

## 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		38,000	1,200	1,100	700	32.20	8.40	-
FY03/2019	YoY	(0.2%)	(9.3%)	(6.8%)	(46.3%)	-	-	-
FY03/2020CoE	YoY	(7.2%)	(53.5%)	(56.8%)	(27.1%)	-	-	-
Consolidated Quarter (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 FY03/2019		10,342	714	682	511	-	-	-
Q2 FY03/2019		10,594	659	657	494	-	-	-
Q3 FY03/2019		10,228	807	818	578	-	-	-
Q4 FY03/2019		9,770	397	388	(623)	-	-	-
Q1 FY03/2020		8,511	(29)	(90)	(126)	-	-	-
Q1 FY03/2020	YoY	(17.7%)	-	-	-	-	-	-

Source: Company Data, WRJ Calculation

### 1.0 Results Update (9 August 2019)

#### China-United States Trade War


On 8 August 2019, PUNCH INDUSTRY, manufacturing / selling parts of molds and dies in Japan and overseas, released its Q1 FY03/2020 results. It has been revealed that sales are coming down sharply, negatively affected by deteriorated market sentiment due mainly to China-United States trade war. The Company suggests that this issue has persisted so far in Q2, while it is currently too hard to go for recovery of market sentiment in H2, given a concern that the negative impacts associated with Chin-United States trade war may prolong. Thus, FY03/2020 Company forecasts have been downgraded. However, even after this downgrade, Company forecasts are going for sales of some ¥10,000m per quarter in H2 and improved earnings at the same time. The Company, being exposed to fixed cost a lot while not much to variable cost, has high marginal profit ratio and thus earnings are inclined to change a lot in line with changes of sales. Plummeting sales in Q1 led to operating loss, albeit not much, while Company forecasts are going for benefits from increased sales in H2, combined with a factor that cutting back on cost is going on, as far as we could gather.

For information: [PUNCH INDUSTRY \(6165\) Autos of China \(22 July 2019\)](#)

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## 2.0 Company Profile

### Manufacturing / Selling Parts of Molds and Dies in Japan and Overseas

<b>Company Name</b>	PUNCH INDUSTRY CO., LTD. <a href="#">Website</a> <a href="#">IR Information</a> <a href="#">Share Price (Japanese)</a>	
<b>Established</b>	29 March 1975	
<b>Listing</b>	14 March 2014: Tokyo Stock Exchange 1st section (ticker: 6165) 20 December 2012: Tokyo Stock Exchange 2nd section	
<b>Capital</b>	¥2,897m (as of the end of June 2019)	
<b>No. of Shares</b>	22,122,400 shares, including 376,963 treasury shares (as of the end of June 2019)	
<b>Main Features</b>	<ul style="list-style-type: none"> <li>● By far the largest in China and one of the largest on a global basis</li> <li>● Collective 15,000 customers (6,000 in Japan, 8,000 in China and 1,000 in Other)</li> <li>● Focus on high value-added strategic products</li> </ul>	
<b>Business Segment</b>	. Parts of Molds and Dies Business	
<b>Top Management</b>	Representative Director / President / CEO: Masaaki Takeda	
<b>Shareholders</b>	MT Kosan 12.7%, Yuji Morikubo 7.4% (as of the end of March 2019)	
<b>Headquarters</b>	Shinagawa-ku, Tokyo, JAPAN	
<b>No. of Employees</b>	Consolidated: 4,282, Parent: 982 (as of the end of March 2019)	

