

PUNCH INDUSTRY (6165)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2018		41,025	2,843	2,731	1,788	81.61	16.75	736.64
FY03/2019		40,935	2,578	2,547	960	43.92	16.75	721.49
FY03/2020CoE		40,000	2,000	1,900	1,400	64.39	16.80	-
FY03/2019		YoY (0.2%)	(9.3%)	(6.8%)	(46.3%)	-	-	-
FY03/2020CoE		YoY (2.3%)	(22.4%)	(25.4%)	45.8%	-	-	-
Consolidated Half Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q2 FY03/2019		20,937	1,374	1,340	1,005	-	-	-
Q3 to Q4 FY03/2019		19,998	1,204	1,207	(44)	-	-	-
Q1 to Q2 FY03/2020CoE		18,400	630	560	400	-	-	-
Q3 to Q4 FY03/2020CoE		21,600	1,370	1,340	1,000	-	-	-
Q1 to Q2 FY03/2020CoE		YoY (12.1%)	(54.2%)	(58.2%)	(60.2%)	-	-	-
Q3 to Q4 FY03/2020CoE		YoY 8.0%	13.8%	11.0%	-	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (15 May 2019)

China-US Trade War to Persist in H1

On 13 May 2019, PUNCH INDUSTRY, manufacturing and selling parts of molds & dies domestically and overseas, released its FY03/2019 results. It has been revealed that negative impacts from China-US trade war will inevitably persist going forward, given almost half of sales exposed to China. FY03/2020 Company forecasts assume major adjustments for sales and earnings in H1. At the same time, however, Company forecasts are going for sales and earnings in H2 increased over the same period in the previous year. Business performance of the Company's subsidiaries based in China, all ending fiscal year as of December, is reflected with a three month delay with the Company's consolidated accounts. Because of this, the Q1 results (January to March for the subsidiaries based in China) have been already fixed, while recent trading so far in Q2 (April to June, ditto) has turned out to be sluggish to date. H1 (April to September) Company forecasts have well reflected all those factors.

Still, it is too early to estimate now about prospective impacts stemming from China-US trade war in H2 (October to March) where trading of the subsidiaries based in China in July and onward is to be reflected. Thus, the Company says H2 Company forecasts do not assume any impacts associated with China-US trade war. We are to attend the Company's results meeting on 28 May as well as interviewing with management afterward to update [PUNCH INDUSTRY \(6165\) Correction after Overshoot \(12 March 2019\)](#) and release anew.

IR Representative: Hayato Matsuda / Corporate Strategy Planning Office (info-corp@punch.co.jp)

2.0 Company Profile

Manufacturing and Selling Parts of Molds & Dies Domestically and Overseas

Company Name	PUNCH INDUSTRY CO., LTD. Website IR Information Share Price (Japanese)	
Established	29 March 1975	
Listing	14 March 2014: Tokyo Stock Exchange 1st section (ticker: 6165) 20 December 2012: Tokyo Stock Exchange 2nd section	
Capital	¥2,897m (as of the end of March 2019)	
No. of Shares	22,122,400 shares, including 380,336 treasury shares (as of the end of March 2019)	
Main Features	<ul style="list-style-type: none">● By far the largest in China and one of the largest on a global basis● Collective 15,000 customers (6,000 in Japan, 8,000 in China and 1,000 in Other)● Focus on high value-added strategic products	
Business Segment	. Parts of Molds & Dies Business	
Top Management	Representative Director President, CEO: Masaaki Takeda	
Shareholders	MT Kosan 12.9%, Yuji Morikubo 7.5% (as of the end of March 2019)	
Headquarters	Shinagawa-ku, Tokyo, JAPAN	
No. of Employees	Consolidated: 4,282, Parent: 982 (as of the end of March 2019)	

