

 **SHINWA CO.,LTD.**

(Security Code: 3447)

FACT BOOK

FY2022 Q2



Make it

financial highlights

Consolidated Statements of Income (I F R S)

【First half】

(Million JPY)

	FY 2019	FY 2020	FY 2021	FY 2022
Revenue	9,370	6,381	8,231	8,909
Operating profit	1,222	745	1,252	1,113
Profit before fax	1,186	711	1,217	1,077
Profit attributable to owners of parent	814	483	846	744
Operating margin to revenue	13.0%	11.7%	15.2%	12.5%
Profit attributable to owners of parent to revenue	8.7%	7.6%	10.3%	8.4%
EBITDA	1,551	1,058	1,522	1,426

【Second half】

(Million JPY)

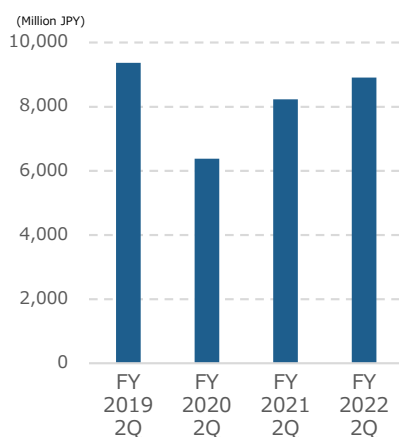
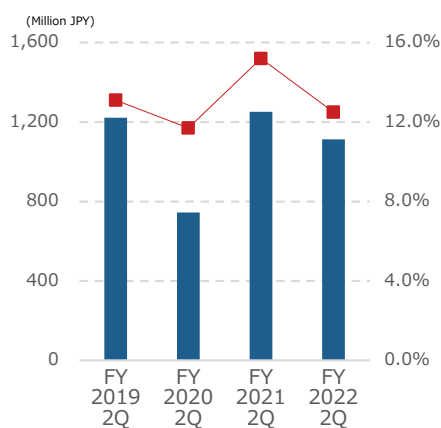
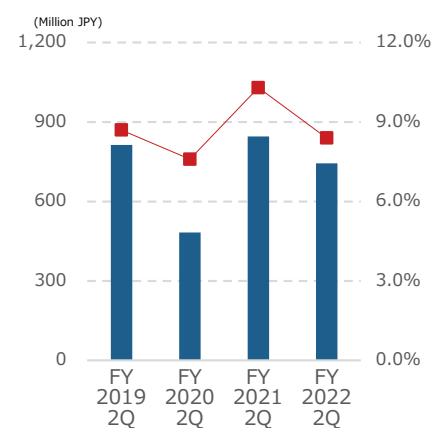
	FY 2019	FY 2020	FY 2021	FY 2022
Revenue	7,711	7,504	7,831	8,091
Operating profit	987	1,107	882	1,087
Profit before fax	952	1,072	846	1,043
Profit attributable to owners of parent	652	748	606	721
Operating margin to revenues	12.8%	14.8%	11.3%	13.4%
Profit attributable to owners of parent to revenue	8.5%	10.0%	7.7%	8.9%
EBITDA	1,325	1,408	1,167	1,456

【Full year】

(Million JPY)

	FY 2019	FY 2020	FY 2021	FY 2022
Revenue	17,081	13,885	16,063	17,000
Operating profit	2,210	1,853	2,135	2,200
Profit before fax	2,139	1,784	2,063	2,120
Profit attributable to owners of parent	1,467	1,231	1,452	1,465
Operating margin to revenues	12.9%	13.3%	13.3%	12.9%
Profit attributable to owners of parent to revenue	8.6%	8.9%	9.0%	8.6%
EBITDA	2,876	2,467	2,689	2,882

Revenue

Operating profit
Operating margin to revenueProfit
Profit attributable to owners
of parent to revenue

【First half】

(Million JPY)

