

A grayscale image of a car's chassis, showing the engine, transmission, suspension, and steering components from a top-down perspective.

# Financial Results Briefing for Q1 Year Ending March 2022

The 98th period : Cumulative First Quarter  
(Apr. 1st, 2021-Jun. 30th, 2021)

July 28, 2021

**PACIFIC INDUSTRIAL CO., LTD.**

- 1. Financial Results for Q1**
- 2. Full Year Forecast for FY2021**
- 3. Focus for This Term**

Caution in handling this document

Future forecasts, including this document, were judged according to the current information. Actual financial results might be considerably different from the forecast mentioned here depending on the Japanese or international economic situation, business trends related to our company, and any risk or indefinite factors involved in fluctuation of exchange rates.

# 1-1 Q1 Consolidated Results



## Record high profit in Q1 due to sales recovery and cost improvement

(100 million yen, %)

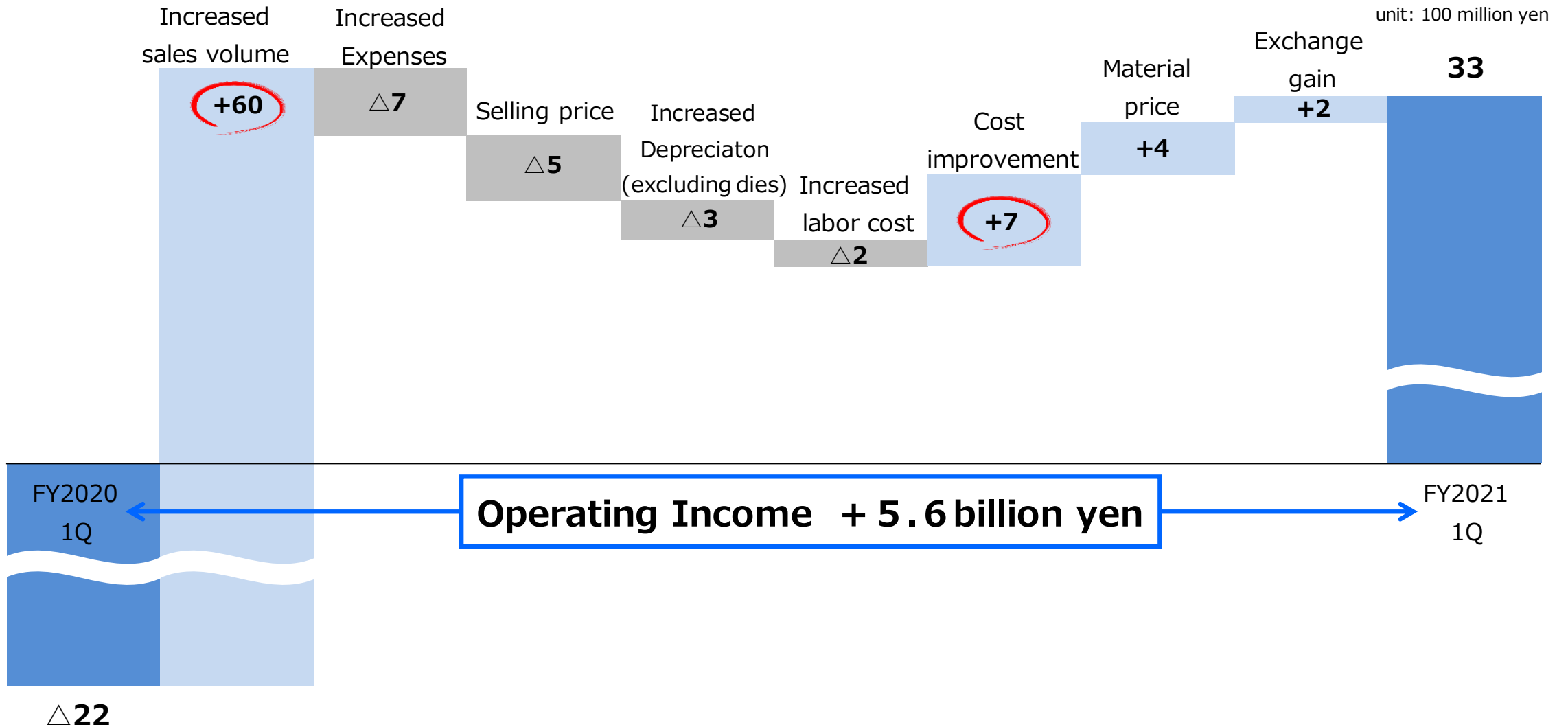
	FY2020 Q1 Result	FY2021 Q1 Result	YoY rate	
			Gain&Loss	% Change
Sales	238	415	+176	+74.2
Operating Income (△:Loss)	△22	<b>Record High</b> 33	+56	—
Operating Income Ratio	△9.4%	8.1%	+17.5P	—
Ordinary Income (△:Loss)	△17	<b>Record High</b> 38	+56	—
Ordinary Income Ratio	△7.5%	9.4%	+16.9P	—
Quarterly net income attributable to the parent company shareholders(△:Loss)	△12	<b>Record High</b> 28	+41	—
Quarterly Net Income margin	△5.5%	7.0%	+12.5P	—
Average exchange rate (U.S. dollars)	¥108.0	¥109.9	+¥1.9	—

