

Consolidated Financial Results

For the 3rd Quarter Ended December 31, 2022

Company name: PACIFIC INDUSTRIAL CO., LTD.

Stock exchange listings: Tokyo and Nagoya Stock Exchanges

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 2022 3rd Quarter (From April 1, 2022 to December 31, 2022)

(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	%
FY2022 3rd quarter	143,423	19.5	5,690	-26.9	8,517	-15.1	6,201	-16.2
FY2021 3rd quarter	120,048	11.1	7,784	56.8	10,037	70.9	7,401	73.4

Note: Comprehensive income

FY2022 3rd quarter: 10,358million yen (-20.9%), FY2021 3rd quarter: 13,091 million yen (123.5%)

	Earnings Per Share	Fully Diluted Earnings Per Share
	Yen	Yen
FY2022 3rd quarter	103.42	103.22
FY2021 3rd quarter	122.22	121.95

(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	%
FY2022 3rd quarter	250,318	137,025	54.4
FY2021	245,439	130,382	52.8

Note: Shareholders' equity: FY2022 3rd quarter: 136,061million yen FY2021: 129,534 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
FY2021	—	16.00	—	25.00	41.00
FY2022	—	20.00	—	—	—
FY2022(Forecast)	—	—	—	22.00	42.00

Note: Revisions to the forecasts announced most recently: None

3. Forecasts of Consolidated Financial Results for FY 2022 (From April 1, 2022 to March 31, 2023)

(%: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
FY2022	185,000	12.5	8,500	-21.0	11,500	-21.3	8,300	-15.3	138.60

Note: Revisions to the forecasts announced most recently: None

4. Notes

(1) Changes in major subsidiaries during the current quarter: None

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

Newly included: — (company name)

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

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

①Number of shares outstanding at end of period(including treasury stock)	FY2022 3rd quarter	61,312,896 shares	FY 2021	61,312,896 shares
②Number of shares of treasury stock at end of period	FY2022 3rd quarter	1,670,909 shares	FY 2021	732,655 shares
③Average number of common stock (quarterly total)	FY2022 3rd quarter	59,959,923 shares	FY2021 3rd quarter	60,559,291 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)

	FY2021 (As of Mar.31, 2022)	FY2022 (As of Dec.31, 2022)		FY2021 (As of Mar.31, 2022)	FY2022 (As of Dec.31, 2022)
(Assets)			(Liabilities)		
Current Assets	82,351	82,806	Current Liabilities	44,910	49,759
Cash and time deposits	27,014	21,030	Trade notes and accounts payable	13,189	13,127
Trade notes and accounts receivable	29,999	33,668	Electronically recorded obligations - operating	8,095	7,889
Merchandise and finished goods	7,834	9,779	Short-term borrowings	1,015	1,015
Work in process	6,209	6,954	Current portion of long-term borrowings	5,986	6,369
Raw materials and supplies	6,429	6,300	Accounts payable	4,387	8,677
Other current assets	5,023	5,227	Income taxes payable	3,234	1,338
Less: Allowance for doubtful accounts	(159)	(154)	Allowance for bonuses	1,671	936
			Other current liabilities	7,329	10,407
Fixed Assets	163,087	167,511	Noncurrent Liabilities	70,146	63,532
Property, Plant and Equipment	104,348	111,457	Long-term borrowings	55,099	49,283
Buildings and structures	30,218	31,371	Provision for directors retirement benefit	160	160
Machinery and vehicles	47,797	47,315	Net defined benefit liabilities	610	677
Tools, Furniture, and fixtures	2,140	2,385	Other noncurrent liabilities	14,276	13,410
Land	10,456	10,601			
Lease Asset	1,036	1,011	Total Liabilities	115,056	113,292
Construction in progress	12,699	18,772			
Intangible Fixed Assets	12,063	11,950	(Net assets)		
Goodwill	6,751	6,498	Shareholders' Equity	102,265	104,753
Other	5,312	5,451	Capital stock	7,316	7,316
Investments and Other Assets	46,675	44,103	Capital surplus	7,683	7,686
Investments in securities	38,473	35,914	Retained earnings	87,470	90,944
Other fixed assets	8,209	8,193	Less: Treasury stock at cost	(205)	(1,193)
Less: Allowance for doubtful accounts	(8)	(3)	Valuation and Translation Adjustment	27,268	31,307
			Valuation difference on available securities	18,284	15,597
			Foreign currency translation adjustments	7,602	14,415
			Remeasurement of defined benefit plan	1,381	1,294
			Subscription rights to shares	97	97
			Minority Interests	751	866
			Total Net Assets	130,382	137,025
Total Assets	245,439	250,318	Total Liabilities and Net Assets	245,439	250,318

Consolidated Statements of Income

(Million Yen)

	FY2021 For the 3rd Quarter Dec.31, 2021	FY2022 For the 3rd Quarter Dec.31, 2022
Net sales	120,048	143,423
Cost of sales	102,822	127,618
Gross profit	17,225	15,804
Selling, general and administrative expenses	9,441	10,114
Operating Income (loss)	7,784	5,690
Non-operating income	2,531	3,077
Interest income	29	55
Dividend income	659	694
Equity in earnings of affiliated companies	845	623
Foreign exchange gain	249	979
Other non-operating income	747	724
Non-operating Expenses	277	251
Interest expense	260	216
Other non-operating expense	17	34
Ordinary income (loss)	10,037	8,517
Extraordinary Losses	155	110
Loss on sales and retirements of fixed assets	155	110
Profit (loss) before income taxes and non controlling interests	9,882	8,406
Income taxes	2,448	2,115
Current term net profit (loss)	7,434	6,291
Profit (loss) attributable to non-controlling interests	32	90
Profit (loss) attributable to owners of parent	7,401	6,201