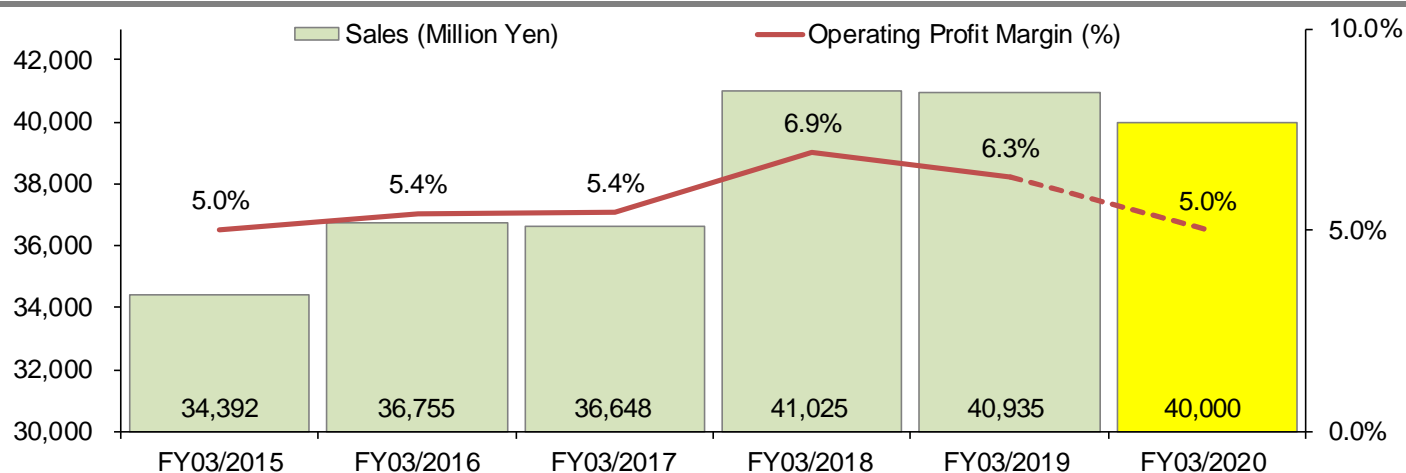
Source: Company Data

3.0 Recent Trading and Prospects

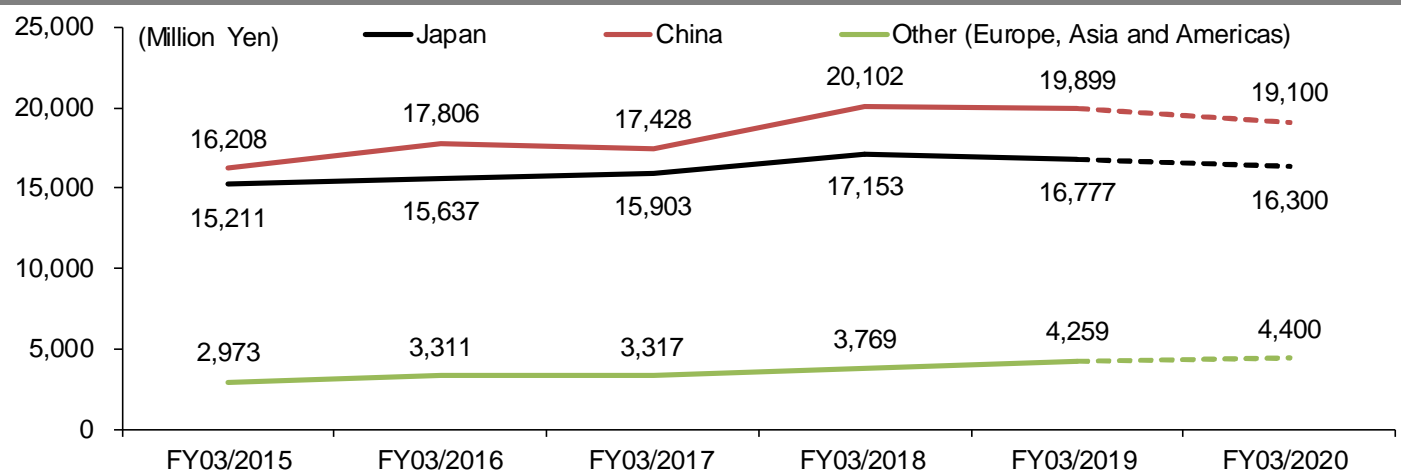
FY03/2019 Results

In FY03/2019, sales came in at ¥40,935m (down 0.2% YoY), operating profit ¥2,578m (down 9.3%), recurring profit ¥2,547m (down 6.8%) and profit attributable to owners of parent ¥960m (down 46.3%), while operating profit margin 6.3% (down 0.6% points). Given impairment loss of ¥848m associated with new capacity of Vietnam booked as extraordinary loss, profit attributable to owners of parent plummeted. To start with, it needed longer than expected for setting up the basic structure of manufacture in there. Secondly, since this has been achieved, demand for the manufacture has been falling short of expectations due to negative impacts stemming from China-US trade war, etc.

