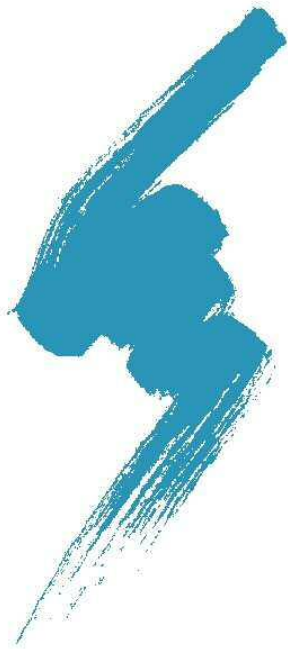


FY2018 CONSOLIDATED RESULTS

FOR THE FIRST QUARTER



August 10, 2018

Consolidated Results Summary

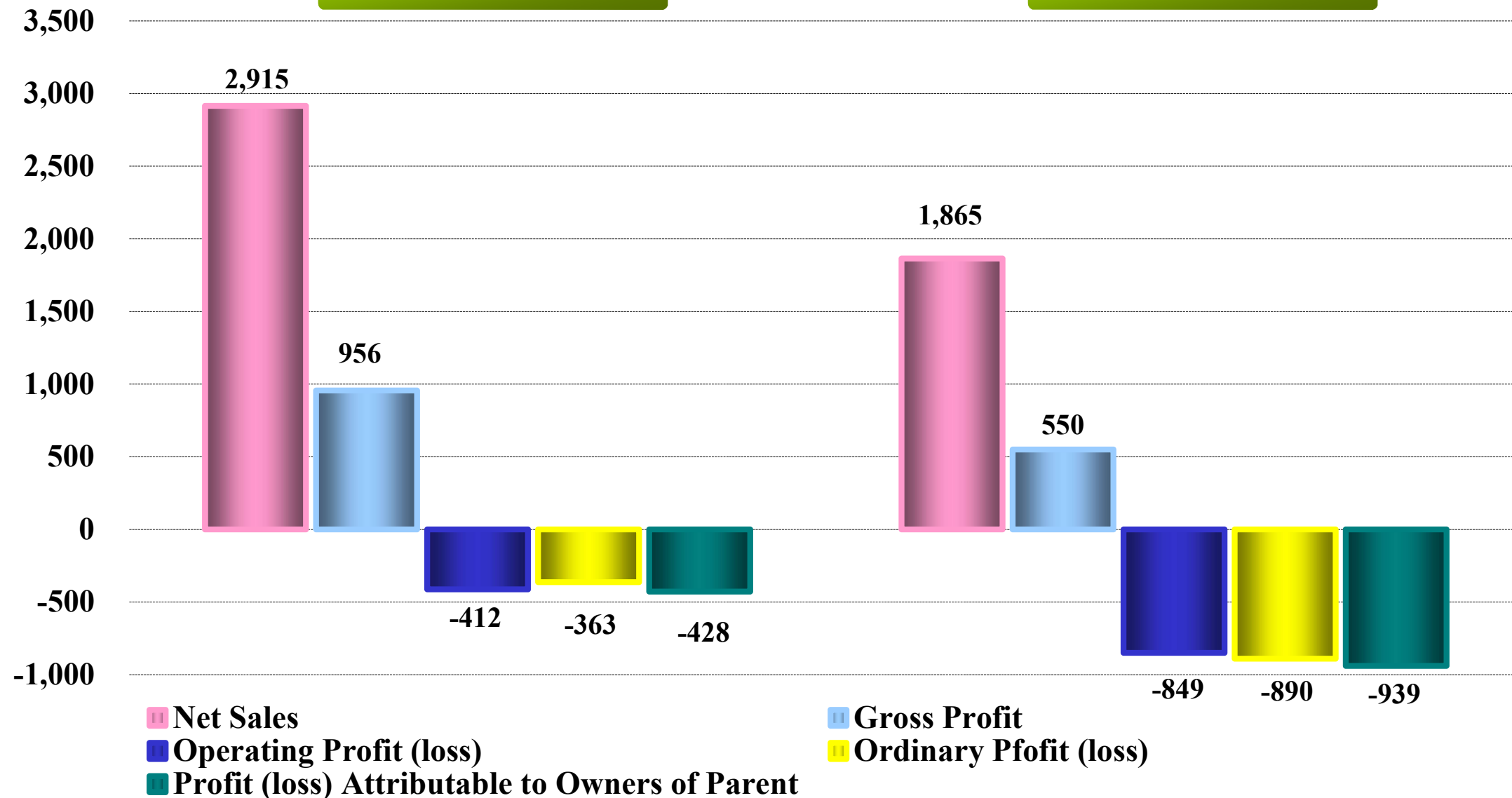
(¥ million)	FY2017 1Q (Profit Ratio)	FY 2017 (Profit Ratio)	FY2018 1Q (Profit Ratio)	Year-Over-Year Rate
Net Sales	2,915	15,214	1,865	-36.0%
Gross Profit	956 (32.8%)	4,722 (31.0%)	550 (29.5%)	-42.4%
Operating Profit (loss)	-412 (-14.1%)	-620 (-4.1%)	-849 (-45.5%)	-
Ordinary Profit (loss)	-363 (-12.4%)	-488 (-3.2%)	-890 (-47.7%)	-
Profit (loss) Attributable to Owners of Parent	-428 (-14.7%)	563 (3.7%)	-939 (-50.3%)	-
Orders Received	3,136	14,589	2,552	-18.6%

