
PACIFIC METALS CO., LTD.
Fiscal Results Briefing Session for Fiscal Year
Ended March 31, 2024

Table of Contents

Operating results highlights (Consolidated/Non-consolidated)	1
[Consolidated] Balance Sheets	2–3
Statements of Income	4
[Non-consolidated] Balance Sheets	5–6
Statements of Income	7
Key management indicators (Consolidated/Non-consolidated)	8–9

(* Amounts are rounded down to the nearest million yen.)

Operating results highlights

Consolidated

		Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Average LME	《\$/lb.》	6.35	6.80	9.35	11.63	8.68
Average foreign exchange TTS	《Yen/\$》	109.74	107.06	113.38	136.47	145.62
Product sales volume	《Ni t》	28,533	20,793	27,060	12,393	6,025
Product production volume	《Ni t》	30,885	18,414	26,249	13,380	6,035
Net sales	《Million yen》	44,133	32,217	57,129	34,852	15,521
Operating profit	《Million yen》	- 1,879	- 493	4,806	- 12,588	- 9,114
Ordinary profit	《Million yen》	972	3,344	12,999	- 4,960	- 2,119
Profit	《Million yen》	625	1,162	11,368	- 5,026	- 1,074
Capital investment	《Million yen》	530	1,249	686	1,201	331
Depreciation	《Million yen》	330	378	256	289	350
Research and development expenses	《Million yen》	190	234	276	360	511
Total assets	《Million yen》	69,960	75,484	89,852	78,825	73,790
Net assets	《Million yen》	63,506	67,014	80,153	72,034	69,060
Interest-bearing debt	《Million yen》	—	—	—	—	—
Short-term borrowings	《Million yen》	—	—	—	—	—
Long-term borrowings	《Million yen》	—	—	—	—	—
Return on assets (ROA)	《%》	0.89	1.54	12.65	- 6.38	- 1.46
Return on equity (ROE)	《%》	0.98	1.79	15.51	- 6.63	- 1.53
Number of employees	《People》	459	458	460	468	459

Non-consolidated

		Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	《Million yen》	43,488	31,601	56,527	34,095	14,752
Operating profit	《Million yen》	- 1,833	- 526	4,776	- 12,564	- 9,051
Ordinary profit	《Million yen》	587	3,272	12,783	- 7,261	- 4,231
Profit	《Million yen》	775	1,064	11,159	- 7,098	- 3,000
Capital investment	《Million yen》	471	1,235	651	1,171	300
Depreciation	《Million yen》	303	346	223	258	320
Research and development expenses	《Million yen》	190	234	276	360	511
Total assets	《Million yen》	56,294	61,930	75,797	61,689	53,582
Net assets	《Million yen》	50,672	53,978	66,325	55,411	49,681
Interest-bearing debt	《Million yen》	—	—	—	—	—
Short-term borrowings	《Million yen》	—	—	—	—	—
Long-term borrowings	《Million yen》	—	—	—	—	—
Return on assets (ROA)	《%》	1.38	1.72	14.72	- 11.51	- 5.60
Return on equity (ROE)	《%》	1.52	2.03	18.55	- 11.66	- 5.71
Number of employees	《People》	417	415	416	422	416

Consolidated

(Million yen)

	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
(Assets)					
Current assets					
Cash and deposits	16,714	21,486	26,332	16,848	21,758
Notes and accounts receivable - trade	8,880	7,879	13,994	6,593	5,001
Securities	2,400	3,000	2,999	1,500	2,199
Inventories	13,986	12,283	11,690	14,402	11,083
Other	2,962	3,206	2,867	4,904	1,773
Allowance for doubtful accounts	- 1	- 1	- 2	- 1	- 1
Total current assets	44,942	47,853	57,882	44,247	41,814
Non-current assets					
Property, plant and equipment					
Buildings and structures	3,047	2,758	2,592	2,424	2,059
Machinery, equipment and vehicles	490	69	115	852	945
Land	4,957	4,777	4,777	4,777	4,304
Construction in progress	62	0	207	260	15
Other	37	1	41	68	62
Total property, plant and equipment	8,596	7,606	7,734	8,383	7,388
Intangible assets	22	1	1	239	285
Investments and other assets					
Investment securities	16,303	19,594	23,903	25,518	23,687
Distressed receivables	0	0	0	0	0
Long-term prepaid expenses	11	345	248	151	51
Deferred tax assets	3	3	2	3	3
Other	84	85	84	284	564
Allowance for doubtful accounts	- 5	- 5	- 5	- 5	- 5
Total investments and other assets	16,398	20,023	24,234	25,954	24,301
Total non-current assets	25,018	27,631	31,970	34,577	31,975
Total assets	69,960	75,484	89,852	78,825	73,790