Sales and Operating Profit Margin



Sales by Region



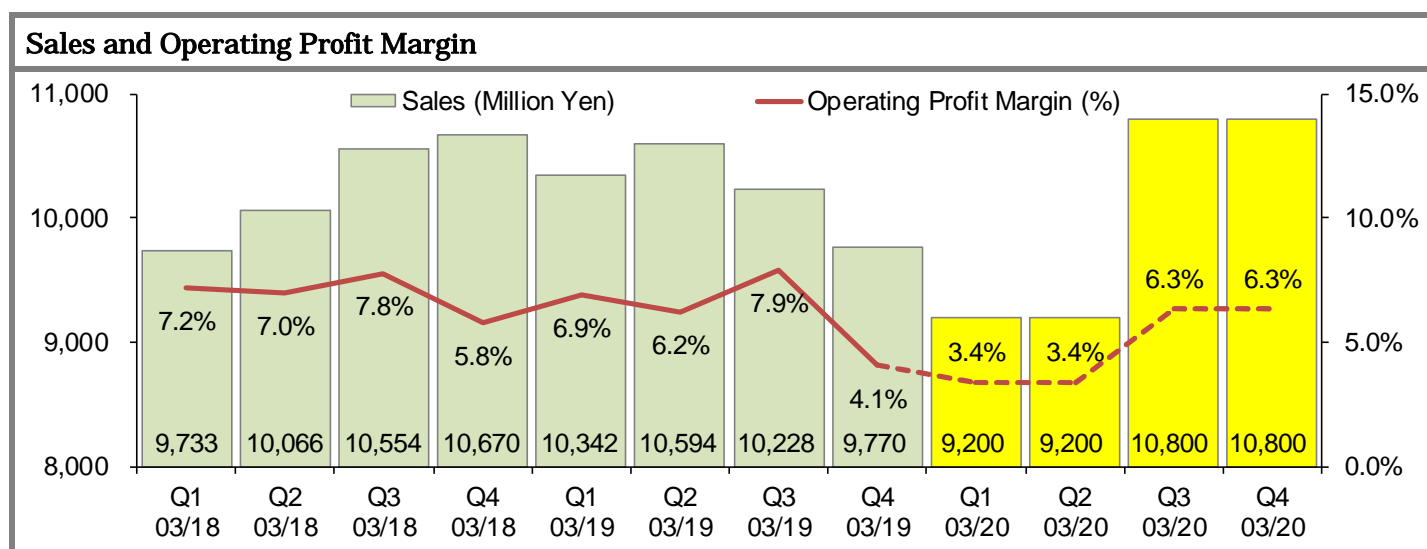
Source: Company Data, WRJ Calculation

In FY03/2019 results, sales of Japan came in at ¥16,777m (down 2.2%), sales of China ¥19,899m (down 1.0%) and sales of Other (Europe, Asia and Americas) ¥4,259m (up 13.0%). In Japan, sales were sluggish across the board, including “Automobiles”, “Electronic Parts & Semiconductors”, etc. by application. In China, sales increased over the same period of the previous year in Q1 and in Q2, which was followed by decreases in Q3 and the rate of decreases expanded in Q4. In Other (Europe, Asia and Americas), sales of Europe, presumably the mainstay, appears to have been buoyant in particular.