	FY 2019	FY 2020	FY 2021	FY 2022
Temporary Materials Division	8,064	5,436	6,422	6,165
Wedge binding type scaffolds	5,015	2,913	3,928	3,883
Next generation scaffolding	1,172	973	1,012	880
Other temporary materials	1,876	1,548	1,482	1,401
Distribution Equipment Divisor	1,305	945	1,808	2,743

【Second half】

(Million JPY)

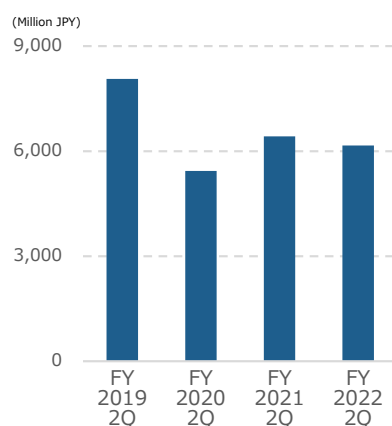
	FY 2019	FY 2020	FY 2021	FY 2022
Temporary Materials Division	6,480	5,382	6,003	6,785
Wedge binding type scaffolds	3,733	2,907	3,483	–
Next generation scaffolding	988	824	1,208	–
Other temporary materials	1,758	1,650	1,311	–
Distribution Equipment Divisor	1,230	2,121	1,829	1,306

【Full year】

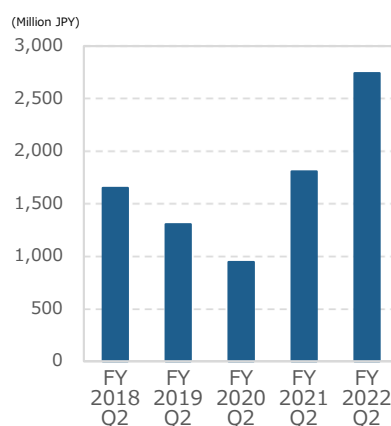
(Million JPY)

	FY 2019	FY 2020	FY 2021	FY 2022
Temporary Materials Division	14,544	10,818	12,425	12,950
Wedge binding type scaffolds	8,748	5,821	7,411	–
Next generation scaffolding	2,160	1,798	2,220	–
Other temporary materials	3,635	3,199	2,793	–
Distribution Equipment Divisor	2,536	3,066	3,637	4,050

Sales of Temporary Materials Division

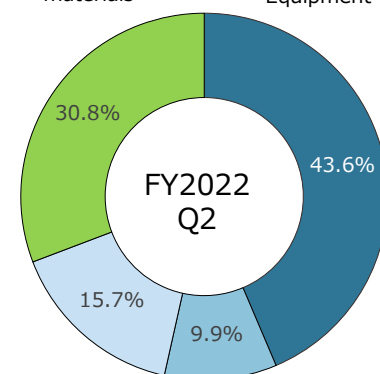


Sales of Distribution Equipment Division



Sales composition ratio by products

- Wedge binding type scaffolding
- Next generation scaffolding
- Other temporary materials
- Distribution Equipment



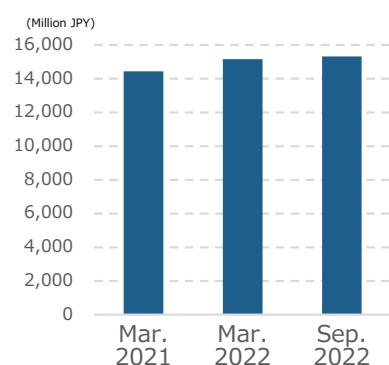
financial highlights

Consolidated Statement of Financial Position (IFRS)

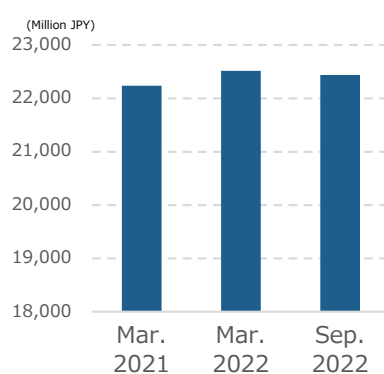
(Million JPY)

