



04 Our Profile

Eiken Chemical was founded in 1939, and it has contributed to public health and the control of communicable diseases in Japan ever since through the development of bacteria examination reagents (culture media) for infectious diseases. In various fields such as urinalysis, clinical chemistry, immunological, serological, and genetic examinations, it has developed the clinical examination reagents, medical equipment, and systems needed for medical care in each successive era, contributing to the advancement of medical care and improvement of people's health.

Eiken Chemical's Businesses

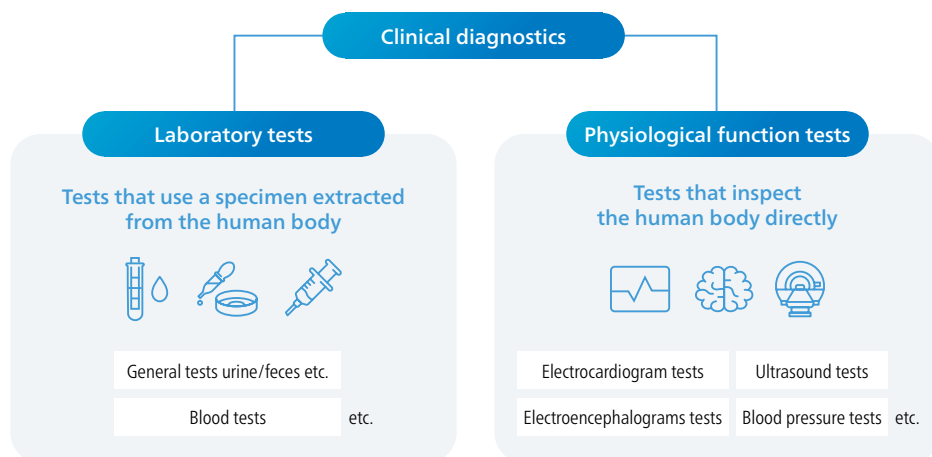
Overview of business

Manufacture and sale of pharmaceuticals, reagents, and medical, physical, and chemical machinery and equipment, as well as the import and export for sale of the same. Our products are a familiar part of life for everybody from babies to senior citizens.

Business domains

Clinical diagnostics

Clinical diagnostics are a kind of test used in diagnosis, treatment, and screening of disease, and can be categorized into laboratory tests and physiological function tests. As a comprehensive manufacturer of clinical diagnostics, Eiken Chemical responds to the needs of the most advanced medicine through the research and development, manufacturing and sales of products and services that cover a wide range of laboratory tests.



Testing of food and environment

Eiken Chemical manufactures and sells reagents of microbiological tests for food poisoning bacteria and for environmental inspection to measure contamination of work environments, and sells testing tools and devices.

Clinical diagnostics market

Domestic market

¥729.3 billion
(FY2021; source: survey by the Japan Association of Clinical Reagents Industries)

Annual growth of **2%** forecast

The size of the clinical diagnostics market was approximately ¥729.3 billion in FY2021. In order to control medical expenses, governments are strengthening their promotion of preventive health care, such as by increasing the rate of uptake for Specific Health Checkups and cancer screening, and the volume of clinical diagnostics is projected to increase going forward. Over the medium term, the market is forecast to trend gently upwards at an annual rate of about 2%.

Global market

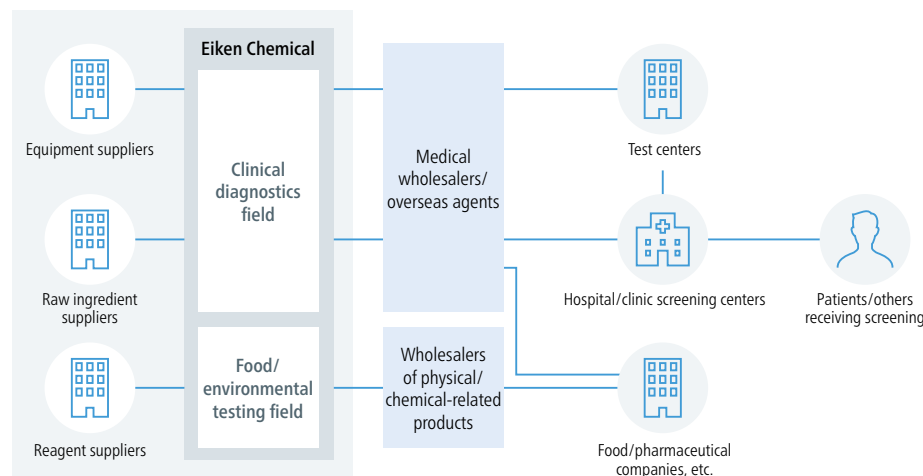
US\$98.2 billion
(FY2021)
(Report Code: MD3609)

Annual growth of **approx. 3%** forecast
(average 2021-2026)

The size of the global market for clinical diagnostics was approximately US\$98.2 billion in FY2021. The market itself is enormous, at more than ten times the size of that of Japan, and is expected to grow at an annual rate of more than 3% due to increases in medical examinations driven by the aging populations in advanced countries, and the economic growth and expansion of medical demand in developing countries.

