

## Consolidated Financial Results

### For the Fiscal Year Ended March 31, 2019

Company name: PACIFIC INDUSTRIAL CO., LTD.

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

Stock code number: 7250

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

Representative: Shinya Ogawa, President

Contact person: Satoshi Watanabe, General Manager of Accounting Dept.

Telephone: +81-584-93-0117

(Amounts less than one million yen are omitted)

#### 1. Consolidated Financial Results for FY 2018 (April 1, 2018 through March 31, 2019)

##### (1) Consolidated financial results

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

	Net sales		Operating income		Ordinary income		Net income	
	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%
FY 2018	145,030	23.2	10,307	27.8	11,767	24.1	8,730	18.1
FY 2017	117,758	13.6	8,063	△6.9	9,485	△4.7	7,393	△1.7

(Note) Comprehensive income: FY2018 : 6,711 million yen ( △21.4%) FY2017 : 8,537 million yen ( 10.6% )

	Net income per share	Diluted net income per share	Return on equity	Return on asset	Operating margin
	<i>Yen</i>	<i>Yen</i>	%	%	%
FY 2018	144.80	143.95	9.3	6.5	7.1
FY 2017	123.53	121.96	8.5	6.4	6.8

(Reference) Share of (profit) loss of entities accounted for using equity method:

FY2018 : 688 million yen FY2017 : 616 million yen

##### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	<i>Millions of yen</i>	<i>Millions of yen</i>	%	<i>Yen</i>
FY 2018	203,831	97,075	47.0	1,590.09
FY 2017	158,858	91,913	57.2	1,508.95

(Reference) Equity: FY2018: 95,900 million yen FY2017: 90,940 million yen

##### (3) Cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalent at end of period
	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Millions of yen</i>
FY 2018	18,941	△40,595	29,231	21,488
FY 2017	17,944	△22,229	5,239	13,181

#### 2. Cash Dividends

	Annual dividends per share					Total annual dividends	Payout ratio (consolidate)	Dividend on equity (consolidated)
	At end of 1 <sup>st</sup> quarter	At end of 2 <sup>nd</sup> quarter	At end of 3 <sup>rd</sup> quarter	At year-end	Total			
FY2017	<i>Yen</i> —	<i>Yen</i> 14.00	<i>Yen</i> —	<i>Yen</i> 14.00	<i>Yen</i> 28.00	<i>Millions of yen</i> 1,692	% 22.7	% 1.9
FY2018	<i>Yen</i> —	<i>Yen</i> 14.00	<i>Yen</i> —	<i>Yen</i> 19.00	<i>Yen</i> 33.00	<i>Millions of yen</i> 2,004	% 22.8	% 2.1
FY2019 (forecast)	<i>Yen</i> —	<i>Yen</i> 16.00	<i>Yen</i> —	<i>Yen</i> —	<i>Yen</i> —		% —	% —

### 3. Forecasts of Consolidated Financial Results for FY2019 (April 1, 2019 through March 31, 2020)

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

	Net sales		Operating income		Ordinary income		Net income for the year attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	78,000	21.3	4,900	21.3	5,400	4.5	3,800	△2.5	63.01
FY 2019	155,000	6.9	10,000	△3.0	11,000	△6.5	8,000	△8.4	132.64

#### \* Notes

(1) Changes in significant subsidiaries during the period : Yes

(Changes in specified subsidiaries resulting in changes in scope of consolidation)

Newly included: 2 companies (company name)

PACIFIC AUTO PARTS (THAILAND) CO., LTD.

AUGUST FRANCE HOLDING COMPANY SAS

Newly excluded: — (company name)

(2) Changes in accounting policies, accounting estimates and restatements

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

② Changes other than ① : None

③ Changes in accounting estimates : None

④ Restatement : None

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

① Number of shares outstanding at end of period (including treasury stock)	FY2018	61,312,896 shares	FY2017	61,268,395 shares
② Number of shares of treasury stock at end of period	FY2018	1,001,484 shares	FY2017	1,001,061 shares
③ Average number of shares during the year ended March 31	FY2018	60,290,304 shares	FY2017	59,850,890 shares

#### (Reference) Summary of non-consolidated business results

##### 1. Non-Consolidated Financial Result for FY2018 (April 1, 2018 through March 31, 2019)

(1) Non-consolidated financial results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2018	83,562	16.5	6,146	5.3	7,871	9.2	5,895	11.6
FY 2017	71,715	8.4	5,835	8.8	7,210	3.2	5,284	△2.4