	As of Mar. 31, 2021	As of Mar. 31, 2022	As of Sep. 30, 2023
Total assets	22,236	22,515	22,439
Current assets	9,290	9,081	8,987
Cash and cash equivalents	4,738	3,460	1,877
Trade and other receivables	3,006	2,759	3,924
Inventories	1,483	2,467	3,063
Other current assets	62	393	121
Non-current assets	12,945	13,434	13,451
Property, plant and equipment	2,054	2,450	2,485
Right-of-use assets	380	324	294
Goodwill	9,221	9,221	9,221
Intangible assets	1,237	1,371	1,375
Other non-current assets	51	66	74
Total liabilities and equity	22,236	22,515	22,439
Total non-current liabilities	7,793	7,357	7,113
Current liabilities	2,428	3,552	3,602
Trade and other payables	803	1,192	1,002
Borrowings	581	1,622	1,933
Income taxes payable	593	416	350
Other current liabilities	450	320	315
Non-current liabilities	5,364	3,804	3,510
Borrowings	4,717	3,234	2,989
Provisions	45	45	45
Other non-current liabilities	601	524	475
Total equity	14,443	15,158	15,325
Share capital	153	153	153
Capital surplus	6,969	6,919	6,919
Retained earnings	7,252	8,211	8,357
Treasury shares	—	△ 163	△ 155
Other components of equity	4	9	11
Total equity attributable to owners of par	14,379	15,130	15,287
Non-controlling interests	63	27	37

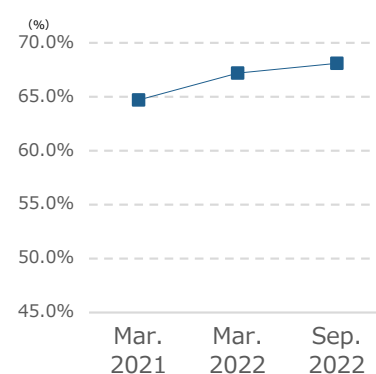
Total equity



Total assets



Equity ratio

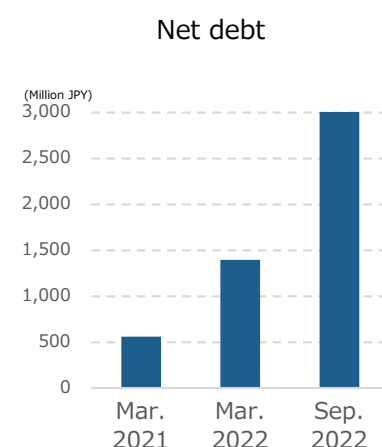
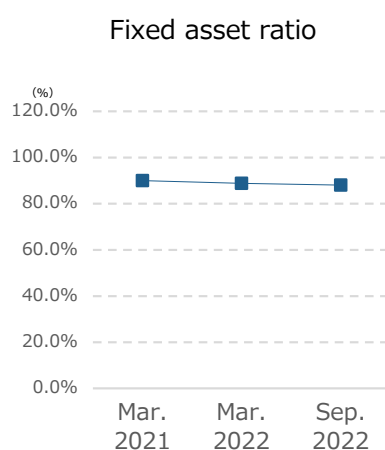
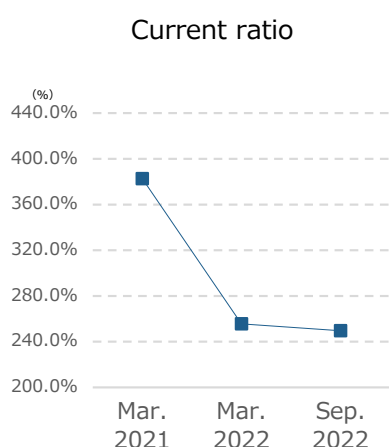


