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Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

July 27, 2023

Company name: PEGASUS 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

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Scheduled date of filing quarterly securities report: August 8, 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.)

I. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	5,348	(21.9)	250	(74.0)	586	(51.0)	391	(56.5)
June 30, 2022	6,847	36.9	961	266.6	1,198	359.0	900	398.1

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 816 million [(63.7)%]
Three months ended June 30, 2022: ¥ 2,245 million [77.6%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	15.79	-
June 30, 2022	36.28	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2023	40,535	29,647	71.0
March 31, 2023	39,507	29,199	71.6

(Reference) Equity: As of June 30, 2023: ¥ 28,783 million
As of March 31, 2023: ¥ 28,300 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, 2023	-	15.00	-	12.00	27.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		9.00	-	-	-

(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, 2024 is undecided because it is difficult to forecast at this time.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	8,950	(33.0)	310	(83.7)	180	(92.7)	100	(94.3)	4.03
Full year	21,880	(13.5)	1,320	(50.3)	1,100	(62.7)	710	(69.1)	28.62

(Note) 1 Revision to the financial results forecast announced most recently: No

2 Consolidated financial results forecast for ordinary profit and profit attributable to owners of parent remain unchanged due to uncertainties such as future exchange rate trends.

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023

(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: No

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):

June 30, 2023: 24,828,600 shares

March 31, 2023: 24,828,600 shares

2) Number of treasury shares at the end of the period:

June 30, 2023: 17,976 shares

March 31, 2023: 17,976 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 24,810,624 shares

Three months ended June 30, 2022: 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

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	9,530,205	8,905,304
Notes and accounts receivable - trade	6,141,082	6,667,426
Merchandise and finished goods	7,024,645	6,847,695
Work in process	1,105,842	996,322
Raw materials and supplies	4,019,530	4,168,909
Other	678,854	748,150
Allowance for doubtful accounts	(127,704)	(127,846)
Total current assets	28,372,456	28,205,961
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,045,679	5,033,194
Other, net	5,363,979	6,400,231
Total property, plant and equipment	10,409,659	11,433,426
Intangible assets	44,057	41,647
Investments and other assets		
Retirement benefit asset	131,844	135,113
Other	549,956	719,678
Total investments and other assets	681,801	854,792
Total non-current assets	11,135,518	12,329,865
Total assets	39,507,974	40,535,827
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,831,554	2,410,145
Short-term borrowings	3,018,940	3,809,920
Income taxes payable	498,384	362,068
Provision for bonuses	121,878	105,879
Other	1,393,134	1,487,719
Total current liabilities	7,863,891	8,175,732
Non-current liabilities		
Long-term borrowings	1,171,533	1,097,524
Retirement benefit liability	521,722	504,662
Other	750,841	1,110,828
Total non-current liabilities	2,444,097	2,713,014
Total liabilities	10,307,989	10,888,746

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	2,255,553	2,255,553
Capital surplus	2,988,857	2,988,857
Retained earnings	18,528,628	18,622,597
Treasury shares	(5,365)	(5,365)
Total shareholders' equity	23,767,674	23,861,643
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,074	17,378
Foreign currency translation adjustment	4,482,371	4,869,596
Remeasurements of defined benefit plans	36,001	34,645
Total accumulated other comprehensive income	4,532,447	4,921,620
Non-controlling interests	899,863	863,817
Total net assets	29,199,985	29,647,080
Total liabilities and net assets	39,507,974	40,535,827

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

(Thousands of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	6,847,185	5,348,658
Cost of sales	4,573,379	3,817,621
Gross profit	2,273,805	1,531,036
Selling, general and administrative expenses	1,312,195	1,280,625
Operating profit	961,610	250,410
Non-operating income		
Interest income	2,482	14,632
Dividend income	854	2,050
Foreign exchange gains	247,213	335,507
Subsidy income	1,706	-
Other	5,481	11,367
Total non-operating income	257,738	363,557
Non-operating expenses		
Interest expenses	19,875	25,010
Other	1,432	2,140
Total non-operating expenses	21,308	27,150
Ordinary profit	1,198,040	586,817
Extraordinary income		
Gain on sale of non-current assets	710	-
Total extraordinary income	710	-
Extraordinary losses		
Profit before income taxes	1,198,751	586,817
Income taxes - current	334,049	302,200
Income taxes - deferred	(54,442)	(128,738)
Total income taxes	279,606	173,462
Profit	919,144	413,355
Profit attributable to non-controlling interests	18,927	21,658
Profit attributable to owners of parent	900,216	391,696

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

(Thousands of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	919,144	413,355
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,054)	3,304
Foreign currency translation adjustment	1,328,583	400,817
Remeasurements of defined benefit plans, net of tax	(74)	(1,356)
Total other comprehensive income	1,326,454	402,765
Comprehensive income	2,245,599	816,120
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,172,523	780,869
Comprehensive income attributable to non-controlling interests	73,075	35,251