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July 31, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 [Under Japanese GAAP]

Company name: ShinMaywa Industries, Ltd.

Listing: Tokyo Stock Exchange

Securities code: 7224

URL: <https://www.shinmaywa.co.jp/>

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 01, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	57,665	0.4	1,426	(22.5)	1,500	(41.4)	904	(40.0)
June 30, 2024	57,423	9.6	1,842	188.8	2,561	110.2	1,508	133.1

Note: Comprehensive income For the three months ended June 30, 2025: ¥ 201 million [(88.0)%]
For the three months ended June 30, 2024: ¥ 1,689 million [4.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	13.69	-
June 30, 2024	22.87	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	261,307	111,203	42.3
March 31, 2025	266,443	113,066	42.0

Reference : Equity As of June 30, 2025: ¥ 110,459 million
As of March 31, 2025: ¥ 112,027 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	25.00	-	27.00	52.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		27.00	-	27.00	54.00

Note: Revisions to the forecast of cash dividends most recently announced : None

3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (from April 01, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	285,000	7.0	15,000	7.4	14,000	3.4	9,200	2.7	139.20

Note: Revisions to the financial results forecast most recently announced : Yes

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)
Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2025: 70,000,000 shares

As of March 31, 2025: 70,000,000 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2025: 3,909,363 shares

As of March 31, 2025: 3,909,236 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025: 66,090,701 shares

Three months ended June 30, 2024: 65,970,936 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in this document are based on the information currently available to the Company and certain assumptions that it deems to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual results may differ materially from these projections due to various factors.

(How to obtain supplementary briefing material on financial results)

Supplementary briefing material on financial results is disclosed on TDnet on the same day.

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Qualitative Information of the Quarterly Consolidated Results

(1) Operating Results

During the three months ended June 30, 2025, the Japanese economy remained on track for a gradual recovery with improvements in the employment and income environment. Meanwhile, the outlook remains uncertain primarily due to heightened geopolitical risks and trends in US trade policy.

Amid these circumstances, the Group has entered the second year of [SG-2026] – a Medium-term management plan corresponding to Phase 2 of its [SG-Vision2030] Long-term management plan which has an end date of 2030 – and is promoting various measures designed to enhance its corporate value.

The financial results for the three months ended June 30, 2025 were as follows: orders received of 74,274 million yen, up 2.5% year-on-year, and net sales of 57,665 million yen, up 0.4% year-on-year. The order backlog as of June 30, 2025 were 333,970 million yen, up 8.7% year-on-year.

As for profits and losses, due to changes in product composition, operating profit was 1,426 million yen, down 22.5% year-on-year, ordinary profit was 1,500 million yen, down 41.4% year-on-year, profit attributable to owners of parent was 904 million yen, down 40.0% year-on-year.

The overview of the Group's operating results by segment is as follows.

(Special Purpose Truck)

For manufacture and sales of vehicle frames, etc., both orders received and net sales increased.

Also, for maintenance and repair business, both orders received and net sales increased.

In addition to this, for forestry machinery, etc., orders received increased and net sales were at the same level as the same period of the previous fiscal year.

As a result, for this segment, orders received were 42,860 million yen, up 26.2% year-on-year, net sales were 25,619 million yen, up 4.2% year-on-year, and operating profit was 1,193 million yen, up 65.2% year-on-year.

The order backlog as of June 30, 2025 were 143,527 million yen, up 18.3% year-on-year.

(Parking Systems)

For mechanical car parking systems, both orders received and net sales increased.

For aircraft passenger boarding bridges, both orders received and net sales decreased compared to the previous fiscal year, when orders for large projects were received.

As a result, for this segment, orders received were 11,125 million yen, down 3.2% year-on-year, net sales were 10,468 million yen, up 1.7% year-on-year, and operating profit was 849 million yen, up 15.9 % year-on-year.

The order backlog as of June 30, 2025 were 58,466 million yen, down 3.6% year-on-year.

(Industrial Machinery & Environmental Systems)

For mechatronics products, both orders received and net sales decreased in vacuum products. As a result, for the entire business area, orders received and net sales decreased.

For environment-related business, orders received increased and net sales decreased.