	As of Mar. 31, 2021	As of Mar. 31, 2022	As of Sep. 30, 2022
Equity ratio	64.7%	67.2%	68.1%
Current ratio	382.5%	255.6%	249.5%
Fixed asset ratio	90.0%	88.8%	88.0%
Creditors equity to total asset	54.0%	48.5%	46.4%
Net Debt (Million JPY)	560	1,397	3,046
Debt/Equity ratio (times)	0.54	0.49	0.47

Consolidated Statements of Cash Flow (IFRS)

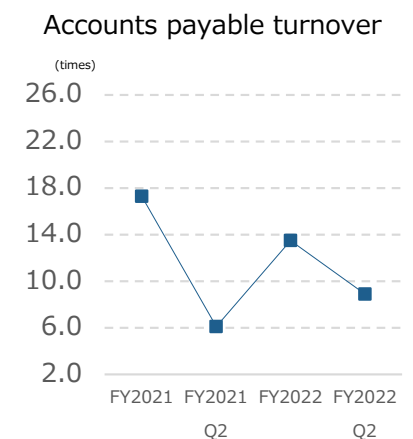
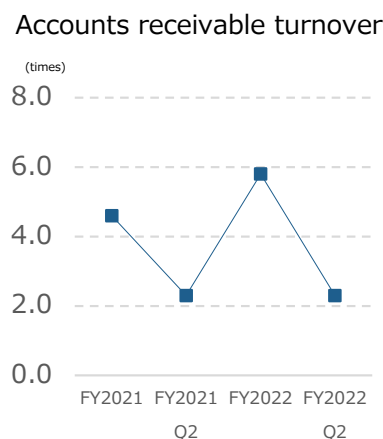
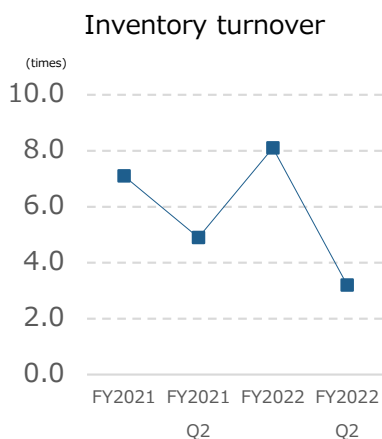
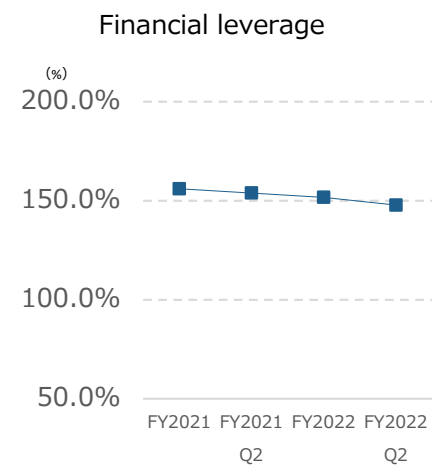
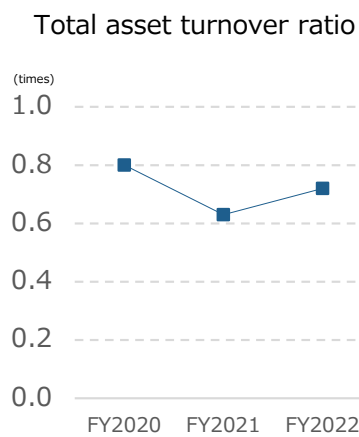
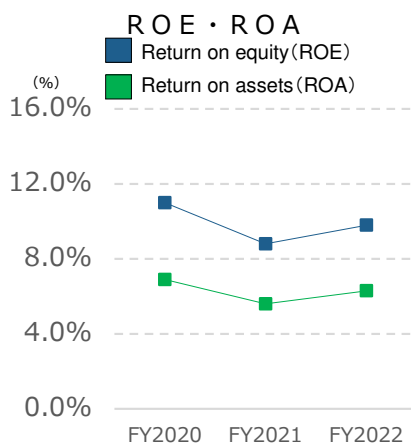
	FY 2020	FY 2021	FY 2022 2Q
C/F from operating activitie	2,892	835	△ 473
C/F from investing activitie:	△ 181	△ 817	△ 491
Free cash flows	2,711	18	△ 965
C/F from financing activitie	△ 1,104	△ 1,306	△ 625
Cash and cash equivalents at end of period	4,738	3,460	1,877