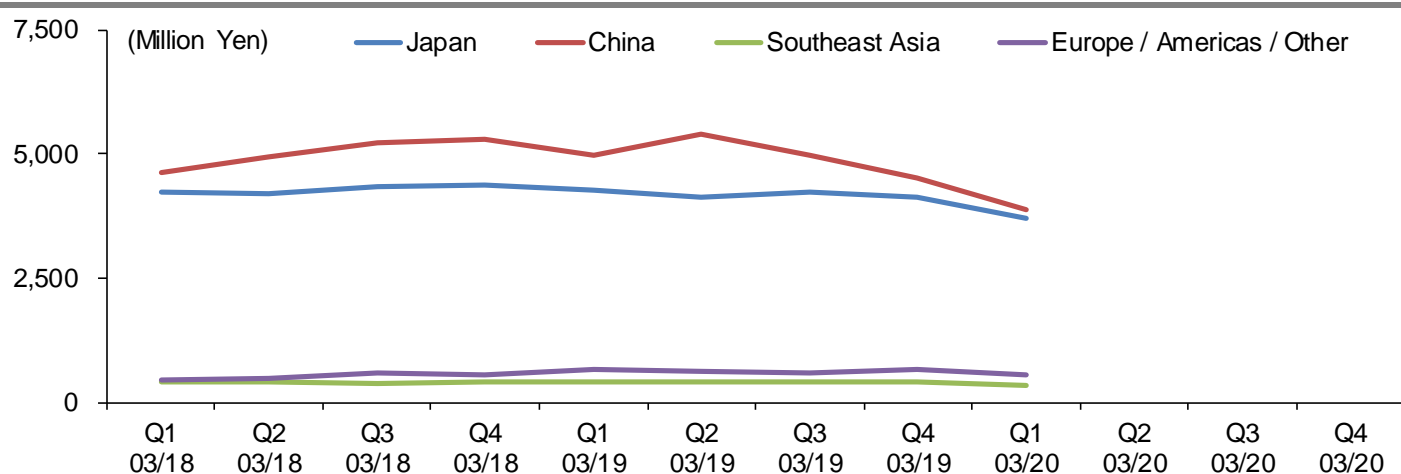
Source: Company Data

## 3.0 Recent Trading and Prospects

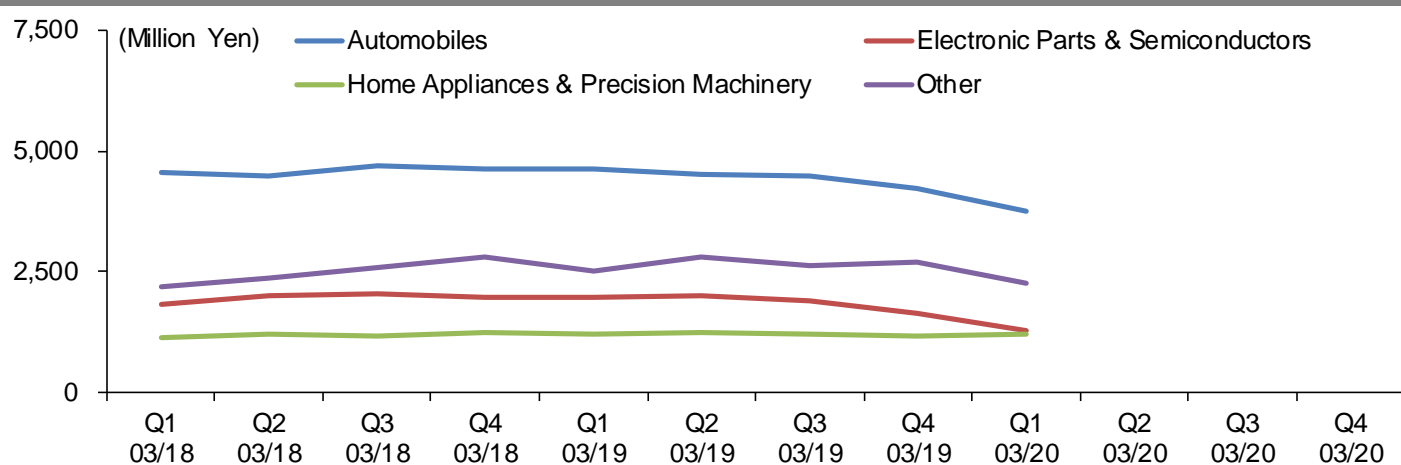
### Q1 FY03/2020 Results

In Q1 FY03/2020, sales came in at ¥8,511m (down 17.7% YoY), operating profit negative ¥29m (versus ¥714m during the same period of the previous year), recurring profit negative ¥90m (¥682m) and profit attributable to owners of parent negative ¥126m (¥511m), while operating profit margin negative 0.3% (down 7.3% points). Given negative impacts beyond initially expected to market sentiment stemming from China-United States trade war, full-year Company forecasts have been downgraded, i.e., by ¥2,000m (5.0%) in sales and by ¥800m (40.0%) in operating profit.