Balance Sheets

Consolidated

(Million yen)

	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
(Liabilities)					
Current liabilities					
Notes and accounts payable - trade	1,014	1,575	1,341	760	234
Short-term borrowings	—	—	—	—	—
Income taxes payable	69	35	1,026	7	47
Accrued expenses	1,178	1,127	1,761	1,018	892
Provision for bonuses	237	258	444	95	117
Other	539	1,533	935	657	382
Total current liabilities	3,038	4,529	5,508	2,539	1,674
Non-current liabilities					
Long-term borrowings	—	—	—	—	—
Retirement benefit liability	805	571	122	50	59
Deferred tax liabilities	310	1,266	2,077	2,087	1,135
Deferred tax liabilities for land revaluation	745	654	631	631	547
Provision for loss contract	1,507	1,377	1,306	1,273	1,273
Other	46	71	51	209	40
Total non-current liabilities	3,414	3,941	4,190	4,252	3,055
Total liabilities	6,453	8,470	9,699	6,791	4,729
(Net assets)					
Shareholders' equity					
Share capital	13,922	13,922	13,922	13,922	13,922
Capital surplus	3,481	3,481	3,481	3,481	3,481
Retained earnings	46,677	47,950	58,590	50,540	49,658
Other	- 447	- 449	- 450	- 452	- 452
Total shareholders' equity	63,633	64,903	75,542	67,491	66,609
Valuation difference on available-for-sale securities	283	2,659	4,603	3,831	1,183
Deferred gains or losses on hedges	—	- 37	—	—	—
Revaluation reserve for land	852	644	593	593	400
Foreign currency translation adjustment	- 1,138	- 1,108	- 969	- 510	179
Remeasurements of defined benefit plans	- 383	- 325	95	340	412
Total accumulated other comprehensive income	- 386	1,833	4,323	4,254	2,176
Non-controlling interests	259	276	287	287	274
Total non-controlling interests	259	276	287	287	274
Total net assets	63,506	67,014	80,153	72,034	69,060
Total liabilities and net assets					
(Total liabilities, non-controlling interests and net assets)	69,960	75,484	89,852	78,825	73,790

Statements of Income

Consolidated

(Million yen)

	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
Net sales	44,133	32,217	57,129	34,852	15,521
Cost of sales	42,968	30,056	48,962	45,144	22,637
Gross profit	1,164	2,160	8,167	- 10,292	- 7,115
Selling, general and administrative expenses	3,043	2,654	3,360	2,296	1,998
Operating profit	- 1,879	- 493	4,806	- 12,588	- 9,114
Non-operating income					
Interest income	4	5	8	13	24
Dividend income	82	274	418	459	229
Share of profit of entities accounted for using equity method	2,757	3,539	6,483	7,066	6,053
(Sowa Group)	400	442	396	497	989
(Rio Tuba)	517	1,117	2,233	2,426	2,065
(Taganito)	1,865	1,944	3,884	4,051	3,041
(Other adjustment accounts)	- 26	35	- 30	90	- 43
Other	360	404	1,550	263	876
Total non-operating income	3,205	4,224	8,461	7,803	7,183
Non-operating expenses					
Interest expenses	1	0	0	0	0
Other	352	385	268	175	187
Total non-operating expenses	353	385	268	175	188
Ordinary profit	972	3,344	12,999	- 4,960	- 2,119
Extraordinary income					
Gain on sale of non-current assets	0	1	0	0	7
Gain on sale of investment securities	—	—	192	386	2,638
Other	—	—	—	854	—
Total extraordinary income	0	1	192	1,241	2,646
Extraordinary losses					
Loss on retirement of non-current assets	32	47	78	115	160
Impairment losses	—	1,896	317	—	977
Other	2	1	—	452	—
Total extraordinary losses	35	1,946	396	567	1,137
Profit before income taxes	937	1,399	12,795	- 4,287	- 611
Income taxes - current	273	370	1,462	501	390
Income taxes - deferred	13	- 151	- 46	237	85
Profit attributable to non-controlling interests	25	17	10	0	- 13
Profit attributable to owners of parent	625	1,162	11,368	- 5,026	- 1,074