Sales, Revenue and Profit

FY2017 1Q

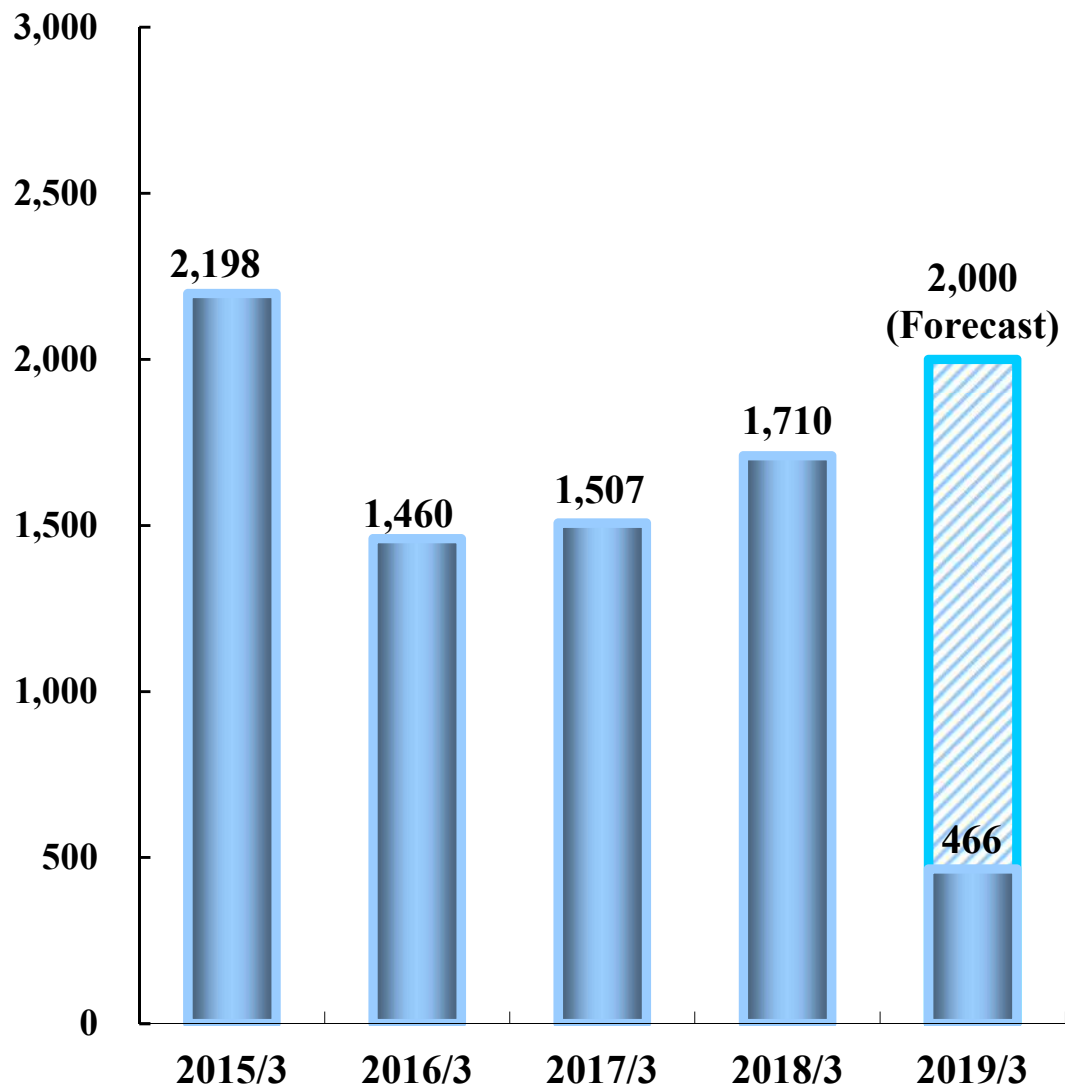
FY2018 1Q

(¥ million)



