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Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]

January 26, 2023

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 03, 2023

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, 2022 (April 01, 2022 to December 31, 2022)

(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, 2022	19,723	34.0	2,300	80.7	2,621	99.8	1,847	78.0
December 31, 2021	14,722	77.4	1,272	604.9	1,312	306.0	1,037	-

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥ 6,115 million [147.2%]

Nine months ended December 31, 2021: ¥ 2,474 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	74.45	-
December 31, 2021	41.82	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2022	42,679	30,758	69.9
March 31, 2022	35,133	25,366	70.0

(Reference) Equity: As of December 31, 2022: ¥ 29,818 million

As of March 31, 2022: ¥ 24,599 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, 2022	-	7.00	-	13.00	20.00
Fiscal year ending March 31, 2023	-	15.00	-		
Fiscal year ending March 31, 2023 (Forecast)				-	-

- (Note) 1 Revision to the forecast for dividends announced most recently: No
 2 The year-end dividend forecast for the fiscal year ending March 31, 2023 is undecided because it is difficult to forecast at this time.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% 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	23,660	15.4	2,350	27.2	2,360	21.6	1,740	10.7	70.13

- (Note) Revision to the financial results forecast announced most recently: No

* Notes:

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022

(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, 2022: 24,828,600 shares

March 31, 2022: 24,828,600 shares

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

December 31, 2022: 17,976 shares

March 31, 2022: 17,976 shares

- 3) Average number of shares during the period:

Nine months ended December 31, 2022: 24,810,624 shares

Nine months ended December 31, 2021: 24,810,624 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 31,2022	As of December 31,2022
Assets		
Current assets		
Cash and deposits	9,773,167	10,131,275
Notes and accounts receivable - trade	5,676,044	7,808,545
Merchandise and finished goods	4,675,908	6,874,174
Work in process	1,063,678	919,295
Raw materials and supplies	3,787,567	4,554,984
Other	531,472	771,842
Allowance for doubtful accounts	(35,551)	(42,964)
Total current assets	25,472,287	31,017,152
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,042,579	5,269,859
Other, net	3,470,109	5,011,230
Total property, plant and equipment	8,512,689	10,281,090
Intangible assets	535,822	619,126
Investments and other assets		
Retirement benefit asset	163,732	174,962
Other	448,970	587,045
Total investments and other assets	612,702	762,008
Total non-current assets	9,661,215	11,662,225
Total assets	35,133,503	42,679,378
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,396,454	3,904,571
Short-term borrowings	2,620,705	3,009,810
Income taxes payable	206,741	594,229
Provision for bonuses	163,041	130,951
Other	1,313,567	1,589,023
Total current liabilities	6,700,511	9,228,585
Non-current liabilities		
Long-term borrowings	1,556,909	1,263,585
Retirement benefit liability	509,426	532,660
Other	999,692	895,879
Total non-current liabilities	3,066,028	2,692,125
Total liabilities	9,766,540	11,920,710

(Thousand yen)

	As of March 31,2022	As of December 31,2022
Net assets		
Shareholders' equity		
Share capital	2,255,553	2,255,553
Capital surplus	2,988,857	2,988,857
Retained earnings	16,928,634	18,081,076
Treasury shares	(5,365)	(5,365)
Total shareholders' equity	22,167,680	23,320,121
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,455	13,054
Foreign currency translation adjustment	2,353,722	6,419,587
Remeasurements of defined benefit plans	65,715	65,490
Total accumulated other comprehensive income	2,431,893	6,498,132
Non-controlling interests	767,388	940,412
Total net assets	25,366,962	30,758,667
Total liabilities and net assets	35,133,503	42,679,378

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 31,2021	For the nine months ended December 31,2022
Net sales	14,722,163	19,723,917
Cost of sales	9,970,715	13,044,465
Gross profit	4,751,447	6,679,452
Selling, general and administrative expenses	3,478,759	4,379,132
Operating profit	1,272,687	2,300,319
Non-operating income		
Interest income	6,462	20,356
Dividend income	2,343	8,423
Foreign exchange gains	6,410	357,459
Subsidy income	48,737	4,322
Other	33,720	27,323
Total non-operating income	97,674	417,883
Non-operating expenses		
Interest expenses	52,540	92,220
Other	5,662	4,446
Total non-operating expenses	58,202	96,666
Ordinary profit	1,312,159	2,621,537
Extraordinary income		
Gain on sale of non-current assets	11,210	1,369
Total extraordinary income	11,210	1,369
Extraordinary losses		
Loss on sale of non-current assets	91	6
Impairment losses	17,906	-
Loss on retirement of non-current assets	-	546
Total extraordinary losses	17,998	552
Profit before income taxes	1,305,372	2,622,353
Income taxes - current	351,951	918,576
Income taxes - deferred	(120,501)	(199,014)
Total income taxes	231,449	719,561
Profit	1,073,922	1,902,792
Profit attributable to non-controlling interests	36,359	55,653
Profit attributable to owners of parent	1,037,562	1,847,138

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

(Thousand yen)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Profit	1,073,922	1,902,792
Other comprehensive income		
Valuation difference on available-for-sale securities	1,199	599
Foreign currency translation adjustment	1,398,522	4,212,139
Remeasurements of defined benefit plans, net of tax	673	(224)
Total other comprehensive income	1,400,395	4,212,514
Comprehensive income	2,474,317	6,115,306
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,377,850	5,913,377
Comprehensive income attributable to non-controlling interests	96,467	201,928