Meanwhile, sales as a whole for the Company came in at ¥40,935m (down 0.2%) versus gross profit of ¥11,472m (down 1.6%) and SG&A expenses of ¥8,893m (up 0.9%), implying gross profit margin of 28.0% (down 0.4% points) and the ratio of SG&A expenses to sales of 21.7% (up 0.2% points). Sales failed to increase, while capacity having been expanded with investment to do so, but gross profit margin did not come down very much. On top of this, it appears that the Company well streamlined SG&A expenses toward Q4 in particular, given sluggish sales. As a result, operating profit did not come down sharply.

FY03/2020 Company Forecasts

FY03/2020 Company forecasts are going for prospective sales of ¥40,000m (down 2.3%), operating profit of ¥2,000m (down 22.4%), recurring profit of ¥1,900m (down 25.4%) and profit attributable to owners of parent of ¥1,400m (up 45.8%), while operating profit margin of 5.0% (down 1.3% points). At the same time, Company forecasts are going for prospective annual dividend of ¥16.80 per share, implying payout ratio of 26.1%.



Source: Company Data, WRJ Calculation (quarters of FY03/2020: H1 Company forecasts pro rata and ditto for H2)

At the same time, Company forecasts assume prospective sales of ¥18,400m (down 12.1%) in H1 and ¥21,600m (up 8.0%) in H2. Meanwhile, on a full-year basis, Company forecasts assume prospective sales of ¥16,300m (down 2.5%) in Japan, ¥19,100m (down 3.6%) in China and ¥4,400m (up 4.7%) in Other (Europe, Asia and Americas). In regards to sales of China, the Company is going for increases by 2% over the previous year on a local currency basis with forex assumption of ¥15.80 per Chinese yuan in FY03/2020 versus ¥16.69 per Chinese yuan in FY03/2019, suggesting yen's appreciation by 5%.

4.0 Financial Statements

Income Statement (Cumulative, Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019		
Sales	9,733	19,800	30,354	41,025	10,342	20,937	31,165	40,935		(89)
CoGS	6,960	14,155	21,699	29,367	7,390	15,036	22,264	29,463		+96
Gross Profit	2,773	5,644	8,654	11,658	2,951	5,900	8,900	11,472		(186)
SG&A Expenses	2,072	4,239	6,429	8,814	2,236	4,526	6,719	8,893		+78
Operating Profit	701	1,404	2,225	2,843	714	1,374	2,181	2,578		(264)
Non Operating Balance	10	(5)	(42)	(111)	(32)	(34)	(22)	(31)		+80
Recurring Profit	711	1,398	2,182	2,731	682	1,340	2,158	2,547		(184)
Extraordinary Balance	(60)	(65)	(67)	(215)	(6)	(7)	(11)	(897)		(681)
Profit before Income Taxes	650	1,333	2,115	2,516	676	1,332	2,147	1,650		(866)
Total Income Taxes	226	411	747	725	164	325	560	686		(39)
NP Belonging to Non-Controlling SHs	1	1	1	1	1	1	2	3		+1
Profit Attributable to Owners of Parent	422	921	1,366	1,788	511	1,005	1,583	960		(828)
Sales YoY	+12.4%	+10.9%	+12.7%	+11.9%	+6.3%	+5.7%	+2.7%	(0.2%)		-
Operating Profit YoY	+111.7%	+67.0%	+58.3%	+42.8%	+2.0%	(2.2%)	(2.0%)	(9.3%)		-
Recurring Profit YoY	+115.4%	+76.6%	+62.8%	+45.7%	(4.0%)	(4.2%)	(1.1%)	(6.8%)		-
Profit Attributable to Owners of Parent YoY	+103.5%	+67.6%	+50.3%	+30.0%	+20.9%	+9.1%	+15.9%	(46.3%)		-
Gross Profit Margin	28.5%	28.5%	28.5%	28.4%	28.5%	28.2%	28.6%	28.0%		(0.4%)
(SG&A / Sales)	21.3%	21.4%	21.2%	21.5%	21.6%	21.6%	21.6%	21.7%		+0.2%
Operating Profit Margin	7.2%	7.1%	7.3%	6.9%	6.9%	6.6%	7.0%	6.3%		(0.6%)
Recurring Profit Margin	7.3%	7.1%	7.2%	6.7%	6.6%	6.4%	6.9%	6.2%		(0.4%)
Profit Attributable to Owners of Parent Margin	4.3%	4.7%	4.5%	4.4%	4.9%	4.8%	5.1%	2.3%		(2.0%)
Total Income Taxes / Profit before Income Taxes	34.8%	30.8%	35.3%	28.8%	24.3%	24.5%	26.1%	41.6%		+12.8%

