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## Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

October 31, 2024

Company name: PEGASUS CO., LTD.

Listing: Tokyo

Securities code: 6262

URL: <https://www.pegasus.co.jp>

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Scheduled date to file semi-annual securities report: November 8, 2024

Scheduled date to commence dividend payments: November 27, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

Representative Director

Company Executive

(Yen amounts are rounded down to millions, unless otherwise noted.)

## 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

## (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	10,467	18.6	784	548.7	567	(14.8)	237	(45.9)
September 30, 2023	8,827	(33.9)	120	(93.7)	666	(72.8)	439	(74.8)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 3,329 million [ 25.8%]  
Six months ended September 30, 2023: ¥ 2,645 million [ (47.9)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	9.58	-
September 30, 2023	17.70	-

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	46,133	33,838	71.0
March 31, 2024	42,949	30,603	68.9

(Reference) Equity: As of September 30, 2024: ¥ 32,752 million  
As of March 31, 2024: ¥ 29,607 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, 2024	-	5.00	-	0.00	5.00
Fiscal year ending March 31, 2025	-	5.00			
Fiscal year ending March 31, 2025 (Forecast)			-	8.00	13.00

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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
Full year	22,570	28.7	1,820	-	1,710	233.8	1,000	-	40.31

(Note) Revision to the financial results forecast announced most recently: None

## \* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name: )

Excluded: - (Company name: )

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024: 24,828,600 shares

March 31, 2024: 24,828,600 shares

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

September 30, 2024: 17,976 shares

March 31, 2024: 17,976 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 24,810,624 shares

Six months ended September 30, 2023: 24,810,624 shares

(Note) 1 Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

2 Proper use of earnings forecasts, and other special matters

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.

Semi-annual Consolidated Financial Statements  
Semi-annual Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	9,027,343	8,971,810
Notes and accounts receivable - trade	5,737,594	7,366,565
Merchandise and finished goods	7,694,822	8,145,302
Work in process	947,245	1,022,009
Raw materials and supplies	3,894,507	3,874,572
Other	839,581	972,649
Allowance for doubtful accounts	(62,398)	(49,404)
Total current assets	28,078,695	30,303,505
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,276,289	8,419,280
Other, net	8,017,219	6,087,498
Total property, plant and equipment	13,293,509	14,506,778
Intangible assets	31,274	30,789
Investments and other assets		
Retirement benefit asset	303,532	313,623
Other	1,242,545	978,521
Total investments and other assets	1,546,077	1,292,145
Total non-current assets	14,870,862	15,829,714
Total assets	42,949,558	46,133,219
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,481,838	3,412,963
Short-term borrowings	3,860,640	2,650,000
Income taxes payable	79,107	91,970
Provision for bonuses	94,925	126,678
Other	2,140,075	1,316,453
Total current liabilities	8,656,587	7,598,065
Non-current liabilities		
Long-term borrowings	2,616,880	3,617,760
Retirement benefit liability	484,986	484,488
Other	587,221	594,519
Total non-current liabilities	3,689,087	4,696,767
Total liabilities	12,345,675	12,294,833

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,255,553	2,255,553
Capital surplus	2,988,857	2,988,857
Retained earnings	18,034,053	18,271,629
Treasury shares	(5,365)	(5,365)
Total shareholders' equity	23,273,098	23,510,675
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,130	(195,778)
Foreign currency translation adjustment	6,160,209	9,301,278
Remeasurements of defined benefit plans	140,353	136,247
Total accumulated other comprehensive income	6,334,692	9,241,748
Non-controlling interests	996,090	1,085,962
Total net assets	30,603,882	33,838,386
<b>Total liabilities and net assets</b>	<b>42,949,558</b>	<b>46,133,219</b>

## Semi-annual Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	8,827,466	10,467,704
Cost of sales	6,091,469	6,944,128
Gross profit	2,735,996	3,523,575
Selling, general and administrative expenses	2,615,111	2,739,335
Operating profit	120,885	784,239
Non-operating income		
Interest income	25,361	36,175
Dividend income	2,273	2,183
Foreign exchange gains	611,580	-
Gain on sale of investment securities	-	42,733
Other	17,078	35,240
Total non-operating income	656,294	116,333
Non-operating expenses		
Interest expenses	60,525	46,306
Foreign exchange losses	-	268,087
Commission for syndicated loans	46,900	-
Other	3,349	18,472
Total non-operating expenses	110,774	332,866
Ordinary profit	666,405	567,706
Profit before income taxes	666,405	567,706
Income taxes - current	404,381	193,824
Income taxes - deferred	(226,656)	73,472
Total income taxes	177,725	267,296
Profit	488,680	300,410
Profit attributable to non-controlling interests	49,425	62,833
Profit attributable to owners of parent	439,254	237,576

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	488,680	300,410
Other comprehensive income		
Valuation difference on available-for-sale securities	29,187	(229,908)
Foreign currency translation adjustment	2,130,361	3,262,962
Remeasurements of defined benefit plans, net of tax	(2,712)	(4,105)
Total other comprehensive income	2,156,836	3,028,948
Comprehensive income	2,645,516	3,329,358
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,535,445	3,144,631
Comprehensive income attributable to non-controlling interests	110,070	184,726

## Semi-annual Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	666,405	567,706
Depreciation	551,299	617,551
Increase (decrease) in allowance for doubtful accounts	1,046	(19,820)
Increase (decrease) in retirement benefit liability	(33,335)	(382)
Decrease (increase) in retirement benefit asset	(6,439)	(19,560)
Interest and dividend income	(27,635)	(38,359)
Interest expenses	60,525	46,306
Foreign exchange losses (gains)	(379,283)	44,245
Decrease (increase) in trade receivables	357,144	(877,677)
Decrease (increase) in inventories	387,466	863,463
Increase (decrease) in trade payables	(1,775,037)	339,642
Increase (decrease) in accounts payable - other	48,344	(86,944)
Other, net	(165,571)	(158,692)
Subtotal	(315,071)	1,277,478
Interest and dividends received	26,423	38,578
Interest paid	(63,914)	(14,401)
Income taxes paid	(550,556)	(24,369)
Net cash provided by (used in) operating activities	(903,118)	1,277,286
<b>Cash flows from investing activities</b>		
Payments into time deposits	(180,766)	(418,261)
Proceeds from withdrawal of time deposits	311,348	564,919
Purchase of property, plant and equipment	(1,313,891)	(738,736)
Proceeds from sale of property, plant and equipment	4,294	8,759
Purchase of intangible assets	(1,295)	(4,683)
Proceeds from sale of investment securities	-	77,686
Purchase of investment securities	(614,206)	-
Other, net	(2,533)	15,428
Net cash provided by (used in) investing activities	(1,797,050)	(494,888)

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	697,580	(1,249,440)
Proceeds from long-term borrowings	1,455,500	1,199,651
Repayments of long-term borrowings	(503,798)	(329,218)
Dividends paid	(297,727)	-
Dividends paid to non-controlling interests	(71,297)	(94,854)
Repayments of lease liabilities	(85,462)	(811,496)
Other, net	(47,115)	(5,316)
Net cash provided by (used in) financing activities	1,147,678	(1,290,674)
Effect of exchange rate change on cash and cash equivalents	756,536	566,652
Net increase (decrease) in cash and cash equivalents	(795,954)	58,375
Cash and cash equivalents at beginning of period	9,225,264	8,634,034
Cash and cash equivalents at end of period	8,429,310	8,692,410