

Consolidated Financial Results for the First Quarter of Fiscal Year 2020 (April 1, 2020 - June 30, 2020)

Name of registrant: ShinMaywa Industries, Ltd. Stock Exchange Listed: Tokyo
 Code number: 7224 (URL: <https://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 First Quarter of FY2020 (April 1, 2020 - June 30, 2020)

(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 FY2020	44,806	(8.3)	1,322	(39.8)	1,519	(28.5)	591	(50.8)
First Quarter of FY2019	48,869	5.9	2,198	65.6	2,125	39.5	1,203	(23.4)

(Note) Comprehensive income: First Quarter of FY2020 1,099 million yen [10.6 %]
 First Quarter of FY2019 993 million yen [15.4 %]

	Net income per share for this quarter	Diluted net income per share for this quarter
	yen	yen
First Quarter of FY2020	9.00	—
First Quarter of FY2019	18.46	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
First Quarter of FY2020	203,596	83,398	40.6
FY2019	214,157	83,680	38.7

(Reference) Equity: First Quarter of FY2020 82,649 million yen
 FY2019 82,946 million yen

2. Dividends

	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Full-year
		yen		yen	yen
FY2019	—	66.00	—	21.00	87.00
FY2020	—				
FY2020 (Forecast)		19.00	—	19.00	38.00

(Note) Revision to the plan of dividend announced most recently: Yes

3. Consolidated Financial Results Forecast for FY2020 (April 1, 2020 - March 31, 2021)

(%: 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	210,000	(7.6)	8,500	(33.8)	8,700	(29.7)	5,000	(32.2)	76.05

(Note) Revision to the forecast of consolidated financial results announced most recently: Yes

Consolidated Balance Sheets

(Millions of Yen)

	As of March 31 , 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	19,342	19,854
Notes and accounts receivable - trade	67,223	52,354
Electronically recorded monetary claims - operating	14,532	14,104
Merchandise and finished goods	3,808	4,314
Work in process	18,562	21,528
Raw materials and supplies	20,127	21,378
Other	3,932	3,794
Allowance for doubtful accounts	(71)	(68)
Total current assets	147,457	137,261
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,306	18,171
Other, net	22,765	20,783
Total property, plant and equipment	38,072	38,954
Intangible assets	2,550	2,445
Investments and other assets		
Other	26,109	24,966
Allowance for doubtful accounts	(32)	(31)
Total investments and other assets	26,077	24,934
Total non-current assets	66,700	66,334
Total assets	214,157	203,596

Consolidated Balance Sheets

(Millions of Yen)

	As of March 31 , 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,464	21,679
Current portion of bonds payable	800	800
Short-term loans payable	1,946	2,176
Current portion of long-term loans payable	2,433	2,367
Income taxes payable	2,366	271
Provision for loss on construction contracts	3,961	3,981
Other	24,551	23,081
Total current liabilities	<u>63,524</u>	<u>54,358</u>
Non-current liabilities		
Bonds payable	3,200	3,000
Long-term loans payable	49,187	48,365
Retirement benefit liability	12,772	12,620
Other	1,793	1,852
Total non-current liabilities	<u>66,953</u>	<u>65,838</u>
Total liabilities	<u>130,477</u>	<u>120,197</u>
Net assets		
Shareholders' equity		
Capital stock	15,981	15,981
Capital surplus	15,780	15,780
Retained earnings	58,587	57,798
Treasury shares	(6,081)	(6,081)
Total shareholders' equity	<u>84,268</u>	<u>83,479</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	541	803
Revaluation reserve for land	(376)	(376)
Foreign currency translation adjustment	(48)	(62)
Remeasurements of defined benefit plans	(1,439)	(1,194)
Total accumulated other comprehensive income	<u>(1,322)</u>	<u>(830)</u>
Non-controlling interests	734	749
Total net assets	<u>83,680</u>	<u>83,398</u>
Total liabilities and net assets	<u>214,157</u>	<u>203,596</u>

Consolidated Statements of Income

(Millions of Yen)

	First Quarter of FY2019	First Quarter of FY2020
Net sales	48,869	44,806
Cost of sales	41,399	38,323
Gross profit	7,469	6,482
Selling, general and administrative expenses	5,270	5,159
Operating income	2,198	1,322
Non-operating income		
Interest income	4	11
Dividend income	95	263
Foreign exchange gains	—	79
Other	85	54
Total non-operating income	185	408
Non-operating expenses		
Interest expenses	72	53
Share of loss of entities accounted for using equity method	31	71
Foreign exchange losses	54	—
Cost of inactive noncurrent assets	7	12
Borrowing fees	3	40
Loss on securitization of receivables	74	14
Other	15	19
Total non-operating expenses	258	211
Ordinary income	2,125	1,519
Extraordinary income		
Gain on bargain purchase	—	90
Total extraordinary income	—	90
Extraordinary losses		
Loss on sales of non-current assets	15	—
Loss on disposal of non-current assets	248	39
Loss on COVID19	—	659
Total extraordinary losses	264	699
Profit before income taxes	1,861	910
Income taxes - current	304	238
Income taxes - deferred	448	15
Total income taxes	752	254
Profit	1,108	656
Profit (loss) attributable to non-controlling interests	(95)	64
Profit attributable to owners of parent	1,203	591

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	First Quarter of FY2019	First Quarter of FY2020
Profit	1,108	656
Other comprehensive income		
Valuation difference on available-for-sale securities	(195)	261
Foreign currency translation adjustment	(0)	(27)
Remeasurements of defined benefit plans, net of tax	61	244
Share of other comprehensive income of entities accounted for using equity method	19	(36)
Total other comprehensive income	(114)	442
Comprehensive income	993	1,099
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,093	1,083
Comprehensive income attributable to non-controlling interests	(99)	15

Segment Information

For the First Quarter of FY2019 (April 1, 2019 - June 30, 2019)

(Millions of Yen)

	Reportable segments					Others	Total	Adjustments	Consolidated Financial Statements amount
	Aircraft	Special Purpose Truck	Industrial Machinery and Environmental Systems	Parking Systems	Subtotal				
Net Sales:									
Customers	9,001	21,613	6,787	8,079	45,482	3,386	48,869	—	48,869
Inter-segment	—	1	2	2	6	480	487	(487)	—
Total	9,001	21,615	6,790	8,082	45,488	3,867	49,356	(487)	48,869
Segment profit (loss)	792	1,620	(453)	720	2,679	146	2,825	(627)	2,198

For the First Quarter of FY2020 (April 1, 2020 - June 30, 2020)

(Millions of Yen)

	Reportable segments					Others	Total	Adjustments	Consolidated Financial Statements amount
	Aircraft	Special Purpose Truck	Industrial Machinery and Environmental Systems	Parking Systems	Subtotal				
Net Sales:									
Customers	5,889	21,170	6,455	7,254	40,770	4,035	44,806	—	44,806
Inter-segment	—	0	1	2	5	531	537	(537)	—
Total	5,889	21,170	6,457	7,257	40,775	4,567	45,343	(537)	44,806
Segment profit (loss)	(136)	1,601	(264)	622	1,824	215	2,039	(716)	1,322