※Revenue recognition accounting standards have been applied since FY2021. The amount of impact on sales is as follows. The impact on profits is minor.

Sales increased by 0.2 billion yen due to the collective recognition of mold cost collection, and decreased by 1.2 billion yen due to the offset display of sales of customer-received products and cost of sales.

# 1-2 Q1 Causes of Fluctuation in Consolidated Operating Income

## Record high profit due to sales recovery and cost improvement



# 1-3 Q1 Consolidated Business Segments



## Sales and profits increased for stamping & molding and valves

(100 million yen,%)

	Sales				Operating Income			
	2020/Q1 Result	2021/Q1 Result	YoY rate Gain&Loss %Change		20/Q1 Result	21/Q1 Result	YoY rate Gain&Loss %Change	
Stamping & Molding	157	283	+126 +80.1		△21	15	+36	—
(The impact of application of revenue recognition)		(△10)						
Operating Income Ratio					△13.5%	5.4%	+18.9P	
Valves	80	131	+50 +62.9		△1	18	+19	—
(The impact of application of revenue recognition)		(△0)						
Operating Income Ratio					△1.7%	14.2%	+15.9P	

※Revenue recognition accounting standards have been applied since FY2021. The amount of impact on sales (included figures) is as follows.

# 1-4 Q1 Consolidated Regional Segment



## Sales and profits increased in Japan, Europe, America, and Asia

(100 million yen,%)

	Sales				Operating Income			
	2020/Q1 Result	2021/Q1 Result	Gain&Loss	YoY rate %Change	20/Q1 Result	21/Q1 Result	Gain&Loss	YoY rate %Change
Japan	122	175	+53	+43.4	△12	18	+31	—
(The impact of application of revenue recognition)		(△10)						
Operating Income Ratio					△10.3%	10.6%	+20.9P	
Europe & America	74	161	+86	+116.0	△9	6	+16	—
Operating Income Ratio					△13.0%	4.1%	+17.1P	
Asia	40	77	+36	+90.3	△1	8	+9	—
Operating Income Ratio					△2.7%	10.7%	+13.4P	

※Revenue recognition accounting standards have been applied since FY2021. The amount of impact on sales (included figures) is as follows.  
The impact on profits is minor.

1. Financial Results for Q1
- 2. Full Year Forecast for FY2021**
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# 2-1 Full Year Consolidated Financial Forecast



**Based on the Q1 results, the latest forecasts have been incorporated, and the Q2 cumulative and full-year forecasts have been revised upward.**

(100 million yen,%)

