

## Summary

31-January-2019

### Consolidated Financial Results for the Third Quarter of Fiscal Year 2018 (April 1, 2018- December 31, 2018)

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 Jitsuira, General Manager, Public & Investors Relations Department,  
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#### 1. Financial Results for the Third Quarter of FY 2018 (April 1, 2018– December 31, 2018)

##### (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 FY2018	154,598	6.0	7,706	(5.1)	8,037	(5.5)	5,546	0.7
Third Quarter of FY2017	145,780	3.5	8,121	(8.7)	8,503	(6.0)	5,509	(6.1)

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
	yen	yen
Third Quarter of FY2018	58.91	—
Third Quarter of FY2017	57.71	—

##### (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 FY2018	191,544	121,418	63.3
FY2017	190,001	125,004	65.7

#### 2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
	yen				
FY2017	—	7	—	16	23
FY2018	—	18	—		
FY2018 (Forecast)				27	45

#### 3. Financial Results Forecast for FY 2018 (April 1, 2018 – March 31, 2019)

	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	215,000	3.7	11,000	3.8	11,500	7.0	7,900	11.5	86.00

## Consolidated Balance Sheets

	Millions of Yen		Millions of Yen	
	Third Quarter of FY2018	FY2017	Third Quarter of FY2018	FY2017
<b>Assets</b>				
<b>Current assets</b>				
Cash and deposits	16,327	18,750		
Notes and accounts receivable – trade	67,940	74,795		
Merchandise and finished goods	3,819	3,327		
Work in process	22,114	19,594		
Raw materials and supplies	17,919	14,796		
Other	5,587	2,486		
Allowance for doubtful accounts	(28)	(33)		
Total current assets	133,680	133,717		
<b>Non-current assets</b>				
Property, plant and equipment				
Buildings and structures, net	13,130	12,798		
Other, net	19,540	18,480		
Total property, plant and equipment	32,670	31,279		
Intangible assets	2,434	2,587		
Investments and other assets				
Other	22,792	22,459		
Allowance for doubtful accounts	(33)	(42)		
Total investments and other assets	22,759	22,417		
Total non-current assets	57,864	56,284		
<b>Total assets</b>	<b>191,544</b>	<b>190,001</b>		
<b>Liabilities</b>				
<b>Current liabilities</b>				
Notes and accounts payable – trade	27,639	24,572		
Short-term loans payable	7,000	90		
Income taxes payable	387	2,313		
Provision for product warranties	7	9		
Provision for loss on construction contracts	3,667	4,481		
Other	16,929	19,405		
Total current liabilities	55,631	50,871		
<b>Non-current liabilities</b>				
Net defined benefit liability	12,201	11,734		
Other	2,293	2,391		
Total non-current liabilities	14,494	14,125		
<b>Total liabilities</b>	<b>70,125</b>	<b>64,997</b>		
<b>Net assets</b>				
<b>Shareholders' equity</b>				
Capital stock	15,981	15,981		
Capital surplus	15,737	15,738		
Retained earnings	93,541	94,861		
Treasury shares	(4,597)	(3,252)		
Total shareholders' equity	120,663	123,328		
<b>Accumulated other comprehensive income</b>				
Valuation difference on available-for-sale securities	1,956	3,019		
Revaluation reserve for land	(376)	(376)		
Foreign currency translation adjustment	277	352		
Remeasurements of defined benefit plans	(1,255)	(1,431)		
Total accumulated other comprehensive income	602	1,564		
<b>Non-controlling interests</b>	152	111		
<b>Total net assets</b>	<b>121,418</b>	<b>125,004</b>		
<b>Total liabilities and net assets</b>	<b>191,544</b>	<b>190,001</b>		

ShinMaywa Industries, Ltd.

## Consolidated Statements of Income

	Millions of Yen	
	Third Quarter of FY2018	Third Quarter of FY2017
Net sales	154,598	145,780
Cost of sales	130,924	121,789
Gross profit	23,674	23,991
Selling, general and administrative expenses	15,967	15,870
Operating profit	7,706	8,121
Non-operating income		
Interest income	12	12
Dividend income	134	124
Share of profit of entities accounted for using equity method	112	141
Dividend income of insurance	200	193
Foreign exchange gains	80	—
Other	92	85
Total non-operating income	633	556
Non-operating expenses		
Interest expenses	7	8
Foreign exchange losses	—	49
Cost of inactive noncurrent assets	16	16
Loss on securitization of receivables	169	61
Other	108	38
Total non-operating expenses	302	174
Ordinary profit	8,037	8,503
Extraordinary income		
Gain on sales of investment securities	695	23
Gain on transfer of retirement benefit plan	278	—
Total extraordinary income	974	23
Extraordinary losses		
Loss on disposal of non-current assets	479	202
Loss on disaster	242	—
Total extraordinary losses	722	202
Profit before income taxes	8,289	8,323
Income taxes – current	1,487	1,753
Income taxes – deferred	1,216	1,047
Total income taxes	2,703	2,801
Profit	5,585	5,522
Profit attributable to non-controlling interests	39	12
Profit attributable to owners of parent	5,546	5,509

**ShinMaywa Industries, Ltd.**

## Consolidated Statements of Comprehensive Income

	Millions of Yen	
	Third Quarter of FY2018	Third Quarter of FY2017
Profit	5,585	5,522
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,063)	1,048
Foreign currency translation adjustment	(23)	78
Remeasurements of defined benefit plans, net of tax	176	121
Share of other comprehensive income of entities accounted for using equity method	(50)	13
Total other comprehensive income	(960)	1,261
Comprehensive income	4,625	6,783
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,583	6,767
Comprehensive income attributable to non-controlling interests	41	15

**ShinMaywa Industries, Ltd.**