

## Summary

31-Jul-2012

### Consolidated Financial Results for the First Quarter of Fiscal Year 2012 (April 1, 2012- June 30, 2012)

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, Dupty Manager, Office of the President (Phone: 0798-56-5000)

#### 1. Financial Results for the First Quarter of FY 2012 (April 1, 2012– June 30, 2012)

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

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
First Quarter of FY2012	29,523	43.4	673	—	686	—	4,785	—
First Quarter of FY2011	20,594	(4.5)	(1,175)	—	(1,404)	—	(1,833)	—

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
First Quarter of FY2012	47.98	—
First Quarter of FY2011	(18.38)	—

##### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (Ratio of net assets to total assets)
First Quarter of FY2012	140,035	83,475	58.7
FY2011	136,138	79,324	57.3

#### 2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
FY2011	—	5	—	5	10
FY2012	—	—	—	—	—
FY2012 (Forecast)	—	5	—	5	10

#### 3. Financial Results Forecast for FY 2012 (April 1, 2012 – March 31, 2013)

	Net sales		Operating income		Ordinary income		Net income		Net income per share for this quarter
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Second Quarter	66,000	42.9	600	—	600	—	4,400	—	44.13
Full Year	143,000	31.2	3,500	54.2	3,800	79.7	6,700	—	67.19

## Consolidated Balance Sheets

	Millions of Yen		Millions of Yen	
	First Quarter of FY2012	FY2011	First Quarter of FY2012	FY2011
<b>Assets</b>				
Current assets				
Cash and deposits	13,194	19,855		
Notes and accounts receivable-trade	46,320	50,325		
Merchandise and finished goods	2,467	2,067		
Work in process	23,586	19,025		
Raw materials and supplies	11,698	9,102		
Other	5,742	4,385		
Allowance for doubtful accounts	(80)	(82)		
Total current assets	102,929	104,679		
Noncurrent assets				
Property, plant and equipment				
Buildings and structures, net	11,273	9,818		
Other, net	13,895	10,971		
Total property, plant and equipment	25,169	20,789		
Intangible assets	1,109	891		
Investments and other assets				
Other	10,926	9,840		
Allowance for doubtful accounts	(99)	(63)		
Total investments and other assets	10,826	9,777		
Total noncurrent assets	37,105	31,458		
<b>Total assets</b>	<b>140,035</b>	<b>136,138</b>		
<b>Liabilities</b>				
Current liabilities				
Notes and accounts payable-trade	18,886	19,824		
Current portion of long-term loans payable	2,000	2,000		
Income taxes payable	273	770		
Provision for product warranties	8	10		
Provision for loss on construction contracts	2,255	1,910		
Other	10,600	11,658		
Total current liabilities	34,023	36,174		
Noncurrent liabilities				
Long-term loans payable	8,025	8,012		
Provision for retirement benefits	9,465	8,072		
Provision for directors' retirement benefits	—	477		
Deferred tax liabilities for land revaluation	54	54		
Negative goodwill	57	93		
Other	4,933	3,928		
Total noncurrent liabilities	22,536	20,639		
Total liabilities	56,559	56,813		
<b>Net assets</b>				
Shareholders' equity				
Capital stock	15,981	15,981		
Capital surplus	15,737	15,737		
Retained earnings	50,813	54,632		
Treasury stock	(117)	(8,203)		
Total shareholders' equity	82,415	78,148		
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	463	624		
Revaluation reserve for land	(383)	(383)		
Foreign currency translation adjustment	(316)	(365)		
Total accumulated other comprehensive income	(237)	(124)		
Minority interests	1,297	1,301		
Total net assets	83,475	79,324		
<b>Total liabilities and net assets</b>	<b>140,035</b>	<b>136,138</b>		

ShinMaywa Industries, Ltd.

## Consolidated Statements of Income

	Millions of Yen	
	First Quarter of FY2012	First Quarter of FY2011
Net sales	29,523	20,594
Cost of sales	24,402	18,310
Gross profit	5,120	2,284
Selling, general and administrative expenses	4,446	3,460
Operating income (loss)	673	(1,175)
Non-operating income		
Interest income	5	7
Dividends income	32	23
Amortization of negative goodwill	36	36
Equity in earnings of affiliates	4	—
Other	38	18
Total non-operating income	117	86
Non-operating expenses		
Interest expenses	16	16
Equity in losses of affiliates	—	14
Foreign exchange losses	73	256
Other	15	27
Total non-operating expenses	105	315
Ordinary income (loss)	686	(1,404)
Extraordinary income		
Gain on negative goodwill	4,403	—
Gain on sales of golf memberships	—	5
Total extraordinary income	4,403	5
Extraordinary loss		
Loss on disposal of noncurrent assets	26	2
Loss on disaster	—	50
Total extraordinary losses	26	52
Income (loss) before income taxes and minority interests	5,062	(1,451)
Income taxes—current	272	177
Income taxes—deferred	8	227
Total income taxes	281	404
Income (loss) before minority interests	4,781	(1,856)
Minority interests in loss	(4)	(23)
Net income (loss)	4,785	(1,833)

**ShinMaywa Industries, Ltd.**

## Consolidated Statements of Comprehensive Income

Millions of Yen

	First Quarter of FY2012	First Quarter of FY2011
Income (loss) before minority interests	4,781	(1,856)
Other comprehensive income		
Valuation difference on available-for-sale securities	(164)	38
Foreign currency translation adjustment	18	(2)
Share of other comprehensive income of associates accounted for using equity method	38	14
Total other comprehensive income	(106)	49
Comprehensive income	4,674	(1,806)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	4,672	(1,785)
Comprehensive income attributable to minority interests	1	(21)

**ShinMaywa Industries, Ltd.**