

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended June 30, 2021 (Based on Japanese GAAP)

August 10, 2021

Company name: PCI Holdings, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 3918 URL <https://www.pci-h.co.jp/>  
 Representative: Representative Director and Chairman Toyomi Amano  
 Director and General Manager of Corporate Planning Headquarters Naohiro Iguchi TEL 03-6858-0530  
 Inquiries: Naohiro Iguchi  
 Scheduled date to file Quarterly Securities Report: August 13, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended June 30, 2021 (from October 1, 2020 to June 30, 2021)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended June 30, 2021	14,573	17.3	613	50.0	651	46.4	337	263.5
Nine months ended June 30, 2020	12,428	4.6	409	(13.8)	444	(8.4)	92	(63.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended June 30, 2021	40.29		40.25	
Nine months ended June 30, 2020	11.28		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	20,389	7,564	34.9	708.17
As of September 30, 2020	12,442	5,427	40.4	609.61

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended September 30, 2020	–	30.00	–	16.00	–
Year ending September 30, 2021	–	15.00	–		
Year ending September 30, 2021 (Forecast)				16.00	31.00

3. Forecast of consolidated financial results for the year ending September 30, 2021 (from October 1, 2020 to September 30, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	21,200	26.5	950	26.6	965	19.9	525	83.0	59.67

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended June 30, 2021  
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2021	10,322,400 shares	As of September 30, 2020	8,522,400 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	285,038 shares	As of September 30, 2020	285,006 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2021	8,380,445 shares	Nine months ended June 30, 2020	8,229,653 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of September 30, 2020	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	4,831,902	6,621,981
Notes and accounts receivable - trade	2,978,135	3,754,022
Electronically recorded monetary claims - operating	314,056	1,766,955
Inventories	219,025	1,263,970
Other	282,539	907,330
Total current assets	8,625,660	14,314,260
Non-current assets		
Property, plant and equipment	260,392	981,283
Intangible assets		
Goodwill	979,710	2,350,402
Other	375,822	224,819
Total intangible assets	1,355,533	2,575,222
Investments and other assets		
Investment securities	1,385,787	1,410,306
Other	814,619	1,108,495
Total investments and other assets	2,200,407	2,518,801
Total non-current assets	3,816,333	6,075,307
Deferred assets	21	–
Total assets	12,442,015	20,389,568
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	950,880	1,753,099
Electronically recorded obligations - operating	–	795,661
Short-term borrowings	200,000	3,500,000
Current portion of bonds payable	106,250	5,000
Current portion of long-term borrowings	619,952	800,502
Accounts payable - other	369,431	458,821
Income taxes payable	226,809	73,328
Provision for bonuses	335,718	615,132
Provision for bonuses for directors (and other officers)	26,061	15,378
Provision for loss on order received	1,430	–
Provision for after cost	–	1,580
Asset retirement obligations	10,122	9,117
Other	741,566	1,538,837
Total current liabilities	3,588,221	9,566,459
Non-current liabilities		
Long-term borrowings	2,753,334	2,142,832
Provision for retirement benefits for directors (and other officers)	46,068	21,819
Retirement benefit liability	159,958	198,344
Asset retirement obligations	72,115	451,768
Other	394,599	443,901
Total non-current liabilities	3,426,074	3,258,665
Total liabilities	7,014,295	12,825,125

(Thousands of yen)

	As of September 30, 2020	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	1,046,232	2,091,897
Capital surplus	2,648,772	3,692,040
Retained earnings	1,632,236	1,715,964
Treasury shares	(370,604)	(370,644)
Total shareholders' equity	4,956,637	7,129,258
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	64,958	(6,749)
Remeasurements of defined benefit plans	–	(14,332)
Total accumulated other comprehensive income	64,958	(21,082)
Share acquisition rights	10,015	23,107
Non-controlling interests	396,106	433,159
Total net assets	5,427,719	7,564,443
Total liabilities and net assets	12,442,015	20,389,568

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Net sales	12,428,109	14,573,203
Cost of sales	9,211,848	10,741,368
Gross profit	3,216,260	3,831,834
Selling, general and administrative expenses	2,806,942	3,217,896
Operating profit	409,318	613,937
Non-operating income		
Interest and dividend income	26,144	29,677
Subsidy income	11,039	36,309
Other	13,072	10,558
Total non-operating income	50,256	76,545
Non-operating expenses		
Interest expenses	9,406	18,817
Commission expenses	1,025	529
Loss on investments in investment partnerships	3,691	2,781
Share issuance costs	–	13,857
Other	524	3,180
Total non-operating expenses	14,648	39,166
Ordinary profit	444,926	651,316
Extraordinary income		
Gain on sales of non-current assets	500	–
Gain on cancellation of leases	–	633
Total extraordinary income	500	633
Extraordinary losses		
Loss on retirement of non-current assets	216	–
Loss on valuation of investment securities	199,610	–
Other	6,741	–
Total extraordinary losses	206,567	–
Profit before income taxes	238,859	651,950
Income taxes - current	170,153	232,920
Income taxes - deferred	(19,608)	50,777
Total income taxes	150,544	283,698
Profit	88,314	368,252
Profit (loss) attributable to non-controlling interests	(4,554)	30,639
Profit attributable to owners of parent	92,869	337,613

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Profit	88,314	368,252
Other comprehensive income		
Valuation difference on available-for-sale securities	78,009	(71,708)
Remeasurements of defined benefit plans, net of tax	–	(14,332)
Total other comprehensive income	78,009	(86,041)
Comprehensive income	166,323	282,211
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	170,878	251,571
Comprehensive income attributable to non-controlling interests	(4,554)	30,639