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Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]

July 29, 2022

Company name: ShinMaywa Industries, Ltd.
 Stock exchange listing: Tokyo
 Code number: 7224
 URL: <https://www.shinmaywa.co.jp/>
 Representative: Tatsuyuki Isogawa, President and Chief Executive Officer
 Contact: Toshiki Kume, Director, Member of the Board, Managing Executive Officer
 Phone: 0798-56-5010
 Scheduled date of filing quarterly securities report: August 10, 2022
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 01, 2022 to June 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	47,262	1.7	792	(43.4)	1,450	(6.1)	512	(41.3)
June 30, 2021	46,487	3.8	1,400	5.9	1,544	1.6	873	47.5

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 2,033 million [80.8%]
 Three months ended June 30, 2021: ¥ 1,125 million [2.4%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	7.78	-
June 30, 2021	13.28	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
June 30, 2022	215,735	94,005	42.9
March 31, 2022	221,206	94,261	41.8

(Reference) Equity: As of June 30, 2022: ¥ 92,652 million
 As of March 31, 2022: ¥ 92,465 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	19.00	-	23.00	42.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Forecast)		21.00	-	21.00	42.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	225,000	3.8	9,000	(14.9)	9,200	(22.2)	6,000	(13.1)	91.14

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2022: 70,000,000 shares

March 31, 2022: 70,000,000 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022: 4,166,473 shares

March 31, 2022: 4,166,255 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 65,833,624 shares

Three months ended June 30, 2021: 65,744,235 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of June 30,2022
Assets		
Current assets		
Cash and deposits	26,600	18,912
Notes and accounts receivable - trade, and contract assets	62,114	54,914
Electronically recorded monetary claims - operating	8,831	13,269
Merchandise and finished goods	4,067	4,475
Work in process	21,619	23,442
Raw materials and supplies	21,238	22,760
Other	4,266	5,946
Allowance for doubtful accounts	(121)	(142)
Total current assets	148,615	143,581
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,185	18,991
Other, net	23,244	23,427
Total property, plant and equipment	42,430	42,418
Intangible assets	2,876	2,799
Investments and other assets		
Other	27,310	26,961
Allowance for doubtful accounts	(26)	(25)
Total investments and other assets	27,284	26,935
Total non-current assets	72,590	72,154
Total assets	221,206	215,735

(Million yen)

	As of March 31,2022	As of June 30,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,898	24,492
Current portion of bonds payable	800	800
Short-term borrowings	2,891	2,855
Current portion of long-term borrowings	2,443	2,453
Income taxes payable	2,527	473
Provision for loss on construction contracts	3,194	3,106
Other	28,147	27,790
Total current liabilities	65,903	61,972
Non-current liabilities		
Bonds payable	1,600	1,400
Long-term borrowings	44,519	43,640
Retirement benefit liability	12,962	12,805
Other	1,959	1,910
Total non-current liabilities	61,041	59,757
Total liabilities	126,945	121,729
Net assets		
Shareholders' equity		
Share capital	15,981	15,981
Capital surplus	15,737	15,657
Retained earnings	65,852	64,850
Treasury shares	(5,954)	(5,954)
Total shareholders' equity	91,617	90,535
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,096	1,006
Revaluation reserve for land	(376)	(376)
Foreign currency translation adjustment	821	1,623
Remeasurements of defined benefit plans	(694)	(137)
Total accumulated other comprehensive income	847	2,116
Non-controlling interests	1,795	1,353
Total net assets	94,261	94,005
Total liabilities and net assets	221,206	215,735

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales	46,487	47,262
Cost of sales	39,554	40,318
Gross profit	6,932	6,944
Selling, general and administrative expenses	5,532	6,151
Operating profit	1,400	792
Non-operating income		
Interest income	14	16
Dividend income	102	102
Share of profit of entities accounted for using equity method	4	-
Foreign exchange gains	48	690
Other	52	48
Total non-operating income	221	857
Non-operating expenses		
Interest expenses	47	56
Share of loss of entities accounted for using equity method	-	84
Cost of inactive noncurrent assets	8	11
Borrowing fees	4	3
Loss on securitization of receivables	2	7
Other	14	35
Total non-operating expenses	77	199
Ordinary profit	1,544	1,450
Extraordinary income		
Gain on sale of investment securities	-	31
Total extraordinary income	-	31
Extraordinary losses		
Loss on disposal of non-current assets	103	9
Total extraordinary losses	103	9
Profit before income taxes	1,441	1,472
Income taxes - current	329	353
Income taxes - deferred	187	438
Total income taxes	516	792
Profit	924	680
Profit attributable to non-controlling interests	51	168
Profit attributable to owners of parent	873	512

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Profit	924	680
Other comprehensive income		
Valuation difference on available-for-sale securities	(49)	(90)
Foreign currency translation adjustment	105	726
Remeasurements of defined benefit plans, net of tax	36	557
Share of other comprehensive income of entities accounted for using equity method	107	159
Total other comprehensive income	200	1,353
Comprehensive income	1,125	2,033
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,046	1,781
Comprehensive income attributable to non-controlling interests	78	252

Segment Information

For the three months ended June 30, 2021 (April 01, 2021 - June 30, 2021)

(Million Yen)

	Reportable segments						Others	Total	Adjustments	Consolidated Financial Statements amount
	Special Purpose Truck	Parking Systems	Industrial Machinery and Environmental Systems	Fluid	Aircraft	Subtotal				
Net Sales:										
Japan	22,244	8,209	2,210	2,039	2,052	36,756	3,355	40,112	—	40,112
Asia	202	480	1,972	207	—	2,862	—	2,862	—	2,862
North America	2	—	304	177	1,931	2,415	—	2,415	—	2,415
Other areas	629	—	359	12	94	1,095	—	1,095	—	1,095
Revenue from contracts with customers	23,079	8,690	4,846	2,436	4,078	43,131	3,355	46,487	—	46,487
Other revenue	—	—	—	—	—	—	—	—	—	—
External sales	23,079	8,690	4,846	2,436	4,078	43,131	3,355	46,487	—	46,487
Intersegment sales or transfer	9	5	0	2	—	17	410	427	(427)	—
Total	23,088	8,695	4,847	2,438	4,078	43,148	3,766	46,914	(427)	46,487
Segment profit (loss)	1,764	783	4	(259)	(348)	1,944	145	2,089	(689)	1,400

For the three months ended June 30, 2022 (April 01, 2022 - June 30, 2022)

(Million Yen)

	Reportable segments						Others	Total	Adjustments	Consolidated Financial Statements amount
	Special Purpose Truck	Parking Systems	Industrial Machinery and Environmental Systems	Fluid	Aircraft	Subtotal				
Net Sales:										
Japan	19,636	8,063	2,356	2,562	3,225	35,844	2,521	38,365	—	38,365
Asia	468	514	2,084	831	—	3,898	—	3,898	—	3,898
North America	—	—	470	162	1,941	2,574	—	2,574	—	2,574
Other areas	872	—	1,155	140	255	2,423	—	2,423	—	2,423
Revenue from contracts with customers	20,976	8,577	6,066	3,696	5,423	44,741	2,521	47,262	—	47,262
Other revenue	—	—	—	—	—	—	—	—	—	—
External sales	20,976	8,577	6,066	3,696	5,423	44,741	2,521	47,262	—	47,262
Intersegment sales or transfer	7	2	0	1	—	11	433	444	(444)	—
Total	20,983	8,580	6,066	3,698	5,423	44,752	2,954	47,707	(444)	47,262
Segment profit (loss)	549	321	511	(61)	162	1,484	77	1,561	(768)	792