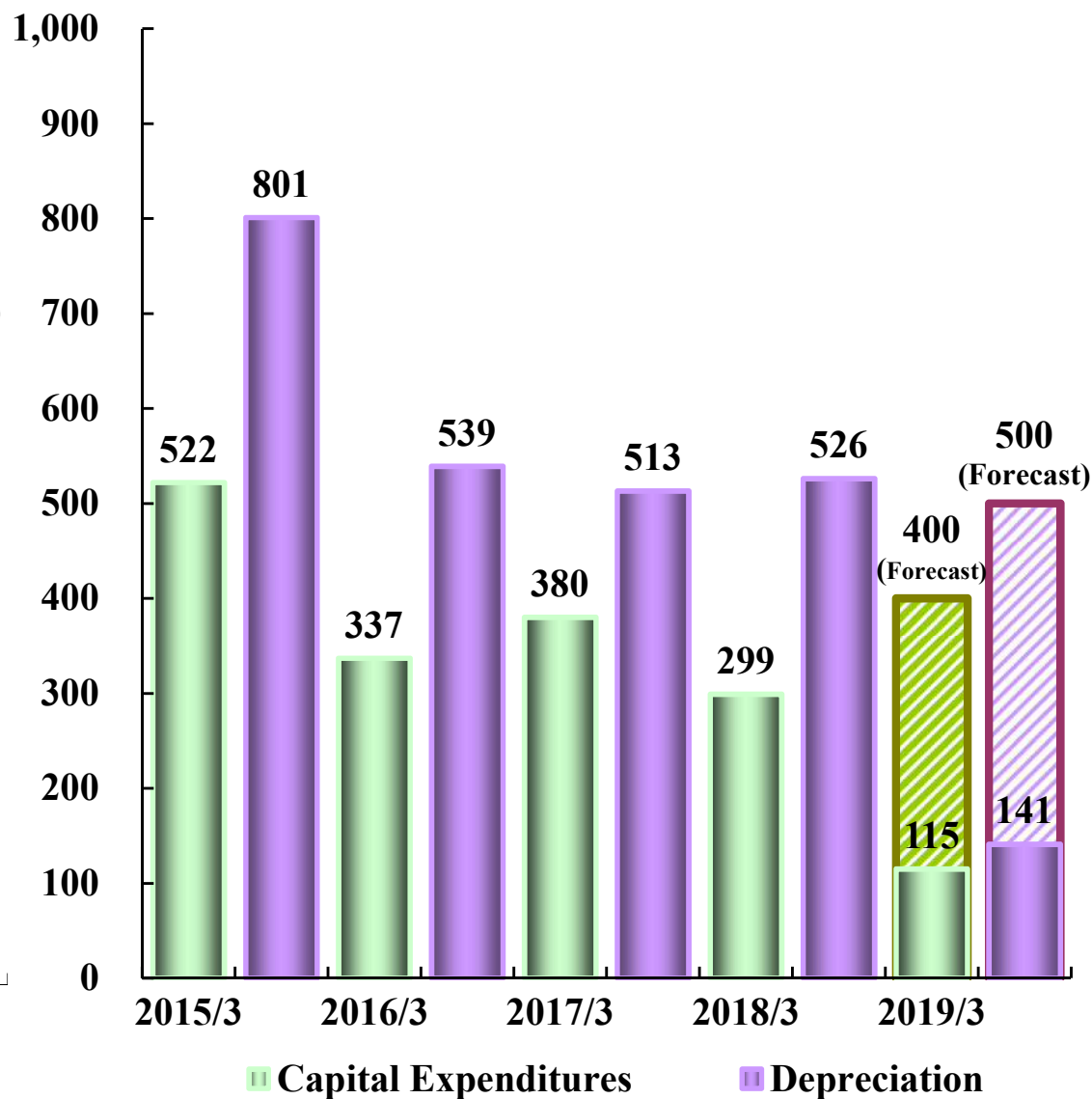
R&D Expenses

(¥ million)



Capital Expenditures and Depreciation

(¥ million)