	FY2020		FY2021		QoQ rate			
	Q2 Year to Date Result	Full Year Result	Q2 Year to Date Forecast	Full Year Forecast	Q2 Year to Date Gain&Loss	Result %Change	Full Year Gain&Loss	%Change
Sales	648	1,504	830	1,640	+181	28.0%	+135	9.0%
Operating Income	8	89	65	125	+56	654.1%	+35	39.3%
Operating Income Ratio	1.3%	6.0%	7.8%	7.6%	+6.5P	—	+1.6P	—
Ordinary Income	13	112	70	140	+56	433.1%	+27	24.8%
Current Net Income	9	79	50	100	+40	450.8%	+20	25.3%
R O E	—	7.6%	—	8.5%	—	—	+0.9P	—
R O A (Operating income basis)	—	4.2%	—	5.4%	—	—	+1.2P	—
Net Assts per Share	—	1,846yen	—	2,021yen	—	—	175yen	9.5%
Average exchange rate (US dollars)	106.4yen	105.4yen	110.2yen	107.5yen	3.8yen	—	2.1yen	—

※Current net income is the current (quarterly) net income attributable to the parent company shareholders.

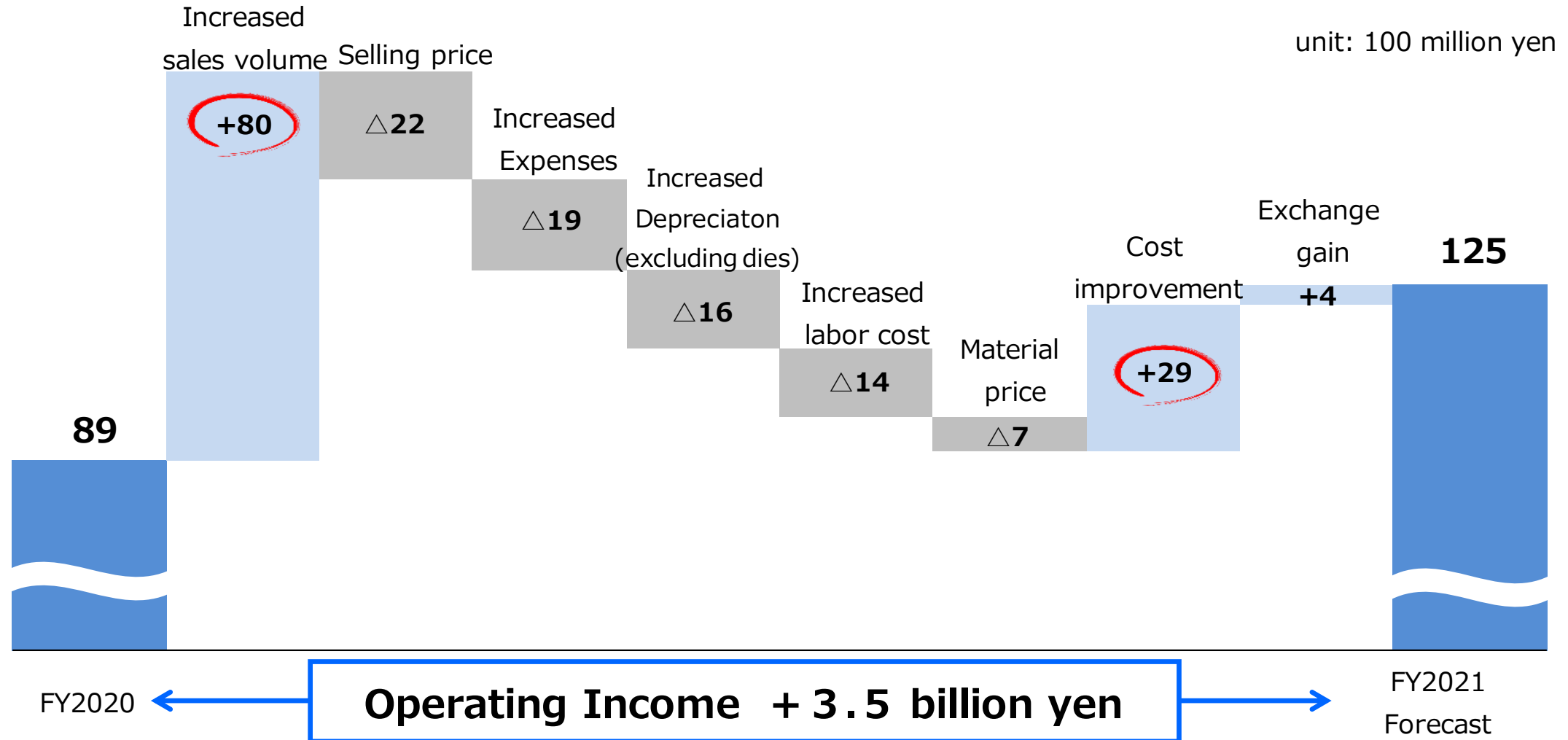
※Revenue recognition accounting standards have been applied since FY2021. The amount of impact on sales is as follows. The impact on profits is minor.