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019		
Sales	9,733	10,066	10,554	10,670	10,342	10,594	10,228	9,770		(900)
CoGS	6,960	7,195	7,543	7,667	7,390	7,646	7,227	7,199		(468)
Gross Profit	2,773	2,871	3,010	3,003	2,951	2,948	3,000	2,571		(432)
SG&A Expenses	2,072	2,167	2,189	2,385	2,236	2,289	2,193	2,174		(211)
Operating Profit	701	703	820	618	714	659	807	397		(221)
Non Operating Balance	10	(16)	(36)	(69)	(32)	(2)	11	(8)		+60
Recurring Profit	711	687	784	548	682	657	818	388		(160)
Extraordinary Balance	(60)	(4)	(2)	(147)	(6)	(1)	(3)	(885)		(737)
Profit before Income Taxes	650	683	781	401	676	655	814	(497)		(898)
Total Income Taxes	226	184	335	(21)	164	161	234	125		+146
NP Belonging to Non-Controlling SHs	1	-	-	-	1	-	1	-		-
Profit Attributable to Owners of Parent	422	498	445	422	511	494	578	(623)		(1,045)
Sales YoY	+12.4%	+9.6%	+16.2%	+9.8%	+6.3%	+5.2%	(3.1%)	(8.4%)		-
Operating Profit YoY	+111.7%	+38.0%	+45.4%	+5.6%	+2.0%	(6.3%)	(1.6%)	(35.8%)		-
Recurring Profit YoY	+115.4%	+48.9%	+42.9%	+2.9%	(4.0%)	(4.4%)	+4.4%	(29.2%)		-
Profit Attributable to Owners of Parent YoY	+103.5%	+45.8%	+23.8%	(9.5%)	+20.9%	(0.9%)	+29.9%	-		-
Gross Profit Margin	28.5%	28.5%	28.5%	28.1%	28.5%	27.8%	29.3%	26.3%		(1.8%)
(SG&A / Sales)	21.3%	21.5%	20.7%	22.4%	21.6%	21.6%	21.4%	22.3%		(0.1%)
Operating Profit Margin	7.2%	7.0%	7.8%	5.8%	6.9%	6.2%	7.9%	4.1%		(1.7%)
Recurring Profit Margin	7.3%	6.8%	7.4%	5.1%	6.6%	6.2%	8.0%	4.0%		(1.2%)
Profit Attributable to Owners of Parent Margin	4.3%	5.0%	4.2%	4.0%	4.9%	4.7%	5.7%	(6.4%)		(10.3%)
Total Income Taxes / Profit before Income Taxes	34.8%	27.1%	42.9%	(5.3%)	24.3%	24.7%	28.8%	-		-

Source: Company Data, WRJ Calculation

Sales by Region (Cumulative, Quarterly)

