Financial Summary
Consolidated Financial Results for the Six Months ended September 30, 2024 (FY2024)
(Japanese standard)

October 30, 2024

Listed company name: JCR Pharmaceuticals Co., Ltd.
Listed stock exchange: Tokyo Stock Exchange
Code number: 4552 URL: https://www.jcrpharm.co.jp/
Representative: (Title) Representative Director, Chairman and President
(Name) Shin Ashida
Person in charge of inquiries: (Title) Senior Corporate Officer, Executive Director, Corporate Strategy Division
(Name) Yoh Ito TEL: 0797(32)1995

Scheduled date to file Quarterly Securities Report: November 14, 2024
Scheduled date to commence dividend payments: December 6, 2024
Preparation of supplemental information for this financial summary: Available
IR Conference: To be held (for institutional investors and analysts)

(Fractions smaller than one million yen omitted)

1. Consolidated Financial Results for 2Q FY2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results (Cumulative)

(Percentage shows year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six Months Ended	million yen	%	million yen	%	million yen	%	million yen	%
Sep. 30, 2024	16,657	(31.4)	(739)	—	(1,621)	—	(691)	—
Sep. 30, 2023	24,272	55.8	6,898	826.2	7,126	353.9	5,253	445.6

(Reference) Comprehensive income: Six months ended Sep. 30, 2024: 1,788 million yen ([69.6]%)
Six months ended Sep. 30, 2023: 5,877 million yen (437.4%)

	Earnings per share (basic)	Earnings per share (diluted)
Six Months Ended	yen	yen
Sep. 30, 2024	(5.53)	—
Sep. 30, 2023	42.10	41.90

(Note) "Diluted net income per share" for the first half of the fiscal year ending March 2025 is not stated because there was a net loss per share, even though there were residual shares.

(2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio
As of	million yen	million yen	%
Sep. 30, 2024	104,622	57,049	54.1
Mar. 31, 2024	102,226	56,475	54.2

(Reference) Shareholders' equity: As of Sep 30, 2024: 56,629 million yen
As of Mar. 31, 2024: 55,365 million yen

2. Dividends

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Annual
	yen	yen	yen	yen	yen
FY2023	—	10.00	—	10.00	20.00
FY2024	—	10.00			
FY2024 (Forecast)			—	10.00	20.00

(Notes) No revisions were made to the most recently announced dividend forecast.

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentage figures for the fiscal year represent the changes from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending Mar. 31, 2025	41,300	(3.7)	5,400	(28.3)	4,600	(36.7)	3,700	(32.8)	29.65

(Notes) No revisions were made to the most recently announced financial results forecast.

*Note

(1) Changes in significant subsidiaries during the period
(Changes in specified subsidiaries resulting in the change in consolidation scope): Yes
Excluded: 1 company, Mycenax Biotech Inc.

(2) Application of specific accounting practices for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimates and restatements
1. Changes in accounting policy due to the revision of accounting standards, etc. : Yes
2. Changes in accounting principles other than 1. : None
3. Changes in accounting estimates : None
4. Restatement : None

(Note) For details, please see "2. Quarterly consolidated financial statements and important notes (4) Notes to quarterly consolidated financial statements (Notes on Changes in accounting policies)" on page 10 of the attached document.

(4) Number of shares outstanding (common stocks)

1. Number of shares outstanding at the end of the period (including treasury stock)	As of Sep. 30, 2024	129,686,308 shares	As of Mar. 31, 2024	129,686,308 shares
2. Number of treasury stock at the end of the period	As of Sep. 30, 2024	4,189,502 shares	As of Mar. 31, 2024	4,881,914 shares
3. Average number of shares outstanding during the period (quarterly cumulative amount)	As of Sep. 30, 2024	125,010,957 shares	As of Sep. 30, 2023	124,787,306 shares

* The quarterly financial statements are outside of the scope of quarterly review by a certified public accountant or an audit firm.

* Explanation on the appropriate use of forecasts of financial results and other comments
(Note on forward-looking statements, etc.)
Forward-looking statements, such as forecasts of financial results, contained in this document are based on information currently available to the Company and certain assumption that are judged as rational. The Company does not assure the achievement of these forecasts. In addition, actual financial results may differ significantly from forecasts due to various reasons. For assumptions underlying forecasts of financial results and notes regarding the appropriate use of forecasts of financial results, please refer to "1. Qualitative information for quarterly financial statements, (3) Explanation on projections such as forecasts of consolidated financial results" on page 4 of the attached material.

Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	18,756	18,271
Accounts receivable - trade, and contract assets	14,934	12,354
Merchandise and finished goods	2,111	2,332
Work in process	6,220	7,642
Raw materials and supplies	12,602	12,790
Other	2,955	2,915
Total current assets	57,581	56,307
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,140	13,681
Land	10,587	10,587
Construction in progress	171	2,912
Other, net	5,141	4,572
Total property, plant and equipment	30,040	31,754
Intangible assets		
Patent right	2,158	2,019
Other	1,338	1,228
Total intangible assets	3,496	3,247
Investments and other assets		
Investment securities	9,120	12,084
Other	1,991	1,232
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	11,107	13,312
Total non-current assets	44,644	48,314
Total assets	102,226	104,622
Liabilities		
Current liabilities		
Accounts payable - trade	890	540
Short-term borrowings	8,950	16,262
Income taxes payable	1,657	122
Special suspense account for tax purpose reduction entry	11,996	11,996
Provision for bonuses	1,016	1,178
Provision for bonuses for directors (and other officers)	114	63
Other	5,510	3,969
Total current liabilities	30,135	34,133
Non-current liabilities		
Long-term borrowings	14,350	12,150
Provision for employee stock ownership plan	81	96
Retirement benefit liability	903	931
Other	280	261
Total non-current liabilities	15,615	13,438
Total liabilities	45,750	47,572

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	9,061	9,061
Capital surplus	10,384	10,392
Retained earnings	37,278	36,517
Treasury shares	(2,963)	(2,542)
Total shareholders' equity	53,761	53,429
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	741	2,604
Deferred gains or losses on hedges	(0)	7
Foreign currency translation adjustment	731	466
Remeasurements of defined benefit plans	132	120
Total accumulated other comprehensive income	1,604	3,199
Share acquisition rights	812	75
Non-controlling interests	297	345
Total net assets	56,475	57,049
Total liabilities and net assets	102,226	104,622

Quarterly consolidated statements of income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	24,272	16,657
Cost of sales	5,881	4,330
Gross profit	18,391	12,326
Selling, general and administrative expenses	11,493	13,066
Operating profit (loss)	6,898	(739)
Non-operating income		
Interest income	41	68
Dividend income	13	17
Foreign exchange gains	671	—
Other	69	49
Total non-operating income	796	134
Non-operating expenses		
Share of loss of entities accounted for using equity method	507	398
Interest expenses	40	63
Commission expenses	10	41
Depreciation	—	98
Foreign exchange losses	—	404
Other	10	9
Total non-operating expenses	568	1,016
Ordinary profit (loss)	7,126	(1,621)
Extraordinary income		
Gain on reversal of share acquisition rights	—	393
Gain on cancellation of contract	—	627
Other	—	44
Total extraordinary income	—	1,065
Extraordinary losses		
Loss on disposal of non-current assets	5	0
Total extraordinary losses	5	0
Profit (loss) before income taxes	7,120	(556)
Income taxes - current	2,387	24
Income taxes - deferred	(527)	100
Total income taxes	1,860	124
Profit (loss)	5,260	(680)
Profit attributable to non-controlling interests	7	10
Profit (loss) attributable to owners of parent	5,253	(691)

Quarterly consolidated statements of comprehensive income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit (loss)	5,260	(680)
Other comprehensive income		
Valuation difference on available-for-sale securities	73	1,863
Deferred gains or losses on hedges	—	8
Foreign currency translation adjustment	103	208
Remeasurements of defined benefit plans, net of tax	(0)	(12)
Share of other comprehensive income of entities accounted for using equity method	441	401
Total other comprehensive income	617	2,469
Comprehensive income	5,877	1,788
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,857	1,740
Comprehensive income attributable to non-controlling interests	20	48

Quarterly consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	7,120	(556)
Depreciation	1,335	1,667
Share of loss (profit) of entities accounted for using equity method	507	398
Gain on reversal of share acquisition rights	—	(393)
Increase (decrease) in retirement benefit liability	43	21
Increase (decrease) in provision for bonuses	216	162
Share-based payment expenses	71	9
Interest and dividend income	(55)	(85)
Interest expenses	40	63
Foreign exchange losses (gains)	(682)	457
Decrease (increase) in trade receivables	(9,376)	2,579
Decrease (increase) in accounts receivable - other	733	69
Decrease (increase) in inventories	(757)	(1,830)
Increase (decrease) in trade payables	(443)	(350)
Increase (decrease) in accounts payable - other	816	159
Increase (decrease) in accrued consumption taxes	1,263	(1,818)
Other, net	445	(228)
Subtotal	1,278	325
Interest and dividends received	55	85
Interest paid	(40)	(68)
Income taxes refund (paid)	2,228	(1,451)
Net cash provided by (used in) operating activities	3,521	(1,109)
Cash flows from investing activities		
Purchase of property, plant and equipment	(838)	(2,992)
Other, net	(449)	30
Net cash provided by (used in) investing activities	(1,288)	(2,962)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(6,900)	5,112
Proceeds from long-term borrowings	8,650	300
Repayments of long-term borrowings	(750)	(300)
Redemption of bonds	(500)	—
Net decrease (increase) in treasury shares	11	15
Dividends paid	(1,249)	(1,248)
Other, net	(22)	(26)
Net cash provided by (used in) financing activities	(761)	3,852
Effect of exchange rate change on cash and cash equivalents	1,217	(264)
Net increase (decrease) in cash and cash equivalents	2,689	(484)
Cash and cash equivalents at beginning of period	13,278	18,756
Cash and cash equivalents at end of period	15,968	18,271