1	1				△ 1
△ 2	△ 2	△ 2	△ 2	△ 2	△ 1
1	2				△ 1
△ 1	△ 2	△ 1		△ 1	△ 1
1	1	1	1	1	1

Balance Sheets

Non-consolidated

(Million yen)

	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
(Assets)					
Current assets					
Cash and deposits	16,207	21,033	25,759	16,315	21,298
Notes and accounts receivable - trade	8,820	7,810	13,931	6,528	4,928
Securities	2,400	3,000	2,999	1,500	2,199
Inventories	14,114	12,361	11,822	14,442	11,100
Other	2,992	3,232	2,901	4,947	1,817
Allowance for doubtful accounts	- 0	- 0	- 0	- 0	- 0
Total current assets	44,534	47,437	57,413	43,733	41,344
Non-current assets					
Property, plant and equipment					
Buildings and structures	2,919	2,641	2,453	2,278	1,927
Machinery, equipment and vehicles	419	3	68	816	906
Land	4,957	4,777	4,777	4,777	4,304
Construction in progress	62	0	207	260	15
Other	35	0	39	64	59
Total property, plant and equipment	8,395	7,422	7,547	8,197	7,213
Intangible assets	20	0	0	239	285
Investments and other assets					
Investment securities	3,253	6,645	10,508	9,286	4,585
Long-term borrowings	—	—	—	0	0
Distressed receivables	0	0	0	0	0
Long-term prepaid expenses	11	345	248	151	51
Other	83	84	83	85	106
Allowance for doubtful accounts	- 5	- 5	- 5	- 5	- 5
Total investments and other assets	3,343	7,069	10,835	9,519	4,739
Total non-current assets	11,760	14,492	18,383	17,956	12,238
Total assets	56,294	61,930	75,797	61,689	53,582

Balance Sheets

Non-consolidated

(Million yen)

	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
(Liabilities)					
Current liabilities					
Notes and accounts payable - trade	1,016	1,586	1,350	768	237
Short-term borrowings	—	—	—	—	—
Income taxes payable	54	23	1,011	—	46
Accrued expenses	1,147	1,128	1,734	976	886
Provision for bonuses	209	234	412	74	102
Other	467	1,514	882	638	352
Total current liabilities	2,895	4,488	5,390	2,458	1,624
Non-current liabilities					
Long-term borrowings	—	—	—	—	—
Retirement benefit liability	371	286	180	68	—
Deferred tax liabilities for land revaluation	745	654	631	631	547
Deferred tax liabilities	56	1,073	1,909	1,637	426
Provision for loss contract	1,507	1,377	1,306	1,273	1,273
Other	46	71	51	209	29
Total non-current liabilities	2,726	3,463	4,080	3,819	2,276
Total liabilities	5,621	7,952	9,471	6,278	3,901
(Net assets)					
Shareholders' equity					
Share capital	13,922	13,922	13,922	13,922	13,922
Capital surplus	3,481	3,481	3,481	3,481	3,481
Retained earnings	32,633	33,807	44,237	34,116	31,307
Treasury shares	- 447	- 449	- 450	- 452	- 452
Total shareholders' equity	49,589	50,761	61,190	51,066	48,257
Valuation, translation adjustments and others					
Valuation difference on available-for-sale securities	230	2,609	4,542	3,751	1,022
Deferred gains or losses on hedges	—	- 37	—	—	—
Revaluation reserve for land	852	644	593	593	400
Total valuation, translation adjustments and others	1,082	3,217	5,135	4,344	1,423
Total net assets	50,672	53,978	66,325	55,411	49,681
Total liabilities and net assets	56,294	61,930	75,797	61,689	53,582

Statements of Income

Non-consolidated

(Million yen)

	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024
Net sales	43,488	31,601	56,527	34,095	14,752
Cost of sales	42,338	29,504	48,416	44,427	21,868
Gross profit	1,150	2,096	8,110	- 10,331	- 7,116
Selling, general and administrative expenses	2,984	2,623	3,333	2,232	1,935
Operating profit	- 1,833	- 526	4,776	- 12,564	- 9,051
Non-operating income					
Interest income	4	5	8	13	24
Dividend income	2,427	3,794	6,734	5,214	4,126
Other	340	385	1,531	242	857
Total non-operating income	2,772	4,185	8,275	5,470	5,008
Non-operating expenses					
Interest expenses	1	0	0	0	0
Other	349	385	268	167	187
Total non-operating expenses	350	385	268	167	188
Ordinary profit	587	3,272	12,783	- 7,261	- 4,231
Extraordinary income					
Gain on sale of non-current assets	0	1	0	—	7
Gain on sale of investment securities	—	—	192	386	2,638
Other	460	—	—	852	—
Total extraordinary income	461	1	192	1,238	2,646
Extraordinary losses					
Loss on retirement of non-current assets	32	47	78	115	160
Impairment losses	—	1,896	317	—	963
Other	2	1	—	452	—
Total extraordinary losses	35	1,946	396	567	1,124
Profit before income taxes	1,013	1,327	12,579	- 6,590	- 2,709
Income taxes - current	236	354	1,442	491	387
Income taxes - deferred	1	- 90	- 22	17	- 95
Profit	775	1,064	11,159	- 7,098	- 3,000