	Net income per share	Diluted net income per share
FY 2018	97.06 Yen	96.49 Yen
FY 2017	87.64	86.53

(1) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2018	153,607	72,654	47.1	1,191.24
FY 2017	118,761	69,619	58.4	1,142.80

(Reference) Equity: FY2018: 72,380 million yen FY2017: 69,386 million yen

\* Indication regarding status of performance of audit procedures

This summary of financial results is not subject to the audit procedures in accordance with the Financial Instruments and Exchange Act. As of the time of disclosure of this summary of financial results, the audit procedures for 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)

	FY2017 (As of Mar.31, 2018)	FY2018 (As of Mar.31, 2019)		FY2017 (As of Mar.31, 2018)	FY2018 (As of Mar.31, 2019)
(Assets)			(Liabilities)		
Current Assets	43,887	64,320	Current Liabilities	37,534	45,151
Cash and time deposits	14,081	21,763	Trade notes and accounts payable	7,951	10,626
Trade notes and accounts receivable	17,592	23,949	Electronically recorded obligations - operating	7,655	8,447
Inventories	9,535	14,670	Short-term borrowings	4,021	4,769
Other accounts receivable	2,483	3,366	Current portion of long-term borrowings	4,582	5,285
Other current assets	235	652	Other accounts payable	4,661	6,509
Less: Allowance for doubtful accounts	△ 41	△ 82	Accrued expenses	1,122	2,163
			Income taxes payable	991	1,924
Fixed Assets	114,970	139,510	Consumption taxes payable	231	111
Property, Plant and Equipment	76,315	92,178	Deposit received	330	784
Buildings and structures	19,943	23,332	Allowance for bonuses	1,460	1,615
Machinery and vehicles	27,724	37,002	Allowance for bonuses to directors	48	60
Tools, Furniture, and fixtures	5,763	7,605	Notes concerning installations	122	127
Land	5,886	7,627	Other current liabilities	4,353	2,727
Lease Asset	377	412	Noncurrent Liabilities	29,410	61,604
Construction in progress	16,620	16,197	Long-term borrowings	21,804	51,529
Intangible Fixed Assets	936	15,035	Deferred tax liabilities	6,397	8,181
Goodwill	-	8,803	Provision for directors retirement benefit	206	191
Other	936	6,232	Net defined benefit liabilities	303	648
Investments and Other Assets	37,718	32,296	Other noncurrent liabilities	697	1,052
Investments in securities	28,659	26,675	Total Liabilities	66,945	106,755
Long-term loans	3,464	64	(Net assets)		
Deferred tax assets	280	273	Shareholders' Equity	75,958	82,973
Net defined benefit asset	4,343	4,473	Capital stock	7,296	7,316
Other fixed assets	975	812	Capital surplus	7,606	7,626
Less: Allowance for doubtful accounts	△ 3	△ 3	Retained earnings	61,340	68,315
			Less: Treasury stock at cost	△ 284	△ 285
			Valuation and Translation Adjustment	14,981	12,927
			Valuation difference on available securities	12,768	11,480
			Foreign currency translation adjustments	1,627	1,015
			Remeasurement of defined benefit plan	585	431
			Subscription rights to shares	232	274
			Minority Interests	740	900
			Total Net Assets	91,913	97,075
Total Assets	158,858	203,831	Total Liabilities and Net Assets	158,858	203,831

## Consolidated Statements of Income

(Million Yen)

	FY2017 For the Year Ended Mar.31, 2018	FY2018 For the Year Ended Mar.31, 2019
Net sales	117,758	145,030
Cost of sales	100,675	123,417
Gross profit	17,082	21,612
Selling, general and administrative expenses	9,019	11,305
Operating Income	8,063	10,307
Non-operating income	1,707	1,950
Interest income	137	90
Dividend income	662	624
Equity in earnings of affiliated companies	616	688
Foreign exchange gain	-	228
Other non-operating income	291	318
Non-operating Expenses	284	490
Interest expense	229	260
Commission fee	2	190
Foreign exchange losses	33	-
Other non-operating expense	19	39
Ordinary income	9,485	11,767
Extraordinary income	-	132
Gain on sales of fixed assets	-	132
Extraordinary Losses	227	92
Loss on sales and retirements of fixed assets	227	92
Income before income taxes and non controlling interests	9,258	11,807
Income Taxes-current	1,902	2,670
Income Taxes-deferred	△ 73	372
Income taxes	1,829	3,043
Current term net profit	7,429	8,764
Loss attributable to non controlling interests	36	34
Profit attributable to the owners of parent	7,393	8,730