

## Consolidated Financial Results

### For the 2nd Quarter Ended September 30, 2015

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: Akihiko Murakami, General Manager of Corporate Planning & Accounting Dept.

Telephone: +81-584-93-0117

(Amounts less than one million yen are omitted)

#### 1. Consolidated Financial Results for FY 2015 2nd Quarter (From April 1, 2015 to Sep. 30, 2015)

##### (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	%
FY2015 2nd quarter	52,340	9.9	3,393	17.4	4,064	15.1	3,365	36.5
FY2014 2nd quarter	47,640	7.5	2,889	2.2	3,532	△0.3	2,464	8.6

Note: Comprehensive income

FY2015 2nd quarter: 130 million yen(△96.3%), FY2014 2nd quarter: 3,484million yen(△45.0%)

	Earnings Per Share	Fully Diluted Earnings Per Share
	Yen	Yen
FY2015 2nd quarter	62.81	55.63
FY2014 2nd quarter	46.07	40.80

##### (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	%
FY2015 2nd quarter	131,204	74,587	56.1
FY2014	133,694	75,459	55.5

Note: Shareholders' equity:

FY2015 half year: 73,666 million yen      FY2014: 74,142 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
FY2014	—	8.00	—	16.00	24.00
FY2015	—	12.00	—	—	—
FY2015(Forecast)	—	—	—	12.00	24.00

Note: Revisions to the forecasts announced most recently: Yes

### 3. Forecasts of Consolidated Financial Results for FY 2015(April 1, 2015 through March 31, 2016)

(%: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
FY2015	104,500	4.6	7,700	10.6	8,800	1.3	6,400	△4.7	119.37

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) Pacific Development Co., Ltd.

(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)	FY2015 2nd quarter	54,686,281 shares	FY 2014	54,646,347 shares
②Number of shares of treasury stock at end of period	FY2015 2nd quarter	1,036,963 shares	FY 2014	1,121,570shares
③Average number of common stock (quarterly total)	FY2015 2nd quarter	53,587,701 shares	FY2014 2nd quarter	53,501,313 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)

	FY2014 <small>(As of Mar.31, 2015)</small>	FY2015 <small>(As of Sep.30, 2015)</small>		FY2014 <small>(As of Mar.31, 2015)</small>	FY2015 <small>(As of Sep.30, 2015)</small>
(Assets)			(Liabilities)		
Current Assets	39,382	38,553	Current Liabilities	28,813	30,386
Cash and time deposits	13,811	13,163	Trade notes and accounts payable	6,553	5,817
Trade notes and accounts receivable	15,104	14,511	Electronically recorded obligations - operating	6,281	6,315
Inventories	7,256	7,489	Short-term borrowings	3,698	3,480
Other current assets	3,241	3,415	Current portion of long-term borrowings	2,990	6,716
Less: Allowance for doubtful accounts	(31)	(26)	Other accounts payable	4,154	3,765
			Income taxes payable	951	188
			Allowance for bonuses	1,487	1,402
			Allowance for bonuses to directors	73	36
			Other current liabilities	2,622	2,664
Fixed Assets	94,312	92,650			
Property, Plant and Equipment	56,615	57,773			
Buildings and structures	16,667	18,446			
Machinery and vehicles	21,398	22,672			
Tools, Furniture, and fixtures	4,329	4,943			
Land	5,680	5,419	Noncurrent Liabilities	29,422	26,230
Lease Asset	486	458	Convertible bond	6,000	5,964
Construction in progress	8,053	5,832	Long-term borrowings	13,237	11,200
Intangible Fixed Assets	1,002	1,030	Provision for directors retirement benefit	233	249
Investments and Other Assets	36,694	33,846	Net defined benefit liabilities	201	241
Investments in securities	30,735	27,679	Other noncurrent liabilities	9,750	8,574
Other fixed assets	5,971	6,179			
Less: Allowance for doubtful accounts	(12)	(11)			
			Total Liabilities	58,235	56,616
			(Net assets)		
			Shareholders' Equity	52,478	55,203
			Capital stock	4,320	4,338
			Capital surplus	4,597	4,629
			Retained earnings	43,878	46,529
			Less: Treasury stock at cost	(318)	(294)
			Valuation and Translation Adjustment	21,663	18,463
			Valuation difference on available securities	14,786	12,426
			Foreign currency translation adjustments	5,693	4,903
			Remeasurement of defined benefit plan	1,183	1,132
			Subscription rights to shares	168	190
			Total investments and other assets	1,148	730
			Total Net Assets	75,459	74,587
Total Assets	133,694	131,204	Total Liabilities and Net Assets	133,694	131,204

## Consolidated Statements of Income

(Million Yen)

	FY2014 For the Second Quarter Sep.30, 2014	FY2015 For the Second Quarter Sep.30, 2015
Net sales	47,640	52,340
Cost of sales	40,883	44,823
Gross profit	6,757	7,517
Selling, general and administrative expenses	3,868	4,124
Operating Income	2,889	3,393
Non-operating income	785	990
Interest income	14	25
Dividend income	264	328
Equity in earnings of affiliated companies	342	441
Other non-operating income	163	194
Non-operating Expenses	142	319
Interest expense	107	84
Foreign exchange losses	-	205
Other non-operating expense	34	30
Ordinary income	3,532	4,064
Extraordinary income	0	47
Gains on sale of fixed assets	0	3
Gains on sale of subsidiaries and affiliates' stocks	-	44
Extraordinary Losses	18	88
Losses on sales and retirements of fixed assets	18	88
Income before income taxes and non controlling interests	3,513	4,022
Income taxes	1,066	659
Current term net profit	2,447	3,363
Loss attributable to non controlling interests	(17)	(2)
Profit attributable to the owners of parent	2,464	3,365