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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)



February 6, 2024

Company name: Yushiro Chemical Industry Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 5013
 URL: <https://www.yushiro.co.jp/en/>
 Representative: Masanori Arisaka, President and Representative Director
 Contact: Hironori Yokoi, General Manager, Financing Department, Corporate Division
 Phone: +81-3-3750-6793
 Scheduled date of filing quarterly securities report: February 7, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2023 (April 1, 2023–December 31, 2023)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2023	39,628	15.8	3,016	269.5	3,838	246.8	2,911	558.0
December 31, 2022	34,234	23.9	816	(3.4)	1,106	(22.8)	442	(56.8)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥6,525 million [35.4%]
 Nine months ended December 31, 2022: ¥4,817 million [96.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	213.89	—
December 31, 2022	32.50	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2023	62,941	43,049	64.3	2,973.07
As of March 31, 2023	56,283	36,984	61.6	2,545.72

(Reference) Equity: As of December 31, 2023: ¥40,462 million
 As of March 31, 2023: ¥34,646 million

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	10.00	–	10.00	20.00
Fiscal year ending March 31, 2024	–	20.00	–		
Fiscal year ending March 31, 2024 (Forecast)				50.00	70.00

(Note) Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated financial results forecast for the fiscal year ending March 31, 2024 (April 1, 2023–March 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	52,950	13.2	3,730	255.3	4,770	230.6	3,160	251.6	232.18

(Note) Revision to the financial results forecast most recently announced: Yes

Notes:

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)
- (i) Total number of issued shares at the end of the period (including treasury shares)

December 31, 2023:	13,900,065 shares
March 31, 2023:	13,900,065 shares
 - (ii) Number of treasury shares at the end of the period

December 31, 2023:	290,464 shares
March 31, 2023:	290,362 shares
 - (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023:	13,609,656 shares
Nine months ended December 31, 2022:	13,609,703 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The financial results forecast and other forward-looking information presented herein are based on the information available to the Company and certain assumptions deemed reasonable at the present time. Actual results may differ significantly from these forecasts due to various factors.

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	8,028	11,924
Notes and accounts receivable - trade	9,382	10,925
Merchandise and finished goods	2,521	2,615
Raw materials and supplies	4,626	4,763
Other	1,239	737
Allowance for doubtful accounts	(25)	(21)
Total current assets	25,773	30,944
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,882	3,994
Machinery, equipment and vehicles, net	1,426	1,482
Tools, furniture and fixtures, net	300	305
Land	5,168	5,201
Leased assets, net	38	26
Construction in progress	63	135
Total property, plant and equipment	10,879	11,145
Intangible assets		
Goodwill	1,949	2,007
Customer relationship	1,994	2,140
Technical assets	612	641
Trademark right	537	563
Other	404	589
Total intangible assets	5,499	5,943
Investments and other assets		
Investment securities	11,931	12,734
Insurance funds	724	713
Long-term time deposits	15	2
Retirement benefit asset	412	412
Deferred tax assets	101	114
Other	958	943
Allowance for doubtful accounts	(13)	(13)
Total investments and other assets	14,131	14,907
Total non-current assets	30,509	31,996
Total assets	56,283	62,941

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,381	6,326
Short-term borrowings	4,943	4,901
Lease liabilities	98	105
Accounts payable - other	854	754
Income taxes payable	220	366
Provision for bonuses	367	293
Provision for bonuses for directors (and other officers)	–	6
Other	1,485	1,496
Total current liabilities	13,350	14,251
Non-current liabilities		
Long-term borrowings	2,392	1,705
Lease liabilities	138	131
Deferred tax liabilities	1,900	2,298
Provision for retirement benefits for directors (and other officers)	91	105
Retirement benefit liability	1,218	1,193
Long-term guarantee deposits	184	185
Asset retirement obligations	20	20
Total non-current liabilities	5,947	5,639
Total liabilities	19,298	19,891
Net assets		
Shareholders' equity		
Share capital	4,249	4,249
Capital surplus	3,931	3,931
Retained earnings	24,855	27,329
Treasury shares	(384)	(384)
Total shareholders' equity	32,651	35,125
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,738	2,325
Foreign currency translation adjustment	400	3,102
Remeasurements of defined benefit plans	(143)	(91)
Total accumulated other comprehensive income	1,994	5,336
Non-controlling interests	2,338	2,587
Total net assets	36,984	43,049
Total liabilities and net assets	56,283	62,941

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	34,234	39,628
Cost of sales	25,697	28,434
Gross profit	8,536	11,193
Selling, general and administrative expenses	7,719	8,177
Operating profit	816	3,016
Non-operating income		
Interest income	55	69
Dividend income	116	123
Foreign exchange gains	–	54
Share of profit of entities accounted for using equity method	155	571
Other	107	81
Total non-operating income	434	900
Non-operating expenses		
Interest expenses	47	34
Foreign exchange losses	5	–
Commission for syndicated loans	63	–
Other	28	44
Total non-operating expenses	144	78
Ordinary profit	1,106	3,838
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	–	24
Gain on sale of investment securities	3	–
Total extraordinary income	3	24
Extraordinary losses		
Loss on valuation of investments in capital of subsidiaries and associates	152	–
Total extraordinary losses	152	–
Profit before income taxes	958	3,862
Income taxes	384	869
Profit	573	2,993
Profit attributable to non-controlling interests	130	82
Profit attributable to owners of parent	442	2,911

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	573	2,993
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	586
Foreign currency translation adjustment	3,900	2,561
Remeasurements of defined benefit plans, net of tax	15	52
Share of other comprehensive income of entities accounted for using equity method	329	331
Total other comprehensive income	4,244	3,531
Comprehensive income	4,817	6,525
Comprehensive income attributable to		
Owners of parent	4,382	6,252
Non-controlling interests	435	272