Sales increased by 1.3 billion yen due to the collective recognition of mold cost collection, and decreased by 5.3 billion yen due to the offset display of sales of customer-received products and cost of sales.



# 2-2 Full Year Causes of Fluctuation in Consolidated Operating Income

**Sales are expected to recover. Expected to increase profits through continuous cost improvement**



## Sales and profits are expected to increase for stamping & molding and valves

(100 million yen,%)

	Sales				Operating Income			
	FY2020 Result	FY2021 Forecast	YoY rate Gain&Loss	YoY rate %Change	FY2020 Result	FY2021 Forecast	YoY rate Gain&Loss	YoY rate %Change
Stamping & Molding	1,045	1,138	+92	+8.9	39	61	+21	+55.9
(The impact of application of revenue recognition)		(△40)						
Operating Income Ratio					3.7%	5.4%	+1.7P	
Valves	457	499	+41	+9.1	49	64	+14	+28.0
(The impact of application of revenue recognition)		(+0)						
Operating Income Ratio					10.9%	12.8%	+1.9P	

※Revenue recognition accounting standards have been applied since FY2021. The amount of impact on sales (included figures) is as follows.  
The impact on profits is minor.

## 2-4 Full Year Consolidated Regional Segment



### Sales and profits are expected to increase in Japan, Europe, America, and Asia

(100 million yen,%)

	Sales				Operating Income			
	FY2020 Result	FY2021 Forecast	YoY rate		FY2020 Result	FY2021 Forecast	YoY rate	
			Gain&Loss	%Change			Gain&Loss	%Change
Japan	702	740	+37	+5.3	51	71	+19	+37.1
(The impact of application of revenue recognition)		(△40)						
Operating Income Ratio					7.4%	9.6%	+2.2P	
Europe & America	523	586	+62	+11.9	15	28	+12	+78.6
Operating Income Ratio					3.0%	4.8%	+1.8P	
Asia	277	314	+36	+13.0	18	24	+5	+26.3
Operating Income Ratio					6.8%	7.6%	+0.8P	

