

Financial Results Briefing for 1Q Year Ending March 2021

The 97th period : Cumulative First Quarter
(Apr. 1st, 2020-Jun. 30th, 2020)

July 29, 2020



PACIFIC INDUSTRIAL CO., LTD.

Caution in handling this document

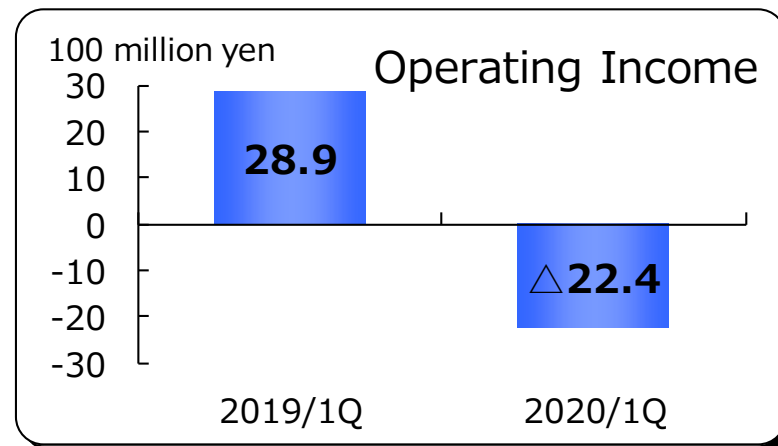
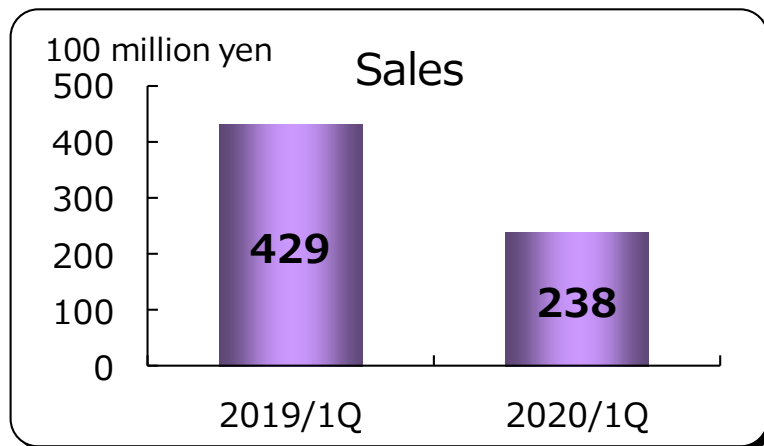
Future forecasts, including this document, were judged according to the current information. Actual financial results might be considerably different from the forecast mentioned here depending on the Japanese or international economic situation, business trends related to our company, and any risk or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

1 - 1 1Q Consolidated Results

Due to the Impact of COVID-19, Sales Decreased and Each Profit is in the Red

(million yen %)

	the Last 1Q	1Q	Year-on-year rate		
			Gain&Loss	%Change	
Sales	42,924	23,838	△19,086	△44.5%	Decreased for the first time in 4 terms
Operating Income (△:Loss)	2,891 6.7%	△ 2,249 △9.4%	△5,140	—	Red (Decreased for the first time in 3 terms)
Ordinary Income (△:Loss)	2,964 6.9%	△ 1,784 △7.5%	△4,749	—	Red (Decreased for the first time in 4 terms)
Quarterly Net Income (△:Loss)	2,113 4.9%	△ 1,299 △5.5%	△3,413	—	Red (Decreased for the first time in 4 terms)

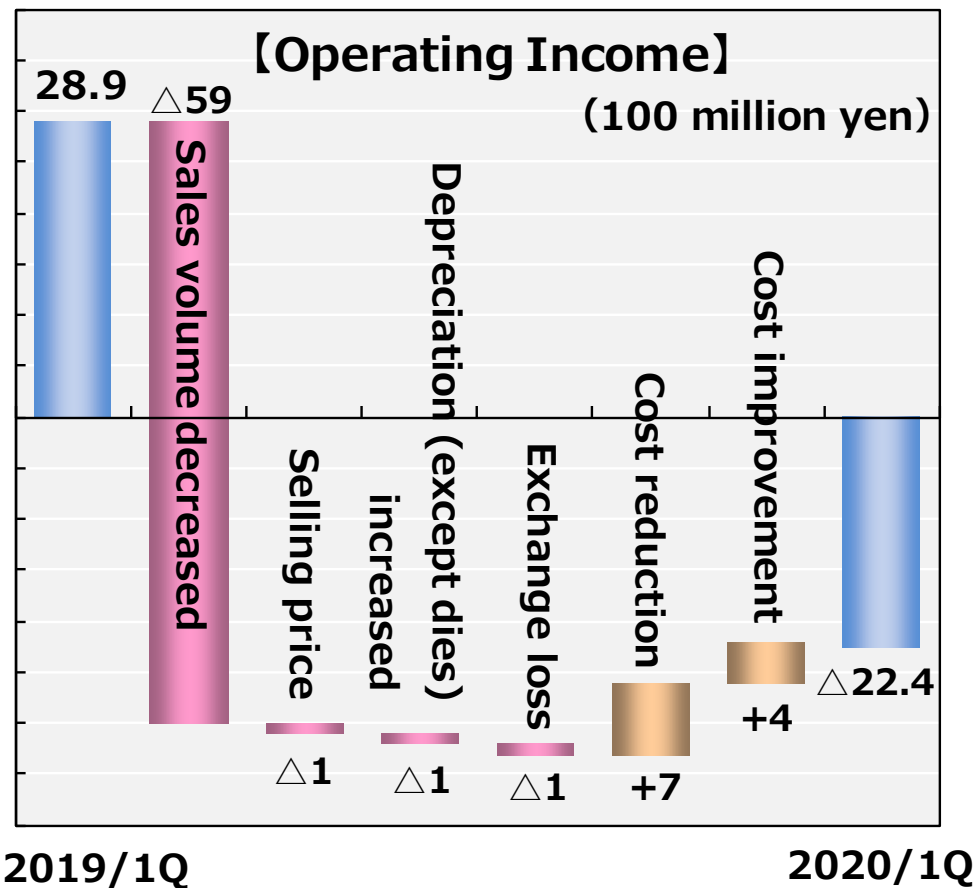
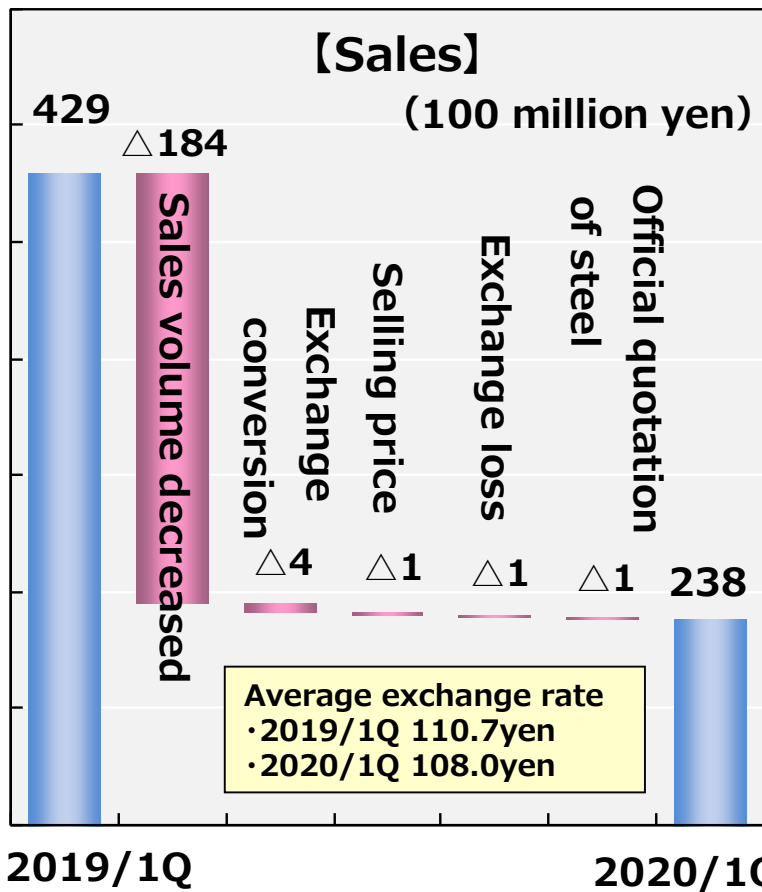