As a result, for this segment, orders received were 7,051 million yen, up 6.9% year-on-year, net sales were 5,445 million yen, down 30.2% year-on-year, and operating loss was 42 million yen, while the operating profit was 637 million yen for the same period in the previous fiscal year.

The order backlog as of June 30, 2025 were 59,009 million yen, up 12.0% year-on-year.

(Fluid)

With demand steadily increasing in Japan, orders received and net sales increased. As a result, for this segment, orders received were 7,713 million yen, up 13.9% year-on-year, net sales were 4,589 million yen, up 7.6% year-on-year, and operating profit was 8 million yen, down 91.0% year-on-year.

The order backlog as of June 30, 2025 were 11,352 million yen, up 17.2% year-on-year.

(Aircraft)

For the Ministry of Defense, both orders received and net sales increased.

For civilian demand-related production, orders received decreased and net sales increased.

As a result, for this segment, orders received were 3,151 million yen, down 54.4% year-on-year, net sales were 8,026 million yen, up 16.6% year-on-year, and operating profit was 309 million yen, down 46.4% year-on-year.

The order backlog as of June 30, 2025 were 48,275 million yen, up 9.7% year-on-year.

(Others)

For this segment ,because orders received decreased in construction business and net sales decreased in software business, orders received were 2,371 million yen, down 64.9% year-on-year, net sales were 3,516 million yen,down 2.0% year-on-year, and operating profit was 181 million yen, up 48.1% year-on-year.

(2) Financial Position

1) Assets, liabilities, and net assets

(Assets)

Total assets at the end of the first quarter decreased 5,136 million yen from the end of the previous consolidated fiscal year to 261,307 million yen, mainly due to a decrease in trade receivables, despite an increase in inventories.

(Liabilities)

Liabilities decreased 3,273 million yen from the end of the previous consolidated fiscal year to 150,104 million yen, mainly due to decreases in trade payables, payment of income taxes, and decreases in accrued expenses, despite an increase in short-term borrowings.

(Net assets)

Net assets decreased 1,862 million yen from the end of the previous consolidated fiscal year to 111,203 million yen, mainly due to dividend payments, despite the recording of profit attributable to owners of parent. As a result, equity-to-asset ratio increased to 42.3% from 42.0% at the previous fiscal year-end.

2) Cash flows

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the first quarter of this consolidated fiscal year amounted to 26,456 million yen, down 1,825 million yen from the end of the previous consolidated fiscal year. Following is the state of each cash flow and the contributing factors during this first quarter.

(Cash flows from operating activities)

Funds used in operating activities in the first quarter amounted to 6,199 million yen (compared to 879 million yen used in the same period of the previous fiscal year). This was mainly due to an increase in inventories of 4,225 million yen, income taxes paid of 3,978 million yen, and a decrease in trade payables of 1,988 million yen, despite a decrease in trade receivables of 7,913 million yen.

(Cash flows from investing activities)

Funds used in investing activities in the first quarter amounted to 2,911 million yen (compared to 2,536 million yen used in the same period of the previous fiscal year). This was mainly due to the purchase of property, plant and equipment of 2,737 million yen.

(Cash flows from financing activities)

Funds earned from financing activities in the first quarter amounted to 8,021 million yen (compared to 807 million yen earned from the same period of the previous fiscal year). This was mainly due to proceeds from short-term borrowings of 11,014 million yen, despite dividends paid of 1,784 million yen.

(3) Consolidated Financial Results Forecasts

In consideration of the financial results for the three months ended June 30, 2025 and the future outlook, the full-year financial results forecasts, released on May 07, 2025, are revised as follows. For a breakdown of net sales and operating profit by segment, please refer to the supplementary briefing material on financial results disclosed at the same time as this financial report.

Revisions to the consolidated financial results forecast (from April 01, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	yen
Previous forecast (A)	290,000	15,000	14,000	9,200	139.20
Current forecast (B)	285,000	15,000	14,000	9,200	139.20
Amount of change (B-A)	(5,000)	0	0	0	0
Percentage change (%)	(1.7)	0	0	0	0
(Reference) Results for the previous fiscal year (FY2024)	266,441	13,970	13,536	8,957	135.61

* The assumed exchange rate is 145 yen to the US dollar for August onwards.

Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	28,474	26,641
Notes and accounts receivable - trade, and contract assets	74,864	63,886
Electronically recorded monetary claims - operating	10,605	12,354
Merchandise and finished goods	5,301	6,102
Work in process	27,564	30,085
Raw materials and supplies	29,075	29,220
Other	3,475	4,969
Allowance for doubtful accounts	(324)	(174)
Total current assets	179,037	173,086
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,842	20,779
Other, net	29,708	29,727
Total property, plant and equipment	49,550	50,506
Intangible assets	2,898	2,766
Investments and other assets		
Other	34,970	34,960
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	34,957	34,948
Total non-current assets	87,406	88,221
Total assets	266,443	261,307

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	31,302	29,075
Short-term borrowings	6,198	16,286
Current portion of long-term borrowings	1,000	1,000
Income taxes payable	4,450	644
Provision for loss on construction contracts	3,166	2,892
Other	47,275	40,736
Total current liabilities	93,393	90,634
Non-current liabilities		
Long-term borrowings	44,000	43,500
Retirement benefit liability	13,415	13,623
Other	2,567	2,345
Total non-current liabilities	59,983	59,469
Total liabilities	153,377	150,104
Net assets		
Shareholders' equity		
Share capital	15,981	15,981
Capital surplus	14,844	14,800
Retained earnings	79,414	78,551
Treasury shares	(5,582)	(5,582)
Total shareholders' equity	104,657	103,751
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,534	2,765
Revaluation reserve for land	(377)	(377)
Foreign currency translation adjustment	3,494	2,621
Remeasurements of defined benefit plans	1,718	1,698
Total accumulated other comprehensive income	7,369	6,707
Non-controlling interests	1,039	743
Total net assets	113,066	111,203
Total liabilities and net assets	266,443	261,307

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	57,423	57,665
Cost of sales	48,531	48,724
Gross profit	8,891	8,941
Selling, general and administrative expenses	7,049	7,514
Operating profit	1,842	1,426
Non-operating income		
Interest income	47	40
Dividend income	147	172
Share of profit of entities accounted for using equity method	-	53
Foreign exchange gains	677	16
Other	65	64
Total non-operating income	937	347
Non-operating expenses		
Interest expenses	114	174
Share of loss of entities accounted for using equity method	18	-
Cost of inactive noncurrent assets	24	21
Borrowing fees	3	6
Loss on securitization of receivables	39	58
Other	17	13
Total non-operating expenses	218	274
Ordinary profit	2,561	1,500
Extraordinary losses		
Loss on disposal of non-current assets	14	26
Total extraordinary losses	14	26
Profit before income taxes	2,546	1,473
Income taxes - current	650	397
Income taxes - deferred	240	156
Total income taxes	890	553
Profit	1,656	919
Profit attributable to non-controlling interests	147	14
Profit attributable to owners of parent	1,508	904

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	1,656	919
Other comprehensive income		
Valuation difference on available-for-sale securities	(578)	230
Foreign currency translation adjustment	556	(787)
Remeasurements of defined benefit plans, net of tax	(15)	(19)
Share of other comprehensive income of entities accounted for using equity method	69	(141)
Total other comprehensive income	32	(717)
Comprehensive income	1,689	201
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,509	242
Comprehensive income attributable to non-controlling interests	180	(40)

(3) Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	2,546	1,473
Depreciation	1,279	1,350
Decrease (increase) in trade receivables	8,945	7,913
Decrease (increase) in inventories	(4,343)	(4,225)
Increase (decrease) in trade payables	(2,915)	(1,988)
Other, net	(2,620)	(6,771)
Subtotal	2,892	(2,247)
Interest and dividends received	198	210
Interest paid	(144)	(183)
Income taxes paid	(3,826)	(3,978)
Net cash provided by (used in) operating activities	(879)	(6,199)
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,777)	(2,737)
Proceeds from sale of property, plant and equipment	-	6
Purchase of intangible assets	(137)	(108)
Loan advances to subsidiaries and associates	-	(50)
Other, net	378	(21)
Net cash provided by (used in) investing activities	(2,536)	(2,911)
Cash flows from financing activities		
Proceeds from short-term borrowings	7,000	11,014
Repayments of short-term borrowings	(3,485)	(355)
Repayments of long-term borrowings	(836)	(500)
Redemption of bonds	(200)	-
Dividends paid	(1,616)	(1,784)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(297)
Other, net	(54)	(54)
Net cash provided by (used in) financing activities	807	8,021
Effect of exchange rate change on cash and cash equivalents	278	(186)
Net increase (decrease) in cash and cash equivalents	(2,330)	(1,276)
Cash and cash equivalents at beginning of period	22,891	28,282
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(549)
Cash and cash equivalents at end of period	20,561	26,456

