

August 7, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: PIOLAX, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 5988
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(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	%
Three months ended June 30, 2025	15,092	(4.1)	383	(40.9)	306	(65.8)	128	(82.2)
June 30, 2024	15,734	4.2	649	(27.9)	897	(17.7)	721	(27.8)

Note: Comprehensive income For the three months ended June 30, 2025: ¥(2,008) million [-%]
 For the three months ended June 30, 2024: ¥3,072 million [57.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	4.65	-
June 30, 2024	21.18	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	94,623	65,483	67.9
March 31, 2025	105,464	91,781	85.8

Reference: Equity
 As of June 30, 2025: ¥64,219 million
 As of March 31, 2025: ¥90,446 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	39.00	-	53.00	92.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		39.00		53.00	92.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Fiscal year ending March 31, 2026	62,000	(2.1)	2,100	(11.9)	2,000	(41.2)	1,200	(33.1)	45.79

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- Note: This is whether or not accounting procedures specific to the preparation of quarterly consolidated financial statements are applied.
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2025	37,054,100 shares
As of March 31, 2025	37,054,100 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2025	11,925,448 shares
As of March 31, 2025	2,828,310 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	27,582,886 shares
Three months ended June 30, 2024	34,042,656 shares

Note:

1. The Company has introduced a stock-based remuneration system for officers, and the Company's shares remaining in the trust are included in the treasury stock to be deducted in the calculation of the average number of shares during the period. (112,179 shares for the first quarter of the previous fiscal year, 87,376 shares for the first quarter of the current fiscal year)

2. The Company has introduced a stock-based compensation plan for employees, and the Company's shares remaining in the trust are included in the treasury stock to be deducted in the calculation of the average number of shares during the period. (the first quarter of the previous fiscal year: 65,390 shares, the first quarter of the current fiscal year: 63,919 shares)

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	34,883	25,029
Notes and accounts receivable - trade	12,588	12,280
Electronically recorded monetary claims - operating	1,691	1,624
Securities	796	190
Merchandise and finished goods	6,052	5,966
Work in process	2,330	2,291
Raw materials and supplies	3,075	2,909
Income taxes refund receivable	205	509
Other	2,816	3,876
Allowance for doubtful accounts	(41)	(39)
Total current assets	64,398	54,640
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,031	11,591
Machinery, equipment and vehicles, net	8,078	7,592
Tools, furniture and fixtures, net	2,561	2,398
Land	5,919	5,883
Leased assets, net	743	663
Construction in progress	4,239	4,318
Total property, plant and equipment	33,572	32,447
Intangible assets		
Other	1,563	1,566
Total intangible assets	1,563	1,566
Investments and other assets		
Investment securities	4,546	4,653
Other	1,387	1,320
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	5,930	5,969
Total non-current assets	41,066	39,982
Total assets	105,464	94,623

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	2,943	2,809
Short-term borrowings	-	18,000
Income taxes payable	370	252
Provisions	813	463
Asset retirement obligations	64	64
Other	8,026	6,099
Total current liabilities	12,218	27,688
Non-current liabilities		
Provision for share awards for directors (and other officers)	125	134
Provision for share awards	34	38
Retirement benefit liability	385	388
Asset retirement obligations	37	37
Other	881	851
Total non-current liabilities	1,464	1,450
Total liabilities	13,683	29,139
Net assets		
Shareholders' equity		
Share capital	2,960	2,960
Capital surplus	2,572	2,572
Retained earnings	77,441	75,748
Treasury shares	(5,403)	(27,871)
Total shareholders' equity	77,571	53,410
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	711	781
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	12,163	10,027
Total accumulated other comprehensive income	12,874	10,808
Non-controlling interests	1,335	1,264
Total net assets	91,781	65,483
Total liabilities and net assets	105,464	94,623

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	15,734	15,092
Cost of sales	12,008	11,827
Gross profit	3,725	3,264
Selling, general and administrative expenses	3,075	2,880
Operating profit	649	383
Non-operating income		
Interest income	159	110
Dividend income	47	124
Share of profit of entities accounted for using equity method	134	0
Other	66	52
Total non-operating income	408	288
Non-operating expenses		
Interest expenses	5	53
Loss on abandonment of non-current assets	0	1
Loss on valuation of derivatives	2	17
Rental costs	1	1
Foreign exchange losses	50	22
Building demolition expenses	72	-
Commission expenses	-	201
Other	28	68
Total non-operating expenses	161	365
Ordinary profit	897	306
Extraordinary losses		
Extra payments for early retirements	-	210
Total extraordinary losses	-	210
Profit before income taxes	897	96
Income taxes	162	(30)
Profit	734	126
Profit attributable to non-controlling interests	13	(1)
Profit attributable to owners of parent	721	128

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	734	126
Other comprehensive income		
Valuation difference on available-for-sale securities	(19)	69
Deferred gains or losses on hedges	(3)	0
Foreign currency translation adjustment	2,351	(2,204)
Share of other comprehensive income of entities accounted for using equity method	9	-
Total other comprehensive income	2,338	(2,134)
Comprehensive income	3,072	(2,008)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,010	(1,937)
Comprehensive income attributable to non-controlling interests	62	(70)

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Automobile-related	Medical	Total
Sales			
Sales to external customers	14,455	1,278	15,734
Transactions with other segments	-	-	-
Total	14,455	1,278	15,734
Segment Profit	842	105	948

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the quarterly consolidated statements of income and the main details of the difference (matters related to adjustment of differences)

(in millions of yen)

benefit	amount of money
Total Reporting Segments	948
Company-wide expenses (Note)	(300)
Inter-segment transaction elimination	3
Other Adjustments	(0)
Operating Income in Quarterly Consolidated Statements of Income	649

Note: Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

There are no important items to be covered.

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Automobile-related	Medical	Total
Sales			
Sales to external customers	13,823	1,268	15,092
Transactions with other segments	-	-	-
Total	13,823	1,268	15,092
Segment Profit	615	42	657

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the quarterly consolidated statements of income and the main details of the difference (matters related to adjustment of differences)

(in millions of yen)

benefit	amount of money
Total Reporting Segments	657
Company-wide expenses (Note)	(275)
Inter-segment transaction elimination	3
Other Adjustments	(2)
Operating Income in Quarterly Consolidated Statements of Income	383

Note: Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

There are no important items to be covered.