

Consolidated Financial Results

For the 3rd Quarter Ended December 31, 2023

Company name: PACIFIC INDUSTRIAL CO., LTD.

Stock exchange listings: Tokyo and Nagoya Stock Exchanges

Stock code number: 7250

URL: <https://www.pacific-ind.co.jp/>

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(Amounts less than one million yen are omitted)

1. Consolidated Financial Results for FY 2023 3rd Quarter (From April 1, 2023 to December 31, 2023)

(1) Consolidated Financial Results

(%:changes from the same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit attribute to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2023 3rd quarter	155,983	8.8	11,240	97.5	14,345	68.4	10,905	75.9
FY2022 3rd quarter	143,423	19.5	5,690	-26.9	8,517	-15.1	6,201	-16.2

Note: Comprehensive income

FY2023 3rd quarter: 22,514 million yen (117.3%), FY2022 3rd quarter: 10,358 million yen (-20.9%)

	Earnings Per Share	Fully Diluted Earnings Per Share
	Yen	Yen
FY2023 3rd quarter	185.90	185.53
FY2022 3rd quarter	103.42	103.22

(2) Consolidated Financial Position

	Total Assets	Net Assets	Net assets excluding subscription rights to shares and Non-controlling interests as a percentage of total assets
	Million Yen	Million Yen	%
FY2023 3rd quarter	280,857	157,331	55.6
FY2022	258,058	138,721	53.4

Note: Shareholders' equity: FY2023 3rd quarter: 156,241 million yen FY2022: 137,717 million yen

2. Cash Dividends

	Annual Cash Dividends Per Share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	FY Total
	Yen	Yen	Yen	Yen	Yen
FY2022	—	20.00	—	22.00	42.00
FY2023	—	22.00	—	—	—
FY2023(Forecast)	—	—	—	22.00	44.00

Note: Revisions to the forecasts announced most recently: None

3. Forecasts of Consolidated Financial Results for FY 2023 (From April 1, 2023 to March 31, 2024)

(%:changes from the same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit attribute to owners of parent		Earning Per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2023	200,000	4.6	13,000	39.8	16,000	21.1	11,500	23.6	196.12

Note: Revisions to the forecasts announced most recently: Yes

4. Notes

(1) Changes in major subsidiaries during the current quarter: None

(changes in specified subsidiaries that caused a change in the scope of consolidation)

Newly included: — (company name)

Newly excluded: — (company name)

(2) Application of special accounting methods for the preparation of quarterly consolidated financial statements : None

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

① Changes in accounting policies with revision of accounting standards : None

② Changes other than ① : None

③ Changes in accounting estimates : Yes

④ Restatement : None

(3) Number of shares issued and outstanding (common stock)

①Number of shares outstanding at end of period(including treasury stock)	FY2023 3rd quarter	61,312,896 shares	FY 2022	61,312,896 shares
②Number of shares of treasury stock at end of period	FY2023 3rd quarter	2,755,384 shares	FY 2022	1,670,909 shares
③Average number of common stock (quarterly total)	FY2023 3rd quarter	58,662,126 shares	FY2022 3rd quarter	59,959,923 shares

* Note on status of quarterly review procedures

This summary of quarterly financial results is not subject to quarterly review procedures under the Financial Instruments and Exchange Act. As of the time of disclosure of this summary of quarterly financial results, however, the review procedures for quarterly consolidated financial statements under the Financial Instruments and Exchange Act have not been completed.

* Explanation about appropriate use of the financial results forecasts, and other noteworthy matters

Statements related to the future, including the forecasts of financial results, described in this document are based on information currently available to Pacific industrial and on certain assumptions deemed by Pacific industrial to be rational.

Consolidated Balance Sheets

(Million Yen)

	FY2022 (As of Mar.31, 2023)	FY2023 (As of Dec.31, 2023)		FY2022 (As of Mar.31, 2023)	FY2023 (As of Dec.31, 2023)
(Assets)			(Liabilities)		
Current Assets	90,690	88,866	Current Liabilities	52,635	57,012
Cash and time deposits	32,088	31,060	Trade notes and accounts payable	14,394	13,685
Trade notes and accounts receivable	31,227	30,769	Electronically recorded obligations - operating	6,832	8,047
Merchandise and finished goods	9,522	7,617	Short-term borrowings	1,015	1,015
Work in process	7,414	7,386	Current portion of long-term borrowings	6,851	5,369
Raw materials and supplies	6,185	6,444	Accounts payable	5,285	5,359
Other current assets	4,424	5,786	Income taxes payable	2,040	1,864
Less: Allowance for doubtful accounts	(173)	(198)	Allowance for bonuses	1,605	962
			Other current liabilities	14,610	20,708
Fixed Assets	167,367	191,991			
Property, Plant and Equipment	111,924	127,454	Noncurrent Liabilities	66,701	66,513
Buildings and structures	32,658	49,899	Long-term borrowings	53,350	49,965
Machinery and vehicles	46,081	50,909	Provision for directors retirement benefit	173	178
Tools, Furniture, and fixtures	2,297	2,555	Net defined benefit liabilities	553	603
Land	10,651	11,458	Other noncurrent liabilities	12,623	15,765
Lease Asset	1,311	1,510			
Construction in progress	18,924	11,122	Total Liabilities	119,337	123,525
Intangible Fixed Assets	11,545	11,293			
Goodwill	6,219	5,858	(Net assets)		
Other	5,325	5,435	Shareholders' Equity	107,854	114,871
Investments and Other Assets	43,897	53,243	Capital stock	7,316	7,316
Investments in securities	36,636	46,087	Capital surplus	7,686	7,690
Other fixed assets	7,262	7,159	Retained earnings	94,044	102,330
Less: Allowance for doubtful accounts	(1)	(3)	Less: Treasury stock at cost	(1,193)	(2,465)
			Valuation and Translation Adjustment	29,862	41,369
			Valuation difference on available securities	16,100	21,598
			Foreign currency translation adjustments	13,154	19,309
			Remeasurement of defined benefit plan	608	462
			Subscription rights to shares	97	97
			Minority Interests	905	992
			Total Net Assets	138,721	157,331
Total Assets	258,058	280,857	Total Liabilities and Net Assets	258,058	280,857

Consolidated Statements of Income

(Million Yen)

	FY2022 For the 3rd Quarter Dec.31, 2022	FY2023 For the 3rd Quarter Dec.31, 2023
Net sales	143,423	155,983
Cost of sales	127,618	133,438
Gross profit	15,804	22,545
Selling, general and administrative expenses	10,114	11,304
Operating Income (loss)	5,690	11,240
Non-operating income	3,077	3,423
Interest income	55	303
Dividend income	694	812
Equity in earnings of affiliated companies	623	979
Foreign exchange gain	979	833
Other non-operating income	724	495
Non-operating Expenses	251	318
Interest expense	216	241
Other non-operating expense	34	77
Ordinary income (loss)	8,517	14,345
Extraordinary income	—	732
Gain on sales of investment securities	—	732
Extraordinary Losses	110	129
Loss on sales and retirements of fixed assets	110	129
Profit (loss) before income taxes and non controlling interests	8,406	14,948
Income taxes	2,115	3,992
Current term net profit (loss)	6,291	10,955
Profit (loss) attributable to non-controlling interests	90	50
Profit (loss) attributable to owners of parent	6,201	10,905