#### Sales by Region



#### Sales by Application



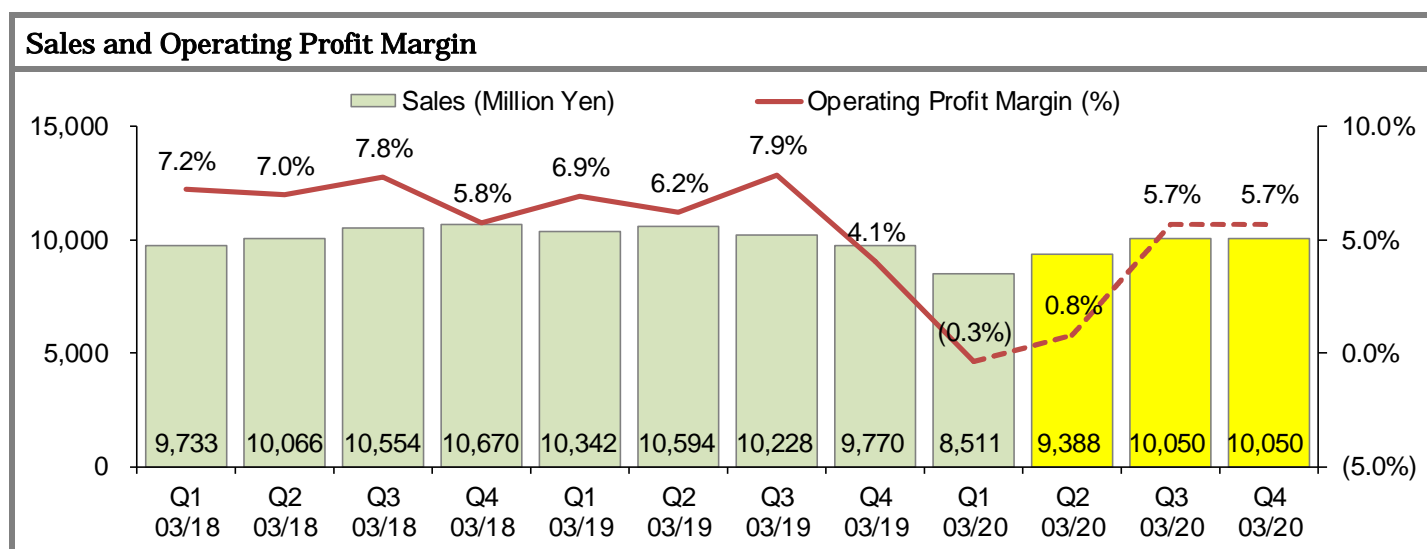
Source: Company Data, WRJ Calculation

In Q1, sales came in at ¥3,715m (down 13.0%) in Japan, ¥3,879m (down 22.1%) in China, ¥563m (down 14.4%) in Southeast Asia and ¥563m (down 16.4%) in Europe / Americas / Other. With respect to Japan and China, collectively accounting for almost 90% of sales as a whole for the Company, it appears that demand associated with Automobiles and Electronic Parts & Semiconductors is coming down in particular. As a result of China-United States trade war, the number of new vehicle projects are on the decreases as well as of production volume, while decreased volume of smartphone production is suggested to be another negative issue. In Southeast Asia, the Company suggests strengths in India, but weakness elsewhere is more substantial. In Europe / Americas / Other, sales of Europe are now slowing despite strengths until recently.

Meanwhile, gross profit came in at ¥2,148m (down 27.2%) and SG&A expenses ¥2,177m (down 2.6%), implying gross profit margin of 25.2% (down 3.3% points) and sales to SG&A expenses ratio of 25.6% (up 4.0% points). In line with decreased sales, gross profit decreased, while gross profit margin was under pressure as it was getting harder to recover fixed cost due to lowered utilization of own production capacity. In order to compensate for all those issues, the Company cut back on personnel expenses, etc., but not sufficiently enough to do so.