Key management indicators

Consolidated

			Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	《Million yen》	A	44,133	32,217	57,129	34,852	15,521
Operating profit	《Million yen》	B	- 1,879	- 493	4,806	- 12,588	- 9,114
Non-operating profit and loss	《Million yen》	C	2,852	3,839	8,193	7,628	6,995
Ordinary profit	《Million yen》	D	972	3,344	12,999	- 4,960	- 2,119
Extraordinary gain or loss	《Million yen》	E	- 35	- 1,945	- 204	674	1,509
Profit before income taxes	《Million yen》	F	937	1,399	12,795	- 4,287	- 611
Profit attributable to owners of parent	《Million yen》	G	625	1,162	11,368	- 5,026	- 1,074
Current assets	《Million yen》	H	44,942	47,853	57,882	44,247	41,814
Non-current assets	《Million yen》	I	25,018	27,631	31,970	34,577	31,975
Liabilities	《Million yen》	J	6,453	8,470	9,699	6,791	4,729
(Current liabilities)	《Million yen》	K	(3,038)	(4,529)	(5,508)	(2,539)	(1,674)
(Interest-bearing debt)	《Million yen》	L	-	-	-	-	-
Total shareholders' equity	《Million yen》	M	63,633	64,903	75,542	67,491	66,609
Total net assets	《Million yen》	N	63,506	67,014	80,153	72,034	69,060
Total assets	《Million yen》	O	69,960	75,484	89,852	78,825	73,790
Net cash	《Million yen》	P	16,714	21,486	26,332	16,848	21,758
Liquid assets	《Million yen》	Q	25,594	29,365	40,326	23,441	26,759
Total number of shares issued and outstanding	《Shares》	R	19,577,071	19,577,071	19,577,071	19,577,071	19,577,071
Closing market price	《Yen》	S	1,570	2,145	4,130	1,930	1,365
Market capitalization	《Million yen》	T=R×S	30,736	41,993	80,853	37,784	26,723
[Profitability]							
Operating profit to net sales	《%》	B/A	- 4.26	- 1.53	8.41	- 36.12	- 58.72
Ordinary profit to net sales	《%》	D/A	2.20	10.38	22.75	- 14.23	- 13.66
Net profit to net sales	《%》	G/A	1.42	3.61	19.90	- 14.42	- 6.92
Ordinary profit to total assets	《%》	D/O	1.39	4.43	14.47	- 6.29	- 2.87
Return on equity (ROE)	《%》	$G / \{ (\text{Preceding term N} + \text{Current term N}) / 2 \}$	0.98	1.79	15.51	- 6.63	- 1.53
[Stability]							
Equity to total assets	《%》	N/O	90.78	88.78	89.21	91.38	93.59
Current assets ratio	《%》	H/K	1,478.86	1,056.48	1,050.71	1,742.41	2,497.57
Non-current assets ratio	《%》	I/N	39.39	41.23	39.89	48.00	46.30
Fixed long-term conformity rate	《%》	I/(J-K+N)	37.38	38.94	37.91	45.33	44.34
Debt equity ratio	《Times》	L/N	-	-	-	-	-
Debt capacity ratio	《Times》	L/(Q+I)	-	-	-	-	-
Return on invested capital	《%》	G/(L+N)	0.98	1.73	14.18	- 6.98	- 1.56
[Efficiency]							
Net sales to total assets	《Times》	A/O	0.63	0.43	0.64	0.44	0.21
Equity turnover	《Times》	A/N	0.69	0.48	0.71	0.48	0.22
[Potential]							
Net sales growth rate	《%》		- 10.05	- 27.00	77.33	- 38.99	- 55.47
Operating profit growth rate	《%》		- 1,165.45	73.75	1,074.34	- 361.88	27.60
Ordinary profit growth rate	《%》		- 71.83	244.05	288.63	- 138.16	57.27
Net profit growth rate	《%》		- 83.07	85.91	877.84	- 144.21	78.62
Total assets growth rate	《%》		- 2.74	7.90	19.03	- 12.27	- 6.39
Shareholders' equity growth rate	《%》		- 1.45	5.52	19.61	- 10.13	- 4.13