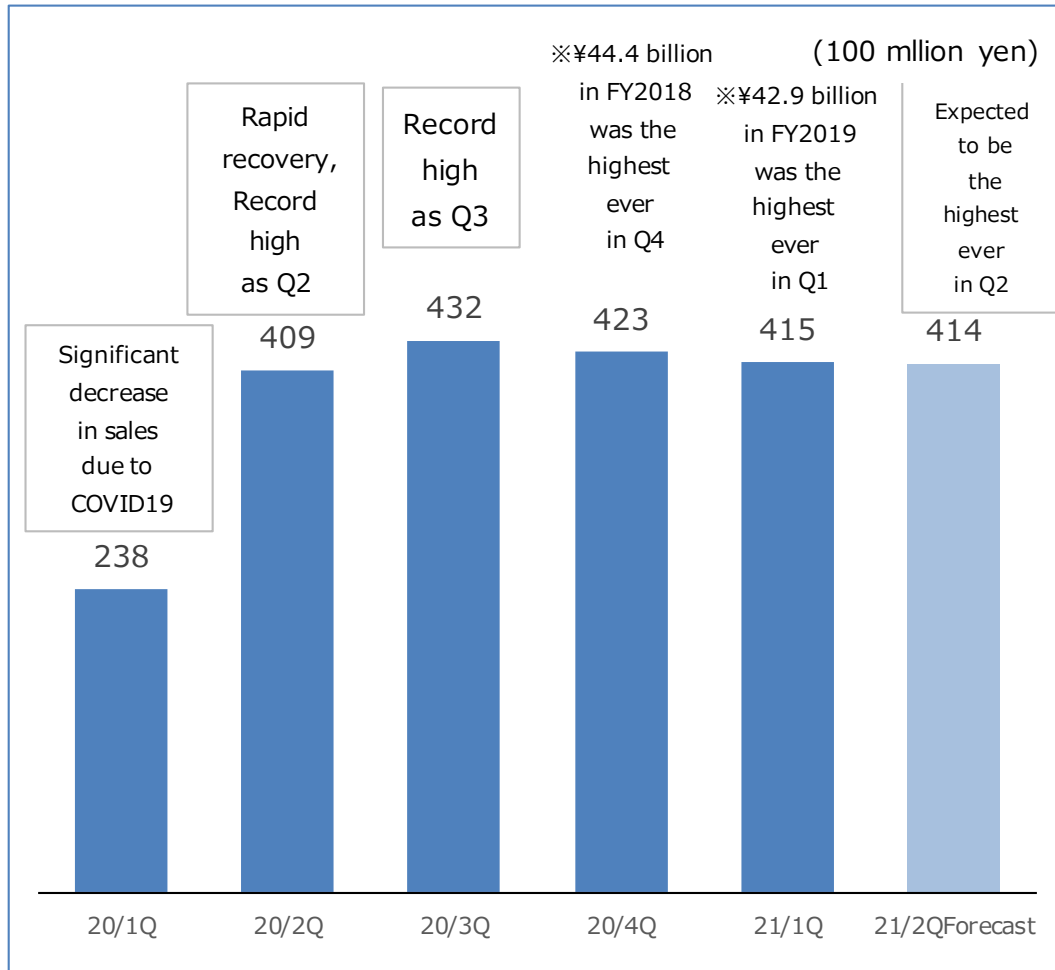
※Revenue recognition accounting standards have been applied since FY2021. The amount of impact on sales (included figures) is as follows.  
The impact on profits is minor.

