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## Consolidated Financial Results for the Three Months Ended March 31, 2023 [Japanese GAAP]

May 10, 2023

Company name: PILOT CORPORATION

Stock exchange listing: Tokyo

Securities code: 7846

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

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Scheduled date of filing quarterly securities report: May 11, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

President and Representative Director  
Accounting & Finance Department General Manager

(Amounts of less than one millions of yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended March 31, 2023 (January 1, 2023 to March 31, 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 March 31, 2023	27,407	4.5	4,892	5.3	5,251	(1.6)	3,622	7.7
March 31, 2022	26,229	15.1	4,647	32.8	5,338	39.0	3,363	26.2

(Note) Comprehensive income: Three months ended March 31, 2023: ¥ 4,319 million [ (23.0)%]  
Three months ended March 31, 2022: ¥ 5,609 million [ 46.1%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2023	91.82	-
March 31, 2022	85.27	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of March 31, 2023	157,683	120,666	75.4
December 31, 2022	156,542	117,989	74.5

(Reference) Equity: As of March 31, 2023: ¥ 118,830 million  
As of December 31, 2022: ¥ 116,553 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2022	-	40.00	-	50.00	90.00
Fiscal year ending December 31, 2023	-				
Fiscal year ending December 31, 2023 (Forecast)		50.00	-	50.00	100.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2023(January 1, 2023 to December 31, 2023)

(% 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
Full year	115,000	1.9	22,000	3.6	23,000	1.6	16,000	1.4	405.58

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

Forecast for the first two quarters of fiscal year ending June 30, 2023 has not been made.

\* Notes:

(1) Changes in significant subsidiaries during the three months ended March 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(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):

March 31, 2023: 41,814,400 shares

December 31, 2022: 41,814,400 shares

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

March 31, 2023: 2,364,966 shares

December 31, 2022: 2,364,966 shares

3) Average number of shares outstanding during the period:

Three months ended March 31, 2023: 39,449,434 shares

Three months ended March 31, 2022: 39,444,141 shares

(Note) The number of shares of treasury stock at the end of the period includes the Company's shares held by the BIP (Board Incentive Plan) trust (As of March 31, 2023: 18,827 shares, As of December 31, 2022: 18,827 shares). In addition, these Company's shares are included in the treasury stock which is deducted from the number of shares outstanding when calculating the average number of shares during the period (As of March 31, 2023: 18,827 shares, As of March 31, 2022: 8,857 shares).

\* This quarterly financial result is not subjected to quarterly review by certified public accountants or auditing firms.

\* Explanation for the appropriate use of performance forecast and other special notes

- The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	46,128	44,492
Notes and accounts receivable - trade	22,738	23,885
Merchandise and finished goods	21,354	23,019
Work in process	6,922	7,018
Raw materials and supplies	4,558	4,745
Other	4,987	3,271
Allowance for doubtful accounts	(84)	(91)
Total current assets	106,606	106,340
Non-current assets		
Property, plant and equipment		
Buildings and structures	27,243	27,771
Accumulated depreciation	(14,956)	(15,286)
Buildings and structures, net	12,286	12,485
Machinery, equipment and vehicles	37,266	38,095
Accumulated depreciation	(31,579)	(31,740)
Machinery, equipment and vehicles, net	5,687	6,354
Other	20,221	20,368
Accumulated depreciation	(17,596)	(17,719)
Other, net	2,624	2,649
Land	7,549	7,564
Construction in progress	2,874	3,567
Total property, plant and equipment	31,023	32,620
Intangible assets		
Leasehold interests in land	5,355	5,355
Other	913	989
Total intangible assets	6,268	6,344
Investments and other assets		
Investment securities	5,728	5,444
Deferred tax assets	4,421	4,323
Retirement benefit asset	1,635	1,710
Other	891	930
Allowance for doubtful accounts	(32)	(32)
Total investments and other assets	12,643	12,377
Total non-current assets	49,936	51,342
<b>Total assets</b>	<b>156,542</b>	<b>157,683</b>

(Millions of yen)

	As of December 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	14,354	11,802
Short-term borrowings	4,441	6,461
Current portion of long-term borrowings	8	509
Accrued expenses	2,755	2,860
Income taxes payable	4,691	1,710
Provision for bonuses	665	1,451
Provision for bonuses for directors (and other officers)	77	25
Provision for environmental measures	266	253
Other	9,531	9,139
Total current liabilities	36,792	34,215
Non-current liabilities		
Long-term borrowings	16	886
Deferred tax liabilities	85	274
Provision for retirement benefits for directors (and other officers)	119	108
Provision for environmental measures	49	49
Provision for share awards for directors (and other officers)	24	30
Retirement benefit liability	670	685
Other	794	765
Total non-current liabilities	1,760	2,801
Total liabilities	38,552	37,016
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,340	2,340
Capital surplus	7,923	7,923
Retained earnings	119,401	121,050
Treasury shares	(10,858)	(10,858)
Total shareholders' equity	118,806	120,455
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	659	688
Foreign currency translation adjustment	(2,587)	(2,012)
Remeasurements of defined benefit plans	(324)	(299)
Total accumulated other comprehensive income	(2,252)	(1,624)
Non-controlling interests	1,436	1,836
Total net assets	117,989	120,666
<b>Total liabilities and net assets</b>	<b>156,542</b>	<b>157,683</b>

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended March 31, 2022	For the three months ended March 31, 2023
Net sales	26,229	27,407
Cost of sales	12,661	12,779
Gross profit	13,568	14,627
Selling, general and administrative expenses	8,921	9,735
Operating profit	4,647	4,892
Non-operating income		
Interest income	49	114
Dividend income	3	8
Foreign exchange gains	598	219
Other	75	98
Total non-operating income	726	441
Non-operating expenses		
Interest expenses	21	66
Other	13	16
Total non-operating expenses	35	82
Ordinary profit	5,338	5,251
Extraordinary income		
Gain on sale of non-current assets	11	20
Gain on sale of investment securities	-	273
Compensation income	-	197
Total extraordinary income	11	492
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	6	16
Total extraordinary losses	6	16
Profit before income taxes	5,342	5,726
Income taxes	1,904	2,054
Profit	3,437	3,672
Profit attributable to non-controlling interests	73	49
Profit attributable to owners of parent	3,363	3,622

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

(Millions of yen)

	For the three months ended March 31, 2022	For the three months ended March 31, 2023
Profit	3,437	3,672
Other comprehensive income		
Valuation difference on available-for-sale securities	52	29
Foreign currency translation adjustment	2,157	592
Remeasurements of defined benefit plans, net of tax	(38)	25
Total other comprehensive income	2,171	647
Comprehensive income	5,609	4,319
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,486	4,250
Comprehensive income attributable to non-controlling interests	122	68