

Summary

29-October-2015

Consolidated Financial Results for the Second Quarter of Fiscal Year 2015 (April 1, 2015- September 30, 2015)

Name of registrant: ShinMaywa Industries, Ltd.

Stock Exchange Listed: Tokyo

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 Second Quarter of FY 2015 (April 1, 2015– September 30, 2015)

(1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Second Quarter of FY2015	94,851	13.2	9,437	72.7	9,425	64.1	6,135	69.7
Second Quarter of FY2014	83,819	15.6	5,465	37.7	5,744	40.0	3,615	29.2

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
Second Quarter of FY2015	yen 61.56	yen —
Second Quarter of FY2014	36.27	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (Ratio of net assets to total assets)
Second Quarter of FY2015	million yen 178,355	million yen 110,954	% 62.2
FY2014	182,167	105,958	58.1

2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
FY2014	—	yen 6	—	yen 8	yen 14
FY2015	—				
FY2015 (Forecast)		7	—	7	14

3. Financial Results Forecast for FY 2015 (April 1, 2015 – March 31, 2016)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full Year	205,000	6.1	16,000	17.3	16,500	14.8	11,000	20.1	110.35

Consolidated Balance Sheets

	Millions of Yen		Millions of Yen	
	Second Quarter of FY2015	FY2014	Second Quarter of FY2015	FY2014
Assets				
Current assets				
Cash and deposits	18,192	12,920		
Notes and accounts receivable – trade	65,172	77,519		
Merchandise and finished goods	3,088	2,635		
Work in process	24,030	23,274		
Raw materials and supplies	14,683	12,955		
Other	7,287	7,399		
Allowance for doubtful accounts	(12)	(38)		
Total current assets	132,442	136,664		
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	11,638	11,874		
Other, net	16,792	15,967		
Total property, plant and equipment	28,430	27,841		
Intangible assets	2,178	2,164		
Investments and other assets				
Other	15,364	15,557		
Allowance for doubtful accounts	(60)	(61)		
Total investments and other assets	15,304	15,496		
Total non-current assets	45,912	45,502		
Total assets	178,355	182,167		
Liabilities				
Current liabilities				
Notes and accounts payable – trade	29,863	32,214		
Short-term loans payable	—	188		
Current portion of long-term loans payable	2,000	2,000		
Income taxes payable	2,383	4,253		
Provision for product warranties	51	45		
Provision for loss on construction contracts	3,099	2,628		
Other	15,317	19,125		
Total current liabilities	52,714	60,457		
Non-current liabilities				
Long-term loans payable	1,000	2,000		
Net defined benefit liability	10,358	10,166		
Other	3,326	3,584		
Total non-current liabilities	14,685	15,750		
Total liabilities	67,400	76,208		
Net assets				
Shareholders' equity				
Capital stock	15,981	15,981		
Capital surplus	15,737	15,737		
Retained earnings	78,074	72,736		
Treasury shares	(148)	(145)		
Total shareholders' equity	109,645	104,310		
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	1,733	2,095		
Revaluation reserve for land	(378)	(378)		
Foreign currency translation adjustment	621	692		
Remeasurements of defined benefit plans	(762)	(854)		
Total accumulated other comprehensive income	1,214	1,554		
Non-controlling interests	94	93		
Total net assets	110,954	105,958		
Total liabilities and net assets	178,355	182,167		

ShinMaywa Industries, Ltd.

Consolidated Statements of Income

	Millions of Yen	
	Second Quarter of FY2015	Second Quarter of FY2014
Net sales	94,851	83,819
Cost of sales	75,694	68,993
Gross profit	19,156	14,825
Selling, general and administrative expenses	9,719	9,360
Operating income	9,437	5,465
Non-operating income		
Interest income	8	8
Dividend income	64	51
Share of profit of entities accounted for using equity method	47	162
Foreign exchange gains	—	59
Other	43	50
Total non-operating income	164	332
Non-operating expenses		
Interest expenses	15	19
Foreign exchange losses	126	—
Cost of inactive noncurrent assets	11	13
Other	21	20
Total non-operating expenses	175	53
Ordinary income	9,425	5,744
Extraordinary income		
Gain on sales of investment securities	24	119
Total extraordinary income	24	119
Extraordinary losses		
Loss on disposal of non-current assets	91	119
Total extraordinary losses	91	119
Income before income taxes and minority interests	9,359	5,744
Income taxes – current	2,436	1,268
Income taxes – deferred	785	857
Total income taxes	3,222	2,125
Profit	6,136	3,619
Profit attributable to non-controlling interests	1	3
Profit attributable to owners of parent	6,135	3,615

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Consolidated Statements of Comprehensive Income

Millions of Yen

	Second Quarter of FY2015	Second Quarter of FY2014
Profit	6,136	3,619
Other comprehensive income		
Valuation difference on available-for-sale securities	(361)	395
Foreign currency translation adjustment	(95)	(19)
Remeasurements of defined benefit plans, net of tax	92	131
Share of other comprehensive income of entities accounted for using equity method	23	(43)
Total other comprehensive income	(340)	464
Comprehensive income	5,796	4,083
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,795	4,082
Comprehensive income attributable to non-controlling interests	0	0

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Consolidated Statements of Cash Flows

	Millions of Yen	
	Second Quarter of FY2015	Second Quarter of FY2014
Cash flows from operating activities		
Income before income taxes and minority interests	9,359	5,744
Depreciation	2,044	1,942
Decrease (increase) in notes and accounts receivable – trade	12,352	10,327
Decrease (increase) in inventories	(2,906)	(4,846)
Increase (decrease) in notes and accounts payable – trade	(2,287)	308
Other, net	(4,021)	(1,734)
Subtotal	14,541	11,742
Interest and dividend income received	206	72
Interest expenses paid	(15)	(19)
Income taxes paid	(4,358)	(4,228)
Net cash provided by (used in) operating activities	10,373	7,566
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,576)	(2,373)
Purchase of intangible assets	(399)	(414)
Other, net	90	(88)
Net cash provided by (used in) investing activities	(2,886)	(2,875)
Cash flows from financing activities		
Increase in short-term loans payable	187	172
Decrease in short-term loans payable	(355)	–
Repayments of long-term loans payable	(1,000)	(1,000)
Cash dividends paid	(797)	(697)
Other, net	(184)	(207)
Net cash provided by (used in) financing activities	(2,149)	(1,732)
Effect of exchange rate change on cash and cash equivalents	(65)	(10)
Net increase (decrease) in cash and cash equivalents	5,271	2,947
Cash and cash equivalents at beginning of period	12,920	12,550
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	–	28
Cash and cash equivalents at end of period	18,192	15,526

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