

Consolidated Financial Results Highlights for the First Quarter of the Fiscal Year ending March 31, 2024 [Japanese GAAP]



July 31, 2023

Company Name: HARIMA CHEMICALS GROUP, INC.
 Code Number: 4410
 (URL: www.harima.co.jp)
 Stock Exchange Listing: Tokyo Stock Exchange
 Representative: Yoshihiro Hasegawa, President
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 Scheduled submission date of the Quarterly Securities Report: August 7, 2023
 Scheduled date to commence dividend payments: —
 Availability of supplementary briefing material on quarterly results: Available
 Schedule of quarterly results briefing session: Not scheduled

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2024 (From April 1, 2023 to June 30, 2023)

(1) Consolidated Results of Operations (Cumulative) (% indicates changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to Harima Chemicals Group, INC.	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Quarter ended June 30, 2023	22,596	1.9	(372)	—	(238)	—	(138)	—
June 30, 2022	22,184	27.1	1,340	67.2	1,643	60.9	895	36.3

(Note) Comprehensive income: First quarter ended June 30, 2023: 461million yen [(82.0%)],
 First quarter ended June 30, 2022: 2,562million yen [59.5%]

	Net income per share	Fully diluted net income per share
	Yen	Yen
First Quarter ended June 30, 2023	(5.72)	—
June 30, 2022	35.57	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
First Quarter ended June 30, 2023	94,770	40,284	39.0
Fiscal year ended March 31, 2023	92,439	40,820	40.1

(Reference) Equity: The first quarter of Fiscal year ending March 31, 2024: 36,947 million yen,
 Fiscal year ended March 31, 2023: 37,102 million yen

2. Dividends

	Annual dividend				
	1Q	2Q	3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	21.00	—	21.00	42.00
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024(Forecast)		21.00	—	21.00	42.00

(Note) Changes in forecasts of dividends from recently announced figures: None

3. Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

(% indicates changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to Harima Chemicals Group,INC.		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2Q(cumulative)	45,200	(3.6)	(1,200)	—	(1,050)	—	(900)	—	(37.19)
Full year	91,000	(3.7)	(1,400)	—	(1,300)	—	(1,450)	—	(59.91)

(Note) Changes in forecasts of financial results from recently announced figures: Yes

4. Others

- (1) Significant changes of subsidiaries during period under review (affecting specific subsidiaries due to changes in scope of consolidation): None
Newly included: 0 (Company name:) Excluded: 0 (Company name:)
- (2) Application of special accounting method for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and corrections of errors
 - (1) Changes in accounting policies accompanying the revisions to items such as accounting standards: None
 - (2) Changes in accounting policies other than (1) above: None
 - (3) Changes in accounting estimates: None
 - (4) Corrections of errors: None
- (4) Number of shares issued (common stock)

- (1) Total number of shares issued at the end of the period (including treasury stock)

1Q of fiscal year ending March 31, 2024	26,080,396 shares
Fiscal year ended March 31, 2023	26,080,396 shares

- (2) Total number of treasury stock at the end of the period

1Q of fiscal year ending March 31, 2024	1,878,064 shares
Fiscal year ended March 31, 2023	1,878,064 shares

- (3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

1Q of fiscal year ending March 31, 2024	24,202,332 shares
1Q of fiscal year ended March 31, 2023	25,165,733 shares

* This summary of consolidated financial results is not subject to audit procedure.

* Explanation for the appropriate use of performance forecasts and other special notes:

The performance forecasts and other forward-looking statements herein are based on information currently available to the Company and certain preconditions which the Company believes to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

* Regarding the change in disclosure unit of the amounts:

Amounts of accounts and other items in the Company's consolidated financial statements used to be stated in units of thousands of yen, but from the first quarter of the consolidated cumulative period under review, they will be stated in units of millions of yen. For easy comparison, figures for the first quarter of the previous fiscal year have also been changed to units of millions of yen.

Segment Information

I. Three months ended June 30, 2022 (April 1, 2022 to June 30, 2022)

Information regarding net sales and income or loss by reporting segment

(Millions of yen)

	Reporting segment				
	Resin & Tall Oil Products	Paper Chemicals	Electronics Materials	Lawter	Subtotal
Net sales					
Net sales to external customers	4,695	5,532	1,852	9,611	21,692
Intersegment sales or transfers	72	84	—	260	417
Total	4,768	5,617	1,852	9,872	22,110
Segment income	58	397	167	929	1,553

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	492	22,184	0	22,184
Intersegment sales or transfers	46	464	(464)	—
Total	538	22,648	(464)	22,184
Segment income	13	1,566	(226)	1,340

II. Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

Information regarding net sales and income or loss by reporting segment

(Millions of yen)

	Reporting segment				
	Resin & Tall Oil Products	Paper Chemicals	Electronics Materials	Lawter	Subtotal
Net sales					
Net sales to external customers	5,201	5,338	2,794	8,308	21,642
Intersegment sales or transfers	159	—	—	237	396
Total	5,360	5,338	2,794	8,545	22,039
Segment income (loss)	(66)	169	23	(422)	(296)

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	955	22,598	(1)	22,596
Intersegment sales or transfers	63	459	(459)	—
Total	1,018	23,057	(461)	22,596
Segment income (loss)	6	(290)	(82)	(372)

- (Notes) 1.The “Others” segment includes businesses not included in the reporting segments and mainly includes “Real estate management.”
- 2.The adjustment amount of segment income (loss) includes adjustments for inventories.
- 3.Segment income (loss) is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.