### FY03/2020 Company Forecasts

FY03/2020 Company forecasts (released on 8 August 2019) are going for prospective sales of ¥38,000m (down 7.2%), operating profit of ¥1,200m (down 53.5%), recurring profit of ¥1,100m (down 56.8%) and profit attributable to owners of parent of ¥700m (down 27.1%), while operating profit margin of 3.2% (down 3.1% points). At the same time, Company forecasts are going for prospective annual dividend of ¥8.4 per share, implying payout ratio of 26.1%.



Source: Company Data, WRJ Calculation (Q3 and Q4 FY03/2020: H2 Company forecasts, pro rata)

As mentioned earlier, prospective sales have been downgraded by ¥2,000m (5.0%), when compared with initial Company forecasts (released on 15 May 2019). It appears this is due mainly to shortfall for sales of Japan in H1 and shortfall for sales of China in H2, i.e., both of them. With respect to sales of China, Company forecasts did not assume negative impacts to market sentiment by China-United States trade war in H2, but now they do, as far as we could see. Meanwhile, Company forecasts are now going for increased sales of China in Q2 over Q1, which is attributable to a seasonal factor associated with Chinese New Year (4 to 10 February in case of CY2019). In FY03/2019, sales of China increased by 8.7% in Q2 over Q1, i.e., to ¥5,417m from ¥4,983m.

## 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	Q1 to Q4	Net Chg.
	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020	03/2020	
<b>Sales</b>	<b>10,342</b>	<b>20,937</b>	<b>31,165</b>	<b>40,935</b>	<b>8,511</b>	-	-	-	-	<b>(1,830)</b>
CoGS	7,390	15,036	22,264	29,463	6,363	-	-	-	-	(1,027)
Gross Profit	2,951	5,900	8,900	11,472	2,148	-	-	-	-	(803)
SG&A Expenses	2,236	4,526	6,719	8,893	2,177	-	-	-	-	(59)
<b>Operating Profit</b>	<b>714</b>	<b>1,374</b>	<b>2,181</b>	<b>2,578</b>	<b>(29)</b>	-	-	-	-	<b>(744)</b>
Non Operating Balance	(32)	(34)	(22)	(31)	(60)	-	-	-	-	(28)
<b>Recurring Profit</b>	<b>682</b>	<b>1,340</b>	<b>2,158</b>	<b>2,547</b>	<b>(90)</b>	-	-	-	-	<b>(772)</b>
Extraordinary Balance	(6)	(7)	(11)	(897)	(5)	-	-	-	-	+1
Profit before Income Taxes	676	1,332	2,147	1,650	(95)	-	-	-	-	(771)
Total Income Taxes	164	325	560	686	30	-	-	-	-	(133)
NP Belonging to Non-Controlling SHs	1	1	2	3	0	-	-	-	-	-
<b>Profit Attributable to Owners of Parent</b>	<b>511</b>	<b>1,005</b>	<b>1,583</b>	<b>960</b>	<b>(126)</b>	-	-	-	-	<b>(637)</b>
Sales YoY	+6.3%	+5.7%	+2.7%	(0.2%)	(17.7%)	-	-	-	-	-
Operating Profit YoY	+2.0%	(2.2%)	(2.0%)	(9.3%)	-	-	-	-	-	-
Recurring Profit YoY	(4.0%)	(4.2%)	(1.1%)	(6.8%)	-	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	+20.9%	+9.1%	+15.9%	(46.3%)	-	-	-	-	-	-
Gross Profit Margin	28.5%	28.2%	28.6%	28.0%	25.2%	-	-	-	-	(3.3%)
Sales to SG&A Expenses Ratio	21.6%	21.6%	21.6%	21.7%	25.6%	-	-	-	-	+4.0%
Operating Profit Margin	6.9%	6.6%	7.0%	6.3%	(0.3%)	-	-	-	-	(7.3%)
Recurring Profit Margin	6.6%	6.4%	6.9%	6.2%	(1.1%)	-	-	-	-	(7.7%)
Profit Attributable to Owners of Parent Margin	4.9%	4.8%	5.1%	2.3%	(1.5%)	-	-	-	-	(6.4%)
Total Income Taxes / Profit before Income Taxes	24.3%	24.5%	26.1%	41.6%	-	-	-	-	-	-