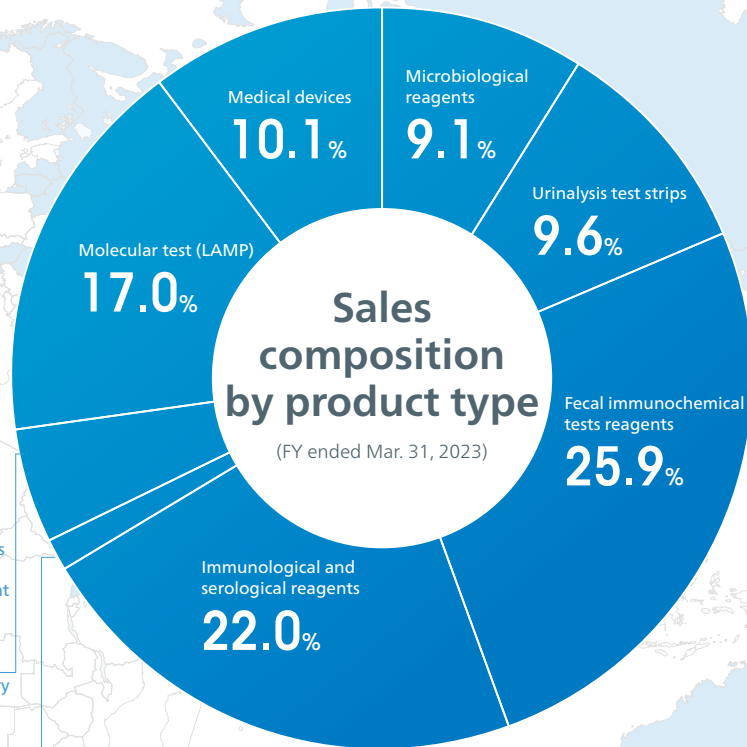
Business model

Comprehensive manufacturer of clinical diagnostics



Main Products and Services

As a comprehensive manufacturer of clinical diagnostics, the Eiken Group offers a broad lineup of products and services.



Microbiological reagents

Test reagents that are useful in the diagnosis and treatment of microorganism infections, such as cultures for bacteria testing, rapid test reagents, and reagents for drug sensitivity testing.



Urinalysis test strips

Test reagents such as urine analysis test strips for detecting various items in urine, such as urobilinogen, occult blood, protein, and glucose.



Fecal immunochemical tests reagents

Test reagents used to detect occult blood in feces for colorectal cancer screening (primary testing).



Immunological and serological reagents

Measurement of infectious diseases, rheumatism, hormones, and tumor markers. Test reagents for neonatal metabolic disorders, gastric cancer risk assessment test (ABC risk classification), and others.



Clinical chemistry test reagents

Test reagents for automated analyzers used to measure biological components in blood serum and urine, primarily for test items that are of interest for their association with lifestyle-related diseases.



Equipment/culture mediums related to food and environment

Reagents of microbiological tests for food poisoning bacteria and for environmental inspection to measure contamination of work environments, as well as tools and devices for such tests.



Molecular test (LAMP)

Genetic testing products using Eiken Chemical's unique LAMP method technology to test for infectious diseases such as COVID-19 and tuberculosis. We are rolling it out into a wide range of fields, including food and environment.



Medical devices

Various types of automated analyzers that use our in-house reagents for a variety of tests.

