



April 25, 2019

Company Name: ShinMaywa Industries, Ltd.
Representative: Tatsuyuki Isogawa, President and Chief Executive Officer
(Code number: 7224; Tokyo Stock Exchange, 1st Section)
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Notice Regarding Capital Increase by Subsidiary
(Change to Specified Subsidiary)

At meetings held on September 27, 2018 and October 31, 2018, the Board of Directors of ShinMaywa Industries, Ltd. (the “Company”) approved resolutions to underwrite a capital increase by Thai ShinMaywa Co., Ltd., a wholly-owned subsidiary of the Company.

The Company announces that with the capital increase, the capital stock of Thai ShinMaywa exceeded the amount equivalent to 10% of the Company’s capital stock and accordingly, Thai ShinMaywa has become a specified subsidiary of the Company.

1. Reason for the Capital Increase

Thai ShinMaywa Co., Ltd. needs to make capital investments to bolster its production capacity of special purpose truck parts and other products and to start production of water treatment equipment such as submersible pumps used for transporting wastewater in sewage/effluent treatment facilities. To meet this funding demand, the Company decided to underwrite the capital increase.

2. Outline of the Specified Subsidiary

(1) Name	Thai ShinMaywa Co., Ltd.
(2) Location	Samutsakorn, Thailand
(3) Name and title of representative	Hikomichi Abe, President & CEO
(4) Business	Manufacture and sale of special purpose truck parts and other products
(5) Capital stock (before capital increase)	428 million baht
(6) Date of establishment	December 1988
(7) Shareholder composition	ShinMaywa Industries (100%)

3. Details of the Capital Increase

(1) Pay-in amount	523 million baht
(2) Pay-in dates	December 11, 2018: 163 million baht February 1, 2019: 360 million baht
(3) Capital stock (after capital increase)	951 million baht
(4) Shareholder composition after capital increase	ShinMaywa Industries (100%)

4. Impact on earnings

The above capital increase will have only a minimal impact on the Company’s consolidated financial results.

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