

## Consolidated Financial Results for the First Quarter of Fiscal Year 2019 (April 1, 2019 - June 30, 2019)

Name of registrant: ShinMaywa Industries, Ltd.

Stock Exchange Listed: Tokyo

Code number: 7224

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

Representative: Tatsuyuki Isogawa, President and Chief Executive Officer

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Date of the dividends pay start planned: —

(Amounts less than one million yen are rounded down.)

### 1. Financial Results for the First Quarter of FY2019 (April 1, 2019 - June 30, 2019)

#### (1) Consolidated Results of Operations

(%: Changes from the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
First Quarter of FY2019	48,869	5.9	2,198	65.6	2,125	39.5	1,203	(23.4)
First Quarter of FY2018	46,132	4.2	1,327	(43.9)	1,524	(36.9)	1,572	(3.4)

(Note) Comprehensive income: First Quarter of FY2019 993 million yen [ 15.4 %]

First Quarter of FY2018 861 million yen [ (57.9) %]

	Net income per share for this quarter	Net income per share after adjustment of latent shares for this quarter
	yen	yen
First Quarter of FY2019	18.46	—
First Quarter of FY2018	16.47	—

#### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (Ratio of net assets to total assets)
	million yen	million yen	%
First Quarter of FY2019	198,108	82,276	41.2
FY2018	209,195	83,043	39.4

(Note) Shareholders' equity: First Quarter of FY2019 81,673 million yen

FY2018 82,340 million yen

### 2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
		yen		yen	yen
FY2018	—	18.00	—	27.00	45.00
FY2019	—				
FY2019 (Forecast)		66.00	—	21.00	87.00

### 3. Consolidated Financial Results Forecast for FY2019 (April 1, 2019 - March 31, 2020)

(%: Changes from the previous fiscal year)

	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	230,000	5.8	11,000	2.7	10,500	0.6	6,300	(10.0)	96.64

## Consolidated Balance Sheets

(Millions of Yen)

	As of March 31 , 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	23,153	22,758
Notes and accounts receivable - trade	64,300	50,625
Electronically recorded monetary claims - operating	16,654	15,641
Merchandise and finished goods	3,766	3,729
Work in process	18,468	22,418
Raw materials and supplies	16,938	18,163
Other	5,459	4,296
Allowance for doubtful accounts	(58)	(59)
Total current assets	<u>148,683</u>	<u>137,573</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,635	14,345
Other, net	20,230	21,404
Total property, plant and equipment	<u>34,865</u>	<u>35,749</u>
Intangible assets	2,768	2,639
Investments and other assets		
Other	22,915	22,182
Allowance for doubtful accounts	(38)	(37)
Total investments and other assets	<u>22,877</u>	<u>22,144</u>
Total non-current assets	<u>60,511</u>	<u>60,534</u>
Total assets	<u>209,195</u>	<u>198,108</u>

## Consolidated Balance Sheets

(Millions of Yen)

	As of March 31 , 2019	As of June 30, 2019
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	29,371	25,666
Short-term loans payable	49,051	44,391
Current portion of long-term loans payable	238	175
Income taxes payable	2,423	278
Provision for product warranties	7	6
Provision for loss on construction contracts	4,748	4,264
Other	24,981	25,655
Total current liabilities	<u>110,822</u>	<u>100,439</u>
Non-current liabilities		
Long-term loans payable	603	595
Retirement benefit liability	12,594	12,689
Other	2,132	2,107
Total non-current liabilities	<u>15,330</u>	<u>15,392</u>
Total liabilities	<u>126,152</u>	<u>115,831</u>
Net assets		
Shareholders' equity		
Capital stock	15,981	15,981
Capital surplus	15,737	15,737
Retained earnings	94,992	94,435
Treasury shares	(44,597)	(44,598)
Total shareholders' equity	<u>82,113</u>	<u>81,557</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,951	1,755
Revaluation reserve for land	(376)	(376)
Foreign currency translation adjustment	259	283
Remeasurements of defined benefit plans	(1,607)	(1,546)
Total accumulated other comprehensive income	<u>226</u>	<u>116</u>
Non-controlling interests	<u>702</u>	<u>602</u>
Total net assets	<u>83,043</u>	<u>82,276</u>
Total liabilities and net assets	<u>209,195</u>	<u>198,108</u>

## Consolidated Statements of Income

(Millions of Yen)

	First Quarter of FY2018	First Quarter of FY2019
Net sales	46,132	48,869
Cost of sales	39,547	41,399
Gross profit	6,584	7,469
Selling, general and administrative expenses	5,257	5,270
Operating income	1,327	2,198
Non-operating income		
Interest income	3	4
Dividend income	96	95
Share of profit of entities accounted for using equity method	0	—
Foreign exchange gains	118	—
Other	35	85
Total non-operating income	254	185
Non-operating expenses		
Interest expenses	2	72
Share of loss of entities accounted for using equity method	—	31
Foreign exchange losses	—	54
Cost of inactive noncurrent assets	5	7
Loss on securitization of receivables	36	74
Other	12	19
Total non-operating expenses	57	258
Ordinary income	1,524	2,125
Extraordinary income		
Gain on sales of investment securities	695	—
Gain on transfer of retirement benefit plan	278	—
Total extraordinary income	974	—
Extraordinary losses		
Loss on sales of non-current assets	—	15
Loss on disposal of non-current assets	147	248
Total extraordinary losses	147	264
Profit before income taxes	2,350	1,861
Income taxes - current	289	304
Income taxes - deferred	474	448
Total income taxes	763	752
Profit	1,587	1,108
Profit (loss) attributable to non-controlling interests	15	(95)
Profit attributable to owners of parent	1,572	1,203

## Consolidated Statements of Comprehensive Income

	(Millions of Yen)	
	First Quarter of FY2018	First Quarter of FY2019
Profit	1,587	1,108
Other comprehensive income		
Valuation difference on available-for-sale securities	(659)	(195)
Foreign currency translation adjustment	(125)	(0)
Remeasurements of defined benefit plans, net of tax	81	61
Share of other comprehensive income of entities accounted for using equity method	(22)	19
Total other comprehensive income	<u>(726)</u>	<u>(114)</u>
Comprehensive income	<u>861</u>	<u>993</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	847	1,093
Comprehensive income attributable to non-controlling interests	13	(99)