Consolidated Balance Sheets

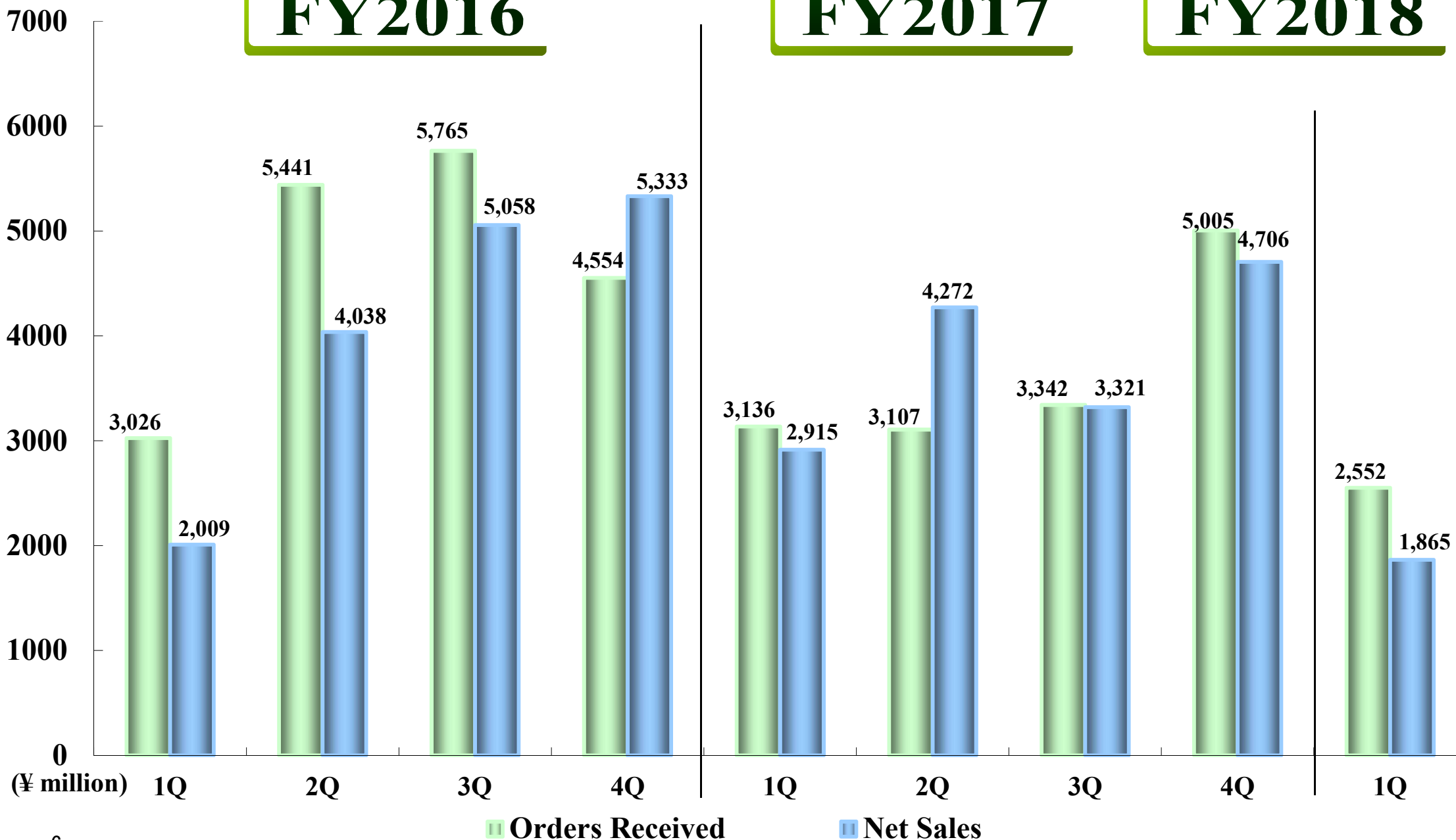
	(¥ million)	FY2017	FY2018 1Q	Increase
Total Current Assets		17,064	16,522	-541
Cash and Deposits		6,452	5,467	-985
Merchandise and Finished Goods		2,589	3,345	756
Work in Process		1,223	2,597	1,374
Total Non-current assets		7,896	9,331	1,435
Total Assets		24,959	25,853	894
Total Current Liabilities		2,185	3,358	1,174
Accounts Payable – trade		1,238	1,637	398
Current portion of long-term loans payable		—	200	200
Total Non-current Liabilities		1,230	1,982	751
Long-term loans payable		—	800	800
Total Liabilities		3,415	5,340	1,925
Total shareholders' equity		20,406	19,467	-939
Retained Earnings		6,289	5,350	-939
Total accumulated other comprehensive income		1,139	1,047	-92
Total Net Assets		21,545	20,513	-1,031
Total Liabilities and Net Assets		24,959	25,853	894

