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Consolidated Financial Results for the Nine Months Ended December 31, 2021 [Japanese GAAP]

January 27, 2022

Company name: PEGASUS SEWING MACHINE MFG. CO., LTD.
 Stock exchange listing: Tokyo
 Code number: 6262
 URL: <https://www.pegasus.co.jp>
 Representative: Shigemi Mima Representative Director
 Contact: Takashi Kaneko Senior Executive Officer
 Phone: 06(6451)1351
 Scheduled date of filing quarterly securities report: February 04, 2022
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 01, 2021 to December 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	14,722	77.4	1,272	604.9	1,312	306.0	1,037	-
December 31, 2020	8,299	(27.9)	180	(21.8)	323	44.3	(106)	-

(Note) Comprehensive income:
 Nine months ended December 31, 2021: ¥ 2,474 million [-%]
 Nine months ended December 31, 2020: ¥ (575) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	41.82	-
December 31, 2020	(4.29)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2021	33,309	24,151	70.3
March 31, 2021	29,846	22,061	71.6

(Reference) Equity:
 As of December 31, 2021: ¥ 23,417 million
 As of March 31, 2021: ¥ 21,381 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	0.00	-	7.00	7.00
Fiscal year ending March 31, 2022	-	7.00	-		
Fiscal year ending March 31, 2022 (Forecast)				13.00	20.00

(Note) Revision to the forecast for dividends announced most recently: Yes

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	20,000	61.0	1,600	209.5	1,600	134.6	1,200	69.7	48.36

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2021: 24,828,600 shares

March 31, 2021: 24,828,600 shares

2) Total number of treasury shares at the end of the period:

December 31, 2021: 17,976 shares

March 31, 2021: 17,976 shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 24,810,624 shares

Nine months ended December 31, 2020: 24,810,656 shares

(Note) 1 Quarterly summary of financial statements is not subject to the quarterly reviews by a certified public accountant or an audit corporation.

2 Forward-looking statements

Statements contained in this summary regarding the Company's plans, strategies, and expectations for future performance, which are based on information available to the Company at the time of writing.

They are therefore subject to a number of uncertainties and unknowable factors, and actual results may thus differ substantially from those projected.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of December 31,2021
Assets		
Current assets		
Cash and deposits	8,659,115	9,509,710
Notes and accounts receivable - trade	3,619,713	5,096,993
Merchandise and finished goods	4,442,859	4,248,060
Work in process	738,116	944,323
Raw materials and supplies	3,453,410	3,749,115
Other	357,668	446,753
Allowance for doubtful accounts	(13,082)	(37,269)
Total current assets	21,257,801	23,957,687
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,675,393	4,990,995
Other, net	2,943,484	3,236,460
Total property, plant and equipment	7,618,878	8,227,455
Intangible assets	505,654	526,205
Investments and other assets		
Retirement benefit asset	149,517	159,909
Other	314,235	437,895
Total investments and other assets	463,753	597,805
Total non-current assets	8,588,285	9,351,466
Total assets	29,846,087	33,309,153
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,115,489	1,851,952
Short-term borrowings	2,103,670	2,483,435
Income taxes payable	52,829	209,867
Provision for bonuses	127,129	143,616
Other	1,117,371	1,306,964
Total current liabilities	4,516,490	5,995,836
Non-current liabilities		
Long-term borrowings	1,888,745	1,663,318
Retirement benefit liability	528,847	517,465
Other	850,061	980,730
Total non-current liabilities	3,267,654	3,161,513
Total liabilities	7,784,144	9,157,350

(Thousand yen)

	As of March 31,2021	As of December 31,2021
Net assets		
Shareholders' equity		
Share capital	2,255,553	2,255,553
Capital surplus	2,983,084	2,988,857
Retained earnings	15,703,763	16,393,976
Treasury shares	(5,365)	(5,365)
Total shareholders' equity	20,937,036	21,633,022
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,512	13,712
Foreign currency translation adjustment	367,086	1,705,500
Remeasurements of defined benefit plans	64,390	65,064
Total accumulated other comprehensive income	443,989	1,784,277
Non-controlling interests	680,917	734,503
Total net assets	22,061,942	24,151,803
Total liabilities and net assets	29,846,087	33,309,153

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Net sales	8,299,972	14,722,163
Cost of sales	5,229,468	9,970,715
Gross profit	3,070,504	4,751,447
Selling, general and administrative expenses	2,889,950	3,478,759
Operating profit	180,553	1,272,687
Non-operating income		
Interest income	7,185	6,462
Dividend income	2,571	2,343
Foreign exchange gains	-	6,410
Subsidy income	211,892	48,737
Other	14,266	33,720
Total non-operating income	235,915	97,674
Non-operating expenses		
Interest expenses	56,418	52,540
Foreign exchange losses	33,026	-
Other	3,823	5,662
Total non-operating expenses	93,269	58,202
Ordinary profit	323,199	1,312,159
Extraordinary income		
Gain on sale of non-current assets	737	11,210
Gain on redemption of investment securities	22,090	-
Total extraordinary income	22,827	11,210
Extraordinary losses		
Loss on sale of non-current assets	303,174	91
Impairment losses	-	17,906
Total extraordinary losses	303,174	17,998
Profit before income taxes	42,852	1,305,372
Income taxes - current	81,374	351,951
Income taxes - deferred	50,693	(120,501)
Total income taxes	132,067	231,449
Profit (loss)	(89,215)	1,073,922
Profit attributable to non-controlling interests	17,291	36,359
Profit (loss) attributable to owners of parent	(106,506)	1,037,562

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Profit (loss)	(89,215)	1,073,922
Other comprehensive income		
Valuation difference on available-for-sale securities	(12,472)	1,199
Foreign currency translation adjustment	(487,628)	1,398,522
Remeasurements of defined benefit plans, net of tax	13,789	673
Total other comprehensive income	(486,311)	1,400,395
Comprehensive income	(575,526)	2,474,317
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(579,178)	2,377,850
Comprehensive income attributable to non-controlling interests	3,651	96,467