(Million JPY)



Financial Indicators

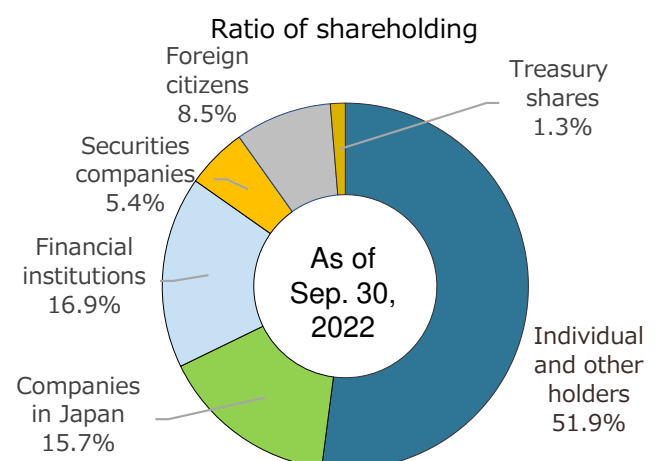
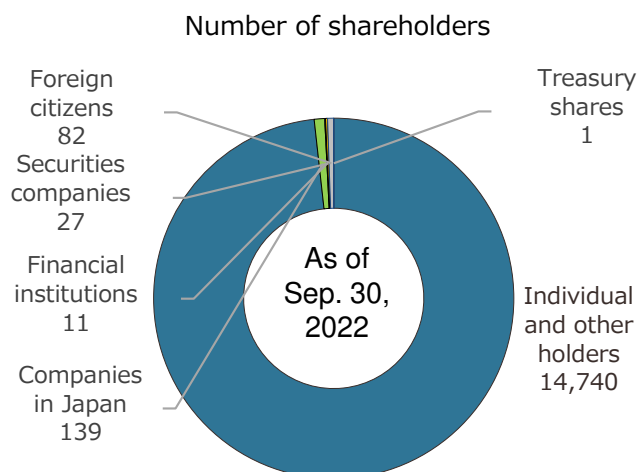
	FY2021	FY2021 2Q	FY2022	FY2023 2Q
Capital expenditures(Million JPY)	228	343	812	485
Depreciation(Million JPY)	655	279	546	302
Number of employees(Consolidated)	175	174	171	172
Return on equity (ROE)	8.8%	—	9.8%	—
Return on asset (ROA)	5.7%	—	6.3%	—
Ratio of profit attributable to owners of parent	8.9%	10.3%	9.0%	8.4%
Total asset turnover ratio(times)	0.63	—	0.72	—
Financial leverage	156.0%	153.9%	151.7%	147.8%
Inventory turnover(times)	7.1	4.9	8.1	3.2
Accounts receivable turnover(times)	4.6	2.3	5.8	2.3
Accounts payable turnover (times)	17.3	6.1	13.5	8.9
Inventory rotation days (days)	51.1	37.1	44.9	56.7
Accounts receivable days (days)	79.0	80.0	62.7	80.4
Accounts payable turnover (days)	21.1	30.0	27.1	20.5
Book value per share (JPY) (BPS)	1,019.59	1,051.82	1,088.87	1,099.36
Earnings per share (JPY) (EPS)	87.42	61.19	105.36	52.82
Dividend per Share (JPY)	35.00	—	43.00	—
Dividend payout ratio	40.0%	—	40.8%	—



