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## Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

October 26, 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: November 10, 2023

Scheduled date of commencing dividend payments: December 1, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	20,264	(11.4)	2,148	(62.0)	2,225	(61.1)	1,618	(62.5)
September 30, 2022	22,865	7.1	5,656	17.1	5,721	16.8	4,321	17.9

(Note) Comprehensive income: Six months ended September 30, 2023: ¥ 1,672 million [ (61.8) %]  
Six months ended September 30, 2022: ¥ 4,373 million [ 19.0 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	43.69	43.32
September 30, 2022	116.91	115.98

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	66,765	50,276	74.8	1,345.59
March 31, 2023	66,275	49,535	74.2	1,327.47

(Reference) Equity: As of September 30, 2023: ¥ 49,918 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	-	25.00			
Fiscal year ending March 31, 2024 (Forecast)			-	26.00	51.00

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

(Note) Breakdown of the 2nd 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
Full year	42,000	(2.9)	5,380	(27.9)	5,400	(28.7)	4,250	(25.9)	114.56

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

\* Notes:

(1) Changes in significant subsidiaries during the six months ended September 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):

September 30, 2023: 43,541,438 shares

March 31, 2023: 43,541,438 shares

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

September 30, 2023: 6,443,508 shares

March 31, 2023: 6,512,625 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2023: 37,057,611 shares

Six months ended September 30, 2022: 36,964,577 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	18,317	18,874
Notes and accounts receivable - trade, and contract assets	11,122	12,680
Merchandise and finished goods	4,739	4,462
Work in process	1,940	2,014
Raw materials and supplies	1,733	1,916
Other	1,370	978
Allowance for doubtful accounts	(6)	(7)
Total current assets	39,217	40,920
Non-current assets		
Property, plant and equipment		
Buildings and structures	25,367	25,509
Accumulated depreciation	(13,117)	(13,378)
Buildings and structures, net	12,249	12,130
Machinery, equipment and vehicles	7,155	7,303
Accumulated depreciation	(5,765)	(5,864)
Machinery, equipment and vehicles, net	1,390	1,438
Tools, furniture and fixtures	5,027	5,096
Accumulated depreciation	(3,950)	(4,109)
Tools, furniture and fixtures, net	1,076	987
Land	1,928	1,928
Leased assets	329	304
Accumulated depreciation	(154)	(121)
Leased assets, net	174	183
Construction in progress	382	446
Total property, plant and equipment	17,202	17,115
Intangible assets	1,054	957
Investments and other assets		
Long-term time deposits	4,900	3,800
Other	3,936	4,006
Allowance for doubtful accounts	(34)	(34)
Total investments and other assets	8,802	7,772
Total non-current assets	27,058	25,844
Total assets	66,275	66,765

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,685	4,486
Electronically recorded obligations - operating	2,933	3,410
Income taxes payable	827	652
Provision for bonuses	766	658
Other	3,230	2,918
Total current liabilities	12,443	12,126
Non-current liabilities		
Bonds payable	3,000	3,000
Asset retirement obligations	34	35
Other	1,261	1,327
Total non-current liabilities	4,296	4,362
Total liabilities	16,740	16,488
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,897	6,897
Capital surplus	8,076	8,134
Retained earnings	36,865	37,484
Treasury shares	(3,095)	(3,063)
Total shareholders' equity	48,743	49,453
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	28	28
Foreign currency translation adjustment	268	328
Remeasurements of defined benefit plans	115	107
Total accumulated other comprehensive income	411	464
Share acquisition rights	380	358
Total net assets	49,535	50,276
Total liabilities and net assets	66,275	66,765

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales	22,865	20,264
Cost of sales	11,452	11,625
Gross profit	11,412	8,639
Selling, general and administrative expenses	5,755	6,490
Operating profit	5,656	2,148
Non-operating income		
Interest income	9	4
Dividend income	1	2
Rental income	9	10
Compensation income	3	2
Outsourcing service income	9	-
Subsidy income	10	10
Foreign exchange gains	9	38
Other	20	18
Total non-operating income	73	87
Non-operating expenses		
Interest expenses	7	8
Other	1	1
Total non-operating expenses	9	10
Ordinary profit	5,721	2,225
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	1	54
Total extraordinary losses	1	54
Profit before income taxes	5,770	2,172
Income taxes	1,448	553
Profit	4,321	1,618
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	4,321	1,618

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

(Millions of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	4,321	1,618
Other comprehensive income		
Valuation difference on available-for-sale securities	(5)	0
Foreign currency translation adjustment	66	59
Remeasurements of defined benefit plans, net of tax	(8)	(7)
Total other comprehensive income	51	53
Comprehensive income	4,373	1,672
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,373	1,672
Comprehensive income attributable to non-controlling interests	-	-