Key management indicators

Non-consolidated

			Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	《Million yen》	A	43,488	31,601	56,527	34,095	14,752
Operating profit	《Million yen》	B	- 1,833	- 526	4,776	- 12,564	- 9,051
Non-operating profit and loss	《Million yen》	C	2,422	3,800	8,007	5,303	4,820
Ordinary profit	《Million yen》	D	587	3,272	12,783	- 7,261	- 4,231
Extraordinary gain or loss	《Million yen》	E	426	- 1,945	- 204	671	1,522
Profit before income taxes	《Million yen》	F	1,013	1,327	12,579	- 6,590	- 2,709
Profit	《Million yen》	G	775	1,064	11,159	- 7,098	- 3,000
Current assets	《Million yen》	H	44,534	47,437	57,413	43,733	41,344
Non-current assets	《Million yen》	I	11,760	14,492	18,383	17,956	12,238
Liabilities	《Million yen》	J	5,621	7,952	9,471	6,278	3,901
(Current liabilities)	《Million yen》	K	(2,895)	(4,488)	(5,390)	(2,458)	(1,624)
(Interest-bearing debt)	《Million yen》	L	—	—	—	—	—
Total shareholders' equity	《Million yen》	M	49,589	50,761	61,190	51,066	48,257
Total net assets	《Million yen》	N	50,672	53,978	66,325	55,411	49,681
Total assets	《Million yen》	O	56,294	61,930	75,797	61,689	53,582
Net cash	《Million yen》	P	16,207	21,033	25,759	16,315	21,298
Liquid assets	《Million yen》	Q	25,027	28,843	39,690	22,843	26,226
Total number of shares issued and outstanding	《Shares》	R	19,577,071	19,577,071	19,577,071	19,577,071	19,577,071
Closing market price	《Yen》	S	1,570	2,145	4,130	1,930	1,365
Market capitalization	《Million yen》	T=R×S	30,736	41,993	80,853	37,784	26,723
[Profitability]							
Operating profit to net sales	《%》	B/A	- 4.22	- 1.67	8.45	- 36.85	- 61.35
Ordinary profit to net sales	《%》	D/A	1.35	10.36	22.61	- 21.30	- 28.68
Net profit to net sales	《%》	G/A	1.78	3.37	19.74	- 20.82	- 20.34
Ordinary profit to total assets	《%》	D/O	1.04	5.28	16.86	- 11.77	- 7.90
Return on equity (ROE)	《%》	$G / \{(\text{Preceding term N} + \text{Current term N}) / 2 \}$	1.52	2.03	18.55	- 11.66	- 5.71
[Stability]							
Equity to total assets	《%》	N/O	90.01	87.16	87.50	89.82	92.72
Current assets ratio	《%》	H/K	1,538.31	1,056.94	1,065.13	1,779.01	2,544.54
Non-current assets ratio	《%》	I/M	23.72	28.55	30.04	35.16	25.36
Fixed long-term conformity rate	《%》	I/(J-K+N)	22.48	26.73	28.16	32.72	24.22
Debt equity ratio	《Times》	L/N	-	-	-	-	-
Debt capacity ratio	《Times》	L/(Q+I)	-	-	-	-	-
Return on invested capital	《%》	G/(L+N)	0.02	0.02	0.18	- 0.14	- 0.06
[Efficiency]							
Net sales to total assets	《Times》	A/O	0.77	0.51	0.75	0.55	0.28
Equity turnover	《Times》	A/M	0.88	0.62	0.92	0.67	0.31
[Potential]							
Net sales growth rate	《%》		- 9.88	- 27.34	78.88	- 39.68	- 56.73
Operating profit growth rate	《%》		- 1,388.03	71.27	1,006.53	- 363.03	27.96
Ordinary profit growth rate	《%》		- 81.49	456.63	290.63	- 156.80	41.73
Net profit growth rate	《%》		- 78.53	37.23	948.67	- 163.62	57.73
Total assets growth rate	《%》		- 3.24	10.01	22.39	- 18.61	- 13.14
Shareholders' equity growth rate	《%》		- 0.61	2.36	20.55	- 16.54	- 5.50