Quarterly Orders Received and Net Sales

FY2016

FY2017

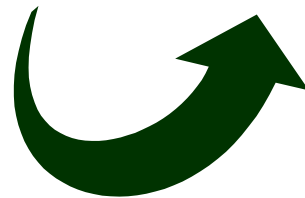
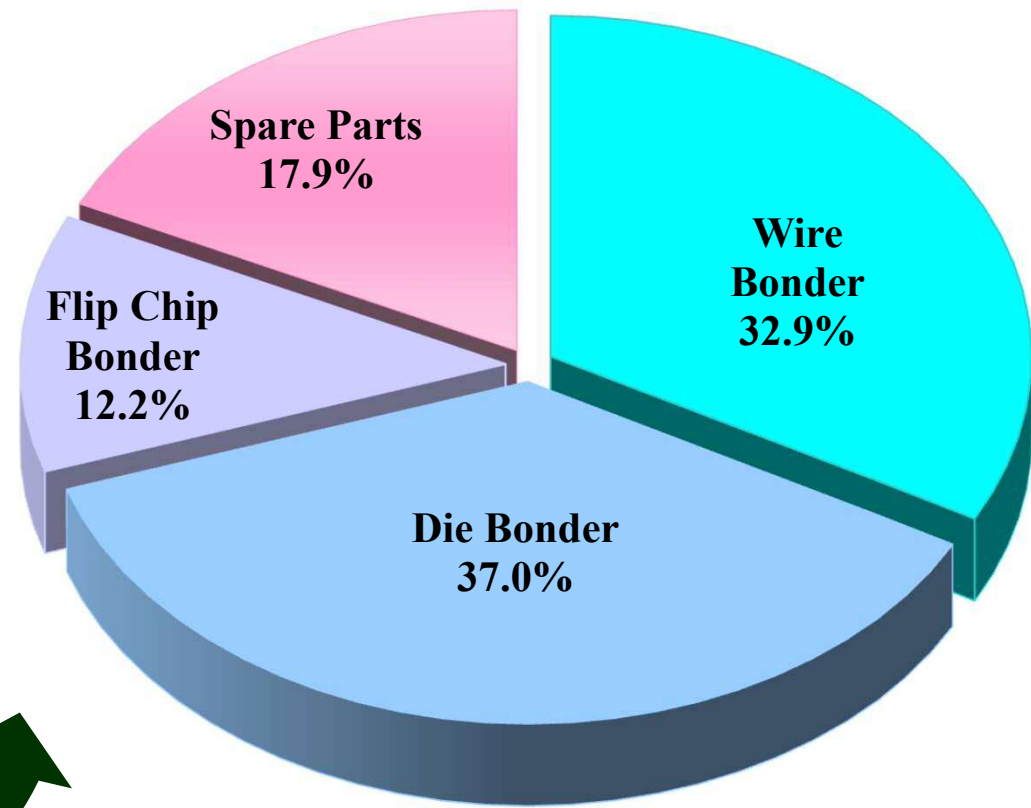
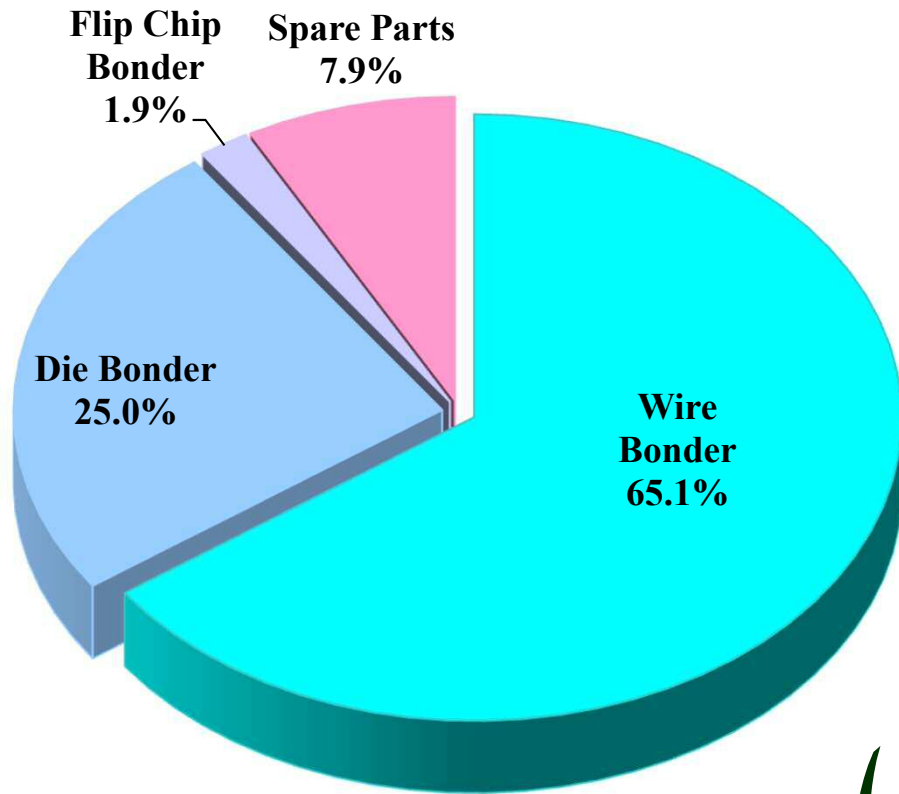
FY2018