Sales by Region	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	YoY Net Chg.
(Million Yen)	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019	
Japan	4,230	8,420	12,760	17,153	4,270	8,390	12,620	16,777	(376)
China	4,620	9,560	14,780	20,102	4,980	10,390	15,350	19,899	(203)
Other (Europe, Asia and Americas)	870	1,790	2,770	3,769	1,080	2,120	3,150	4,259	+490
Sales	9,733	19,800	30,354	41,025	10,342	20,937	31,165	40,935	(89)
Japan	+10.1%	+10.0%	+10.3%	+7.9%	+0.9%	(0.3%)	(1.0%)	(2.2%)	-
China	+14.4%	+11.6%	+14.7%	+15.3%	+7.8%	+8.7%	+3.8%	(1.0%)	-
Other (Europe, Asia and Americas)	+13.7%	+11.9%	+13.4%	+13.6%	+24.2%	+18.5%	+13.5%	+13.0%	-
Sales (YoY)	+12.4%	+10.9%	+12.7%	+11.9%	+6.3%	+5.7%	+2.7%	(0.2%)	-
Japan	43.5%	42.5%	42.0%	41.8%	41.3%	40.1%	40.5%	41.0%	-
China	47.5%	48.3%	48.7%	49.0%	48.2%	49.6%	49.3%	48.6%	-
Other (Europe, Asia and Americas)	8.9%	9.0%	9.1%	9.2%	10.4%	10.1%	10.1%	10.4%	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-
Sales by Region	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY Net Chg.
(Million Yen)	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019	
Japan	4,230	4,190	4,340	4,380	4,270	4,120	4,230	4,140	(240)
China	4,620	4,940	5,220	5,300	4,980	5,410	4,960	4,530	(770)
Other (Europe, Asia and Americas)	870	920	980	970	1,080	1,040	1,030	1,090	+120
Sales	9,733	10,066	10,554	10,670	10,342	10,594	10,228	9,770	(900)
Japan	+10.1%	+10.0%	+11.0%	+1.2%	+0.9%	(1.7%)	(2.5%)	(5.5%)	-
China	+14.4%	+9.1%	+20.8%	+17.3%	+7.8%	+9.5%	(5.0%)	(14.5%)	-
Other (Europe, Asia and Americas)	+13.7%	+9.5%	+16.7%	+14.1%	+24.2%	+13.0%	+5.1%	+12.4%	-
Sales (YoY)	+12.4%	+9.6%	+16.2%	+9.8%	+6.3%	+5.2%	(3.1%)	(8.4%)	-
Japan	43.5%	41.6%	41.1%	41.0%	41.3%	38.9%	41.4%	42.4%	-
China	47.5%	49.1%	49.5%	49.7%	48.2%	51.1%	48.5%	46.4%	-
Other (Europe, Asia and Americas)	8.9%	9.1%	9.3%	9.1%	10.4%	9.8%	10.1%	11.2%	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-

Source: Company Data, WRJ Calculation

Sales by Application (Cumulative, Quarterly)

