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## Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

July 28, 2023

Company name: EIKEN CHEMICAL CO.,LTD.

Stock exchange listing: Tokyo

Code number: 4549

URL: <https://www.eiken.co.jp>

Representative: Tsugunori Notomi

President & CEO

Contact: Hajime Watari

Senior Vice President & Executive Officer

Phone: +81-3-5846-3379

Scheduled date of filing quarterly securities report: August 9, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

#### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2023	9,864	(11.1)	1,052	(62.4)	1,087	(61.8)	770	(64.5)
June 30, 2022	11,097	5.5	2,799	8.0	2,844	8.0	2,169	9.9

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 797 million [ (64.3) %]  
Three months ended June 30, 2022: ¥ 2,235 million [ 13.0 %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	20.82	20.63
June 30, 2022	58.70	58.24

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2023	65,296	49,348	75.0	1,322.02
March 31, 2023	66,275	49,535	74.2	1,327.47

(Reference) Equity: As of June 30, 2023: ¥ 48,952 million  
As of March 31, 2023: ¥ 49,154 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	24.00	-	27.00	51.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		25.00	-	26.00	51.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend - yen  
Special dividend - yen

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	21,000	(8.2)	2,930	(48.2)	2,940	(48.6)	2,250	(47.9)	60.76
Full year	42,000	(2.9)	5,380	(27.9)	5,400	(28.7)	4,250	(25.9)	114.78

(Note) Revision to the financial results forecast announced most recently: No

\* Notes:

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023  
(changes in specified subsidiaries resulting in changes in scope of consolidation): No
- New - (Company name: )  
Exclusion: - (Company name: )

- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: No
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No

- (4) Total number of issued shares (common shares)

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

June 30, 2023: 43,541,438 shares  
March 31, 2023: 43,541,438 shares

- 2) Number of treasury shares at the end of the period:

June 30, 2023: 6,512,625 shares  
March 31, 2023: 6,512,625 shares

- 3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 37,028,813 shares  
Three months ended June 30, 2022: 36,964,577 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	18,317	17,268
Notes and accounts receivable - trade, and contract assets	11,122	11,242
Merchandise and finished goods	4,739	4,585
Work in process	1,940	2,054
Raw materials and supplies	1,733	1,840
Other	1,370	1,093
Allowance for doubtful accounts	(6)	(6)
Total current assets	39,217	38,079
Non-current assets		
Property, plant and equipment		
Buildings and structures	25,367	25,415
Accumulated depreciation	(13,117)	(13,154)
Buildings and structures, net	12,249	12,260
Machinery, equipment and vehicles	7,155	7,075
Accumulated depreciation	(5,765)	(5,749)
Machinery, equipment and vehicles, net	1,390	1,325
Tools, furniture and fixtures	5,027	5,050
Accumulated depreciation	(3,950)	(3,993)
Tools, furniture and fixtures, net	1,076	1,057
Land	1,928	1,928
Leased assets	329	295
Accumulated depreciation	(154)	(135)
Leased assets, net	174	160
Construction in progress	382	581
Total property, plant and equipment	17,202	17,313
Intangible assets	1,054	1,010
Investments and other assets		
Long-term time deposits	4,900	4,900
Other	3,936	4,027
Allowance for doubtful accounts	(34)	(34)
Total investments and other assets	8,802	8,892
Total non-current assets	27,058	27,216
Total assets	66,275	65,296

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,685	4,354
Electronically recorded obligations - operating	2,933	3,323
Income taxes payable	827	313
Provision for bonuses	766	331
Other	3,230	3,254
Total current liabilities	12,443	11,576
Non-current liabilities		
Bonds payable	3,000	3,000
Asset retirement obligations	34	35
Other	1,261	1,336
Total non-current liabilities	4,296	4,371
Total liabilities	16,740	15,947
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,897	6,897
Capital surplus	8,076	8,076
Retained earnings	36,865	36,636
Treasury shares	(3,095)	(3,095)
Total shareholders' equity	48,743	48,514
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	28	28
Foreign currency translation adjustment	268	298
Remeasurements of defined benefit plans	115	111
Total accumulated other comprehensive income	411	438
Share acquisition rights	380	395
Total net assets	49,535	49,348
Total liabilities and net assets	66,275	65,296

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	11,097	9,864
Cost of sales	5,546	5,681
Gross profit	5,550	4,183
Selling, general and administrative expenses	2,750	3,130
Operating profit	2,799	1,052
Non-operating income		
Interest income	4	1
Dividend income	1	2
Rental income	5	4
Compensation income	-	1
Outsourcing service income	9	-
Subsidy income	10	10
Foreign exchange gains	10	12
Other	8	7
Total non-operating income	49	40
Non-operating expenses		
Interest expenses	3	4
Other	0	0
Total non-operating expenses	4	5
Ordinary profit	2,844	1,087
Extraordinary income		
Gain on sale of non-current assets	-	1
Gain on sale of investment securities	49	-
Total extraordinary income	49	1
Extraordinary losses		
Loss on sale and retirement of non-current assets	0	51
Total extraordinary losses	0	51
Profit before income taxes	2,894	1,037
Income taxes	724	266
Profit	2,169	770
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,169	770

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	2,169	770
Other comprehensive income		
Valuation difference on available-for-sale securities	1	0
Foreign currency translation adjustment	68	30
Remeasurements of defined benefit plans, net of tax	(4)	(3)
Total other comprehensive income	65	26
Comprehensive income	2,235	797
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,235	797
Comprehensive income attributable to non-controlling interests	-	-