

Summary

31-January-2017

Consolidated Financial Results for the Third Quarter of Fiscal Year 2016 (April 1, 2016- December 31, 2016)

Name of registrant: ShinMaywa Industries, Ltd.

Stock Exchange Listed: Tokyo

Code number: 7224

(URL: <http://www.shinmaywa.co.jp>)

Representative: Yoshihiro Onishi, President and Chief Executive Officer

Contact: Taku Takeuchi, Manager, Corporate Communications Section (Phone: 0798-56-5002)

1. Financial Results for the Third Quarter of FY 2016 (April 1, 2016– December 31, 2016)

(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 FY2016	140,871	(2.1)	8,899	(25.5)	9,048	(25.2)	5,868	(24.4)
Third Quarter of FY2015	143,891	9.4	11,947	29.2	12,100	22.2	7,766	24.9

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
	yen	yen
Third Quarter of FY2016	60.94	—
Third Quarter of FY2015	77.92	—

(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 FY2016	181,969	114,784	63.0
FY2015	186,780	113,079	60.5

2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
	yen				
FY2015	—	7	—	7	14
FY2016	—	7			
FY2016 (Forecast)				7	14

3. Financial Results Forecast for FY 2016 (April 1, 2016 – March 31, 2017)

	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	200,000	(1.9)	12,500	(18.1)	12,600	(19.2)	8,500	(17.3)	89.03

Consolidated Balance Sheets

	Millions of Yen		Millions of Yen	
	Third Quarter of FY2016	FY2015	Third Quarter of FY2016	FY2015
Assets				
Current assets				
Cash and deposits	16,865	17,085		
Notes and accounts receivable – trade	68,070	76,642		
Merchandise and finished goods	3,775	2,865		
Work in process	24,345	20,702		
Raw materials and supplies	15,510	15,066		
Other	5,794	8,022		
Allowance for doubtful accounts	(11)	(19)		
Total current assets	134,349	140,366		
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	11,936	11,883		
Other, net	18,035	17,247		
Total property, plant and equipment	29,971	29,131		
Intangible assets	2,389	2,402		
Investments and other assets				
Other	15,315	14,938		
Allowance for doubtful accounts	(57)	(58)		
Total investments and other assets	15,257	14,879		
Total non-current assets	47,619	46,413		
Total assets	181,969	186,780		
Liabilities				
Current liabilities				
Notes and accounts payable – trade	28,606	31,472		
Current portion of long-term loans payable	1,000	2,000		
Income taxes payable	567	3,070		
Provision for product warranties	19	27		
Provision for loss on construction contracts	3,443	3,200		
Other	19,424	19,833		
Total current liabilities	53,061	59,603		
Non-current liabilities				
Net defined benefit liability	11,324	11,063		
Other	2,799	3,034		
Total non-current liabilities	14,123	14,097		
Total liabilities	67,185	73,700		
Net assets				
Shareholders' equity				
Capital stock	15,981	15,981		
Capital surplus	15,738	15,737		
Retained earnings	86,025	81,522		
Treasury shares	(3,248)	(154)		
Total shareholders' equity	114,496	113,088		
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	2,373	1,717		
Revaluation reserve for land	(376)	(376)		
Foreign currency translation adjustment	(13)	420		
Remeasurements of defined benefit plans	(1,770)	(1,856)		
Total accumulated other comprehensive income	213	(94)		
Non-controlling interests	74	85		
Total net assets	114,784	113,079		
Total liabilities and net assets	181,969	186,780		

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Consolidated Statements of Income

	Millions of Yen	
	Third Quarter of FY2016	Third Quarter of FY2015
Net sales	140,871	143,891
Cost of sales	116,709	116,622
Gross profit	24,162	27,269
Selling, general and administrative expenses	15,263	15,321
Operating income	8,899	11,947
Non-operating income		
Interest income	11	15
Dividend income	109	98
Share of profit of entities accounted for using equity method	—	10
Dividend income of insurance	186	178
Other	56	114
Total non-operating income	364	417
Non-operating expenses		
Interest expenses	10	21
Share of loss of entities accounted for using equity method	28	—
Foreign exchange losses	103	153
Cost of inactive noncurrent assets	16	17
Other	56	71
Total non-operating expenses	215	263
Ordinary income	9,048	12,100
Extraordinary income		
Gain on sales of non-current assets	80	—
Gain on sales of investment securities	—	24
Total extraordinary income	80	24
Extraordinary losses		
Loss on disposal of non-current assets	180	113
Total extraordinary losses	180	113
Profit before income taxes	8,947	12,012
Income taxes – current	1,733	3,171
Income taxes – deferred	1,346	1,073
Total income taxes	3,080	4,244
Profit	5,866	7,767
Profit (loss) attributable to non-controlling interests	(1)	1
Profit attributable to owners of parent	5,868	7,766

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Consolidated Statements of Comprehensive Income

	Millions of Yen	
	Third Quarter of FY2016	Third Quarter of FY2015
Profit	5,866	7,767
Other comprehensive income		
Valuation difference on available-for-sale securities	655	56
Foreign currency translation adjustment	(235)	(157)
Remeasurements of defined benefit plans, net of tax	85	138
Share of other comprehensive income of entities accounted for using equity method	(207)	(19)
Total other comprehensive income	298	18
Comprehensive income	6,164	7,786
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,176	7,793
Comprehensive income attributable to non-controlling interests	(11)	(7)

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