1-2 1Q Causes of Fluctuation in Sales & Income

Due to COVID-19, Sales Volume Decreased Significantly

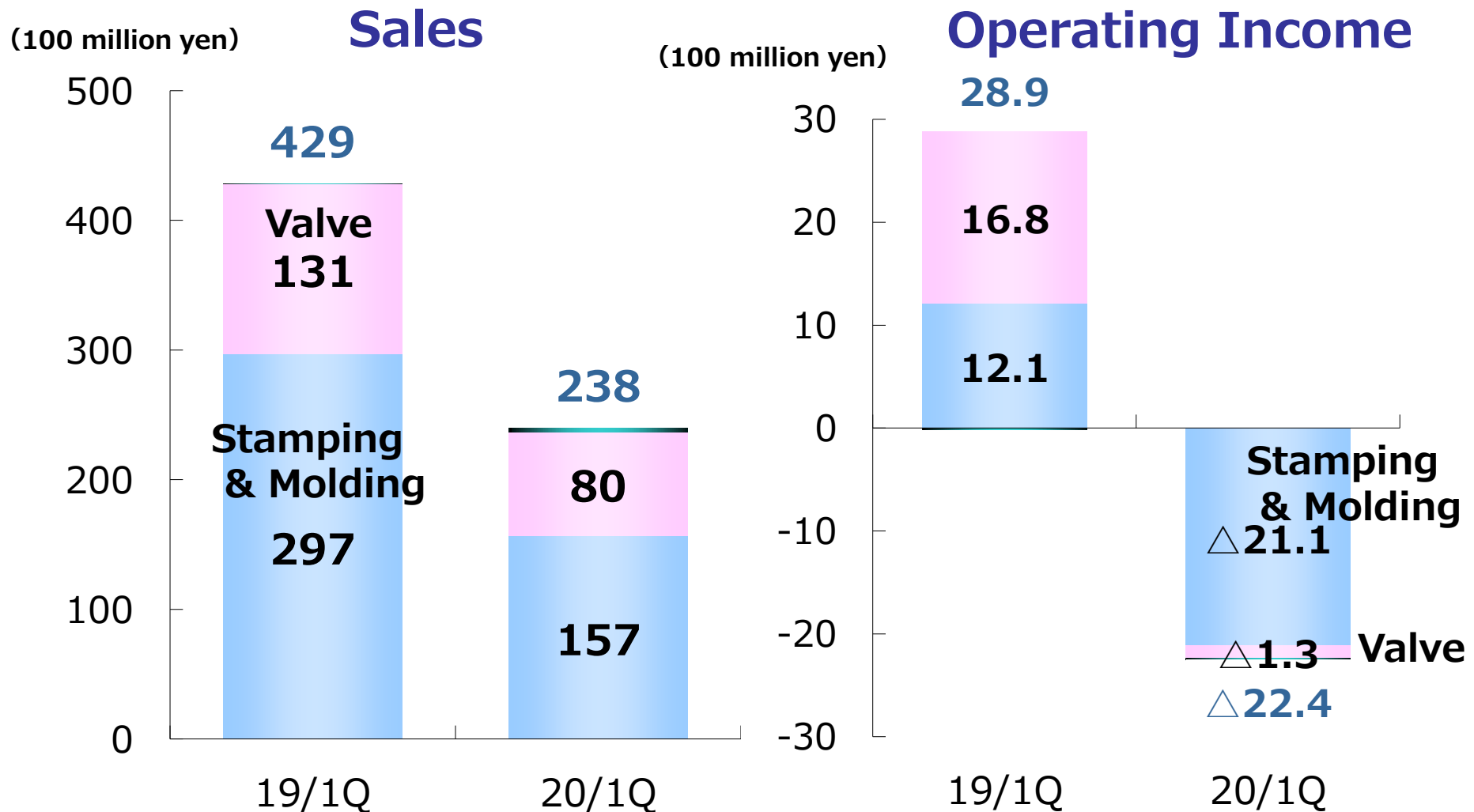
«FY2020 1Q vs FY2019 1Q»
Sales▲19billion yen