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	Q4	Net Chg.
	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020	03/2020	
<b>Sales</b>	<b>10,342</b>	<b>10,594</b>	<b>10,228</b>	<b>9,770</b>	<b>8,511</b>	-	-	-	-	<b>(1,830)</b>
CoGS	7,390	7,646	7,227	7,199	6,363	-	-	-	-	(1,027)
Gross Profit	2,951	2,948	3,000	2,571	2,148	-	-	-	-	(803)
SG&A Expenses	2,236	2,289	2,193	2,174	2,177	-	-	-	-	(59)
<b>Operating Profit</b>	<b>714</b>	<b>659</b>	<b>807</b>	<b>397</b>	<b>(29)</b>	-	-	-	-	<b>(744)</b>
Non Operating Balance	(32)	(2)	11	(8)	(60)	-	-	-	-	(28)
<b>Recurring Profit</b>	<b>682</b>	<b>657</b>	<b>818</b>	<b>388</b>	<b>(90)</b>	-	-	-	-	<b>(772)</b>
Extraordinary Balance	(6)	(1)	(3)	(885)	(5)	-	-	-	-	+1
Profit before Income Taxes	676	655	814	(497)	(95)	-	-	-	-	(771)
Total Income Taxes	164	161	234	125	30	-	-	-	-	(133)
NP Belonging to Non-Controlling SHs	1	-	1	-	-	-	-	-	-	-
<b>Profit Attributable to Owners of Parent</b>	<b>511</b>	<b>494</b>	<b>578</b>	<b>(623)</b>	<b>(126)</b>	-	-	-	-	<b>(637)</b>
Sales YoY	+6.3%	+5.2%	(3.1%)	(8.4%)	(17.7%)	-	-	-	-	-
Operating Profit YoY	+2.0%	(6.3%)	(1.6%)	(35.8%)	-	-	-	-	-	-
Recurring Profit YoY	(4.0%)	(4.4%)	+4.4%	(29.2%)	-	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	+20.9%	(0.9%)	+29.9%	-	-	-	-	-	-	-
Gross Profit Margin	28.5%	27.8%	29.3%	26.3%	25.2%	-	-	-	-	(3.3%)
Sales to SG&A Expenses Ratio	21.6%	21.6%	21.4%	22.3%	25.6%	-	-	-	-	+4.0%
Operating Profit Margin	6.9%	6.2%	7.9%	4.1%	(0.3%)	-	-	-	-	(7.3%)
Recurring Profit Margin	6.6%	6.2%	8.0%	4.0%	(1.1%)	-	-	-	-	(7.7%)
Profit Attributable to Owners of Parent Margin	4.9%	4.7%	5.7%	(6.4%)	(1.5%)	-	-	-	-	(6.4%)
Total Income Taxes / Profit before Income Taxes	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)	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020	
Japan	4,270	8,399	12,632	16,775	3,715	-	-	-	(555)
China	4,983	10,400	15,363	19,897	3,879	-	-	-	(1,104)
Southeast Asia	413	839	1,259	1,668	352	-	-	-	(61)
Europe / Americas / Other	674	1,295	1,905	2,588	563	-	-	-	(111)
<b>Sales</b>	<b>10,342</b>	<b>20,937</b>	<b>31,165</b>	<b>40,935</b>	<b>8,511</b>	-	-	-	<b>(1,830)</b>
Japan	+0.9%	(0.3%)	(1.0%)	(2.2%)	(13.0%)	-	-	-	-
China	+7.8%	+8.7%	+3.8%	(1.0%)	(22.1%)	-	-	-	-
Southeast Asia	+0.7%	+1.6%	+2.5%	+1.0%	(14.7%)	-	-	-	-
Europe / Americas / Other	+44.9%	+33.0%	+22.3%	+22.5%	(16.4%)	-	-	-	-
<b>Sales (YoY)</b>	<b>+6.3%</b>	<b>+5.7%</b>	<b>+2.7%</b>	<b>(0.2%)</b>	<b>(17.7%)</b>	-	-	-	-
Japan	41.3%	40.1%	40.5%	41.0%	43.6%	-	-	-	-
China	48.2%	49.7%	49.3%	48.6%	45.6%	-	-	-	-
Southeast Asia	4.0%	4.0%	4.0%	4.1%	4.1%	-	-	-	-
Europe / Americas / Other	6.5%	6.2%	6.1%	6.3%	6.6%	-	-	-	-
<b>Sales (Composition Ratio)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	-	-	-	-

