

**Consolidated Financial Results
for Fiscal Year 2010 (April 1, 2010 – March 31, 2011)**

28/4/2011

Name of registrant: ShinMaywa Industries, Ltd. Stock Exchange Listed: Tokyo, Osaka
 Code number: 7224 (URL: <http://www.shinmaywa.co.jp>)
 Representative: Yoshihiro Onishi, President and Chief Executive Officer
 Contact: Noriko Jitsuhiro, Manager, Office of the President (Phone: 0798-56-5000)
 Date of the general meeting of shareholders: June 28, 2011
 Date of the dividends pay start planned: June 29, 2011
 Date of filing annual security report: June 28, 2011

1. Consolidated Financial Results for FY 2010 (April 1, 2010 – March 31, 2011)

(1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2010	107,229	(2.9)	1,647	(46.4)	1,372	(56.1)	(1,749)	—
FY2009	110,397	(13.6)	3,072	217.3	3,122	213.5	3,093	—

	Net income per share	Fully diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
FY2010	yen (17.54)	yen —	% (2.2)	% 1.0	% 1.5
FY2009	31.00	—	3.8	2.3	2.8

Note: Equity in earnings of affiliates and non-consolidated subsidiaries: FY2010: 116 million yen FY2009: (8 million) yen

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (Ratio of net assets to total assets)	Net assets per share
	million yen	million yen	%	yen
FY2010	130,273	80,833	60.8	793.36
FY2009	134,459	83,574	61.0	821.67

Note: Shareholders' equity: FY2010 79,153 million yen FY2009 81,989 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
FY2010	4,142	(1,347)	(3,022)	17,150
FY2009	10,571	(843)	(3,092)	17,448

2. Dividends

	Dividends per share			Dividends total (Full-Year)	Dividends payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	Interim	Year-end	Full-year			
FY2009	yen 5	yen 5	yen 10	million yen 997	% 32.3	% 1.2
FY2010	5	5	10	997	—	1.2
FY2011 (Forecast)	5	5	10		—	

Consolidated Balance Sheets

Millions of Yen

Millions of Yen

	FY2010	FY2009		FY2010	FY2009
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	17,150	17,548	Notes and accounts payable-trade	16,795	14,935
Notes and accounts receivable-trade	46,370	42,578	Short-term loans payable	6,000	6,000
Merchandise and finished goods	1,884	2,131	Current portion of long-term loans payable	2,000	2,000
Work in process	19,960	23,383	Accrued expenses	5,885	4,835
Raw materials and supplies	9,298	10,305	Income taxes payable	453	568
Real estate for sale	93	94	Provision for directors' bonuses	23	68
Deferred tax assets	2,997	2,002	Provision for product warranties	15	57
Other	896	1,086	Provision for loss on construction contracts	1,362	953
Allowance for doubtful accounts	(45)	(102)	Other	2,702	4,623
Total current assets	98,606	99,028	Total current liabilities	35,238	34,042
Noncurrent assets			Noncurrent liabilities		
Property, plant and equipment			Long-term loans payable	12	2,000
Buildings and structures, net	10,280	10,986	Provision for retirement benefits	7,970	7,840
Machinery, equipment and vehicles, net	4,779	4,781	Provision for directors' retirement benefits	484	540
Land	4,554	5,252	Deferred tax liabilities	72	149
Construction in progress	163	727	Deferred tax liabilities for land revaluation	62	62
Other, net	1,190	1,337	Negative goodwill	239	385
Total property, plant and equipment	20,968	23,086	Other	5,360	5,862
Intangible assets	980	1,154	Total noncurrent liabilities	14,201	16,841
Investments and other assets			Total liabilities	49,440	50,884
Investment securities	2,772	2,767	Net assets		
Long-term loans receivable	225	50	Shareholders' equity		
Deferred tax assets	3,163	5,352	Capital stock	15,981	15,981
Other	3,631	3,085	Capital surplus	15,737	15,737
Allowance for doubtful accounts	(74)	(67)	Retained earnings	55,897	58,645
Total investments and other assets	9,718	11,189	Treasury stock	(8,202)	(8,196)
Total noncurrent assets	31,667	35,430	Total shareholders' equity	79,414	82,167
Total assets	130,273	134,459	Accumulated other comprehensive income		
			Valuation difference on available-for-sale securities	451	435
			Revaluation reserve for land	(389)	(389)
			Foreign currency translation adjustment	(324)	(224)
			Total accumulated other comprehensive income	(261)	(178)
			Minority interests	1,680	1,585
			Total net assets	80,833	83,574
			Total liabilities and net assets	130,273	134,459

ShinMaywa Industries, Ltd.

