

Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Under Japanese GAAP]

February 1, 2023

Company name: Dexerials Corporation Listing: Tokyo Stock Exchange
 Security code: 4980 URL: <https://www.dexerials.jp/en>
 Representative: Yoshihisa Shinya, Representative Director and President
 Contact: Shinji Tomita, General Manager, IR Department, Corporate Strategy Division Phone: +81-285-39-7950
 Quarterly Securities Report (Shihanki Hokokusho) filing date: February 9, 2023
 Scheduled date of dividend payment: –
 Preparation of supplementary briefing material on quarterly financial results: Yes
 Investors meeting presentation for quarterly financial results: Yes (For securities analysts and institutional investors)

(Note) Amounts less than one million yen have been omitted.

1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 - December 31, 2022)

(1) Consolidated operating results (cumulative) (Percentage indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2022	87,227	21.0	29,300	41.5	27,214	40.7	18,646	46.7
December 31, 2021	72,115	46.6	20,713	141.3	19,336	133.7	12,710	208.0

Note: Comprehensive income For the nine months ended December 31, 2022: ¥19,683 million [46.2%]

For the nine months ended December 31, 2021: ¥13,461 million [236.9%]

Note: EBITDA

For the nine months ended December 31, 2022: ¥34,391 million [36.8%]

For the nine months ended December 31, 2021: ¥25,146 million [90.0%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	314.25	312.56
December 31, 2021	208.81	207.37

(2) Consolidated financial position

	Total assets	Net assets	Capital to asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2022	125,762	72,018	56.6	1,227.77
March 31, 2022	128,785	64,576	49.5	1,063.24

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income)

As of December 31, 2022:

¥71,149 million

As of March 31, 2022:

¥63,735 million

2. Dividends

	Cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year	Yen	Yen	Yen	Yen	Yen
Ended March 31, 2022	–	30.00	–	30.00	60.00
Ending March 31, 2023	–	30.00	–		
Fiscal year				35.00	65.00
Ending March 31, 2023 (forecast)					

Note: Revisions to dividend forecast published most recently: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2023 (from April 1, 2022 - March 31, 2023)

(Percentage indicates year-on-year changes.)

	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
Fiscal year	105,000	9.7	31,000	16.4	29,200	16.7	20,000	20.0	329.48

Note: Revisions to earnings forecast published most recently: Yes

For further details, please see “1. Quarterly Consolidated Financial Statements and Notes, (3) Notes to quarterly consolidated financial statements (Supplemental information) (Consolidated earnings forecast and other forward-looking statements)” on page 7 of the attached materials.

For more information on consolidated financial results, please refer to results briefing materials posted on our website (<https://www.dexerials.jp/en/ir/library/index.html>) and a quarterly securities report to be filed on February 9, 2023 and other materials.

[Notes]

- (1) Changes in significant subsidiaries during the current period (Changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of accounting methods used specifically for preparing the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements
- (a) Changes in accounting policies due to the application of new or revised accounting standards: Yes
 - (b) Changes in accounting policies due to reasons other than above (a): None
 - (c) Changes in accounting estimates: None
 - (d) Restatements of prior period financial statements: None

Note: For further details, please see “1. Quarterly Consolidated Financial Statements and Notes, (3) Notes to quarterly consolidated financial statements (Changes in accounting policies)” on page 6 of the attached materials.

- (4) Number of shares of common stock issued
- (a) Number of shares issued (including treasury shares)

As of December 31, 2022:	64,539,000 shares	As of March 31, 2022:	64,493,400 shares
--------------------------	-------------------	-----------------------	-------------------
 - (b) Number of treasury shares

As of December 31, 2022:	6,589,229 shares	As of March 31, 2022:	4,548,709 shares
--------------------------	------------------	-----------------------	------------------
 - (c) Average number of shares of common stock during the period

Nine months ended December 31, 2022:	59,336,426 shares	Nine months ended December 31, 2021:	60,872,403 shares
--------------------------------------	-------------------	--------------------------------------	-------------------

Notes: 1. As a result of the exercise of stock options during the nine months ended December 31, 2022, the number of shares issued as of December 31, 2022 has increased by 45,600 shares.

2. As the Company has introduced a stock compensation plan which delivers shares with restrictions on transfer, the Company's shares are included in the number of treasury shares at the end of the period (293,800 shares as of December 31, 2022 and 293,800 shares as of December 31, 2021) mainly for the purpose of allotting them as restricted shares.

3. As the Company has introduced an Employee Stock Ownership Plan (“J-ESOP”) and a Board Benefit Trust (BBT), the number of shares of the Company held by the trust account is included in the number of treasury shares as of the end of the period. In addition, the number of shares of the Company held by the Trust (an average of 5,188,674 shares for the nine months ended December 31, 2022 and an average of 3,482,184 shares for the nine months ended December 31, 2021) was included in the number of treasury shares to be deducted in the calculation of the average number of shares of common stock during the period.

* This consolidated financial results report is not subject to a quarterly review by certified public accountants or an audit firm.

* [Proper use of earnings forecast, and other special notes]

(Disclaimer with respect to earnings and other forecasts)

The forward-looking statements including results forecasts contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. Accordingly, the Company does not intend to promise their achievement. Actual results may differ from these forecasts and forward-looking statements due to various factors.