

Consolidated Financial Results

For the 1st Quarter Ended Jun 30, 2021

Company name: PACIFIC INDUSTRIAL CO., LTD.

Stock exchange listings: Tokyo and Nagoya Stock Exchanges (First Section)

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 2021 1st Quarter (From April 1, 2021 to June 30, 2021)

(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	%
FY2021 1st quarter	41,530	74.2	3,362	—	3,896	—	2,888	—
FY2020 1st quarter	23,838	-44.5	- 2,249	—	- 1,784	—	- 1,299	—

Note: Comprehensive income

FY2021 1st quarter: 5,883 million yen (—%), FY2020 1st quarter: -1,261million yen (—%)

	Earnings Per Share	Fully Diluted Earnings Per Share
	Yen	Yen
FY2021 1st quarter	47.72	47.60
FY2020 1st quarter	- 21.50	—

(2) Consolidated Financial Position

	Total Assets	Net Aseets	Net assets excluding subscription rights to shares and Non-controlling interests as a percentage of total assets
	Million Yen	Million Yen	%
FY2021 1st quarter	229,798	117,069	50.6
FY2020	225,531	112,508	49.5

Note: Shareholders' equity: FY2021 1st quarter: 116,325 million yen FY2020: 111,714 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
FY2020	—	10.00	—	23.00	33.00
FY2021	—				
FY2021(Forecast)		16.00	—	17.00	33.00

Note: Revisions to the forecasts announced most recently: None

3. Forecasts of Consolidated Financial Results for FY 2021 (From April 1, 2021 to March 31, 2022)

(%: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
FY2021 First half	83,000	28.0	6,500	654.1	7,000	433.1	5,000	430.8	82.58
FY2021	164,000	9.0	12,500	39.3	14,000	24.8	10,000	25.3	165.11

Note: Revisions to the forecasts announced most recently: Yes

4. Notes

(1) Changes in major subsidiaries during the current quarter: Yes

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

Newly included: — (company name)

Newly excluded: 1 company (company name) AUGUST FRANCE HOLDING COMPANY SAS

(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 : Yes

② Changes other than ① : None

③ Changes in accounting estimates : None

④ Restatement : None

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

①Number of shares outstanding at end of period(including treasury stock)	FY2021 1st quarter	61,312,896 shares	FY 2020	61,312,896 shares
②Number of shares of treasury stock at end of period	FY2021 1st quarter	745,955 shares	FY 2020	798,055 shares
③Average number of common stock (quarterly total)	FY2021 1st quarter	60,527,866 shares	FY2020 1st quarter	60,457,136 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)

	FY2020 (As of Mar.31, 2021)	FY2021 (As of Jun.30, 2021)		FY2020 (As of Mar.31, 2021)	FY2021 (As of Jun.30, 2021)
(Assets)			(Liabilities)		
Current Assets	71,456	75,042	Current Liabilities	47,874	44,881
Cash and time deposits	28,332	27,134	Trade notes and accounts payable	12,005	11,827
Trade notes and accounts receivable	24,027	27,800	Electronically recorded obligations - operating	7,566	7,794
Merchandise and finished goods	6,969	7,679	Short-term borrowings	4,188	3,864
Work in process	4,383	4,657	Current portion of long-term borrowings	9,614	6,767
Raw materials and supplies	4,148	4,326	Accounts payable	5,057	5,508
Other current assets	3,727	3,580	Income taxes payable	2,404	1,976
Less: Allowance for doubtful accounts	(133)	(137)	Allowance for bonuses	1,536	849
Fixed Assets	154,075	154,756	Allowance for bonuses to directors	-	10
Property, Plant and Equipment	101,983	99,823	Other current liabilities	5,501	6,284
Buildings and structures	28,781	29,518	Noncurrent Liabilities	65,148	67,848
Machinery and vehicles	48,227	47,608	Long-term borrowings	52,480	55,409
Tools, Furniture, and fixtures	5,816	3,077	Provision for directors retirement benefit	161	155
Land	10,089	10,239	Net defined benefit liabilities	716	745
Lease Asset	1,104	1,079	Other noncurrent liabilities	11,790	11,537
Construction in progress	7,963	8,299	Total Liabilities	113,023	112,729
Intangible Fixed Assets	12,640	12,495	(Net assets)		
Goodwill	7,304	7,140	Shareholders' Equity	94,700	96,312
Other	5,336	5,354	Capital stock	7,316	7,316
Investments and Other Assets	39,450	42,438	Capital surplus	7,643	7,672
Investments in securities	32,497	35,459	Retained earnings	79,964	81,532
Other fixed assets	6,957	6,981	Less: Treasury stock at cost	(224)	(209)
Less: Allowance for doubtful accounts	(3)	(3)	Valuation and Translation Adjustment	17,013	20,012
			Valuation difference on available securities	14,893	16,712
			Foreign currency translation adjustments	1,135	2,359
			Remeasurement of defined benefit plan	985	941
			Subscription rights to shares	141	97
			Minority Interests	652	646
			Total Net Assets	112,508	117,069
Total Assets	225,531	229,798	Total Liabilities and Net Assets	225,531	229,798

Consolidated Statements of Income

(Million Yen)

	FY2020 For the Year Ended Jun.30, 2020	FY2021 For the Year Ended Jun.30, 2021
Net sales	23,838	41,530
Cost of sales	23,269	34,959
Gross profit	568	6,571
Selling, general and administrative expenses	2,817	3,209
Operating Income (loss)	(2,249)	3,362
Non-operating income	597	734
Interest income	9	34
Dividend income	285	317
Equity in earnings of affiliated companies	5	315
Foreign exchange gain	187	-
Other non-operating income	109	66
Non-operating Expenses	133	199
Interest expense	100	120
Foreign exchange losses	-	62
Other non-operating expense	33	16
Ordinary income (loss)	(1,784)	3,896
Extraordinary Losses	28	71
Loss on sales and retirements of fixed assets	28	71
Profit (loss) before income taxes and non controlling interests	(1,813)	3,824
Income taxes	(482)	925
Current term net profit (loss)	(1,331)	2,898
Profit (loss) attributable to non-controlling interests	(31)	9
Profit (loss) attributable to owners of parent	(1,299)	2,888