

**Consolidated Financial Results  
for the Third Quarter of Fiscal Year 2019 (April 1, 2019 - December 31, 2019)**

January 31, 2020

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. Consolidated Financial Results for the Third Quarter of FY2019 (April 1, 2019 - December 31, 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	%
Third Quarter of FY2019	162,022	4.8	8,072	4.8	7,925	(1.4)	5,013	(9.6)
Third Quarter of FY2018	154,598	6.0	7,706	(5.1)	8,037	(5.5)	5,546	0.7

(Note) Comprehensive income: Third Quarter of FY2019 5,051 million yen [ 9.2 %]  
Third Quarter of FY2018 4,625 million yen [ (31.8) %]

	Net income per share for this quarter	Diluted net income per share for this quarter
	yen	yen
Third Quarter of FY2019	76.90	—
Third Quarter of FY2018	58.91	—

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
Third Quarter of FY2019	209,476	82,030	38.9
FY2018	209,195	83,043	39.4

(Reference) Equity: Third Quarter of FY2019 81,383 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	—	66.00	—	—	—
FY2019 (Forecast)	—	—	—	21.00	87.00

(Note) Revision to the plan of dividend announced most recently: None

The second quarter dividends for FY2019: Ordinary dividend of 21.00 yen and commemorative dividend of 45.00 yen

**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	11,500	7.4	11,000	5.4	6,500	(7.1)	99.71

(Note) Revision to the forecast of consolidated financial results announced most recently: None

## Consolidated Balance Sheets

(Millions of Yen)

	As of March 31 , 2019	As of December 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	23,153	27,372
Notes and accounts receivable - trade	64,300	54,603
Electronically recorded monetary claims - operating	16,654	14,364
Merchandise and finished goods	3,766	3,647
Work in process	18,468	22,926
Raw materials and supplies	16,938	20,441
Other	5,459	4,125
Allowance for doubtful accounts	(58)	(54)
Total current assets	<u>148,683</u>	<u>147,424</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,635	15,370
Other, net	20,230	22,156
Total property, plant and equipment	<u>34,865</u>	<u>37,526</u>
Intangible assets	2,768	2,497
Investments and other assets		
Other	22,915	22,062
Allowance for doubtful accounts	(38)	(35)
Total investments and other assets	<u>22,877</u>	<u>22,027</u>
Total non-current assets	<u>60,511</u>	<u>62,051</u>
Total assets	<u>209,195</u>	<u>209,476</u>

## Consolidated Balance Sheets

(Millions of Yen)

	As of March 31 , 2019	As of December 31, 2019
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	29,371	27,593
Short-term loans payable	49,051	29,605
Current portion of long-term loans payable	238	1,053
Income taxes payable	2,423	401
Provision for product warranties	7	4
Provision for loss on construction contracts	4,748	4,433
Other	24,981	21,942
Total current liabilities	<u>110,822</u>	<u>85,033</u>
Non-current liabilities		
Long-term loans payable	603	27,590
Retirement benefit liability	12,594	12,921
Other	2,132	1,900
Total non-current liabilities	<u>15,330</u>	<u>42,412</u>
Total liabilities	<u>126,152</u>	<u>127,445</u>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	15,981	15,981
Capital surplus	15,737	15,737
Retained earnings	94,992	56,222
Treasury shares	(44,597)	(6,878)
Total shareholders' equity	<u>82,113</u>	<u>81,063</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,951	2,006
Revaluation reserve for land	(376)	(376)
Foreign currency translation adjustment	259	113
Remeasurements of defined benefit plans	(1,607)	(1,423)
Total accumulated other comprehensive income	<u>226</u>	<u>320</u>
Non-controlling interests	<u>702</u>	<u>647</u>
Total net assets	<u>83,043</u>	<u>82,030</u>
Total liabilities and net assets	<u>209,195</u>	<u>209,476</u>

## Consolidated Statements of Income

(Millions of Yen)

	Third Quarter of FY2018	Third Quarter of FY2019
Net sales	154,598	162,022
Cost of sales	130,924	137,509
Gross profit	23,674	24,512
Selling, general and administrative expenses	15,967	16,439
Operating income	7,706	8,072
Non-operating income		
Interest income	12	42
Dividend income	134	141
Share of profit of entities accounted for using equity method	112	299
Dividend income of insurance	200	152
Foreign exchange gains	80	—
Insurance claim income	—	166
Other	92	82
Total non-operating income	633	885
Non-operating expenses		
Interest expenses	7	225
Foreign exchange losses	—	141
Cost of inactive noncurrent assets	16	21
Borrowing fees	9	372
Loss on securitization of receivables	169	197
Other	99	75
Total non-operating expenses	302	1,033
Ordinary income	8,037	7,925
Extraordinary income		
Gain on sales of non-current assets	—	17
Gain on sales of investment securities	695	—
Gain on transfer of retirement benefit plan	278	—
Total extraordinary income	974	17
Extraordinary losses		
Loss on sales of non-current assets	—	14
Loss on disposal of non-current assets	479	340
Loss on disaster	242	—
Total extraordinary losses	722	355
Profit before income taxes	8,289	7,587
Income taxes - current	1,487	1,412
Income taxes - deferred	1,216	1,166
Total income taxes	2,703	2,578
Profit	5,585	5,008
Profit (loss) attributable to non-controlling interests	39	(4)
Profit attributable to owners of parent	5,546	5,013

## Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Third Quarter of FY2018	Third Quarter of FY2019
Profit	5,585	5,008
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,063)	55
Foreign currency translation adjustment	(23)	(111)
Remeasurements of defined benefit plans, net of tax	176	183
Share of other comprehensive income of entities accounted for using equity method	(50)	(84)
Total other comprehensive income	(960)	42
Comprehensive income	4,625	5,051
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,583	5,106
Comprehensive income attributable to non-controlling interests	41	(55)