Sales by Application	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	YoY
(Million Yen)	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019	Net Chg.
"Automobiles"	4,550	9,040	13,740	18,390	4,610	9,120	13,610	17,870	(520)
"Electronic Parts & Semiconductors"	1,840	3,840	5,900	7,890	1,970	3,980	5,880	7,550	(340)
"Home Appliances & Precision Machinery"	1,150	2,360	3,550	4,790	1,220	2,460	3,660	4,830	+40
"Other"	2,190	4,550	7,130	9,940	2,520	5,330	7,940	10,660	+720
Sales	9,733	19,800	30,354	41,025	10,342	20,937	31,165	40,935	(89)
"Automobiles"	+16.1%	+11.5%	+11.4%	+9.6%	+1.3%	+0.9%	(0.9%)	(2.8%)	-
"Electronic Parts & Semiconductors"	+10.8%	+10.0%	+14.1%	+12.7%	+7.1%	+3.6%	(0.3%)	(4.3%)	-
"Home Appliances & Precision Machinery"	+0.9%	+5.8%	+6.6%	+6.9%	+6.1%	+4.2%	+3.1%	+0.8%	-
"Other"	+13.5%	+13.5%	+16.9%	+18.3%	+15.1%	+17.1%	+11.4%	+7.2%	-
Sales (YoY)	+12.4%	+10.9%	+12.7%	+11.9%	+6.3%	+5.7%	+2.7%	(0.2%)	-
"Automobiles"	46.7%	45.7%	45.3%	44.8%	44.6%	43.6%	43.7%	43.7%	-
"Electronic Parts & Semiconductors"	18.9%	19.4%	19.4%	19.2%	19.0%	19.0%	18.9%	18.4%	-
"Home Appliances & Precision Machinery"	11.8%	11.9%	11.7%	11.7%	11.8%	11.7%	11.7%	11.8%	-
"Other"	22.5%	23.0%	23.5%	24.2%	24.4%	25.5%	25.5%	26.0%	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-
Sales by Application	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
(Million Yen)	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019	Net Chg.
"Automobiles"	4,550	4,490	4,700	4,630	4,610	4,510	4,490	4,240	(390)
"Electronic Parts & Semiconductors"	1,840	2,000	2,060	1,980	1,970	2,010	1,900	1,650	(330)
"Home Appliances & Precision Machinery"	1,150	1,210	1,190	1,230	1,220	1,240	1,200	1,160	(70)
"Other"	2,190	2,360	2,580	2,810	2,520	2,810	2,610	2,700	(110)
Sales	9,733	10,066	10,554	10,670	10,342	10,594	10,228	9,770	(900)
"Automobiles"	+16.1%	+7.2%	+11.4%	+4.0%	+1.3%	+0.4%	(4.5%)	(8.4%)	-
"Electronic Parts & Semiconductors"	+10.8%	+9.3%	+22.6%	+8.2%	+7.1%	+0.5%	(7.8%)	(16.7%)	-
"Home Appliances & Precision Machinery"	+0.9%	+11.0%	+8.2%	+7.0%	+6.1%	+2.5%	+0.8%	(5.7%)	-
"Other"	+13.5%	+13.5%	+23.4%	+22.2%	+15.1%	+19.1%	+1.2%	(3.9%)	-
Sales (YoY)	+12.4%	+9.6%	+16.2%	+9.8%	+6.3%	+5.2%	(3.1%)	(8.4%)	-
"Automobiles"	46.7%	44.6%	44.5%	43.4%	44.6%	42.6%	43.9%	43.4%	-
"Electronic Parts & Semiconductors"	18.9%	19.9%	19.5%	18.6%	19.0%	19.0%	18.6%	16.9%	-
"Home Appliances & Precision Machinery"	11.8%	12.0%	11.3%	11.5%	11.8%	11.7%	11.7%	11.9%	-
"Other"	22.5%	23.4%	24.4%	26.3%	24.4%	26.5%	25.5%	27.6%	-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019	03/2019	
Cash and Deposit	2,934	3,408	3,594	3,770	3,735	2,456	3,618	3,579		(191)
Accounts Receivables	11,350	11,442	11,423	12,095	11,816	11,654	11,065	10,988		(1,107)
Inventory	3,835	4,020	4,248	4,425	4,489	4,649	4,938	4,663		+237
Other	531	936	866	549	561	685	435	327		(222)
Current Assets	18,652	19,808	20,134	20,842	20,602	19,445	20,057	19,559		(1,282)
Tangible Assets	8,543	8,966	9,444	9,939	10,112	10,228	10,884	9,972		+32