(4) Explanatory Notes to Quarterly Consolidated Financial Statements

(Notes on segment Information)

For the three months ended June 30, 2024 (April 01, 2024 - June 30, 2024)

1. Information regarding the amount of net sales, gain and loss by reportable segment

(Millions of 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	23,612	9,030	4,070	2,573	3,301	42,588	3,588	46,177	—	46,177
Asia	371	1,264	991	1,308	—	3,935	—	3,935	—	3,935
North America	—	—	2,211	252	3,303	5,766	—	5,766	—	5,766
Other areas	605	—	526	130	281	1,543	—	1,543	—	1,543
Revenue from contracts with customers	24,589	10,294	7,799	4,264	6,886	53,835	3,588	57,423	—	57,423
Other revenue	—	—	—	—	—	—	—	—	—	—
External sales	24,589	10,294	7,799	4,264	6,886	53,835	3,588	57,423	—	57,423
Intersegment sales or transfer	2	3	0	6	—	13	1,112	1,125	(1,125)	—
Total	24,592	10,298	7,800	4,270	6,886	53,848	4,700	58,548	(1,125)	57,423
Segment profit	722	733	637	92	576	2,761	122	2,884	(1,042)	1,842

(Note 1) "Others" comprises businesses not included in the reportable segments, such as construction, real estate, and software development.

(Note 2) The adjustment under segment profit (1,042) million yen includes the elimination of inter-segment transactions (26) million yen and corporate expenses unallocated to each reportable segment (1,015) million yen. Corporate expenses are mainly unallocated general and administrative expenses and basic experiment and research expenses.

(Note 3) Segment profit is the adjusted operating profit reported on consolidated statements of profit.

2. Information on impairment loss on noncurrent assets and goodwill for each reportable segment

None

For the three months ended June 30, 2025 (April 01, 2025 - June 30, 2025)

1. Information regarding the amount of net sales, gain and loss by reportable segment

(Millions of 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	24,605	9,302	3,456	3,135	4,136	44,637	3,388	48,025	—	48,025
Asia	260	1,166	1,280	1,104	—	3,811	—	3,811	—	3,811
North America	—	—	542	209	3,430	4,182	—	4,182	—	4,182
Other areas	753	—	165	140	458	1,518	—	1,518	—	1,518
Revenue from contracts with customers	25,619	10,468	5,445	4,589	8,026	54,149	3,388	57,538	—	57,538
Other revenue	—	—	—	—	—	—	127	127	—	127
External sales	25,619	10,468	5,445	4,589	8,026	54,149	3,516	57,665	—	57,665
Intersegment sales or transfer	7	2	0	9	—	20	1,574	1,594	(1,594)	—
Total	25,627	10,470	5,445	4,599	8,026	54,169	5,090	59,260	(1,594)	57,665
Segment profit (loss)	1,193	849	(42)	8	309	2,318	181	2,499	(1,072)	1,426

(Note 1) "Others" comprises businesses not included in the reportable segments, such as construction, real estate, and software development.

(Note 2) The adjustment under segment profit (loss) (1,072) million yen includes the elimination of inter-segment transactions (73) million yen and corporate expenses unallocated to each reportable segment (999) million yen. Corporate expenses are mainly unallocated general and administrative expenses and basic experiment and research expenses.

(Note 3) Segment profit (loss) is the adjusted operating profit reported on consolidated statements of profit.

2. Information on impairment loss on noncurrent assets and goodwill for each reportable segment

None

(Notes in the Event of Significant Changes in Shareholders' Equity)

None

(Notes on the Assumption of a Going Concern)

None