Sales Breakdown by Product Type

FY2017

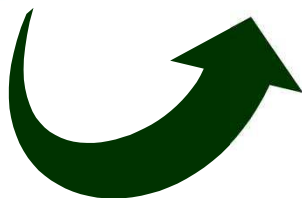
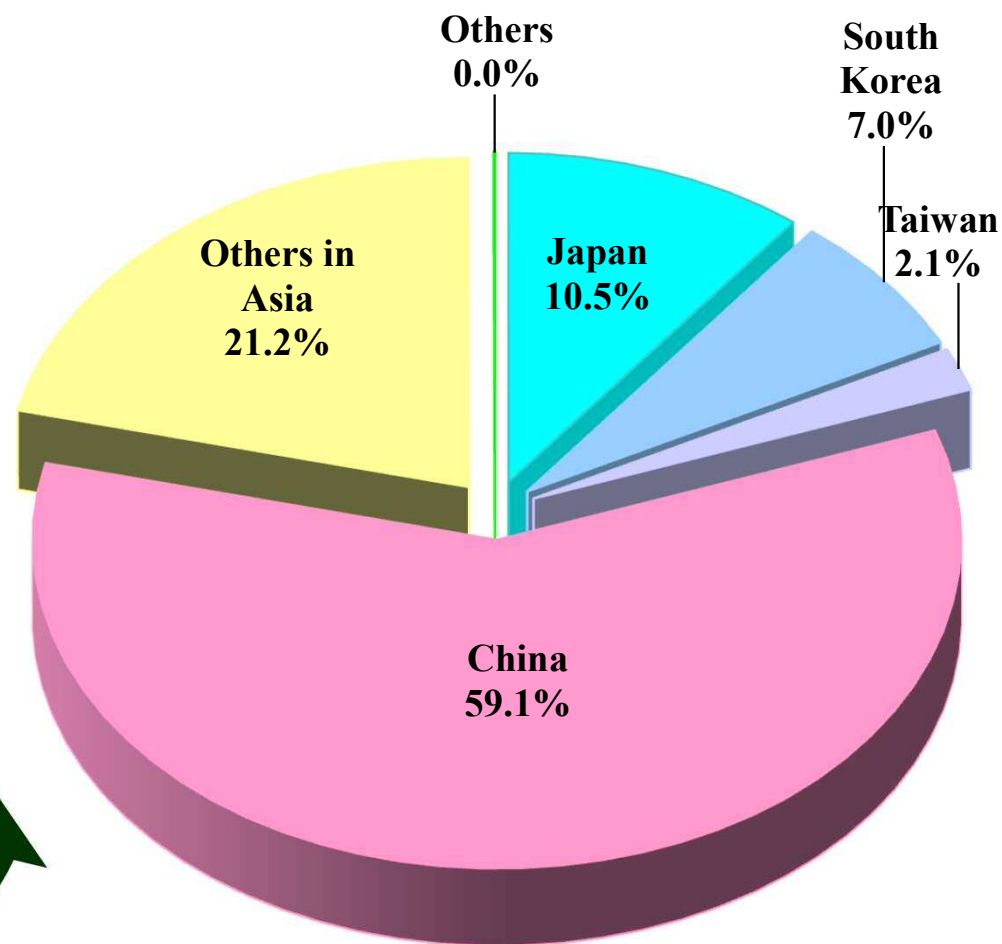
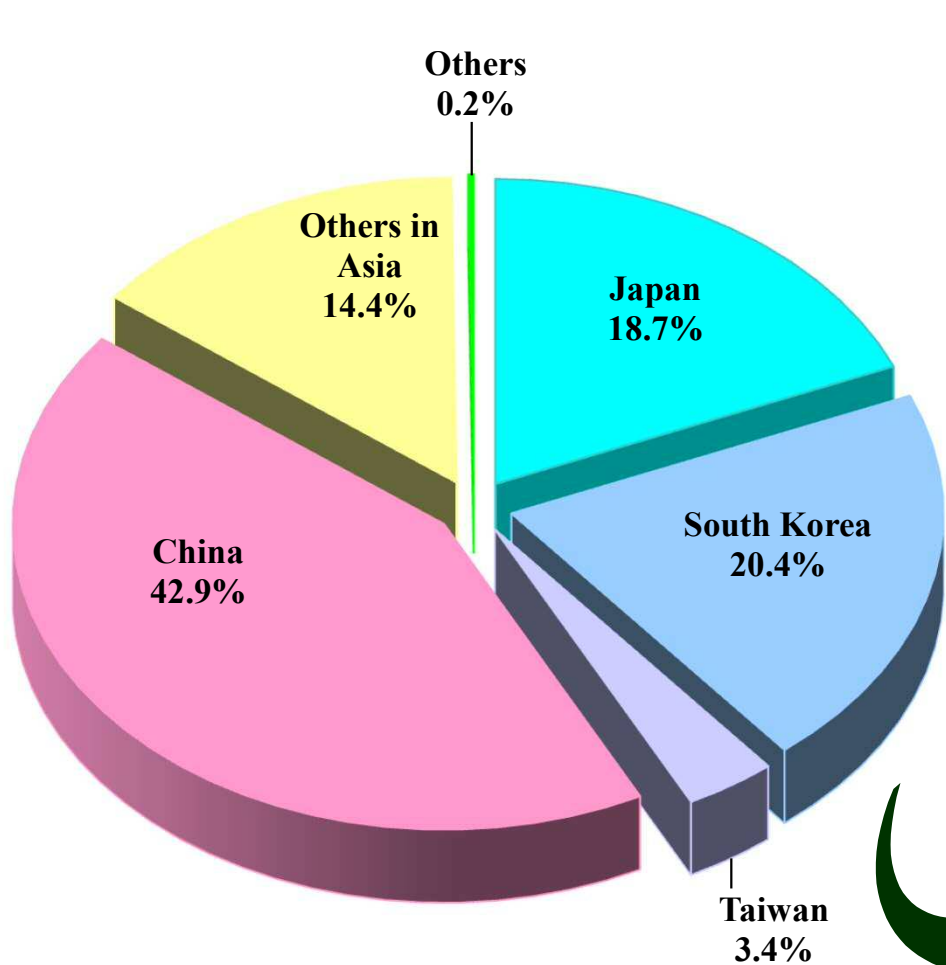
FY2018 1Q



Sales Breakdown by Region

FY2017

FY2018 1Q



Forecast for FY2018

(¥ million)	FY2018		FY2017 Full Year	Year-over-Year Rate
	2Q	Full Year		
Net Sales	6,300	18,900	15,214	24.2%
Operating Profit (loss)	-1,350	-1,270	-620	—
Ordinary Profit (loss)	-1,440	-1,330	-488	—
Profit (loss) Attributable to Owners of Parent	-1,530	-1,500	563	—

* Assumed Exchange Rate : 105 yen / U.S. dollar

This presentation sheets contain forward-looking statements that reflect management's views and assumptions based on the information currently available with respect to certain future events including earning forecast, business strategies and prospect. Actual results may differ materially from those statements due to changes in various factors, thus the events and results of such forward-looking assumptions cannot be assured. Any forward-looking statements speak only as of the date of this presentation sheets, and SHINKAWA assumes no duty to update such statements.

The factors that may cause actual results to differ materially from those predicted by such forward-looking statements include, but are not limited to, unanticipated changes in demand for SHINKAWA's products owing to changes in the economic conditions in SHINKAWA's markets, changes in exchange rates, the impact of changes in regulations, accounting principles and practices.

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