«FY2020 1Q vs FY2019 1Q»
Operating Income▲5.1billion yen



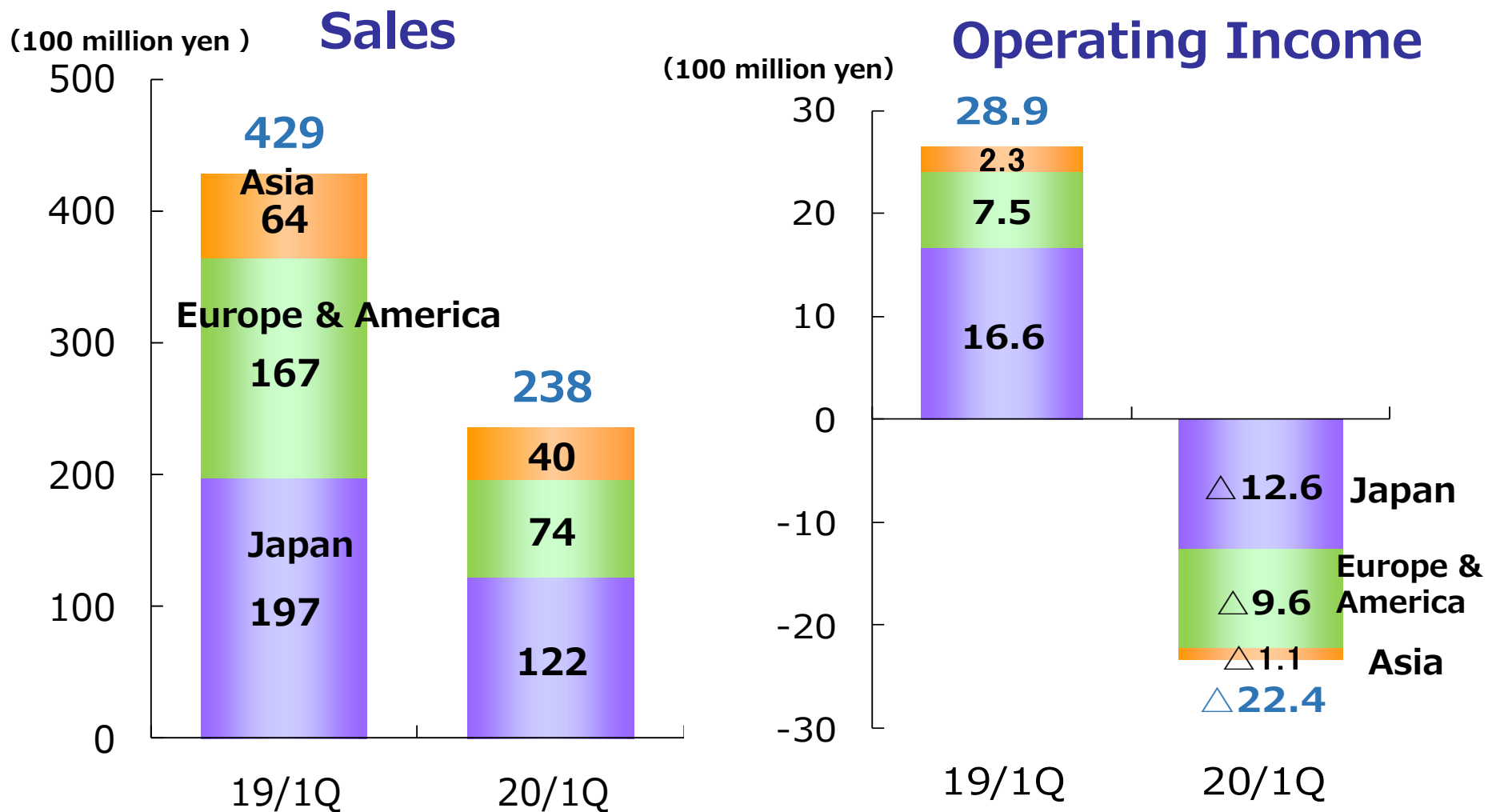
1 - 3 1Q Consolidated Business Segments ^{4/13}

**Stamping/Molding and Valve Business :
Sales Decreased and Profit is in the Red**



1 - 4 1Q Consolidated Regional Segment

Sales Decreased and Profit is in the Red in Japan, Europe, America, and Asia



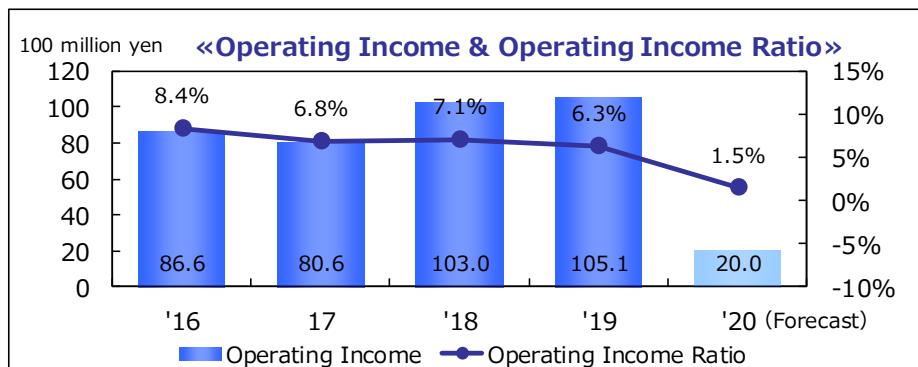
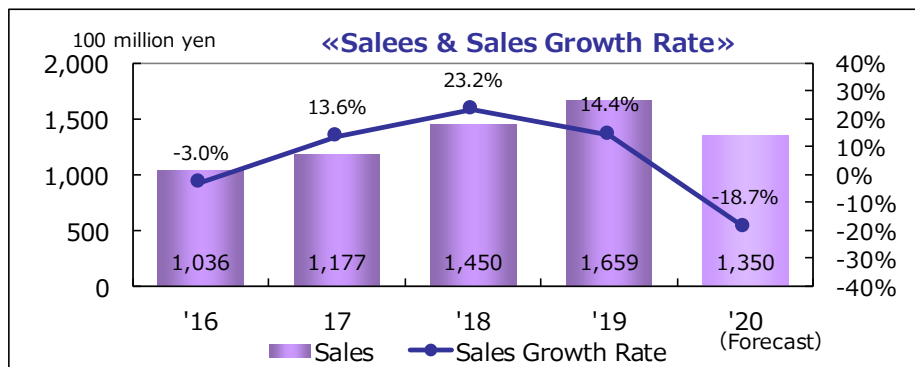
2-1 First half/Full FY Consolidated Financial Forecast