Shareholder Composition

Number of shareholders (people)	As of Mar. 31, 2021	As of Mar. 31, 2022	As of Sep. 30, 2022
Total	11,952	12,874	15,000
Individual and other holders	11,695	12,616	14,740
Companies in Japan	131	132	139
Financial institutions	15	13	11
Securities companies	32	30	27
National government and local public entities	–	–	–
Foreign citizens	79	82	82
Treasury shares		1	1

Number of shares (1,000 shares)	As of Mar. 31, 2021	As of Mar. 31, 2022	As of Sep. 30, 2022
Total	14,103	14,103	14,103
Individual and other holders	6,274	6,917	7,319
Companies in Japan	2,308	2,324	2,219
Financial institutions	2,623	2,604	2,397
Securities companies	826	604	764
National government and local public entities	–	–	–
Foreign citizens	2,070	1,444	1,205
Treasury shares		207	197



Market Information

【Construction investments】

	FY2017	FY2018	FY2019	FY2020
Quick Estimate of Construction Investment (100 million JPY)	521,768	523,021	528,433	519,345
New construction works (100 million JPY)	407,901	429,629	557,787	528,188
Maintenance/Repair works (100 million JPY)	164,163	167,882	228,718	228,401
New houses (100 million JPY)	121,120	120,442	158,646	150,683
Reformed houses (100 million JPY)	30,161	30,065	45,758	43,865

Source: Ministry of Land, Infrastructure, Transport and Tourism "Quick Estimate of Construction Investment", "Statistics on Construction Undertaken"

【Market rates of raw materials】

	FY2018	FY2019	FY2020	FY2021
Zinc (yen/kg)	353.7	313.3	309.4	419.7

Source: Mitsui Mining & Smelting Co., Ltd.

	FY2018	FY2019	FY2020	FY2021
Scrap iron (yen/kg)	33.1	24.0	29.1	51.9
Deformed steel bar (yen/kg)	72.2	69.8	68.3	90.7
H section steel (yen/kg)	88.0	86.9	79.8	103.7

Source: Japan Iron And Steel Recycling Institute

	FY2018	FY2019	FY2020	FY2021
Coking coal (1,000 yen/ton)	17.48	16.27	11.54	20.94

Source: Trade Statistics of Japan

<Formula>

- Operating margin to revenue (%) = Operating profit / Revenue
- Profit to revenue (%) = Profit / Revenue
- EBITDA (Million JPY) = Operating profit + Other expense - Other income + Depreciation and amortization
- Equity ratio (%) = Total equity / Total liabilities and equity
- Current ratio (%) = Current asset / Current liabilities
- Fixed asset ratio (%) = Non-current liabilities / Total equity
- Creditors equity to total assets (%) = Total liabilities / Total equity
- Net Debt (Million JPY) = Borrowings - Cash and cash equivalents
- Debt / Equity ratio (times) = Total liabilities / Total equity
- Return on equity = Profit / Average of total equity at the beginning and end of fiscal year
- Return on assets = Profit / Average of total assets at the beginning and end of fiscal year
- Ratio of net profit (%) = Profit / Revenue
- Total asset turnover ratio (times) = Revenue / Average of total assets at the beginning and end of fiscal year
- Financial leverage (%) = Average of total assets at beginning and end of fiscal year / Average of total equity at beginning and end of fiscal year
- Inventory turnover (times) = Revenue / Average of inventory at the beginning and end of fiscal year
- Accounts receivable turnover (times) = Revenue / Trade and other receivables
- Accounts payable turnover (times) = Revenue / Trade and other payables
- Inventory rotation days (days) = Average of inventory at the beginning and end of fiscal year / Revenue
- Accounts receivable days (days) = Average of trade and other receivables at the beginning and end of fiscal year / Revenue
- Accounts payable turnover (days) = Average of trade and other payables at the beginning and end of fiscal year / Revenue
- Book value per share (JPY) = Total equity / Weighed average shares
- Earnings per share (JPY) = Profit / Weighed average shares
- Dividend payout ratio (%) = Cash dividends / Profit

