

## Consolidated Financial Results

### For the 1st Quarter Ended Jun 30, 2018

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

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(Amounts less than one million yen are omitted)

#### 1. Consolidated Financial Results for FY 2018 1st Quarter (From April 1, 2018 to June 30, 2018)

##### (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	%
FY2018 1st quarter	32,144	19.7	1,927	0.6	2,461	3.3	1,830	8.5
FY2017 1st quarter	26,844	8.9	1,915	Δ 5.2	2,384	24.3	1,687	31.9

Note: Comprehensive income

FY2018 1st quarter: 2,050 million yen( 82.5%), FY2017 1st quarter: 1,123 million yen( —%)

	Earnings Per Share	Fully Diluted Earnings Per Share
	Yen	Yen
FY2018 1st quarter	30.37	30.19
FY2017 1st quarter	28.37	27.87

##### (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	%
FY2018 1st quarter	166,044	93,192	55.5
FY2017	158,858	91,913	57.2

Note: Shareholders' equity:

FY2018 1st quarter : 92,107 million yen FY2017: 90,940 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
FY2017	—	14.00	—	14.00	28.00
FY2018	—				
FY2018(Forecast)		14.00	—	14.00	28.00

Note: Revisions to the forecasts announced most recently: None

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

(%: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
First half	61,000	7.9	4,000	4.0	4,500	Δ 5.1	3,400	△ 0.1	56.41
FY2017	125,000	6.1	8,800	9.1	9,800	3.3	7,200	△ 2.6	119.45

Note: Revisions to the forecasts announced most recently: None

#### 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: 1 company (company name) PACIFIC AUTOPARTS (THAILAND)CO.,LTD.

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 : None

④ Restatement : None

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

①Number of shares outstanding at end of period(including treasury stock)	FY2018 1st quarter	61,278,408 shares	FY 2017	61,268,395 shares
②Number of shares of treasury stock at end of period	FY2018 1st quarter	1,001,200 shares	FY 2017	1,001,061 shares
③Average number of common stock (quarterly total)	FY2018 1st quarter	60,271,728 shares	FY2018 1st quarter	59,498,724 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

(Mmillion Yen)

	FY2017 (As of Mar.31, 2018)	FY2018 (As of Jun.30, 2018)		FY2017 (As of Mar.31, 2018)	FY2018 (As of Jun.30, 2018)
<b>(Assets)</b>			<b>(Liabilities)</b>		
Current Assets	43,887	49,017	Current Liabilities	37,534	42,334
Cash and time deposits	14,081	17,948	Trade notes and accounts payable	7,951	8,617
Trade notes and accounts receivable	17,592	17,661	Electronically recorded obligations - operating	7,655	7,992
Inventories	9,535	10,885	Short-term borrowings	4,021	4,004
Other accounts receivable	2,483	2,124	Current portion of long-term borrowings	4,582	6,481
Other current assets	235	442	Other accounts payable	4,661	6,823
Less: Allowance for doubtful accounts	(41)	(44)	Accrued expenses	1,122	1,418
Fixed Assets	114,970	117,026	Income taxes payable	991	806
Property, Plant and Equipment	76,315	82,028	Consumption taxes payable	231	116
Buildings and structures	19,943	21,169	Deposit received	330	418
Machinery and vehicles	27,724	30,470	Allowance for bonuses	1,460	784
Tools, Furniture, and fixtures	5,763	7,025	Allowance for bonuses to directors	48	12
Land	5,886	6,553	Notes concerning installations	122	58
Lease Asset	377	369	Other current liabilities	4,353	4,798
Construction in progress	16,620	16,440	Noncurrent Liabilities	29,410	30,517
Intangible Fixed Assets	936	899	Long-term borrowings	21,804	23,033
Investments and Other Assets	37,718	34,098	Deferred tax liabilities	6,397	6,218
Investments in securities	28,659	28,370	Provision for directors retirement benefit	206	225
Long-term loans	3,464	17	Net defined benefit liabilities	303	315
Deferred tax assets	280	276	Other noncurrent liabilities	697	724
Net defined benefit asset	4,343	4,421	<b>Total Liabilities</b>	<b>66,945</b>	<b>72,852</b>
Other fixed assets	975	1,015	(Net assets)		
Less: Allowance for doubtful accounts	(3)	(3)	Shareholders' Equity	75,958	76,893
			Capital stock	7,296	7,301
			Capital surplus	7,606	7,610
			Retained earnings	61,340	62,266
			Less: Treasury stock at cost	(284)	(285)
			Valuation and Translation Adjustment	14,981	15,213
			Valuation difference on available securities	12,768	13,026
			Deferred gains or losses on hedges	-	(153)
			Foreign currency translation adjustments	1,627	1,751
			Remeasurement of defined benefit plan	585	588
			Subscription rights to shares	232	232
			Minority Interests	740	851
			<b>Total Net Assets</b>	<b>91,913</b>	<b>93,192</b>
<b>Total Assets</b>	<b>158,858</b>	<b>166,044</b>	<b>Total Liabilities and Net Assets</b>	<b>158,858</b>	<b>166,044</b>

# Consolidated Statements of Income

(Million Yen)

	FY2017 For the Year Ended Jun.30, 2017	FY2018 For the Year Ended Jun.30, 2018
Net Sales	26,844	32,144
Cost of Sales	22,860	27,546
Gross Profit	3,984	4,598
Selling, General and Administrative Expenses	2,069	2,670
Operating Income	1,915	1,927
Non-Operating Income	517	653
Interest income	23	17
Dividend income	254	278
Equity in earnings of affiliated companies	136	224
Foreign exchange gain	37	65
Other Non-operating income	65	68
Non-Operating Expenses	48	118
Interest expense	48	58
Commission fee	-	56
Other Non-operating expense	0	3
Ordinary Income	2,384	2,461
Extraordinary Income	-	127
Gains on sale of fixed assets	-	127
Extraordinary Losses	19	19
Losses on sales and retirements of fixed assets	19	19
Income Before Income Taxes and Minority Interests	2,364	2,569
Income Taxes	678	737
Income before minority interests	1,686	1,832
Minority Interests in Income (Loss)	(1)	1
Net Income	1,687	1,830