The Business will be in Deficit for the First Half, but Expected to be in the Black for the Full Year

(million yen, %)

	2019				2020					
	1H Results		FY Results		1H Forecast	YoY Rate		FY Forecast	YoY Rate	
						Gain&Loss	%Change		Gain&Loss	%Change
Sales	Record High	82,765	Record High	165,969	58,500	△24,265	△29.3%	135,000	△30,969	△18.7%
Operating Income	Record High	4,683	Record High	10,511	△1,600	△6,283	-	2,000	△8,511	△81.0%
Ordinary Income		4,935		11,130	△1,000	△5,935	-	3,000	△8,130	△73.0%
※1 Current Net Income		3,473		7,256	△1,000	△4,473	-	2,000	△5,256	△72.4%
Operating Profit Margin		5.7%		6.3%	△2.7%	△8.4%		1.5%	△4.8%	
ROE		7.2%		7.5%	△2.1%	△9.3%		2.0%	△5.5%	
ROA (Operating Income Base)		4.6%		5.2%	△1.6%	△6.2%		1.0%	△4.2%	
Net Assts per Share	(yen)	1,603		1,614	1,582	△20	△1.3%	1,622	8	0.5%

※ 1.It is the abbreviation of the official name: Net Income attributable to parent company shareholders.

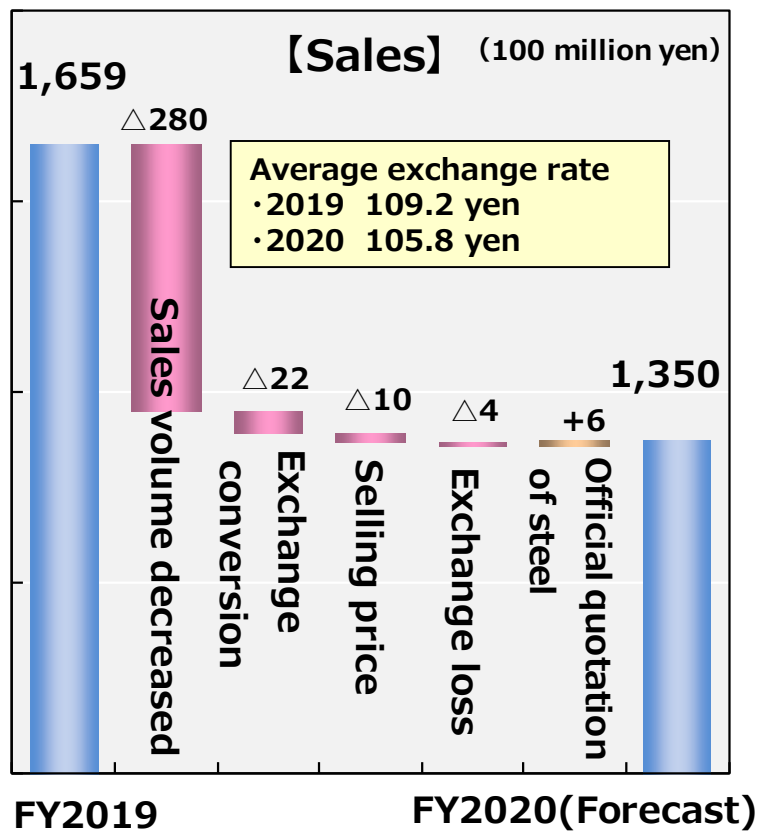


2-2 Full FY Causes of Fluctuation in Consolidated Sales & Income

Sales Volume Decreased Significantly, But Effort to Kaizen Makes it Profitable

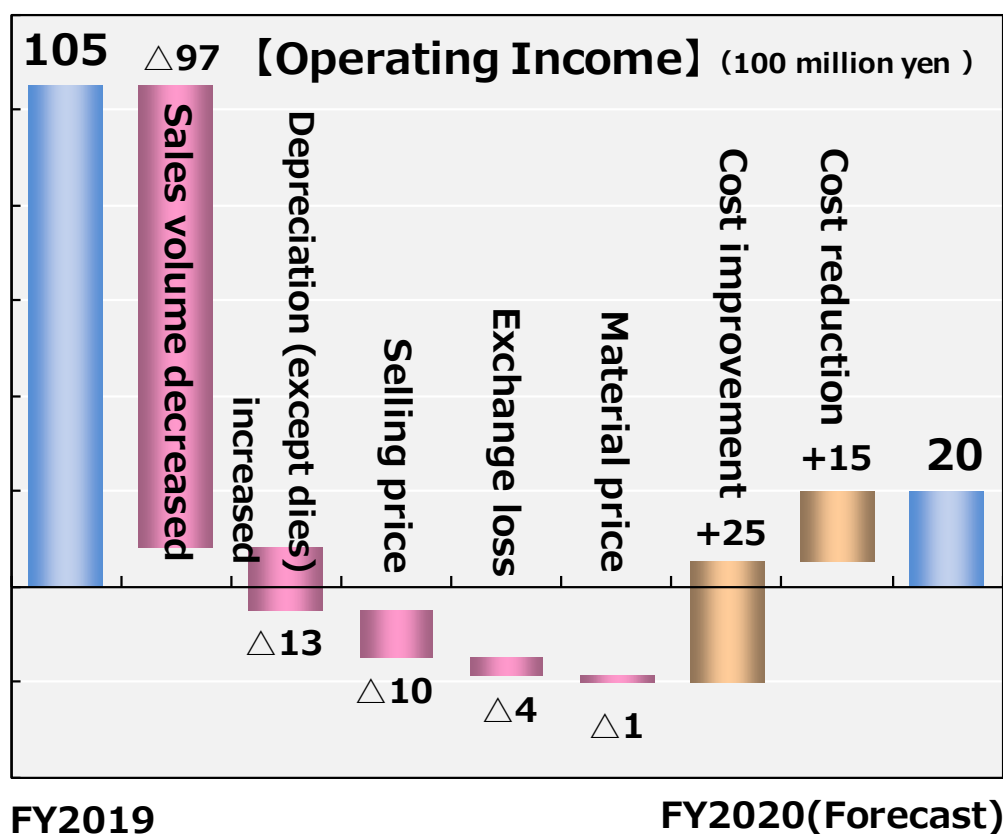
«2020 vs 2019»