# 2-5 Quarterly consolidated financial results

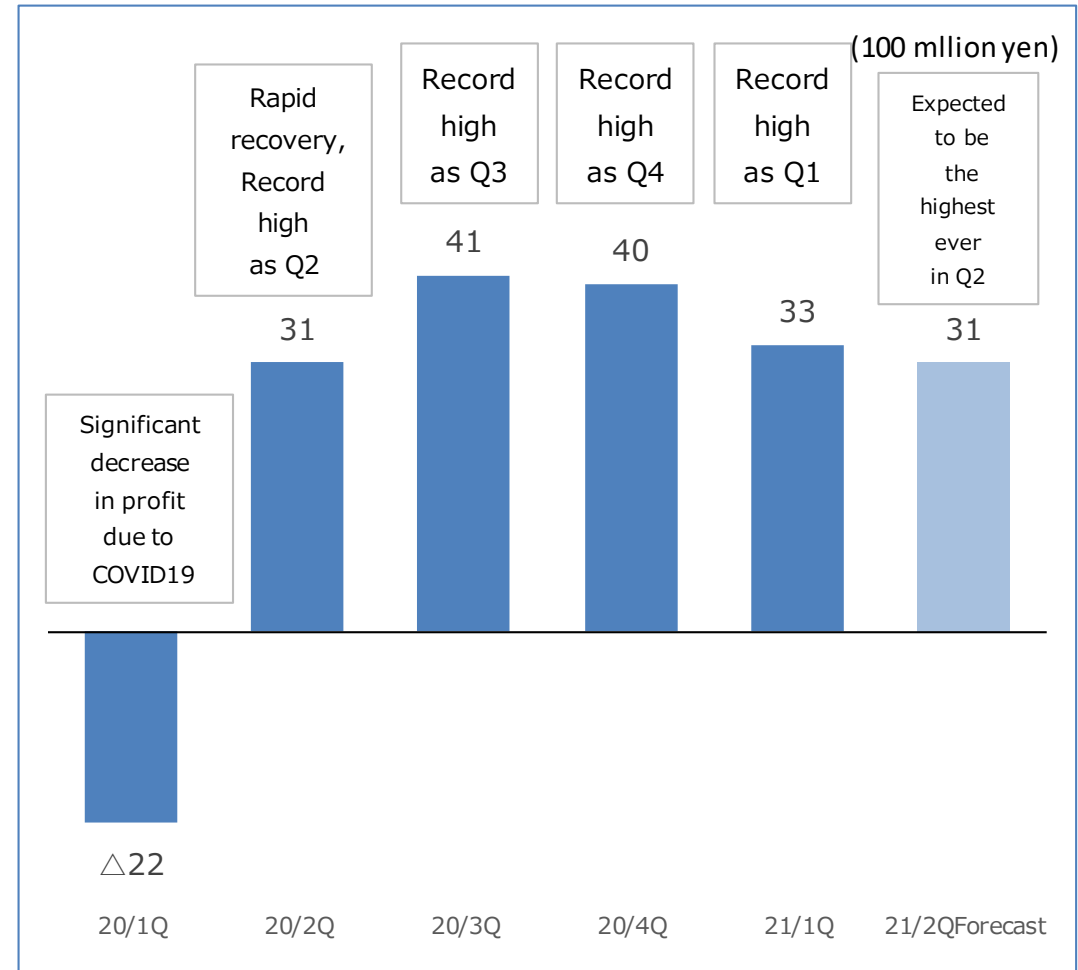


Renewing record highs in each quarter on QOQ basis