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)	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020	
Japan	4,270	4,129	4,233	4,143	3,715	-	-	-	(555)
China	4,983	5,417	4,963	4,534	3,879	-	-	-	(1,104)
Southeast Asia	413	426	420	409	352	-	-	-	(61)
Europe / Americas / Other	674	621	610	683	563	-	-	-	(111)
<b>Sales</b>	<b>10,342</b>	<b>10,594</b>	<b>10,228</b>	<b>9,770</b>	<b>8,511</b>	-	-	-	<b>(1,830)</b>
Japan	+0.9%	(1.5%)	(2.5%)	(5.6%)	(13.0%)	-	-	-	-
China	+7.8%	+9.5%	(5.0%)	(14.5%)	(22.1%)	-	-	-	-
Southeast Asia	+0.7%	+2.4%	+4.5%	(3.5%)	(14.7%)	-	-	-	-
Europe / Americas / Other	+44.9%	+22.0%	+4.5%	+23.3%	(16.4%)	-	-	-	-
<b>Sales (YoY)</b>	<b>+6.3%</b>	<b>+5.2%</b>	<b>(3.1%)</b>	<b>(8.4%)</b>	<b>(17.7%)</b>	-	-	-	-
Japan	41.3%	39.0%	41.4%	42.4%	43.6%	-	-	-	-
China	48.2%	51.1%	48.5%	46.4%	45.6%	-	-	-	-
Southeast Asia	4.0%	4.0%	4.1%	4.2%	4.1%	-	-	-	-
Europe / Americas / Other	6.5%	5.9%	6.0%	7.0%	6.6%	-	-	-	-
<b>Sales (Composition Ratio)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	-	-	-	-

Source: Company Data, WRJ Calculation

### Sales by Application (Cumulative, Quarterly)

Sales by Application (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2019	Q1 to Q2 03/2019	Q1 to Q3 03/2019	Q1 to Q4 03/2019	Q1 03/2020	Q1 to Q2 03/2020	Q1 to Q3 03/2020	Q1 to Q4 03/2020		
Automobiles	4,610	9,120	13,610	17,877	3,755	-	-	-	(855)	
Electronic Parts & Semiconductors	1,970	3,980	5,880	7,558	1,290	-	-	-	(680)	
Home Appliances & Precision Machinery	1,220	2,460	3,660	4,837	1,217	-	-	-	(3)	
Other	2,520	5,330	7,940	10,662	2,248	-	-	-	(272)	
<b>Sales</b>	<b>10,342</b>	<b>20,937</b>	<b>31,165</b>	<b>40,935</b>	<b>8,511</b>	-	-	-	<b>(1,830)</b>	
Automobiles	+1.3%	+0.9%	(0.9%)	(2.8%)	(18.6%)	-	-	-	-	
Electronic Parts & Semiconductors	+7.1%	+3.6%	(0.3%)	(4.3%)	(34.8%)	-	-	-	-	
Home Appliances & Precision Machinery	+6.1%	+4.2%	+3.1%	+1.0%	(0.6%)	-	-	-	-	
Other	+15.1%	+17.1%	+11.4%	+7.2%	(11.0%)	-	-	-	-	
<b>Sales (YoY)</b>	<b>+6.3%</b>	<b>+5.7%</b>	<b>+2.7%</b>	<b>(0.2%)</b>	<b>(17.7%)</b>	-	-	-	-	
Automobiles	44.6%	43.6%	43.7%	43.7%	44.1%	-	-	-	-	
Electronic Parts & Semiconductors	19.0%	19.0%	18.9%	18.5%	15.2%	-	-	-	-	
Home Appliances & Precision Machinery	11.8%	11.7%	11.7%	11.8%	14.3%	-	-	-	-	
Other	24.4%	25.5%	25.5%	26.0%	26.4%	-	-	-	-	
<b>Sales (Composition Ratio)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	-	-	-	-	

