

Summary

31-January-2018

Consolidated Financial Results for the Third Quarter of Fiscal Year 2017 (April 1, 2017- December 31, 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: Noriko Jitsuhira, Deputy General Manager, President's Office (Phone: 0798-56-5002)

1. Financial Results for the Third Quarter of FY 2017 (April 1, 2017– December 31, 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	%
Third Quarter of FY2017	145,780	3.5	8,121	(8.7)	8,503	(6.0)	5,509	(6.1)
Third Quarter of FY2016	140,871	(2.1)	8,899	(25.5)	9,048	(25.2)	5,868	(24.4)

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
	yen	yen
Third Quarter of FY2017	57.71	—
Third Quarter of FY2016	60.94	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (Ratio of net assets to total assets)
	million yen	million yen	%
Third Quarter of FY2017	187,679	123,793	65.9
FY2016	188,632	118,348	62.7

2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
	yen				
FY2016	—	7	—	7	14
FY2017	—	7	—		
FY2017 (Forecast)				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
Full Year	200,000	(0.6)	11,000	(15.8)	11,300	(14.7)	7,300	(18.5)	76.47

Consolidated Balance Sheets

	Millions of Yen		Millions of Yen	
	Third Quarter of FY2017	FY2016	Third Quarter of FY2017	FY2016
Assets				
Current assets				
Cash and deposits	25,375	18,772		
Notes and accounts receivable – trade	60,723	76,475		
Merchandise and finished goods	3,584	3,101		
Work in process	25,579	20,273		
Raw materials and supplies	15,304	14,836		
Other	6,762	6,436		
Allowance for doubtful accounts	(7)	(4)		
Total current assets	137,322	139,890		
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	12,612	11,847		
Other, net	18,284	18,556		
Total property, plant and equipment	30,897	30,403		
Intangible assets	2,404	2,537		
Investments and other assets				
Other	17,102	15,850		
Allowance for doubtful accounts	(47)	(49)		
Total investments and other assets	17,054	15,801		
Total non-current assets	50,356	48,742		
Total assets	187,679	188,632		
Liabilities				
Current liabilities				
Notes and accounts payable – trade	24,532	28,239		
Short-term loans payable	150	150		
Income taxes payable	596	2,495		
Provision for product warranties	21	33		
Provision for loss on construction contracts	4,259	3,711		
Other	20,247	21,755		
Total current liabilities	49,806	56,385		
Non-current liabilities				
Net defined benefit liability	11,619	11,275		
Other	2,459	2,623		
Total non-current liabilities	14,079	13,898		
Total liabilities	63,885	70,283		
Net assets				
Shareholders' equity				
Capital stock	15,981	15,981		
Capital surplus	15,738	15,738		
Retained earnings	93,285	89,111		
Treasury shares	(3,252)	(3,250)		
Total shareholders' equity	121,752	117,581		
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	3,507	2,459		
Revaluation reserve for land	(376)	(376)		
Foreign currency translation adjustment	346	257		
Remeasurements of defined benefit plans	(1,532)	(1,653)		
Total accumulated other comprehensive income	1,945	687		
Non-controlling interests	95	79		
Total net assets	123,793	118,348		
Total liabilities and net assets	187,679	188,632		

Consolidated Statements of Income

	Millions of Yen	
	Third Quarter of FY2017	Third Quarter of FY2016
Net sales	145,780	140,871
Cost of sales	121,789	116,709
Gross profit	23,991	24,162
Selling, general and administrative expenses	15,870	15,263
Operating income	8,121	8,899
Non-operating income		
Interest income	12	11
Dividend income	124	109
Share of profit of entities accounted for using equity method	141	—
Dividend income of insurance	193	186
Other	85	56
Total non-operating income	556	364
Non-operating expenses		
Interest expenses	8	10
Share of loss of entities accounted for using equity method	—	28
Foreign exchange losses	49	103
Cost of inactive noncurrent assets	16	16
Loss on securitization of receivables	61	—
Other	38	56
Total non-operating expenses	174	215
Ordinary profit	8,503	9,048
Extraordinary income		
Gain on sales of non-current assets	—	80
Gain on sales of investment securities	23	—
Total extraordinary income	23	80
Extraordinary losses		
Loss on disposal of non-current assets	202	180
Total extraordinary losses	202	180
Profit before income taxes	8,323	8,947
Income taxes – current	1,753	1,733
Income taxes – deferred	1,047	1,346
Total income taxes	2,801	3,080
Profit	5,522	5,866
Profit (loss) attributable to non-controlling interests	12	(1)
Profit attributable to owners of parent	5,509	5,868

ShinMaywa Industries, Ltd.

Consolidated Statements of Comprehensive Income

	Millions of Yen	
	Third Quarter of FY2017	Third Quarter of FY2016
Profit	5,522	5,866
Other comprehensive income		
Valuation difference on available-for-sale securities	1,048	655
Foreign currency translation adjustment	78	(235)
Remeasurements of defined benefit plans, net of tax	121	85
Share of other comprehensive income of entities accounted for using equity method	13	(207)
Total other comprehensive income	1,261	298
Comprehensive income	6,783	6,164
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,767	6,176
Comprehensive income attributable to non-controlling interests	15	(11)

ShinMaywa Industries, Ltd.