

Consolidated Financial Results Highlights for the First Quarter of the Fiscal Year ending March 31, 2023 [Japanese GAAP]



Aug 1, 2022

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: August 8, 2022
 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, 2023 (From April 1, 2022 to June 30, 2022)

(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, 2022	22,184	27.1	1,340	67.2	1,643	60.9	895	36.3
June 30, 2021	17,460	10.5	801	462.3	1,021	279.1	656	85.8

(Note) Comprehensive income: First quarter ended June 30, 2022: 2,562million yen (59.5%),
 First quarter ended June 30, 2021: 1,606million yen (—%)

	Net income per share	Fully diluted net income per share
	Yen	Yen
First Quarter ended June 30, 2022	35.57	—
June 30, 2021	26.14	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
First Quarter ended June 30, 2022	87,799	42,025	43.9
Fiscal year ended March 31, 2022	78,905	40,104	46.6

(Reference) Equity: The first quarter of Fiscal year ending March 31, 2023: 38,503 million yen,
 Fiscal year ended March 31, 2022: 36,741 million yen

2. Dividends

	Annual dividend				
	1Q	2Q	3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	19.00	—	19.00	38.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023(Forecast)		21.00	—	21.00	42.00

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

Details of 2Q (Forecast) dividends: Ordinary dividend 19.00 Yen Commemorative dividend 2.00 Yen Total dividend 21.00Yen
 Details of Year end (Forecast) dividends: Ordinary dividend 19.00 Yen Commemorative dividend 2.00 Yen Total dividend 21.00Yen

3. Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

(% 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)	46,000	26.6	1,900	(2.5)	2,600	28.0	1,800	43.7	71.53
Full year	99,000	30.1	2,700	(16.9)	3,400	(1.0)	2,500	43.2	99.34

(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, 2023	26,080,396 shares
Fiscal year ended March 31, 2022	26,080,396 shares

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

1Q of fiscal year ending March 31, 2023	914,682 shares
Fiscal year ended March 31, 2022	914,657 shares

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

1Q of fiscal year ending March 31, 2023	25,165,733 shares
1Q of fiscal year ended March 31, 2022	25,133,937 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.

Segment Information

I. Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)

Information regarding net sales and income or loss by reporting segment

(Thousands of yen)

	Reporting segment				
	Resin & Tall Oil Products	Paper Chemicals	Electronics Materials	Lawter	Subtotal
Net sales					
Net sales to external customers	4,367,742	4,626,117	1,603,202	6,519,775	17,116,837
Intersegment sales or transfers	70,837	—	—	147,920	218,758
Total	4,438,580	4,626,117	1,603,202	6,667,696	17,335,596
Segment income(loss)	5,935	448,075	204,344	518,073	1,176,428

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	383,994	17,500,831	(40,013)	17,460,818
Intersegment sales or transfers	44,124	262,883	(262,883)	—
Total	428,118	17,763,714	(302,896)	17,460,818
Segment income(loss)	(4,974)	1,171,454	(369,557)	801,896

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

Information regarding net sales and income or loss by reporting segment

(Thousands of yen)

	Reporting segment				
	Resin & Tall Oil Products	Paper Chemicals	Electronics Materials	Lawter	Subtotal
Net sales					
Net sales to external customers	4,695,715	5,532,809	1,852,035	9,611,875	21,692,436
Intersegment sales or transfers	72,784	84,250	—	260,895	417,930
Total	4,768,500	5,617,060	1,852,035	9,872,771	22,110,367
Segment income	58,115	397,372	167,904	929,772	1,553,165

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	492,042	22,184,479	326	22,184,806
Intersegment sales or transfers	46,514	464,445	(464,445)	—
Total	538,557	22,648,924	(464,118)	22,184,806
Segment income	13,498	1,566,663	(226,005)	1,340,657

- (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.