Sales ▲30.9 billion yen



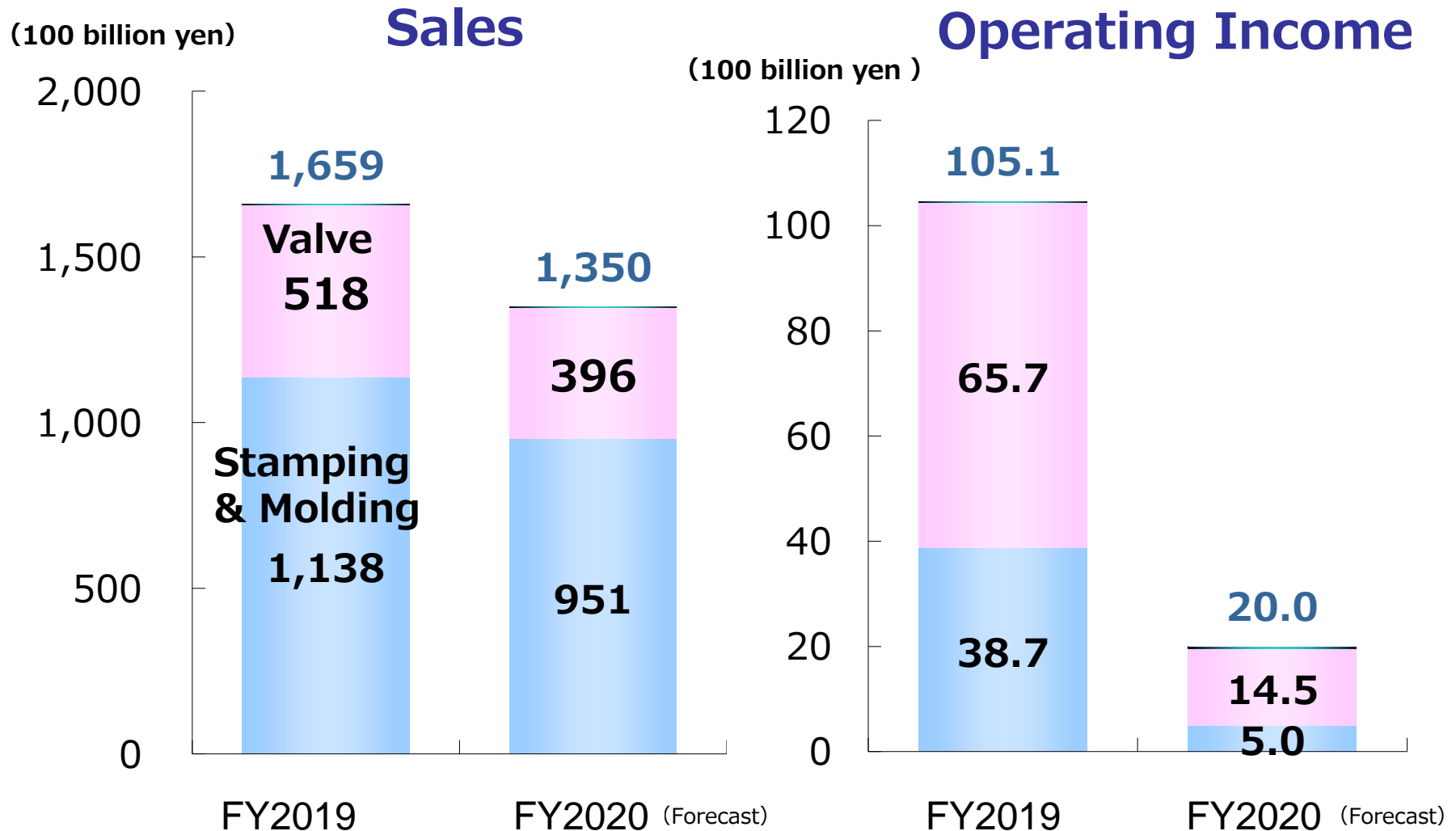
«2020 vs 2019»

