

## Consolidated Financial Results for Fiscal Year 2012 (April 1, 2012 – March 31, 2013)

26/4/2013

Name of registrant: ShinMaywa Industries, Ltd.  
Code number: 7224

Stock Exchange Listed: Tokyo, Osaka  
(URL: <http://www.shinmaywa.co.jp>)

Representative: Yoshihiro Onishi, President and Chief Executive Officer  
Contact: Akira Nishioka, Officer

Manager, Human Resources & General Affairs Dept. (Phone: 0798-56-5002)

Date of the general meeting of shareholders: June 25, 2013  
Date of the dividends pay start planned: June 26, 2013  
Date of filing annual security report: June 25, 2013

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

#### (1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2012	150,918	38.5	5,840	157.3	6,479	206.4	11,372	—
FY2011	108,974	1.6	2,269	37.8	2,114	54.1	(266)	—

	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
	yen	yen	%	%	%
FY2012	114.04	—	13.6	4.4	3.9
FY2011	(2.68)	—	(0.3)	1.6	2.1

Note: Equity in earnings of affiliates and non-consolidated subsidiaries: FY2012: 172 million yen FY2011: 149 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
FY2012	155,248	89,035	57.3	892.01
FY2011	136,138	79,324	57.3	782.09

Note: Shareholders' equity: FY2012 88,941 million yen FY2011 78,023 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
FY2012	11,758	(6,502)	(10,364)	14,790
FY2011	4,131	(2,130)	782	19,855

### 2. Dividends

	Dividends per share			Dividends total (Full-Year)	Dividends payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	Interim	Year-end	Full-year			
	yen	yen	yen	million yen	%	%
FY2011	5	5	10	997	—	1.3
FY2012	5	5	10	997	8.8	1.2
FY2013 (Forecast)	5	5	10		30.2	

### 3. Consolidated Financial Results Forecast for FY 2013 (April 1, 2013 – March 31, 2014)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Half Year	72,500	11.7	1,200	(31.7)	1,300	(28.1)	700	(87.6)	7.02
Full Year	160,000	6.0	5,300	(9.3)	5,600	(13.6)	3,300	(71.0)	33.10

# Consolidated Balance Sheets

	Millions of Yen		Millions of Yen	
	FY2012	FY2011	FY2012	FY2011
<b>Assets</b>			<b>Liabilities</b>	
Current assets			Current liabilities	
Cash and deposits	14,811	19,855	Notes and accounts payable-trade	25,900
Notes and accounts receivable-trade	58,916	50,325	Current portion of long-term loans payable	2,000
Merchandise and finished goods	2,559	2,067	Accrued expenses	8,198
Work in process	20,635	19,025	Income taxes payable	1,402
Raw materials and supplies	12,365	9,102	Provision for directors' bonuses	132
Deferred tax assets	4,702	3,419	Provision for product warranties	18
Other	1,290	966	Provision for loss on construction contracts	1,718
Allowance for doubtful accounts	(59)	(82)	Other	6,542
Total current assets	115,222	104,679	Total current liabilities	45,914
Noncurrent assets			Noncurrent liabilities	
Property, plant and equipment			Long-term loans payable	6,000
Buildings and structures, net	11,521	9,818	Deferred tax liabilities	232
Machinery, equipment and vehicles, net	5,919	4,244	Deferred tax liabilities for land revaluation	54
Land	6,664	4,634	Provision for retirement benefits	9,676
Construction in progress	742	784	Provision for directors' retirement benefits	—
Other, net	1,427	1,307	Negative goodwill	—
Total property, plant and equipment	26,275	20,789	Other	4,335
Intangible assets	1,268	891	Total noncurrent liabilities	20,299
Investments and other assets			Total liabilities	66,213
Investment securities	4,262	3,000	<b>Net assets</b>	
Long-term loans receivable	286	283	Shareholders' equity	
Deferred tax assets	2,458	2,136	Capital stock	15,981
Other	5,571	4,419	Capital surplus	15,737
Allowance for doubtful accounts	(96)	(63)	Retained earnings	56,901
Total investments and other assets	12,481	9,777	Treasury stock	(120)
Total noncurrent assets	40,026	31,458	Total shareholders' equity	88,500
Total assets	155,248	136,138	Accumulated other comprehensive income	
			Valuation difference on available-for-sale securities	876
			Revaluation reserve for land	(383)
			Foreign currency translation adjustment	(52)
			Total accumulated other comprehensive income	440
			Minority interests	93
			Total net assets	89,035
			Total liabilities and net assets	155,248

ShinMaywa Industries, Ltd.