Financial Highlights

		FY ended Mar. 31, 2018	FY ended Mar. 31, 2019	FY ended Mar. 31, 2020	FY ended Mar. 31, 2021	FY ended Mar. 31, 2022	FY ended Mar. 31, 2023
Net sales	Million yen	34,991	35,761	36,585	38,667	42,996	43,271
of which overseas sales	Million yen	5,405	6,070	7,040	6,895	8,868	8,797
Gross profit	Million yen	14,701	15,692	16,229	18,529	20,564	20,506
Operating profit	Million yen	3,478	4,611	4,622	6,612	8,387	7,457
Ordinary profit	Million yen	3,549	4,681	4,723	6,808	8,508	7,568
Net profit attributable to owners of parent	Million yen	2,608	3,447	3,538	5,044	6,218	5,736
Total assets	Million yen	45,165	47,279	50,322	55,685	62,512	66,275
Net assets	Million yen	32,478	35,014	37,303	41,672	45,803	49,535
EBITDA (operating profit + depreciation and amortization)	Million yen	5,138	6,205	6,249	8,323	10,445	9,582
Research and development expenses	Million yen	3,238	2,904	3,333	3,086	3,408	4,065
Capital investment	Million yen	1,102	1,685	2,985	2,876	4,347	3,792
Depreciation	Million yen	1,660	1,594	1,627	1,711	2,058	2,125
Net cash (cash and deposits + short-term securities - interest-bearing debt)	Million yen	8,597	6,356	8,893	8,071	11,930	14,062
Cash flows from operating activities	Million yen	4,091	3,318	5,460	5,451	7,769	7,575
Cash flows from investing activities	Million yen	(3,250)	(4,435)	(3,711)	(2,193)	(5,044)	(316)
Cash flows from financing activities	Million yen	(1,175)	(1,083)	(1,220)	(1,275)	1,200	(2,095)
Cash and cash equivalents at end of period	Million yen	6,651	4,448	4,981	6,968	10,900	16,064
Operating profit to net sales ratio	%	9.9	12.9	12.6	17.1	19.5	17.2
Return on Equity (ROE)	%	8.3	10.3	9.9	12.9	14.3	12.1
Return on Assets (ROA)	%	5.8	7.5	7.3	9.5	10.5	8.9
Equity ratio	%	71.2	73.5	73.5	74.3	72.8	74.2
Earnings per share (EPS)	Yen	*71.21	93.63	95.95	136.65	168.28	155.17
Book value per share (BPS)	Yen	*877.35	942.37	1,002.86	1,120.36	1,230.55	1,327.47
Dividend payout ratio (consolidated)	%	35.1	32.0	31.3	30.0	30.3	32.9
Dividend per share	Yen	*25.00	30.00	30.00	41.00	51.00	51.00
Total number of issued shares at end of period	Shares	43,541,438	43,541,438	43,541,438	43,541,438	43,541,438	43,541,438
Number of treasury shares at end of period	Shares	6,902,222	6,659,650	6,659,760	6,611,071	6,576,861	6,512,625
Market capitalization	Billion yen	116.6	113.4	85.8	94.1	75.1	68.0
Number of employees at end of period (full-time employees + temporary employees on a consolidated basis)	Persons	1,016	1,040	1,053	1,087	1,105	1,106

*The Company conducted a two-for-one share split of its common shares with an effective date of April 1, 2018.
Figures for EPS, BPS, and dividend per share for FY ended Mar. 31, 2018 are calculated based on the assumption that the share split was conducted on April 1, 2017.

Non-Financial Highlights

			FY ended Mar. 31, 2018	FY ended Mar. 31, 2019	FY ended Mar. 31, 2020	FY ended Mar. 31, 2021	FY ended Mar. 31, 2022	FY ended Mar. 31, 2023
Environment	Greenhouse gas (GHG) emissions ◆ ¹							
	Scope 1	t-CO ₂	2,120	1,989	1,934	2,070	2,016	1,945
	Scope 2	t-CO ₂	5,252	5,181	4,884	5,038	5,304	2,669
	Scope 3 * ¹	t-CO ₂	–	–	–	86,485	105,334	84,205
	Renewable energy used ◆ ⁴	MWh	70	76	70	61	62	6,871
	Water volume consumed ◆ ²	1,000 m ³	88.1	83.9	81.0	78.1	80.7	73.1
	Total waste generated ◆ ³ * ²	t	426	384	438	429	464	517
	Material recycled ◆ ³	t	251	215	233	223	233	247
	Recycling ratio (including recovered energy) ◆ ³	%	58.9	50.6	60.7	59.4	58.8	54.7
Number of ecological proposals ◆ ⁴		Proposals	366	445	454	318	291	518
Society ◆ ⁴	Average age (Overall)	Years	43 years 0 months	42 years 7 months	42 years 6 months	42 years 4 months	42 years 3 months	42 years 5 months
	Average age (Men)	Years	44 years 0 months	43 years 5 months	43 years 2 months	42 years 10 months	42 years 7 months	42 years 5 months
	(Women)	Years	40 years 7 months	40 years 5 months	41 years 0 months	41 years 1 months	41 years 5 months	42 years 4 months
	Average years of service (Men)	Years	16 years 11 months	16 years 2 months	14 years 11 months	16 years 2 months	15 years 7 months	15 years 7 months
	(Women)	Years	16 years 0 months	16 years 1 month	16 years 6 months	16 years 9 months	16 years 10 months	17 years 7 months
	Women as share of all employees	%	27.3	29.0	29.4	29.7	30.3	29.2
	Percentage of managerial positions held by women (as of April each year) * ³	%	10.7	12.2	14.6	16.9	16.2	13.8
	Female Directors as share of Directors	%	0.0	11.0	11.0	11.0	11.0	13.0
	Women as share of all hires	%	29.2	35.6	20.0	27.5	29.3	17.5
	Percentage of returning to work after childcare leave	%	100	100	100	100	100	100
	Employee turnover * ⁴	%	0.9	0.9	2.0	1.7	2.0	2.7
	Average non-scheduled working hours per full-time employee per month	Hours	–	14.1	15.8	16.2	15.3	14.8
	Rate of uptake of EIKEN GLOBAL PROGRAM among employees * ⁵	%	–	–	–	16.5	14.0	19.4
Employee satisfaction score	–	–	–	–	–	–	58.4	
Governance	Rate of uptake of antibribery training	%	–	–	–	–	96.8	100.0
	Number of serious noncompliance incidents * ⁶	Cases	0	0	0	0	0	0