Company Profile

Company outline

Name	Shinwa Co., Ltd.	
Establishment	August 2014 (Founded in August 1979)	
Capital	153 million yen	
Address	30-7 Hiratacho Bushigawa, Kaizu-shi, Gifu 503-0311 Japan	
Stock exchange listing	The Standard Market of Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange	
Code number	3447	
Sales offices		
【Domestic】	Tokyo Branch	1-11, Sakuma-cho, Kanda, Chiyoda-ku, Tokyo
	Osaka Branch	1-23-101, Esaka-cho, Suita-shi, Osaka
	Nagoya Office	2-2-24, Nishiki, Naka-ku, Nagoya-shi, Aichi
	Satte Office	4-5-8, Higashi, Satte-shi, Saitama
	Fukuoka Branch	228-3, Ino, Umi-machi, Kasuya-gun, Fukuoka
	Nagasaki Branch	1910-12, Kuyama-machi, Isahaya-shi, Nagasaki
【Overseas】	GUANGDONGNISSHIN-CHUANGFU ADVANCED CONSTRUCTION MATERIALS CO., LTD.	No.168-5, North of Yangda Road, Lunjiao, Shunde, Foshan, Guangdong, China
Equipment Center	Tsuchikura Equipment Center	478, Aza Ehigashi, Tsuchikura, Hirata-cho, Kaizu-shi, Gifu
	Sugito Equipment Center	39, Hirotonuma, Sugito-cho, Kitakatsushika-gun, Saitama
	Yokohama Equipment Center	2120, Kozukue-cho, Kohoku-ku, Yokohama, Kanagawa
	Kansai Equipment Center	157-1, Nakagawara-cho, Ikeda-shi, Osaka
	Kumamoto Equipment Center	1519-1, Aza Higashita, Kikko, Ueki-machi, Kita-ku, Kumamoto-shi, Kumamoto
Plant	Tsuchikura Plant	478, Aza Ehigashi, Tsuchikura, Hirata-cho, Kaizu-shi, Gifu

History of Legal Personhood

History of Business

Sep. 1977	Shinwa Shoten opened in Hashima-shi, Gifu, to manufacture and sell temporary materials
Aug. 1979	Shinwa Shoten incorporated to establish Shinwa Co., Ltd.
Feb. 2004	SBI Partners Co., Ltd. absorbs and merges with Shinwa Co., Ltd. through the acquisition of all shares that the founder of Shinwa holds in his company. SBI Partners Co., Ltd. then changes its name to Shinwa Co., Ltd.
Aug. 2006	Cosmetics Global Holdings Japan Co., Ltd. absorbs and merges with Shinwa Co., Ltd. and then changes its name to Shinwa Co., Ltd.
Apr. 2015	River Holdings Co., Ltd. absorbs and merges with its subsidiary ex-Shinwa Co., Ltd. and then changes its name to Shinwa Co., Ltd.

Sep. 1977	Shinwa Shoten opened in Hashima-shi, Gifu, to manufacture and sell temporary materials
Dec. 2003	Sale of logistics equipment to auto manufacturers begun to enter into the logistics equipment business
Aug. 2007	Shinwa Service Co., Ltd. (Umi-machi, Kasuya-gun, Fukuoka) made a wholly owned subsidiary through stock transfer
May 2016	Manufacture and sale of next-generation scaffolding "SPS (Silent Power System)" begun
Mar. 2018	Listed on the Second Section of the Tokyo Stock Exchange
Jun. 2018	Listed on the Second Section of the Nagoya Stock Exchange
Mar. 2019	Listed on the First Section of the Tokyo Stock Exchange and Nagoya Stock Exchange
Apr. 2022	Transition to the Standard Market of Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange

Contact Information

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