161)	(89)

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Consolidated Statements of Comprehensive Income

	Millions of Yen	
	Third Quarter of FY2011	Third Quarter of FY2010
Loss before minority interests	(2,601)	(92)
Other comprehensive income		
Valuation difference on available-for-sale securities	(109)	(3)
Revaluation reserve for land	7	—
Foreign currency translation adjustment	(103)	(78)
Share of other comprehensive income of associates accounted for using equity method	(10)	(25)
Total other comprehensive income	(215)	(107)
Comprehensive income	(2,816)	(199)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(2,368)	(189)
Comprehensive income attributable to minority interests	(447)	(9)

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Consolidated Statements of Cash Flows

	Millions of Yen	
	Third Quarter of FY2011	Third Quarter of FY2010
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(877)	98
Depreciation and amortization	2,276	2,367
Decrease (increase) in notes and accounts receivable-trade	5,944	2,274
Decrease (increase) in inventories	(3,515)	2,540
Increase (decrease) in notes and accounts payable-trade	537	384
Other, net	(563)	(3,519)
Subtotal	3,802	4,145
Interest and dividends income received	72	50
Interest expenses paid	(47)	(57)
Income taxes paid	(818)	(928)
Net cash provided by (used in) operating activities	3,009	3,210
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	—	100
Purchase of property, plant and equipment	(1,676)	(1,274)
Purchase of intangible assets	(133)	(99)
Proceeds from sales of investment securities	—	12
Other, net	(45)	(102)
Net cash provided by (used in) investing activities	(1,856)	(1,363)
Net cash provided by (used in) financing activities		
Repayment of long-term loans payable	(1,000)	(1,000)
Proceeds from stock issuance to minority shareholders	—	134
Cash dividends paid	(997)	(997)
Cash dividends paid to minority shareholders	(21)	(21)
Other, net	(140)	(111)
Net cash provided by (used in) financing activities	(2,159)	(1,995)
Effect of exchange rate change on cash and cash equivalents	(102)	(69)
Net increase (decrease) in cash and cash equivalents	(1,108)	(217)
Cash and cash equivalents at beginning of period	17,150	17,448
Cash and cash equivalents at end of period	16,041	17,231

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