

Brief Financial Report for the Year Ended March 31, 2024 [Based on Japanese Accounting Standards] (Consolidated)

Listed Company Name: PIOLAX Inc. Listing Exchanges: Tokyo Stock Exchange (Prime Market)
 Code No.: 5988 URL: <https://www.piolax.co.jp>
 Representative: President Yukihiko Shimazu
 Contact: General Manager, Management & Planning Department Toru Nagashima Tel.: 045-577-3880
 Date scheduled for general meeting of shareholders: June 25, 2024 Date scheduled to start dividend payment: June 26, 2024
 Date scheduled to submit asset securities report: June 26, 2024
 Preparation of supplementary materials for quarterly financial results: Yes
 Information meeting for financial results to be held: Yes (For institutional investor and investment analyst)

(Amounts are rounded to the nearest million yen.)

1. Consolidated performance for the year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated business results

(Percentage changes from previous period.)

	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	%
FY3/24	64,551	10.5	4,756	20.4	5,650	16.1	4,013	18.9
FY3/23	58,422	5.9	3,949	-24.3	4,868	-15.7	3,375	-20.1

(Note) Comprehensive income FY3/24 8,074 million yen (-1.8%) FY3/23 8,221 million yen (7.3%)

	Net income per share	Net income per share-diluted	Net income to treasury shares	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY3/24	117.88	-	3.8	4.8	7.4
FY3/23	99.15	-	3.4	4.3	6.8

(Reference) Investment profit (loss) arising from equity method FY3/24 557 million yen FY3/23 688 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY3/24	121,416	107,944	87.5	3,122.47
FY3/23	115,458	104,250	88.9	3,015.93

(Reference) Shareholders' equity FY3/24 106,297 million yen FY3/23 102,670 million yen

(3) Consolidated cash flows

	Net cash flows from operating activities	Net cash flows from investing activities	Net cash flows from financing activities	Cash and cash equivalents at ending of the term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY3/24	8,365	-8,573	-4,695	24,750
FY3/23	6,068	-5,001	-2,443	29,068

2. Dividends

	Annual dividends					Total dividend amount (annual)	Payout ratio (consolidated)	Dividend on net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Term end	Full year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY3/23	-	43.00	-	57.00	100.00	3,533	100.9	3.4
FY3/24	-	69.00	-	59.00	128.00	4,534	108.6	4.2
FY3/25 (forecast)	-	39.00	-	53.00	92.00		101.0	

(Note)

- The end of second quarter dividend for the fiscal year ending March 31, 2024 includes a 90th anniversary commemorative dividend of 10.00 yen.
- We had introduced a stock compensation plan for executives, and the total dividend includes the dividend paid to the trust account.
- We had introduced a stock compensation plan for employees, and the total dividend includes the dividend paid to the trust account.

3. Consolidated performance forecast for the year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(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)	32,000	3.3	1,300	-30.9	1,800	-23.5	1,300	-34.4	38.19
Annual	66,000	2.2	3,600	-24.3	4,700	-16.8	3,100	-22.8	91.06

4. Consolidated financial statement

(1) Consolidated balance sheet

(Millions of yen)

	FY 2022 (As of March 31, 2023)	FY 2023 (As of March 31, 2024)
Assets		
Current assets		
Cash and cash equivalents	36,973	35,652
Notes receivable-trade	277	175
Electronically recorded monetary claims-operating	1,640	2,213
Accounts receivable-trade	13,271	13,267
Marketable securities	1,864	1,620
Goods and finished products	5,554	5,980
Material in progress	2,186	2,238
Raw materials and inventory goods	3,047	3,148
Income taxes receivable	322	34
Other current assets	1,806	2,769
Allowance for bad loans	-38	-38
Total current assets	66,906	67,062
Fixed assets		
Tangible fixed assets		
Buildings and structures	19,097	23,314
Accumulated depreciation	-11,281	-11,170
Buildings and structures (net)	7,816	12,144
Machinery equipment, and vehicles	34,595	37,995
Accumulated depreciation	-27,799	-30,127
Machinery equipment and vehicles (net)	6,796	7,868
Tools, furniture and fixture	31,585	32,689
Accumulated depreciation	-29,154	-30,175
Tools, furniture and fixture (net)	2,431	2,514
Land	5,830	5,885
Lease asset	452	874
Accumulated depreciation	-36	-425
Lease asset (net)	415	448
Construction in progress	2,224	1,304
Total tangible fixed assets	25,514	30,165
Intangible fixed assets		
Other	1,607	1,565
Total intangible fixed assets	1,607	1,565
Investments and other assets		
Investment securities	20,064	21,311
Deferred income taxes	354	404
Other assets	1,019	910
Allowance for bad loans	-8	-4
Total investments and other assets	21,429	22,623
Total fixed assets	48,551	54,353
Total assets	115,458	121,416

(Millions of yen)

	FY 2022 (As of March 31, 2023)	FY 2023 (As of March 31, 2024)
Liabilities		
Current liabilities		
Accounts payable-trade	2,756	3,151
Lease obligation	115	200
Accrued income taxes	282	689
Accrued bonuses to employees	936	938
Asset removal liabilities	18	12
Other current liabilities	4,171	4,449
Total current liabilities	8,281	9,442
Long-term liabilities		
Lease obligation	162	91
Deferred tax liabilities	2,276	2,298
Provision for directors' stock benefit	113	159
Provision for share-based remuneration	-	17
Net defined benefit liability	269	323
Asset removal liabilities	100	100
Other long-term liabilities	5	1,037
Total long-term fixed liabilities	2,927	4,029
Total liabilities	11,208	13,472
Total equity		
Equity		
Common stock	2,960	2,960
Capital surplus	2,572	2,634
Retained earnings	94,362	94,068
Treasury stock	-4,670	-4,732
Total shareholders' equity	95,225	94,932
Accumulated other comprehensive income		
Valuation difference on available-for-sale	1,009	1,791
Deferred gains or losses on hedges	-0	-0
Foreign currency translation adjustments	6,375	9,469
Remeasurements of defined benefit plans	59	104
Total accumulated other comprehensive income	7,445	11,365
Non-controlling interests	1,579	1,646
Total equity	104,250	107,944
Total liabilities and equity	115,458	121,416

(2) Consolidated statements of income and Consolidated comprehensive income
 (Consolidated statements of income)

(Millions of yen)

	FY 2022 (April 1, 2022 to March 31, 2023)	FY 2023 (April 1, 2023 to March 31, 2024)
Net sales	58,422	64,551
Cost of sales	43,730	48,288
Gross profit	14,691	16,263
Selling, general and administrative expenses	10,742	11,506
Operating income	3,949	4,756
Non-operating income		
Interest income	277	629
Dividend income	59	82
Gain on sales of investment securities	5	109
Equity method investment gain	688	557
Other	292	327
Total non-operating income	1,324	1,706
Non-operating expenses		
Interest expense	19	13
Loss on disposal of property and equipment	50	21
Foreign exchange loss	297	311
Leases	5	8
Commission fee	-	120
Building demolition expense	-	115
Plant relocation expenses	-	186
Other	32	35
Total non-operating expenses	404	812
Ordinary income	4,868	5,650
Extraordinary loss		
Impairment loss	111	67
Total extraordinary loss	111	67
Net income before taxes and other adjustments	4,756	5,582
Corporate taxes	946	1,503
Income taxes-deferred	338	-7
Total corporate taxes	1,285	1,495
Current net income	3,471	4,087
Net income attributable to non-controlling interests	96	74
Net income attributable to owners of PIOLAX Inc.	3,375	4,013