

Aug. 31, 2020

Brief Financial Report for the First Quarter Ending March 2021 [Based on Japanese Accounting Standards] (Consolidated)

Listed Company: PIOLAX Inc.

Code No.: 5988 (URL <https://www.piolax.co.jp>)

Representative: President Yukihiro Shimazu

Contact person in charge: General Manager, Management & Planning Department Toru Nagashima (Tel. 045-731-1211)

Estimated submission date of quarterly report: September 1, 2020

Date scheduled to start dividend payment: -

Preparation of supplementary materials for quarterly financial results: None

Information meeting for quarterly financial results to be held: None

(Amounts are rounded to the nearest million yen)

1. Consolidated performance for the first quarter ending March 31, 2021 (April 1, 2020 to June 30, 2020)

(1) Consolidated business results (Total sum)

(Percentage changes from the same period the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of PIOLAX Inc.	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY3/21 1Q	10,368	-34.8	296	-82.8	613	-68.5	471	-69.5
FY3/20 1Q	15,896	-7.4	1,721	-33.8	1,947	-31.2	1,545	-29.3

Note: Comprehensive income FY3/21 1Q -1,421 million yen (-%), FY 3/20 1Q 1,893 million yen (110.9%)

	Quarter net income per share	Quarter net income per share-diluted
	Yen	Yen
FY3/21 1Q	13.50	-
FY3/20 1Q	43.15	-

(2) Consolidate financial position

	Total assets	Net assets	Equity capital ratio
	Millions of yen	Millions of yen	%
FY3/21 1Q	100,170	89,251	87.8
FY3/20	101,755	91,460	88.6

(Reference) Equity capital: FY3/21 1Q 87,960 million yen, FY 3/20 90,115 million yen

2. Cash dividends

	Annual dividends				
	End of first quarter	End of second quarter	End of third quarter	Term end	Full year
	Yen	Yen	Yen	Yen	Yen
FY3/20	-	22.50	-	22.50	45.00
FY3/21	-	-	-	-	-
FY3/21 (Forecast)	-	-	-	-	-

Note: 1. Changes in the latest forecasts released: None

2. The dividend for the fiscal year ended March 31, 2021 is undecided at the present stage. We will announce the dividend forecast as soon as it becomes possible to disclose it.

3. Forecast consolidated performance for the year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(Percentage changes from previous period, and changes from the previous first half term for the same term)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of PIOLAX Inc.	Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	Yen
First half (total sum)	20,000	-37.4	0	-	300	-92.5	200	5.73
Annual	45,000	-28.0	1,900	-71.9	2,600	-64.8	1,800	51.56

Note: Changes in the latest forecasts released: Yes

2. Quarterly consolidated financial statement

(1) Quarterly consolidated balance sheet

(Millions of Yen)

	Previous consolidated FY (March 31, 2020)	Current first quarter (June 30, 2020)
Assets		
Current assets		
Cash and cash equivalents	31,424	34,383
Notes and accounts receivable-trade	12,346	9,544
Electronically recorded monetary claims-operating	1,785	1,282
Marketable securities	2,154	1,054
Goods and Finished products	4,832	5,539
Material in progress	1,705	1,735
Raw materials and inventory goods	1,796	1,803
Other	1,958	2,058
Allowance for bad loans	-35	-33
Total current assets	57,968	57,367
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	8,197	7,963
Machinery equipment and vehicles (net)	7,339	6,818
Tools, furniture and fixture (net)	2,119	2,033
Land	5,565	5,527
Lease asset (net)	107	99
Construction in progress	1,162	1,367
Total tangible fixed assets	24,492	23,808
Intangible fixed assets		
Other	1,869	1,712
Total intangible fixed assets	1,869	1,712
Investments and other assets		
Investment account securities	16,161	16,056
Other	1,263	1,225
Allowance for bad loans	-0	-0
Total investments and other assets	17,425	17,281
Total fixed assets	43,787	42,802
Total assets	101,755	100,170

(Millions of Yen)

	Previous consolidated FY (March 31, 2020)	Current first quarter (June 30, 2020)
Liabilities		
Current liabilities		
Accounts payable-trade	3,037	1,970
Short-term loans payable	-	1,500
Accrued income taxes	289	248
Allowance reserve	861	444
Other	3,692	4,402
Total current liabilities	7,879	8,565
Long-term liabilities		
Allowance reserve	57	63
Net defined benefit liability	265	250
Asset removal liabilities	57	56
Other	2,035	1,982
Total long-term liabilities	2,415	2,352
Total liabilities	10,295	10,918
Total equity		
Equity		
Common stock	2,960	2,960
Capital surplus	2,888	2,888
Retained earnings	89,206	88,890
Treasury stock	-5,003	-5,003
Total shareholders' equity	90,052	89,736
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	649	738
Deferred gains or losses on hedges	2	-0
Foreign currency translation adjustments	-316	-2,254
Remeasurements of defined benefit plans	-273	-259
Total accumulated other comprehensive income	62	-1,775
Minority interests in consolidated subsidiaries	1,345	1,291
Total equity	91,460	89,251
Total liabilities and equity	101,755	100,170

(2) Quarterly Consolidated Statements of (Comprehensive) Income
 (Quarterly Consolidated Statements of Income)
 [FY2021 first quarter]

(Millions of Yen)

	Previous first quarter (April 1, 2019 to June 30, 2019)	Current first quarter (April 1, 2020 to June 30, 2020)
Net sales	15,896	10,368
Cost of sales	11,536	7,793
Gross profit	4,360	2,574
Selling, general and administrative expenses	2,639	2,278
Operating income	1,721	296
Non-operating income		
Interest income	30	25
Dividend income	37	17
Equity method investment gain	210	42
Foreign exchange gains	-	249
Other	49	63
Total non-operating income	328	398
Non-operating expenses		
Interest expense	0	3
Foreign exchange loss	71	-
Loss on disposal of property and equipment	8	7
Cost of lease revenue	1	1
Loss on insurance cancellation	17	-
Building demolition expense	-	56
Other	2	13
Total non-operating expenses	102	81
Ordinary income	1,947	613
Quarterly net income before taxes and other adjustments	1,947	613
Corporate taxes	393	130
Net income before non-controlling interests	1,553	483
Net income attributable to non-controlling interests	7	12
Net income attributable to owners of PIOLAX Inc.	1,545	471