Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 29, 2024

Company name: Sekisui Jushi Corporation
Stock exchange listing: Tokyo
Stock code: 4212 URL https://www.sekisuijushi.co.jp
Representative: President and Representative Director,CEO Hiroshi Baba
Inquiries: Director and Managing Executive Officer, in charge of Finance and Investor Relations Tomoyuki Kikuchi TEL 06-6365-3204
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: No
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative) Percentages indicate 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	%
Three months ended June 30, 2024	15,542	13.3	744	(38.7)	928	(34.3)	428	(49.2)
Three months ended June 30, 2023	13,716	(0.6)	1,214	(26.3)	1,413	(24.2)	843	(23.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	13.15	–
Three months ended June 30, 2023	20.98	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	130,255	97,842	73.9
As of March 31, 2024	133,269	98,829	72.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	33.00	–	32.00	65.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		35.00	–	35.00	70.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	33,300	19.4	2,600	2.8	2,850	0.4	2,020	3.9	63.41
Full year	75,500	20.2	6,500	3.2	7,000	0.4	4,850	3.8	152.24

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No
Changes in accounting policies due to other reasons: No
Changes in accounting estimates: No
Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2024	33,313,598 shares	As of March 31, 2024	33,313,598 shares

Number of treasury shares at the end of the period

As of June 30, 2024	1,156,169 shares	As of March 31, 2024	579,341 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	32,552,968 shares	Three months ended June 30, 2023	40,214,328 shares

（Refference）

EBITDA（Operating profit ＋ Depreciation ＋Goodwill amortization） Percentages indicate year-on-year changes

Three months ended June 30, 2024	1,580 million	5.9%	Three months ended June 30, 2023	1,491 million	(21.9%)

Profit attributable to owners of parent before goodwill amortization (Profit attributable to owners of parent ＋ Goodwill amortization)

Three months ended June 30, 2024	870 million	3.2%	Three months ended June 30, 2023	843 million	(23.0%)

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	15,167	12,817
Notes and accounts receivable - trade	16,044	13,219
Electronically recorded monetary claims - operating	9,783	9,375
Merchandise and finished goods	4,133	4,462
Work in process	1,496	1,994
Raw materials and supplies	4,971	4,949
Other	1,477	2,363
Allowance for doubtful accounts	(26)	(24)
Total current assets	53,048	49,156
Non-current assets		
Property, plant and equipment	18,131	18,307
Intangible assets		
Goodwill	16,728	16,833
Other	281	393
Total intangible assets	17,010	17,227
Investments and other assets		
Investment securities	17,528	17,900
Retirement benefit asset	1,065	1,106
LongTermTimeDeposits	25,500	25,500
Other	1,651	1,249
Allowance for doubtful accounts	(665)	(191)
Total investments and other assets	45,079	45,565
Total non-current assets	80,221	81,099
Total assets	133,269	130,255
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,924	6,802
Electronically recorded obligations - operating	3,022	2,891
Short-term borrowings	9,963	9,975
Provisions	1,145	623
Other	8,006	7,407
Total current liabilities	30,061	27,699
Non-current liabilities		
Long-term borrowings	139	130
Provision for retirement benefits for directors (and other officers)	94	85
Retirement benefit liability	2,176	2,210
Deferred tax liabilities	1,918	2,039
Other	51	247
Total non-current liabilities	4,379	4,713
Total liabilities	34,440	32,413

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	12,334	12,334
Capital surplus	13,152	13,152
Retained earnings	66,481	65,859
Treasury shares	(1,149)	(2,521)
Total shareholders' equity	90,818	88,824
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,908	5,183
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	1,493	2,259
Remeasurements of defined benefit plans	(48)	(44)
Total accumulated other comprehensive income	6,353	7,398
Non-controlling interests	1,657	1,619
Total net assets	98,829	97,842
Total liabilities and net assets	133,269	130,255

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	13,716	15,542
Cost of sales	9,586	10,695
Gross profit	4,130	4,846
Selling, general and administrative expenses	2,915	4,102
Operating profit	1,214	744
Non-operating income		
Dividend income	144	163
Other	102	95
Total non-operating income	246	259
Non-operating expenses		
Interest expenses	1	28
Other	46	46
Total non-operating expenses	48	75
Ordinary profit	1,413	928
Extraordinary losses		
seventieth anniversary expense	–	45
Loss on sale and retirement of non-current assets	20	16
Total extraordinary losses	20	61
Profit before income taxes	1,392	867
Income taxes	527	441
Profit	864	425
Profit (loss) attributable to non-controlling interests	21	(2)
Profit attributable to owners of parent	843	428

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	864	425
Other comprehensive income		
Valuation difference on available-for-sale securities	371	267
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	159	767
Remeasurements of defined benefit plans, net of tax	2	5
Share of other comprehensive income of entities accounted for using equity method	2	6
Total other comprehensive income	536	1,046
Comprehensive income	1,401	1,471
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,368	1,473
Comprehensive income attributable to non-controlling interests	32	(1)

Consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	1,392	867
Depreciation	277	394
Goodwill amortization	–	442
Increase (decrease) in provision for bonuses	(396)	(420)
Decrease (increase) in trade receivables	4,769	3,274
Decrease (increase) in inventories	(310)	(723)
Increase (decrease) in trade payables	(2,278)	(1,194)
Other, net	(828)	(1,351)
Subtotal	2,623	1,288
Interest and dividends received	174	199
Interest paid	(3)	(27)
Income taxes paid	(1,167)	(757)
Net cash provided by (used in) operating activities	1,627	702
Cash flows from investing activities		
Purchase of property, plant and equipment	(346)	(546)
Purchase of investment securities	(322)	–
Other, net	(12)	(103)
Net cash provided by (used in) investing activities	(681)	(650)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	50
Repayments of long-term borrowings	–	(9)
Purchase of treasury shares	(0)	(1,371)
Dividends paid	(1,291)	(1,051)
Other, net	(66)	(57)
Net cash provided by (used in) financing activities	(1,358)	(2,439)
Effect of exchange rate change on cash and cash equivalents	104	36
Net increase (decrease) in cash and cash equivalents	(308)	(2,350)
Cash and cash equivalents at beginning of period	44,905	15,167
Cash and cash equivalents at end of period	44,596	12,817