## Sales



## Operating Income



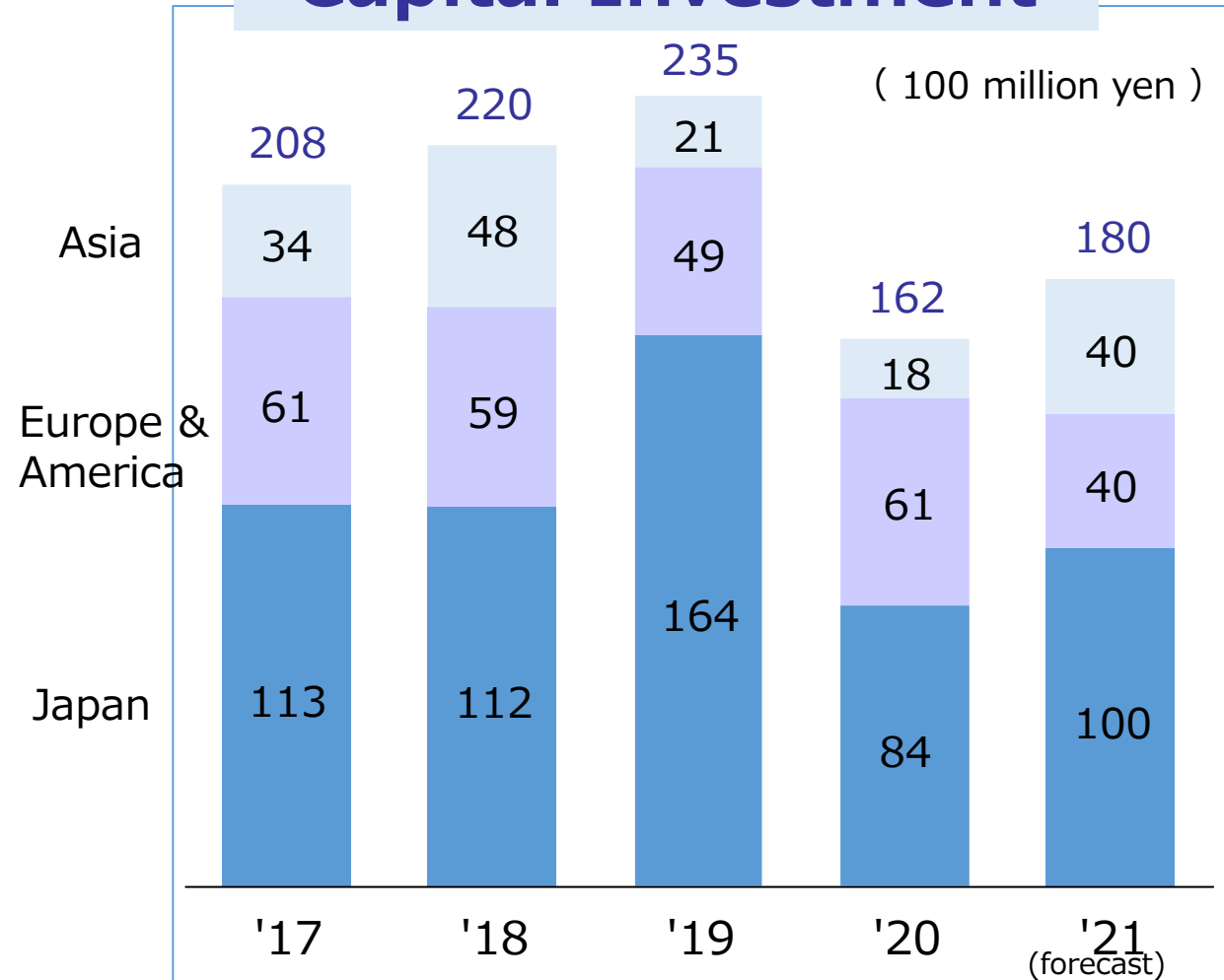
# 2-6 Consolidated Capital Investment & Depreciation