Scope 1 GHG emissions: GHG emitted directly from company facilities, plants, and vehicles

Scope 2 GHG emissions: GHG emitted indirectly by the company as a result of energy usage

Scope 3 GHG emissions: GHG emitted by the entire cluster of companies involved in a product or service (supply chain)

<Applicable scope>

◆¹ Eiken Group: EIKEN CHEMICAL CO., LTD., EIKEN CHINA CO., LTD.

◆² Eiken Group (production sites)

◆³ Eiken Group (headquarters/production sites/research facilities)

◆⁴ EIKEN CHEMICAL CO., LTD. only

*¹ The Company calculates items within the scope in accordance with Scope 3 items based on the GHG protocol

*² Total waste generated = general waste + industrial waste + recycled waste (including recovered energy)

*³ Managerial position: a post of section chief or higher

*⁴ Numerator = number of full-time employees leaving between April 1 of each year and March 31 of the following year

Denominator = calculated as number of full-time employees on April 1 each year

*⁵ Rate of uptake of EIKEN GLOBAL PROGRAM = number of those attending training each fiscal year ÷ number of employees for each fiscal year

*⁶ The total of material infringements of a country's competition laws, material infringements of the laws and regulations related to corruption, and material infringements in socioeconomic areas other than these

External Evaluation/Stock Information, Etc.

External evaluation

Inclusion in ESG indices



**FTSE Blossom
Japan Sector
Relative Index**

ESG-related third-party evaluations/ certifications/awards



CCC B BB BBB A AA AAA



健康経営優良法人
Health and productivity



プラチナくまのん
子育てサポートしていきま



レジリエンス認証
事業継続能力強化協議会
認定番号E0000044



投資企業

Initiatives endorsed or signed



TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES



KIGALI
DECLARATION
ON
NEGLECTED
TROPICAL
DISEASES

Company profile

Company name	EIKEN CHEMICAL CO., LTD.
Head office location	4-19-9 Taito, Taito-ku, Tokyo, 110-8408 Japan
Representative	Tsugunori Notomi, President & CEO
Founded	February 20, 1939
Share capital	6,897,730,000 yen (as of March 31, 2023)

Number of employees (full-time employees + temporary employees)	Non-consolidated: 1,047; Consolidated 1,106 (as of March 31, 2023)
Listed stock exchange	Tokyo Stock Exchange Prime Market
Securities code	4549
Year-end	March 31
Annual General Meeting of Shareholders	June

Shares information (as of March 31, 2023)

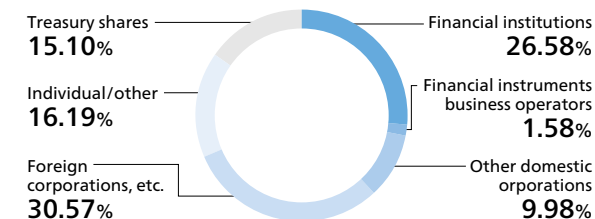
Total number of shares authorized to be issued	123,900,000 shares
Total number of issued shares (including treasury shares)	43,541,438 shares
Number of shares per unit	100 shares
Number of shareholders	8,892

Major shareholders

Shareholder name	Number of shares held (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	5,139,500	13.88
Custody Bank of Japan, Ltd. (Trust account)	2,891,100	7.81
JPMorgan Chase Bank 385632	2,771,167	7.48
Otsuka Pharmaceutical Co., Ltd.	2,000,000	5.40
NORTHERN TRUST CO. (AVFC) RE THE HIGHCLERE INTERNATIONAL INVESTORS SMALLER COMPANIES FUND	1,303,200	3.52
The Dai-ichi Life Insurance Company, Limited	1,100,000	2.97
GOVERNMENT OF NORWAY	840,800	2.27
Nippon Life Insurance Company	799,200	2.16
VICTORY TRIVALENT INTERNATIONAL SMALL-CAP FUND	627,700	1.70
STATE STREET BANK AND TRUST COMPANY 505001	625,928	1.69

*The Company owns 6,512,625 treasury shares, but these are not included in the above list of the ten largest major shareholders.

Distribution of shares by type of holder



Change in share price