Operating Income ▲8.5 billion yen



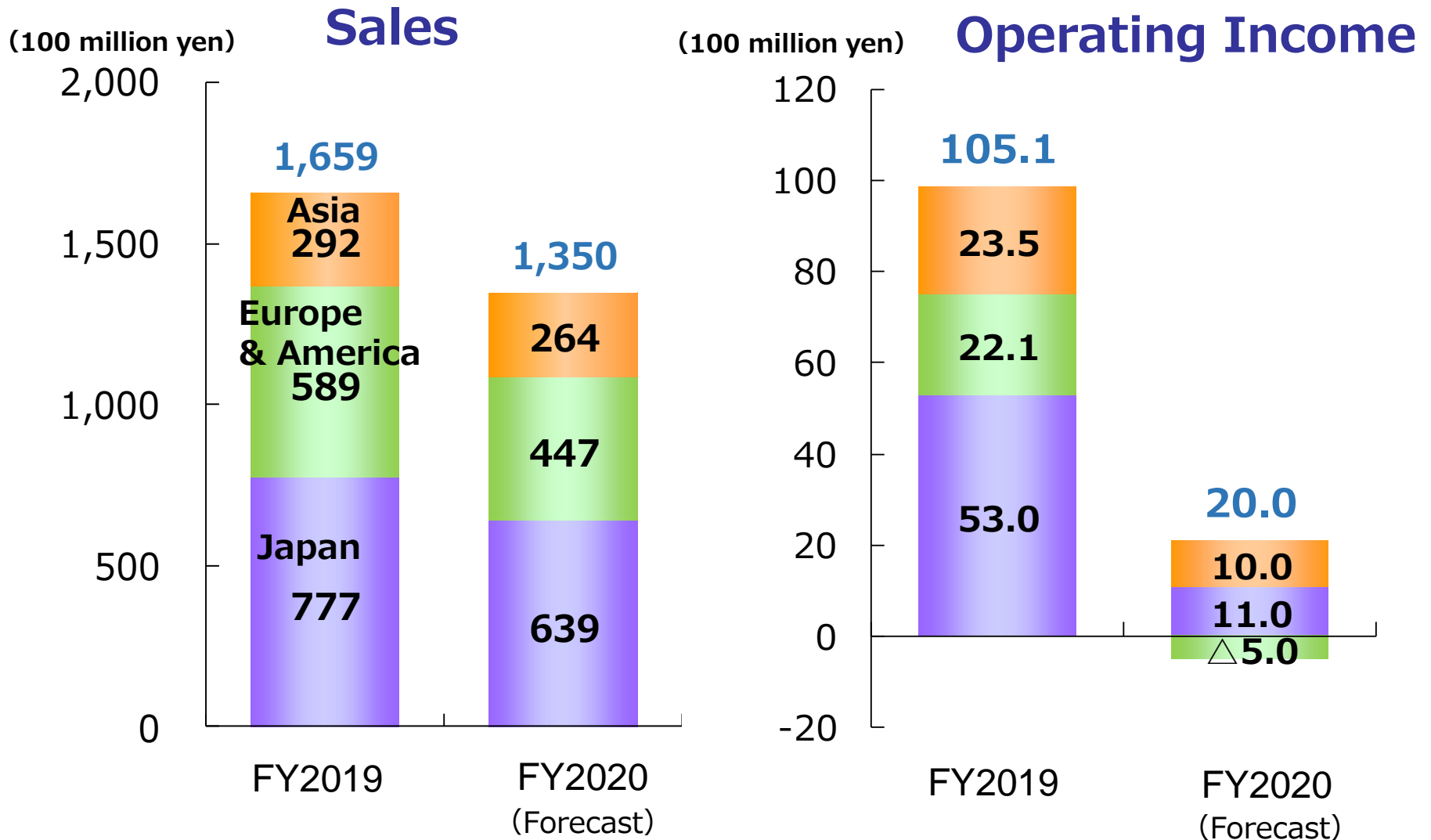
2-3 Full FY Consolidated Business Segments

Sales and Profit Decreased but Expected to be in the Black in Both Business Segments



