

## Summary

28-July-2017

### Consolidated Financial Results for the First Quarter of Fiscal Year 2017 (April 1, 2017- June 30, 2017)

Name of registrant: ShinMaywa Industries, Ltd.

Stock Exchange Listed: Tokyo

Code number: 7224

(URL: <http://www.shinmaywa.co.jp>)

Representative: Tatsuyuki Isogawa, President and Chief Executive Officer

Contact: Taku Takeuchi, Manager, Corporate Communications Section (Phone: 0798-56-5002)

#### 1. Financial Results for the First Quarter of FY 2017 (April 1, 2017– June 30, 2017)

##### (1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
First Quarter of FY2017	44,284	1.8	2,365	42.5	2,416	60.1	1,627	71.0
First Quarter of FY2016	43,519	0.0	1,660	(62.7)	1,509	(66.3)	951	(67.3)

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
	yen	yen
First Quarter of FY2017	17.05	—
First Quarter of FY2016	9.75	—

##### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (Ratio of net assets to total assets)
	million yen	million yen	%
First Quarter of FY2017	181,088	119,726	66.1
FY2016	188,632	118,348	62.7

#### 2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
		yen		yen	yen
FY2016	—	7	—	7	14
FY2017	—	—	—	—	—
FY2017 (Forecast)	—	7	—	7	14

#### 3. Financial Results Forecast for FY 2017 (April 1, 2017 – March 31, 2018)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Second Quarter	94,700	2.5	4,500	(8.2)	4,600	(1.6)	2,950	0.3	30.90
Full Year	200,000	(0.6)	11,000	(15.8)	11,300	(14.7)	7,200	(19.6)	75.42

## Consolidated Balance Sheets

	Millions of Yen			Millions of Yen	
	First Quarter of FY2017	FY2016		First Quarter of FY2017	FY2016
<b>Assets</b>			<b>Liabilities</b>		
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and deposits	24,820	18,772	Notes and accounts payable – trade	24,648	28,239
Notes and accounts receivable – trade	59,805	76,475	Short-term loans payable	150	150
Merchandise and finished goods	3,412	3,101	Income taxes payable	335	2,495
Work in process	22,936	20,273	Provision for product warranties	30	33
Raw materials and supplies	14,840	14,836	Provision for loss on construction contracts	3,654	3,711
Other	6,191	6,436	Other	18,669	21,755
Allowance for doubtful accounts	(6)	(4)	Total current liabilities	47,488	56,385
Total current assets	132,000	139,890	<b>Non-current liabilities</b>		
<b>Non-current assets</b>			Net defined benefit liability	11,354	11,275
Property, plant and equipment			Other	2,519	2,623
Buildings and structures, net	11,736	11,847	Total non-current liabilities	13,874	13,898
Other, net	18,714	18,556	<b>Total liabilities</b>	61,362	70,283
Total property, plant and equipment	30,450	30,403	<b>Net assets</b>		
Intangible assets	2,407	2,537	<b>Shareholders' equity</b>		
Investments and other assets			Capital stock	15,981	15,981
Other	16,277	15,850	Capital surplus	15,738	15,738
Allowance for doubtful accounts	(48)	(49)	Retained earnings	90,070	89,111
Total investments and other assets	16,229	15,801	Treasury shares	(3,252)	(3,250)
Total non-current assets	49,088	48,742	Total shareholders' equity	118,538	117,581
<b>Total assets</b>	181,088	188,632	<b>Accumulated other comprehensive income</b>		
			Valuation difference on available-for-sale securities	2,898	2,459
			Revaluation reserve for land	(376)	(376)
			Foreign currency translation adjustment	194	257
			Remeasurements of defined benefit plans	(1,613)	(1,653)
			Total accumulated other comprehensive income	1,103	687
			<b>Non-controlling interests</b>	84	79
			<b>Total net assets</b>	119,726	118,348
			<b>Total liabilities and net assets</b>	181,088	188,632

ShinMaywa Industries, Ltd.

## Consolidated Statements of Income

	Millions of Yen	
	First Quarter of FY2017	First Quarter of FY2016
Net sales	44,284	43,519
Cost of sales	36,804	36,974
Gross profit	7,480	6,544
Selling, general and administrative expenses	5,114	4,884
Operating profit	2,365	1,660
Non-operating income		
Interest income	3	3
Dividend income	79	72
Share of profit of entities accounted for using equity method	26	—
Other	23	20
Total non-operating income	132	96
Non-operating expenses		
Interest expenses	2	4
Share of loss of entities accounted for using equity method	—	52
Foreign exchange losses	44	159
Cost of inactive noncurrent assets	5	5
Other	28	25
Total non-operating expenses	81	247
Ordinary profit	2,416	1,509
Extraordinary income		
Gain on sales of non-current assets	—	77
Gain on sales of investment securities	23	—
Total extraordinary income	23	77
Extraordinary losses		
Loss on disposal of non-current assets	21	24
Total extraordinary losses	21	24
Profit before income taxes	2,418	1,562
Income taxes – current	349	337
Income taxes – deferred	436	277
Total income taxes	786	614
Profit	1,631	948
Profit (loss) attributable to non-controlling interests	4	(3)
Profit attributable to owners of parent	1,627	951

**ShinMaywa Industries, Ltd.**

## Consolidated Statements of Comprehensive Income

Millions of Yen

	First Quarter of FY2017	First Quarter of FY2016
Profit	1,631	948
Other comprehensive income		
Valuation difference on available-for-sale securities	438	(160)
Foreign currency translation adjustment	(34)	(192)
Remeasurements of defined benefit plans, net of tax	40	28
Share of other comprehensive income of entities accounted for using equity method	(28)	(74)
Total other comprehensive income	415	(399)
Comprehensive income	2,047	548
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,043	555
Comprehensive income attributable to non-controlling interests	4	(6)

**ShinMaywa Industries, Ltd.**