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Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

August 01, 2023

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 09, 2023
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Yes
 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, 2023 (April 01, 2023 to June 30, 2023)

(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, 2023	52,399	10.9	637	(19.5)	1,218	(16.0)	647	26.4
June 30, 2022	47,262	1.7	792	(43.4)	1,450	(6.1)	512	(41.3)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 1,610 million [(20.8)%]
 Three months ended June 30, 2022: ¥ 2,033 million [80.8%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	9.82	-
June 30, 2022	7.78	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2023	230,562	100,327	42.8
March 31, 2023	226,907	100,439	43.5

(Reference) Equity: As of June 30, 2023: ¥ 98,674 million
 As of March 31, 2023: ¥ 98,747 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, 2023	-	21.00	-	24.00	45.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		22.50	-	22.50	45.00

(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, 2024 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 01, 2023 to March 31, 2024)

(% 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	270,000	19.9	12,000	29.1	11,700	18.2	7,300	(0.2)	110.75

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

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023

(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, 2023: 70,000,000 shares

March 31, 2023: 70,000,000 shares

2) Number of treasury shares at the end of the period:

June 30, 2023: 4,087,948 shares

March 31, 2023: 4,087,841 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 65,912,091 shares

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

(How to obtain supplementary briefing material on quarterly financial results)

Supplementary briefing material on quarterly financial results is disclosed on the Company's website.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	22,745	17,472
Notes and accounts receivable - trade, and contract assets	62,812	58,382
Electronically recorded monetary claims - operating	8,604	14,717
Merchandise and finished goods	4,805	5,447
Work in process	24,122	27,614
Raw materials and supplies	24,874	25,966
Other	4,920	6,200
Allowance for doubtful accounts	(395)	(414)
Total current assets	152,491	155,386
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,030	19,131
Other, net	23,458	23,376
Total property, plant and equipment	42,488	42,507
Intangible assets	2,702	2,570
Investments and other assets		
Other	29,241	30,113
Allowance for doubtful accounts	(17)	(16)
Total investments and other assets	29,224	30,097
Total non-current assets	74,415	75,175
Total assets	226,907	230,562

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,310	27,411
Current portion of bonds payable	800	800
Short-term borrowings	6,372	13,698
Current portion of long-term borrowings	2,210	2,207
Income taxes payable	2,337	631
Provision for loss on construction contracts	3,168	3,151
Other	26,323	25,266
Total current liabilities	68,522	73,166
Non-current liabilities		
Bonds payable	800	600
Long-term borrowings	42,234	41,433
Retirement benefit liability	12,973	13,048
Other	1,937	1,985
Total non-current liabilities	57,945	57,067
Total liabilities	126,467	130,234
Net assets		
Shareholders' equity		
Share capital	15,981	15,981
Capital surplus	15,657	15,657
Retained earnings	70,236	69,302
Treasury shares	(5,838)	(5,838)
Total shareholders' equity	96,037	95,102
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	633	1,287
Revaluation reserve for land	(376)	(376)
Foreign currency translation adjustment	2,116	2,262
Remeasurements of defined benefit plans	335	398
Total accumulated other comprehensive income	2,709	3,571
Non-controlling interests	1,692	1,653
Total net assets	100,439	100,327
Total liabilities and net assets	226,907	230,562

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, 2022	For the three months ended June 30, 2023
Net sales	47,262	52,399
Cost of sales	40,318	45,161
Gross profit	6,944	7,238
Selling, general and administrative expenses	6,151	6,600
Operating profit	792	637
Non-operating income		
Interest income	16	24
Dividend income	102	136
Share of profit of entities accounted for using equity method	-	24
Foreign exchange gains	690	551
Other	48	46
Total non-operating income	857	782
Non-operating expenses		
Interest expenses	56	105
Share of loss of entities accounted for using equity method	84	-
Cost of inactive noncurrent assets	11	37
Borrowing fees	3	2
Loss on securitization of receivables	7	43
Other	35	13
Total non-operating expenses	199	202
Ordinary profit	1,450	1,218
Extraordinary income		
Gain on sale of investment securities	31	-
Total extraordinary income	31	-
Extraordinary losses		
Loss on disposal of non-current assets	9	9
Total extraordinary losses	9	9
Profit before income taxes	1,472	1,209
Income taxes - current	353	469
Income taxes - deferred	438	(15)
Total income taxes	792	453
Profit	680	755
Profit attributable to non-controlling interests	168	108
Profit attributable to owners of parent	512	647

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

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	680	755
Other comprehensive income		
Valuation difference on available-for-sale securities	(90)	653
Foreign currency translation adjustment	726	72
Remeasurements of defined benefit plans, net of tax	557	63
Share of other comprehensive income of entities accounted for using equity method	159	66
Total other comprehensive income	1,353	854
Comprehensive income	2,033	1,610
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,781	1,509
Comprehensive income attributable to non-controlling interests	252	100

Segment Information

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

For the three months ended June 30, 2023 (April 01, 2023 - June 30, 2023)

(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	21,438	7,813	2,627	2,952	3,559	38,390	2,605	40,995	—	40,995
Asia	429	472	2,032	762	—	3,697	—	3,697	—	3,697
North America	—	—	3,067	178	3,035	6,281	—	6,281	—	6,281
Other areas	801	—	358	96	168	1,425	—	1,425	—	1,425
Revenue from contracts with customers	22,669	8,286	8,085	3,989	6,763	49,794	2,605	52,399	—	52,399
Other revenue	—	—	—	—	—	—	—	—	—	—
External sales	22,669	8,286	8,085	3,989	6,763	49,794	2,605	52,399	—	52,399
Intersegment sales or transfer	2	2	1	2	—	9	848	858	(858)	—
Total	22,672	8,289	8,087	3,992	6,763	49,803	3,454	53,257	(858)	52,399
Segment profit (loss)	190	372	589	(46)	394	1,500	22	1,523	(885)	637