2-4 Full FY Consolidated Regional Segment

**Sales and Profit are Expected to Decrease
In Japan, Europe, America, and Asia**

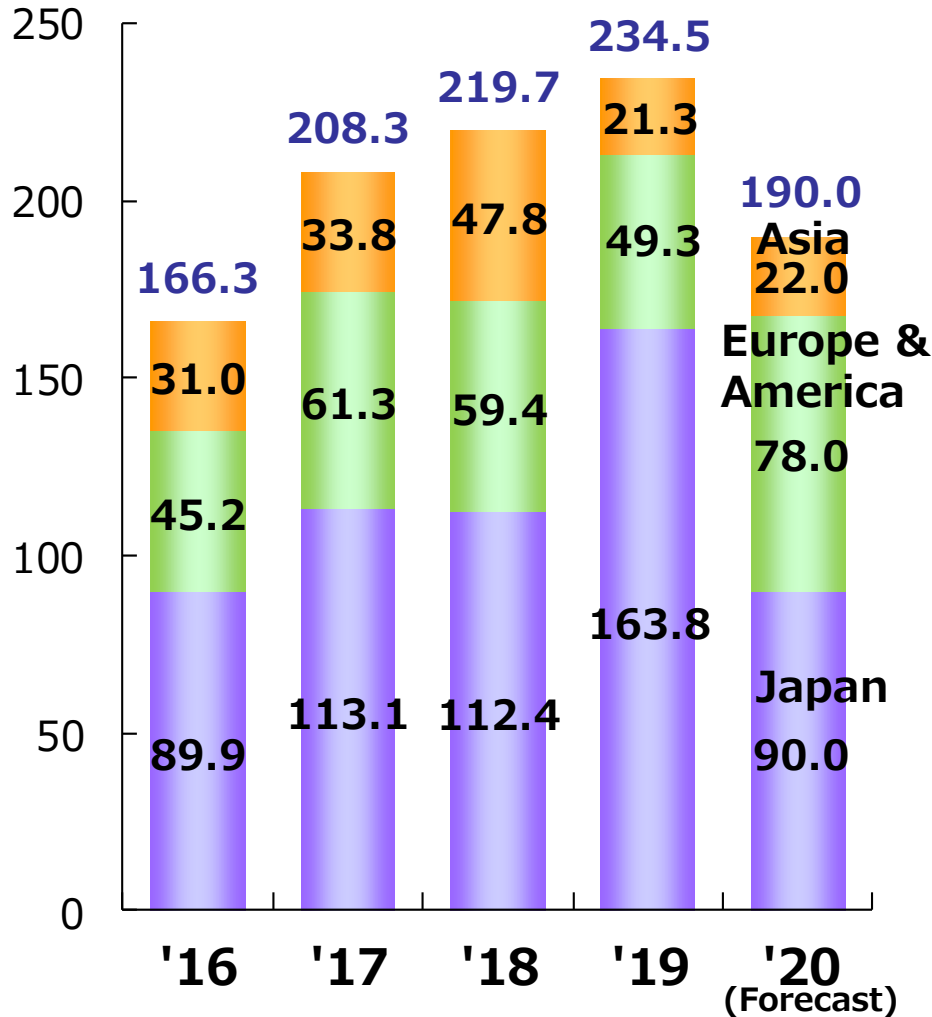


2 - 5 Consolidated Capital Investment/Depreciation Cost

Capital Investment to be Selected Carefully

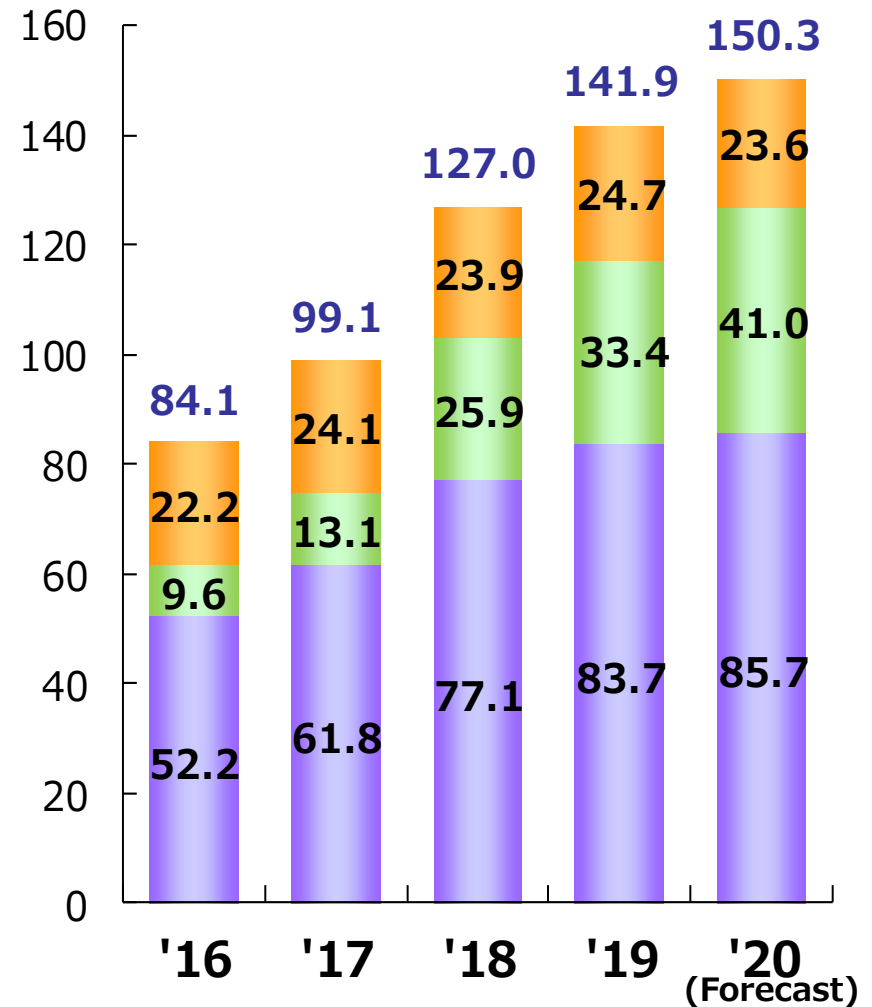
«Capital Investment»

(100 million yen)



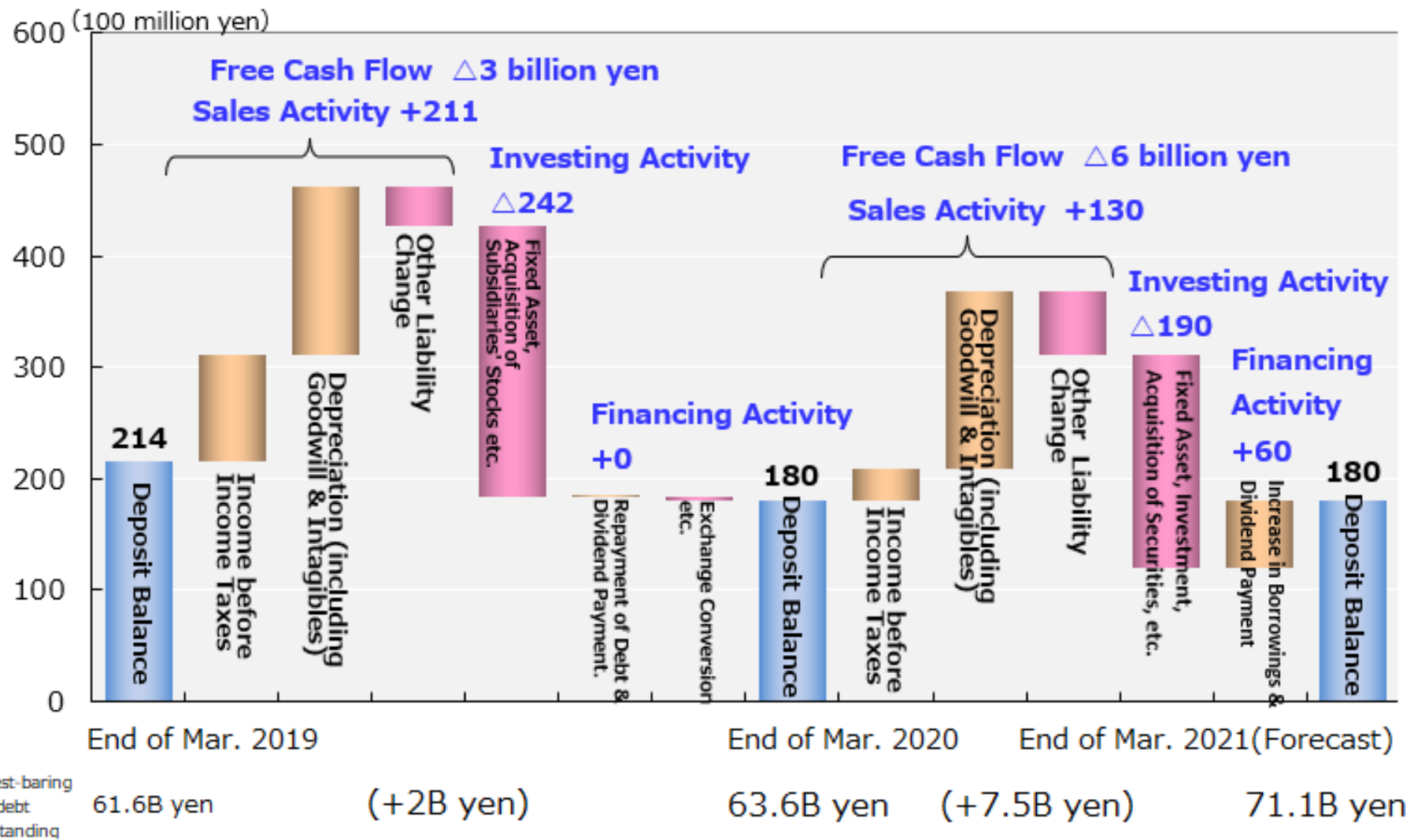
«Depreciation»