Prioritizing capital investment that has a large effect and that comes out quickly

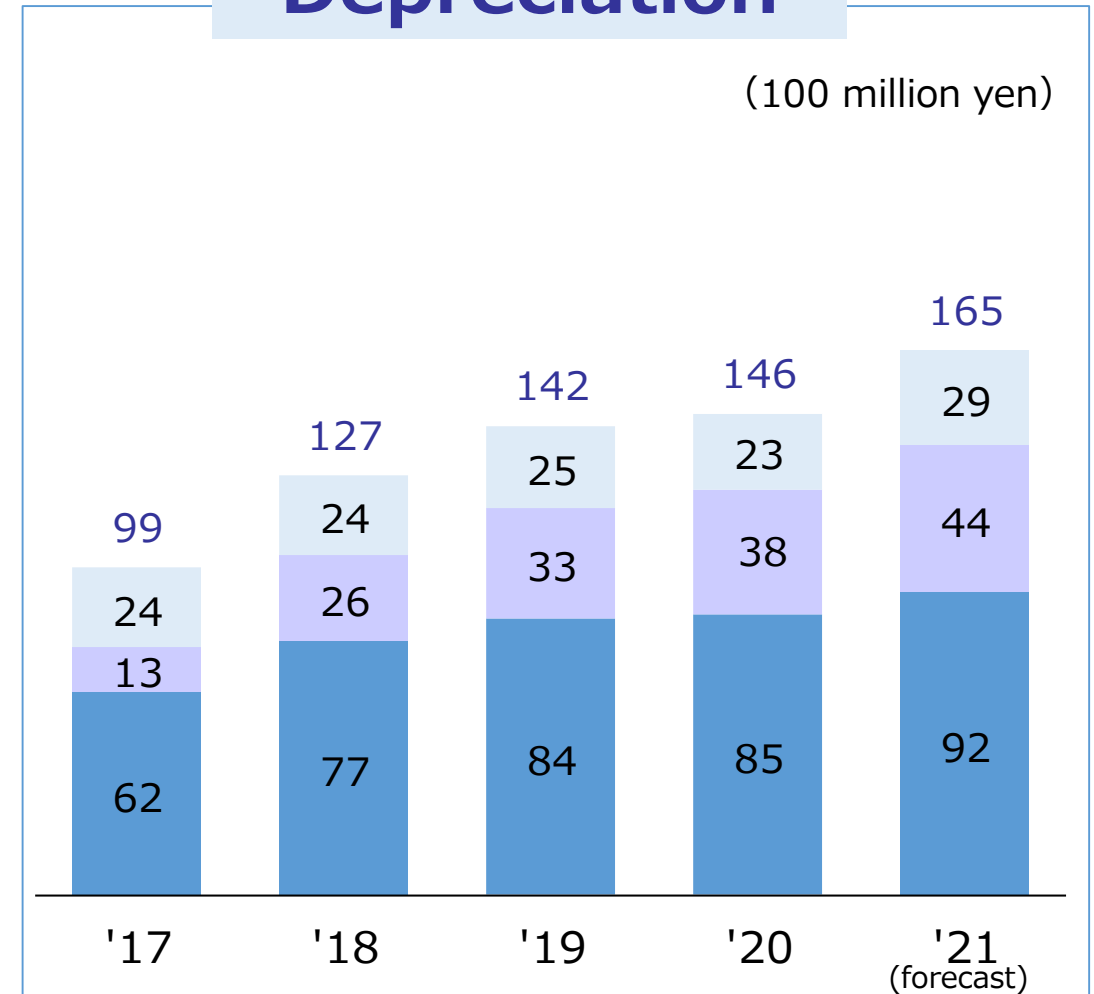
## Capital Investment

( 100 million yen )



## Depreciation

(100 million yen)



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# 3 Focus for This Term

Aiming for sustainable growth by expanding existing areas and introducing resources into new fields

## Existing Areas

### • Improving profitability in both stamping & resin and valve businesses

⇒ Smooth launch of new car models globally

Improving productivity through thorough labor saving and quality improvement

Maintaining a production system in response to fluctuations in the number of units

### • Securing growth opportunities due to progress in electrification and Carbon neutral

⇒ Accelerating product development for EVs

⇒ Deepening of cold ultra-high-tensile technology



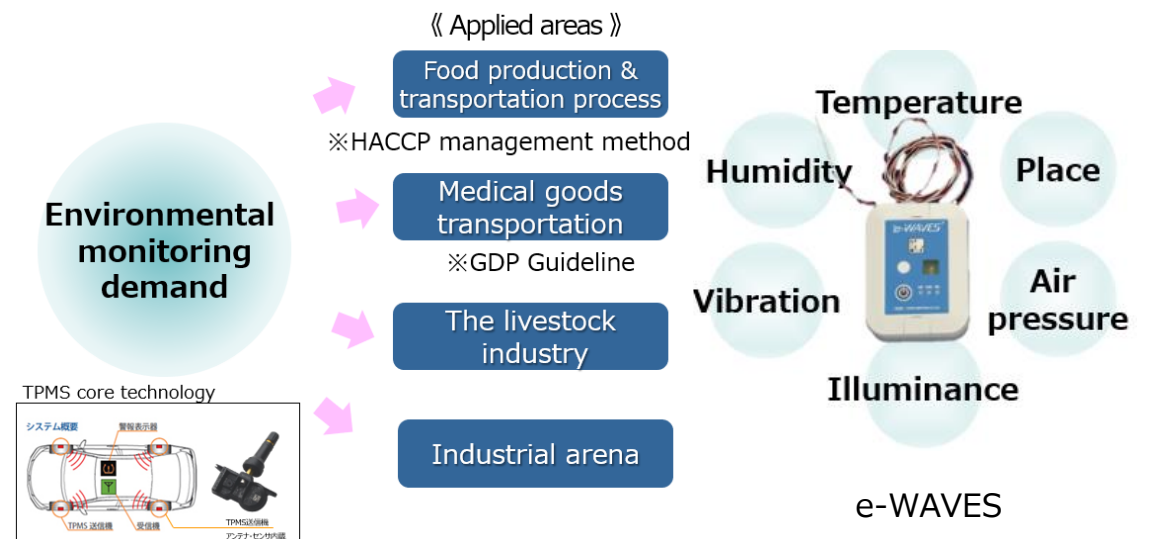
Electric expansion valve for EVs

## New Fields

### • Accelerating solution development applying TPMS core technology

⇒ Plans for continuous commercialization due to resource shift

### • Sales expansion/application of "e-WAVES"





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Passion in Creating Tomorrow