Consolidated Statements of Income

Millions of Yen

	FY2010	FY2009
Net sales	107,229	110,397
Cost of sales	91,313	93,975
Gross profit	15,916	16,422
Selling, general and administrative expenses	14,269	13,349
Operating income	1,647	3,072
Non-operating income		
Interest income	26	12
Dividends income	38	35
Amortization of negative goodwill	146	146
Equity in earnings of affiliates	116	—
Rent income	46	64
Dividends income of insurance	153	139
Other	62	134
Total non-operating income	591	532
Non-operating expenses		
Interest expenses	84	118
Equity in losses of affiliates	—	8
Sales discounts	13	14
Foreign exchange losses	648	201
Other	119	139
Total non-operating expenses	866	482
Ordinary income	1,372	3,122
Extraordinary income		
Reversal of allowance for doubtful accounts	44	13
Gain on sales of investment securities	12	168
Gain on transfer of business	—	234
Total extraordinary income	57	417
Extraordinary loss		
Loss on sales of noncurrent assets	214	—
Loss on disposal of noncurrent assets	77	77
Impairment loss	29	40
Loss on disaster	326	—
Equipment relocation expenses	471	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	76	—
Loss on liquidation of business	117	—
Total extraordinary losses	1,313	118
Income before income taxes and minority interests	116	3,421
Income taxes—current	753	992
Income taxes—deferred	1,124	(673)
Total income taxes	1,878	319
Loss before minority interests	(1,762)	—
Minority interests in income (loss)	(12)	8
Net income (loss)	(1,749)	3,093

ShinMaywa Industries, Ltd.

Consolidated Statements of Comprehensive Income

Millions of Yen

	FY2010	FY2009
Loss before minority interests	(1,762)	—
Other comprehensive income		
Valuation difference on available-for-sale securities	12	—
Foreign currency translation adjustment	(70)	—
Share of other comprehensive income of associates accounted for using equity method	(31)	—
Total other comprehensive income	(88)	—
Comprehensive income	(1,850)	—
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(1,833)	—
Comprehensive income attributable to minority interests	(16)	—

ShinMaywa Industries, Ltd.

Consolidated Statements of Cash Flows

	Millions of Yen	
	FY2010	FY2009
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	116	3,421
Depreciation and amortization	3,236	3,566
Impairment loss	29	40
Increase (decrease) in provision for retirement benefits and directors' retirement benefits	74	(369)
Increase (decrease) in allowance for doubtful accounts	(48)	36
Interest and dividends income	(64)	(48)
Interest expenses	84	118
Equity in (earnings) losses of affiliates	(116)	8
Loss (gain) on sales of investment securities	(12)	(168)
Loss (gain) on sales of noncurrent assets	214	—
Loss (gain) on disposal of noncurrent assets	77	77
Loss (gain) on transfer of business	—	(234)
Decrease (increase) in notes and accounts receivable—trade	(3,793)	4,574
Decrease (increase) in inventories	4,739	6,568
Increase (decrease) in notes and accounts payable—trade	1,871	(3,516)
Increase (decrease) in other noncurrent liabilities	(565)	(371)
Other, net	(741)	(1,758)
Subtotal	5,101	11,943
Interest and dividends income received	63	48
Interest expenses paid	(83)	(118)
Income taxes paid	(938)	(1,302)
Net cash provided by (used in) operating activities	4,142	10,571
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	100	—
Purchase of property, plant and equipment	(1,575)	(1,633)
Proceeds from sales of property, plant and equipment	537	63
Purchase of intangible assets	(192)	(312)
Proceeds from sales of investment securities	12	247
Purchases of stock from minority shareholders	(15)	(0)
Payments of loans receivable from subsidiaries and affiliates	(173)	—
Proceeds from transfer of business	—	838
Other, net	(40)	(45)
Net cash provided by (used in) investing activities	(1,347)	(843)
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	12	—
Repayment of long-term loans payable	(2,000)	(2,000)
Proceeds from stock issuance to minority shareholders	134	—
Proceeds from sales of treasury stock	—	0
Purchase of treasury stock	(5)	(3)
Cash dividends paid	(997)	(997)
Cash dividends paid to minority shareholders	(21)	(21)
Repayments of finance lease obligations	(145)	(102)
Other, net	—	32
Net cash provided by (used in) financing activities	(3,022)	(3,092)
Effect of exchange rate change on cash and cash equivalents	(70)	18
Net increase (decrease) in cash and cash equivalents	(298)	6,654
Cash and cash equivalents at beginning of period	17,448	10,794
Cash and cash equivalents at end of period	17,150	17,448

ShinMaywa Industries, Ltd.