(100 million yen)



2-6 Consolidated Cash Flow

Strengthen Our Fund Management Across the Whole Group

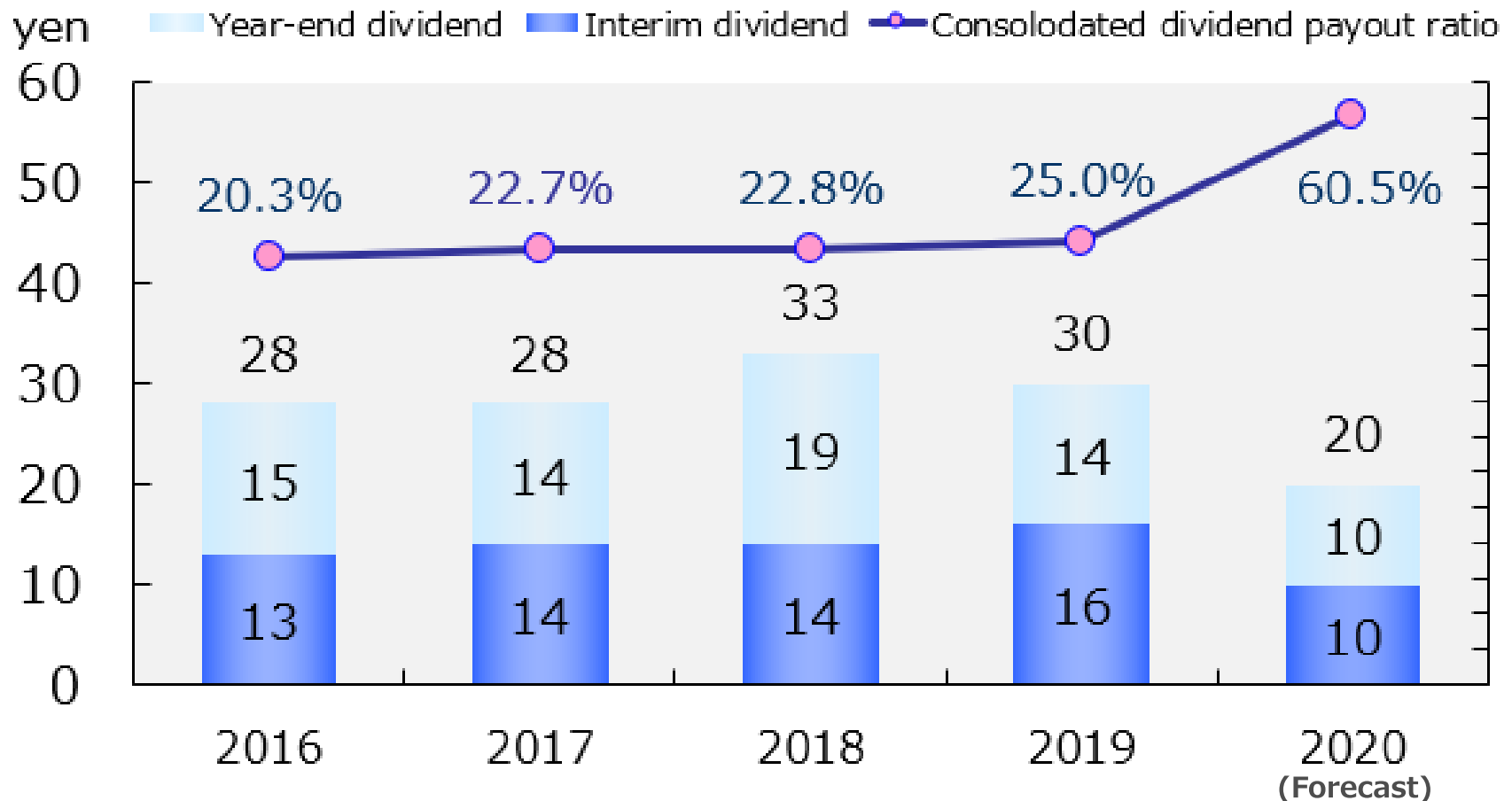


2-7 Returns for Stockholders

Annual Dividend is Planned to be 20 yen

■ Annual Dividend

FY2020 Plan Annual : 20yen (Mid-term : 10yen Term end : 10yen)



Growth to the Next, Learning from COVID-19 Pandemic

■ Lessons from COVID-19

- Follow production fluctuations of customers and maintain production system
- Promote work style reforms and innovate how to do our jobs
- Accelerate and prioritize our jobs

■ Initiatives for Future Growth

- Expand existing businesses and promoting sales by taking advantage of our core technologies
- Accelerate developing new technologies, new materials, and new methods
- Sustainability management (promoting SDGs)



思いをこめて、あしたをつくる

Passion in Creating Tomorrow