## Consolidated Statements of Income

	Millions of Yen	
	FY2012	FY2011
Net sales	150,918	108,974
Cost of sales	125,216	91,872
Gross profit	25,701	17,102
Selling, general and administrative expenses	19,861	14,832
Operating income	5,840	2,269
Non-operating income		
Interest income	20	33
Dividends income	57	41
Amortization of negative goodwill	93	146
Equity in earnings of affiliates	172	149
Rent income	41	21
Dividends income of insurance	131	151
Foreign exchange gains	123	—
Other	166	87
Total non-operating income	807	631
Non-operating expenses		
Interest expenses	62	65
Sales discounts	11	13
Foreign exchange losses	—	543
Cost of inactive noncurrent assets	25	25
Commission for syndicate loan	16	91
Other	52	45
Total non-operating expenses	169	786
Ordinary income	6,479	2,114
Extraordinary income		
Gain on sales of noncurrent assets	—	71
Gain on bargain purchase	5,343	—
Gain on sales of golf memberships	—	7
Gain on forgiveness of debts	13	—
Total extraordinary income	5,357	79
Extraordinary loss		
Loss on sales of noncurrent assets	13	1
Loss on disposal of noncurrent assets	259	145
Loss on disaster	—	151
Loss on sales of investment securities	5	—
Loss on valuation of investment securities	4	—
Loss on litigation	—	794
Loss on liquidation of business	30	35
Total extraordinary losses	313	1,128
Income before income taxes and minority interests	11,523	1,065
Income taxes—current	1,898	1,192
Income taxes—deferred	(1,718)	491
Total income taxes	180	1,683
Income (loss) before minority interests	11,342	(618)
Minority interests in loss	(29)	(351)
Net income (loss)	11,372	(266)

**ShinMaywa Industries, Ltd.**

## Consolidated Statements of Comprehensive Income

	Millions of Yen	
	FY2012	FY2011
Income (loss) before minority interests	11,342	(618)
Other comprehensive income		
Valuation difference on available-for-sale securities	252	173
Revaluation reserve for land	—	7
Foreign currency translation adjustment	264	(48)
Share of other comprehensive income of associates accounted for using equity method	73	(0)
Total other comprehensive income	590	131
Comprehensive income	11,933	(487)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	11,942	(129)
Comprehensive income attributable to minority interests	(8)	(357)

**ShinMaywa Industries, Ltd.**

## Consolidated Statements of Cash Flows

	Millions of Yen	
	FY2012	FY2011
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	11,523	1,065
Depreciation and amortization	3,609	3,135
Gain on bargain purchase	(5,343)	—
Increase (decrease) in provision for retirement benefits and directors' retirement benefits	(318)	95
Increase (decrease) in allowance for doubtful accounts	(42)	25
Interest and dividends income	(78)	(74)
Interest expenses	62	65
Equity in (earnings) losses of affiliates	(172)	(149)
Loss (gain) on sales of noncurrent assets	13	(70)
Loss (gain) on disposal of noncurrent assets	259	145
Decrease (increase) in notes and accounts receivable—trade	1,567	(3,981)
Decrease (increase) in inventories	(667)	1,089
Increase (decrease) in notes and accounts payable—trade	2,590	2,992
Increase (decrease) in other noncurrent liabilities	12	(1,607)
Other, net	117	2,225
Subtotal	13,134	4,955
Interest and dividends income received	150	80
Interest expenses paid	(64)	(65)
Income taxes paid	(1,462)	(839)
Net cash provided by (used in) operating activities	11,758	4,131
Net cash provided by (used in) investing activities		
Payments into time deposits	(20)	—
Purchase of property, plant and equipment	(4,359)	(1,734)
Proceeds from sales of property, plant and equipment	443	101
Purchase of intangible assets	(504)	(245)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(107)	—
Purchases of stock from minority shareholders	(632)	(15)
Payments of loans receivable from subsidiaries and affiliates	(24)	(70)
Payments for transfer of business	(932)	—
Other, net	(362)	(167)
Net cash provided by (used in) investing activities	(6,502)	(2,130)
Net cash provided by (used in) financing activities		
Decrease in short-term loans payable	(7,050)	(6,000)
Proceeds from long-term loans payable	19	10,000
Repayment of long-term loans payable	(2,000)	(2,000)
Proceeds from stock issuance to minority shareholders	37	—
Purchase of treasury stock	(20)	(1)
Cash dividends paid	(997)	(997)
Cash dividends paid to minority shareholders	(10)	(21)
Repayments of finance lease obligations	(342)	(196)
Net cash provided by (used in) financing activities	(10,364)	782
Effect of exchange rate change on cash and cash equivalents	187	(78)
Net increase (decrease) in cash and cash equivalents	(4,921)	2,705
Cash and cash equivalents at beginning of period	19,855	17,150
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(143)	—
Cash and cash equivalents at end of period	14,790	19,855

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