Sales by Application (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2019	Q2 03/2019	Q3 03/2019	Q4 03/2019	Q1 03/2020	Q2 03/2020	Q3 03/2020	Q4 03/2020		
Automobiles	4,610	4,510	4,490	4,240	3,755	-	-	-	(855)	
Electronic Parts & Semiconductors	1,970	2,010	1,900	1,650	1,290	-	-	-	(680)	
Home Appliances & Precision Machinery	1,220	1,240	1,200	1,160	1,217	-	-	-	(3)	
Other	2,520	2,810	2,610	2,700	2,248	-	-	-	(272)	
<b>Sales</b>	<b>10,342</b>	<b>10,594</b>	<b>10,228</b>	<b>9,770</b>	<b>8,511</b>	-	-	-	<b>(1,830)</b>	
Automobiles	+1.3%	+0.4%	(4.5%)	(8.4%)	(18.6%)	-	-	-	-	
Electronic Parts & Semiconductors	+7.1%	+0.5%	(7.8%)	(16.7%)	(34.8%)	-	-	-	-	
Home Appliances & Precision Machinery	+6.1%	+2.5%	+0.8%	(5.7%)	(0.6%)	-	-	-	-	
Other	+15.1%	+19.1%	+1.2%	(3.9%)	(11.0%)	-	-	-	-	
<b>Sales (YoY)</b>	<b>+6.3%</b>	<b>+5.2%</b>	<b>(3.1%)</b>	<b>(8.4%)</b>	<b>(17.7%)</b>	-	-	-	-	
Automobiles	44.6%	42.6%	43.9%	43.4%	44.1%	-	-	-	-	
Electronic Parts & Semiconductors	19.0%	19.0%	18.6%	16.9%	15.2%	-	-	-	-	
Home Appliances & Precision Machinery	11.8%	11.7%	11.7%	11.9%	14.3%	-	-	-	-	
Other	24.4%	26.5%	25.5%	27.6%	26.4%	-	-	-	-	
<b>Sales (Composition Ratio)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	-	-	-	-	

