

Consolidated Financial Results Highlights for the Third Quarter of the Fiscal Year ending March 31, 2024

[Japanese GAAP]



January 31, 2024

Company Name: HARIMA CHEMICALS GROUP, INC.
 Code Number: 4410
 (URL: www.harima.co.jp)
 Stock Exchange Listing: Tokyo Stock Exchange
 Representative: Yoshihiro Hasegawa, President
 Contact: Kiyotaka Uetsuji, Managing Director, Accounting Section Director
 Phone: +81-6-6201-2461
 Scheduled submission date of the Quarterly Securities Report: February 7, 2024
 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 Third Quarter of the Year Ending March 31, 2024 (From April 1, 2023 to December 31, 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	%
Third Quarter ended December 31, 2023	69,606	(3.1)	(193)	—	194	(94.3)	(108)	—
December 31, 2022	71,820	28.1	2,477	(17.2)	3,413	6.5	1,984	(0.0)

(Note) Comprehensive income: Third quarter ended December 31, 2023: 2,761million yen [(47.2%)]
 Third quarter ended December 31, 2022: 5,229million yen [46.1%]

	Net income per share	Fully diluted net income per share
	Yen	Yen
Third Quarter ended December 31, 2023	(4.47)	—
December 31, 2022	79.67	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Third Quarter ended December 31, 2023	106,403	42,097	36.1
Fiscal year ended March 31, 2023	92,439	40,820	40.1

(Reference) Equity: The third quarter of Fiscal year ending March 31, 2024: 38,444million yen,
 Fiscal year ended March 31, 2023: 37,102million 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	—	21.00	—		
Fiscal year ending March 31, 2024 (Forecast)				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 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
Full year	93,000	(1.6)	(450)	—	(450)	—	(800)	—	(33.01)

(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)

3Q 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

3Q of fiscal year ending March 31, 2024	1,846,843 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)

3Q of fiscal year ending March 31, 2024	24,221,075 shares
3Q of fiscal year ended March 31, 2023	24,913,282 shares

* This summary of consolidated financial results is not subject to the quarterly review procedures provided for by the Japanese Financial Instruments and Exchange Law.

* 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 this first quarter of the consolidated cumulative period, they have been stated in units of millions of yen. For easy comparison, figures for the third quarter of the previous fiscal year have also been changed to units of millions of yen.

Segment Information

I. Nine months ended December 31, 2022 (April 1, 2022 to December 31, 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	14,291	18,940	6,616	30,368	70,216
Intersegment sales or transfers	210	136	—	1,032	1,378
Total	14,501	19,076	6,616	31,400	71,595
Segment income(loss)	34	1,311	202	1,714	3,262

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	1,749	71,966	(146)	71,820
Intersegment sales or transfers	134	1,512	(1,512)	—
Total	1,884	73,479	(1,659)	71,820
Segment income(loss)	(3)	3,259	(782)	2,477

II. Nine months ended December 31, 2023 (April 1, 2023 to December 31, 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	16,241	18,076	8,732	23,723	66,774
Intersegment sales or transfers	542	—	—	625	1,168
Total	16,783	18,076	8,732	24,349	67,942
Segment income(loss)	171	1,108	413	(1,378)	315

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	2,892	69,667	(60)	69,606
Intersegment sales or transfers	200	1,368	(1,368)	—
Total	3,092	71,035	(1,428)	69,606
Segment income(loss)	19	335	(528)	(193)

- (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.