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October 29, 2024

Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: Sekisui Jushi Corporation
Listing: Tokyo Stock Exchange
Securities code: 4212
URL: https://www.sekisuijushi.co.jp
Representative: Hiroshi Baba, President and Representative Director,CEO
Inquiries: Tomoyuki Kikuchi, Director and Managing Executive Officer, in charge of Finance and Investor Relations
Telephone: +81-6-6365-3288
Scheduled date to file semi-annual securities report: November 14, 2024
Scheduled date to commence dividend payments: December 2, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and securities analysts)

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

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	33,053	18.5	1,694	(33.0)	1,910	(32.7)	964	(50.4)
September 30, 2023	27,886	(4.6)	2,529	(30.1)	2,837	(27.1)	1,944	(21.9)

Note: Comprehensive income For the six months ended September 30, 2024: ¥3,196 million [14.5 %]
For the six months ended September 30, 2023: ¥2,791 million [(2.5) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	30.04	-
September 30, 2023	51.08	-

(Reference) EBITDA (Operating income + Depreciation and amortization + Amortization of goodwill)

Interim period of the fiscal year ending March 31, 2025: 3,430 million yen (10.2%) Interim period of the fiscal year ending March 31, 2024: 3,113 million yen (-25.2%)

Net income before amortization of goodwill (Net income attributable to owners of the parent + Amortization of goodwill)

Interim period of the fiscal year ending March 31, 2025 1,869 million yen (-3.9%) Interim period of the fiscal year ending March 31, 2024 1,944 million yen (-21.9%)

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	129,966	97,401	73.7
March 31, 2024	133,269	98,829	72.9

Reference: Equity
As of September 30, 2024: ¥95,758 million
As of March 31, 2024 : ¥97,172 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	33.00	-	32.00	65.00
Fiscal year ending March 31, 2025	-	35.00			
Fiscal year ending March 31, 2025 (Forecast)				35.00	70.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	76,500	21.8	6,000	(4.7)	6,150	(11.8)	3,650	(21.9)	116.79

Note: Revisions to the earnings forecasts most recently announced: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

Note: For details, please refer to "Notes on Accounting Procedures Specific to the Preparation of Interim Consolidated Financial Statements" on page 10 of the attached materials.

(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)

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

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	2,060,299 shares
As of March 31, 2024	579,341 shares

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

Six months ended September 30, 2024	32,100,248 shares
Six months ended September 30, 2023	38,078,952 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The above forecasts are based on information available as of the date of publication of this document, and actual results may differ from these forecasts due to various factors. Please refer to "Explanation of Forward-Looking Statements" on page 4 of the attached materials for the forecast of business results.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	15,167	14,634
Notes and accounts receivable - trade	16,044	12,950
Electronically recorded monetary claims - operating	9,783	6,986
Merchandise and finished goods	4,133	4,099
Work in process	1,496	2,336
Raw materials and supplies	4,971	5,242
Other	1,477	1,511
Allowance for doubtful accounts	(26)	(22)
Total current assets	53,048	47,739
Non-current assets		
Property, plant and equipment	18,131	19,235
Intangible assets		
Goodwill	16,728	17,344
Other	281	431
Total intangible assets	17,010	17,776
Investments and other assets		
Investment securities	17,528	17,510
Retirement benefit asset	1,065	1,146
Long-term time deposits	25,500	25,500
Other	1,651	1,227
Allowance for doubtful accounts	(665)	(169)
Total investments and other assets	45,079	45,214
Total non-current assets	80,221	82,226
Total assets	133,269	129,966

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,924	6,624
Electronically recorded obligations - operating	3,022	2,487
Short-term borrowings	9,963	9,622
Provisions	1,145	974
Other	8,006	8,227
Total current liabilities	30,061	27,936
Non-current liabilities		
Long-term borrowings	139	120
Provision for retirement benefits for directors (and other officers)	94	89
Retirement benefit liability	2,176	2,244
Deferred tax liabilities	1,918	1,931
Other	51	241
Total non-current liabilities	4,379	4,627
Total liabilities	34,440	32,564
Net assets		
Shareholders' equity		
Share capital	12,334	12,334
Capital surplus	13,152	13,152
Retained earnings	66,481	66,395
Treasury shares	(1,149)	(4,686)
Total shareholders' equity	90,818	87,195
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,908	4,926
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	1,493	3,677
Remeasurements of defined benefit plans	(48)	(40)
Total accumulated other comprehensive income	6,353	8,563
Non-controlling interests	1,657	1,643
Total net assets	98,829	97,401
Total liabilities and net assets	133,269	129,966

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	27,886	33,053
Cost of sales	19,456	22,962
Gross profit	8,430	10,091
Selling, general and administrative expenses	5,901	8,396
Operating profit	2,529	1,694
Non-operating income		
Dividend income	186	216
Other	206	269
Total non-operating income	392	485
Non-operating expenses		
Interest expenses	3	109
Commission for purchase of treasury shares	0	80
Other	80	79
Total non-operating expenses	83	270
Ordinary profit	2,837	1,910
Extraordinary income		
Gain on sale of investment securities	216	-
Total extraordinary income	216	-
Extraordinary losses		
seventieth anniversary expense	-	79
Loss on sale and retirement of non-current assets	34	36
Total extraordinary losses	34	116
Profit before income taxes	3,019	1,793
Income taxes	1,035	813
Profit	1,984	980
Profit attributable to non-controlling interests	39	16
Profit attributable to owners of parent	1,944	964

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	1,984	980
Other comprehensive income		
Valuation difference on available-for-sale securities	207	12
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	584	2,189
Remeasurements of defined benefit plans, net of tax	4	10
Share of other comprehensive income of entities accounted for using equity method	10	2
Total other comprehensive income	806	2,215
Comprehensive income	2,791	3,196
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,736	3,174
Comprehensive income attributable to non-controlling interests	55	22

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	3,019	1,793
Depreciation	584	830
Amortization of goodwill	-	905
Increase (decrease) in provision for bonuses	(13)	(90)
Decrease (increase) in trade receivables	5,248	6,013
Decrease (increase) in inventories	(461)	(885)
Increase (decrease) in trade payables	(2,442)	(1,891)
Other, net	(1,011)	(837)
Subtotal	4,924	5,838
Interest and dividends received	260	300
Interest paid	(4)	(107)
Income taxes paid	(1,177)	(761)
Net cash provided by (used in) operating activities	4,002	5,269
Cash flows from investing activities		
Proceeds from redemption of securities	700	-
Purchase of property, plant and equipment	(800)	(810)
Purchase of investment securities	(341)	-
Proceeds from sale of investment securities	359	80
Other, net	1	(151)
Net cash provided by (used in) investing activities	(81)	(881)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	(531)
Repayments of current portion of long-term borrowings	-	(18)
Purchase of treasury shares	(16,740)	(3,581)
Dividends paid	(1,287)	(1,046)
Other, net	(71)	(81)
Net cash provided by (used in) financing activities	(18,098)	(5,260)
Effect of exchange rate change on cash and cash equivalents	386	340
Net increase (decrease) in cash and cash equivalents	(13,791)	(532)
Cash and cash equivalents at beginning of period	44,905	15,167
Cash and cash equivalents at end of period	31,114	14,634