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 03/2019	Q2 03/2019	Q3 03/2019	Q4 03/2019	Q1 03/2020	Q2 03/2020	Q3 03/2020	Q4 03/2020		
Cash and Deposit	3,735	2,456	3,618	3,579	2,704	-	-	-	-	(1,030)
Accounts Receivables	11,816	11,654	11,065	10,988	10,104	-	-	-	-	(1,712)
Inventory	4,489	4,649	4,938	4,663	4,892	-	-	-	-	+403
Other	561	685	435	327	268	-	-	-	-	(293)
<b>Current Assets</b>	<b>20,602</b>	<b>19,445</b>	<b>20,057</b>	<b>19,559</b>	<b>17,969</b>	-	-	-	-	<b>(2,632)</b>
Tangible Assets	10,112	10,228	10,884	9,972	10,105	-	-	-	-	(7)
Intangible Assets	1,145	1,136	1,084	1,001	955	-	-	-	-	(189)
Investments and Other Assets	717	713	604	621	763	-	-	-	-	+45
<b>Fixed Assets</b>	<b>11,975</b>	<b>12,079</b>	<b>12,572</b>	<b>11,595</b>	<b>11,824</b>	-	-	-	-	<b>(150)</b>
<b>Total Assets</b>	<b>32,577</b>	<b>31,524</b>	<b>32,630</b>	<b>31,155</b>	<b>29,793</b>	-	-	-	-	<b>(2,783)</b>
Accounts Payables, etc.	4,968	4,937	4,352	4,148	3,692	-	-	-	-	(1,276)
Short Term Debt	4,135	3,240	4,266	4,326	3,844	-	-	-	-	(290)
Other	3,338	3,013	3,312	3,056	2,734	-	-	-	-	(603)
<b>Current Liabilities</b>	<b>12,441</b>	<b>11,192</b>	<b>11,932</b>	<b>11,531</b>	<b>10,271</b>	-	-	-	-	<b>(2,170)</b>
Long Term Debt	2,376	2,273	2,465	2,341	2,187	-	-	-	-	(189)
Other	1,581	1,556	1,597	1,547	1,588	-	-	-	-	+7
<b>Fixed Liabilities</b>	<b>3,957</b>	<b>3,829</b>	<b>4,062</b>	<b>3,889</b>	<b>3,775</b>	-	-	-	-	<b>(181)</b>
<b>Total Liabilities</b>	<b>16,398</b>	<b>15,022</b>	<b>15,994</b>	<b>15,420</b>	<b>14,046</b>	-	-	-	-	<b>(2,352)</b>
<b>Shareholders' Equity</b>	<b>15,388</b>	<b>15,887</b>	<b>16,124</b>	<b>15,500</b>	<b>15,232</b>	-	-	-	-	<b>(155)</b>
Other	789	615	510	234	514	-	-	-	-	(275)
<b>Net Assets</b>	<b>16,178</b>	<b>16,502</b>	<b>16,635</b>	<b>15,734</b>	<b>15,747</b>	-	-	-	-	<b>(431)</b>
<b>Total Liabilities and Net Assets</b>	<b>32,577</b>	<b>31,524</b>	<b>32,630</b>	<b>31,155</b>	<b>29,793</b>	-	-	-	-	<b>(2,783)</b>
Equity Capital	16,147	16,471	16,595	15,686	15,692	-	-	-	-	(455)
Interest Bearing Debt	6,511	5,514	6,731	6,668	6,031	-	-	-	-	(479)
Net Debt	2,775	3,057	3,113	3,088	3,327	-	-	-	-	+551
Equity Ratio	49.6%	52.2%	50.9%	50.4%	52.7%	-	-	-	-	+3.1%
Net Debt Equity Ratio	17.2%	18.6%	18.8%	19.7%	21.2%	-	-	-	-	+4.0%
ROE (12 months)	12.4%	12.0%	12.5%	6.0%	2.0%	-	-	-	-	(10.4%)
ROA (12 months)	8.8%	8.6%	8.5%	8.0%	5.7%	-	-	-	-	(3.1%)
Days for Inventory Turnover	55	55	62	59	70	-	-	-	-	-
Quick Ratio	125%	126%	123%	126%	125%	-	-	-	-	-
Current Ratio	166%	174%	168%	170%	175%	-	-	-	-	-

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	Cons.Act	YoY Net Chg.
	Q1 03/2019	Q1 to Q2 03/2019	Q1 to Q3 03/2019	Q1 to Q4 03/2019	Q1 03/2020	Q1 to Q2 03/2020	Q1 to Q3 03/2020	Q1 to Q4 03/2020		
Operating Cash Flow	-	949	-	3,185	-	-	-	-	-	-
Investing Cash Flow	-	(1,373)	-	(3,253)	-	-	-	-	-	-
<b>Operating CF and Investing CF</b>	<b>-</b>	<b>(423)</b>	<b>-</b>	<b>(68)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financing Cash Flow	-	(761)	-	74	-	-	-	-	-	-

Source: Company Data, WRJ Calculation



## 5.0 Our Reports on the Company in the Past

Fiscal Year	Results Update	Company Report
Q4 FY03/2019	<a href="#">China-US Trade War to Persist in H1</a>	<a href="#">Autos of China</a>
Q3 FY03/2019	<a href="#">Nor the Furious Winter's Rages</a>	<a href="#">Correction after Overshoot</a>
Q2 FY03/2019	<a href="#">Limited Downgrade</a>	<a href="#">Cruising Speed</a>
Q1 FY03/2019	<a href="#">As Expected</a>	<a href="#">“Five-pole Sales Structure”</a>
Q4 FY03/2018	<a href="#">Midterm Plan Exceeded</a>	<a href="#">“Punch of the World”</a>
Q3 FY03/2018	<a href="#">New Business Domains Taking off</a>	<a href="#">Still Great Room for Development</a>
Q2 FY03/2018	<a href="#">Exceeding in China</a>	<a href="#">Critical Point</a>
Q1 FY03/2018	<a href="#">Punchy PUNCH</a>	<a href="#">Strategic Products with High Added Value</a>
Q4 FY03/2017	<a href="#">In Line with Midterm Management Plan</a>	<a href="#">Increasing Sales and Vietnam</a>
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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