Intangible Assets	1,202	1,173	1,150	1,157	1,145	1,136	1,084	1,001		(155)
Investments and Other Assets	392	357	333	621	717	713	604	621		-
Fixed Assets	10,138	10,496	10,929	11,718	11,975	12,079	12,572	11,595		(122)
Total Assets	28,790	30,304	31,063	32,560	32,577	31,524	32,630	31,155		(1,405)
Accounts Payables, etc.	4,531	4,924	4,726	4,597	4,968	4,937	4,352	4,148		(448)
Short Term Debt	4,236	4,298	4,368	3,730	4,135	3,240	4,266	4,326		+595
Other	2,538	2,973	3,145	4,322	3,338	3,013	3,312	3,056		(1,266)
Current Liabilities	11,305	12,197	12,239	12,649	12,441	11,192	11,932	11,531		(1,118)
Long Term Debt	2,273	2,015	1,916	2,151	2,376	2,273	2,465	2,341		+190
Other	1,099	1,298	1,436	1,584	1,581	1,556	1,597	1,547		(36)
Fixed Liabilities	3,372	3,313	3,353	3,736	3,957	3,829	4,062	3,889		+153
Total Liabilities	14,678	15,510	15,593	16,385	16,398	15,022	15,994	15,420		(965)
Shareholders' Equity	13,878	14,376	14,674	15,096	15,388	15,887	16,124	15,500		+403
Other	233	417	795	1,077	789	615	510	234		(843)
Net Assets	14,112	14,794	15,470	16,174	16,178	16,502	16,635	15,734		(440)
Total Liabilities and Net Assets	28,790	30,304	31,063	32,560	32,577	31,524	32,630	31,155		(1,405)
Equity Capital	14,099	14,777	15,448	16,148	16,147	16,471	16,595	15,686		(462)
Interest Bearing Debt	6,509	6,314	6,285	5,882	6,511	5,514	6,731	6,668		+786
Net Debt	3,574	2,905	2,690	2,111	2,775	3,057	3,113	3,088		+977
Equity Ratio	49.0%	48.8%	49.7%	49.6%	49.6%	52.2%	50.9%	50.3%		+0.8%
Net Debt Equity Ratio	25.4%	19.7%	17.4%	13.1%	17.2%	18.6%	18.8%	19.7%		+6.6%
ROE (12 months)	11.5%	12.8%	13.1%	11.8%	12.4%	12.0%	12.5%	6.0%		(5.8%)
ROA (12 months)	8.0%	8.6%	9.3%	8.8%	8.8%	8.6%	8.5%	8.0%		(0.8%)
Days for Inventory Turnover	50	51	51	53	55	55	62	59		-
Quick Ratio	126%	122%	123%	125%	125%	126%	123%	126%		-
Current Ratio	165%	162%	164%	165%	166%	174%	168%	170%		-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	03/2018	03/2018	03/2018	03/2018	03/2019	03/2019	03/2019	03/2019		
Operating Cash Flow	-	1,882	-	3,393	-	949	-	3,185		(208)
Investing Cash Flow	-	(1,043)	-	(2,335)	-	(1,373)	-	(3,253)		(917)
Operating CF and Investing CF	-	838	-	1,058	-	(423)	-	(68)		(1,126)
Financing Cash Flow	-	(657)	-	(738)	-	(761)	-	74		+812

Source: Company Data, WRJ Calculation

5.0 Our Reports on the Company in the Past

Fiscal Year	Results Update	Company Report
Q4 FY03/2019	-	-
Q3 FY03/2019	Nor the Furious Winter's Rages	Correction after Overshoot
Q2 FY03/2019	Limited Downgrade	Cruising Speed
Q1 FY03/2019	As Expected	“Five-pole Sales Structure”
Q4 FY03/2018	Midterm Plan Exceeded	“Punch of the World”
Q3 FY03/2018	New Business Domains Taking off	Still Great Room for Development
Q2 FY03/2018	Exceeding in China	Critical Point
Q1 FY03/2018	Punchy PUNCH	Strategic Products with High Added Value
Q4 FY03/2017	In Line with Midterm Management Plan	Increasing Sales and Vietnam
Q3 FY03/2017	-	-
Q2 FY03/2017	-	-
Q1 FY03/2017	-	-

Disclaimer

Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage etc.

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