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December 13, 2024

Consolidated Financial Results for the Fiscal Year Ended October 31, 2024 (Under Japanese GAAP)

Company name: KUMIAI CHEMICAL INDUSTRY CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 4996
URL: https://www.kumiai-chem.co.jp
Representative: Masaru Yokoyama, President and Representative Director
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Scheduled date of Annual General Meeting of Shareholders: January 29, 2025
Scheduled date to commence dividend payments: January 30, 2025
Scheduled date to file annual securities report: January 30, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended October 31, 2024 (from November 1, 2023 to October 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2024	161,049	0.0	11,350	(19.4)	18,300	(24.1)	13,590	(24.6)
October 31, 2023	161,002	10.8	14,089	11.2	24,115	2.3	18,024	10.4

Note: Comprehensive income For the fiscal year ended October 31, 2024: ¥17,687 million [(17.9)%]
For the fiscal year ended October 31, 2023: ¥21,543 million [15.9%]

	Basic earnings per share	Diluted earnings per share (diluted)	Return on equity	Return on assets	Operating profit margin
Fiscal year ended	Yen	Yen	%	%	%
October 31, 2024	112.91	–	9.7	7.3	7.0
October 31, 2023	149.88	–	14.5	11.2	8.8

Reference: Equity in earnings of affiliates For the fiscal year ended October 31, 2024: ¥6,697 million
For the fiscal year ended October 31, 2023: ¥8,664 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
October 31, 2024	275,474	152,941	53.0	1,212.20
October 31, 2023	226,939	139,845	58.6	1,105.55

Reference: Equity
As of October 31, 2024: ¥145,917 million
As of October 31, 2023: ¥133,025 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
October 31, 2024	(16,725)	(8,756)	23,608	27,088
October 31, 2023	4,762	(10,099)	6,864	26,572

2. Cash dividends

	Annual dividends per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended October 31, 2023	–	18.00	–	27.00	45.00	5,413	30.0	4.4
Fiscal year ended October 31, 2024	–	10.00	–	24.00	34.00	4,093	30.1	2.9
Fiscal year ending October 31, 2025 (Forecast)	–	10.00	–	24.00	34.00		37.5	

*The Company revised the year-end dividend per share for the fiscal year ended October 31, 2024 from 20 yen to 24 yen. Please see "Announcement of Increased Fiscal Year-End Cash Dividend" (in Japanese) published on December 13, 2024 for details.

3. Consolidated financial result forecasts for the fiscal year ending October 31, 2025 (from November 1, 2024 to October 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
Six months ending April 30, 2025	88,400	0.3	7,000	(20.7)	8,100	(37.6)	5,800	(37.8)	48.18
Full year	159,300	(1.1)	10,400	(8.4)	14,500	(20.8)	10,900	(19.8)	90.55

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 0 companies (Company name) -
Excluded: 1 company (Company name) K-I INFORMATION SYSTEM CO., LTD.

(2) 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

(3) Number of issued shares (common shares)
(i) Total number of issued shares at the end of the period (including treasury shares)

As of October 31, 2024	133,184,612 shares
As of October 31, 2023	133,184,612 shares

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

As of October 31, 2024	12,810,323 shares
As of October 31, 2023	12,859,015 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended October 31, 2024	120,358,485 shares
Fiscal year ended October 31, 2023	120,251,461 shares

* Financial results reports are exempt from audits conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts and other special matters

(Note on forward-looking statements, etc.)

Earnings forecasts contained in this document are based on information available to management as of the date of publication and provisional assumptions made as of such date regarding uncertain factors that may impact future earnings. Readers are advised that actual results may differ materially from the forecasts due to a variety of factors.

(How to obtain the financial results supplementary materials and the details of the financial results briefing)

The supplementary materials for the financial results will be posted on Kumiai's official website on Friday, December 13, 2024. Kumiai also plans to hold a financial results briefing for institutional investors and securities analysts on Friday, December 20, 2024. The financial results briefing materials for the briefing will be posted on Kumiai's official website after the briefing has been held.

1. Overview of Operating Results

(1) Overview of Operating Results for the Fiscal Year Ended October 31, 2024

During the fiscal year ended October 31, 2024, the Japanese economy continued on a moderate recovery track due in part to the signs of improvement in corporate earnings and steady personal consumption due to fixed-amount tax reduction and improvements in income environment.

On the other hand, the outlook is expected to remain uncertain due to the possibility of economic downturn overseas, primarily in China, rising commodity prices due to the soaring cost of fuel and raw materials, intensifying geopolitical risks, including the situations in Ukraine and the Middle East, and the possibility of policy changes stemming from the change in the U.S. administration and other factors.

Against this backdrop, the Kumiai Group formulated the Medium-Term Business Plan, "Create the Future—Expanding our Possibilities," which started in the fiscal year ended October 31, 2024, and is making every effort to implement priority measures designed to increase corporate value.

In the period under review, net sales increased by ¥47 million (0.0%) year on year to ¥161,049 million, as sales in the Fine Chemicals Business significantly outperformed the previous year, despite sales in the Agricultural Chemicals and Agriculture-Related Business came in lower than in the previous year. Operating profit decreased by ¥2,739 million (19.4%) year on year to ¥11,350 million, mainly due to an increase in depreciation associated with active capital investments. Ordinary profit was ¥18,300 million, down ¥5,816 million (24.1%) year on year, due mainly to the decline in the share of profit of entities accounted for using equity method, despite the recording of foreign exchange gains. Profit attributable to owners of parent amounted to ¥13,590 million, down ¥4,433 million, or 24.6%, year on year.

The percentage of overseas net sales in the fiscal year under review was 60.6%.

Business results by segment were as follows.

(Millions of yen, except percentages)

Segment	Fiscal year ended October 31, 2023			Fiscal year ended October 31, 2024			YoY	
	Net sales	Composition ratio	Operating profit	Net sales	Composition ratio	Operating profit	Net sales [% change]	Operating profit [% change]
Agricultural Chemicals and Agriculture-Related Business	¥129,466	80.4%	¥14,805	¥128,134	79.6	¥12,147	¥(1,332) [(1.0)]	¥(2,658) [(18.0)]
Fine Chemicals Business	22,472	14.0	528	24,965	15.5	772	2,493 [11.1]	244 [46.2]
Other Business	9,064	5.6	848	7,949	4.9	849	(1,115) [(12.3)]	0 [0.0]
Total	161,002	100.0	14,089	161,049	100.0	11,350	47 [0.0]	(2,739) [(19.4)]

Notes: 1. Consolidated segment operating profit for the previous fiscal year includes ¥(2,093) million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).

2. Consolidated segment operating profit for the current fiscal year includes ¥(2,417) million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).

1) Agricultural Chemicals and Agriculture-Related Business segment

In the Japanese market, although sales of products for nursery boxes that contain the fungicide for paddy rice DISARTA and the herbicide for paddy rice EFFEEDA remained strong, total sales in this segment were about the same as in the previous fiscal year due in part to the discontinuation of sale of some products.

In markets outside Japan, while sales of AXEEV, a field crop herbicide, to Argentina and Brazil increased, sales were sluggish in other major areas due to the effects of global inventory adjustments. As such, performance of markets outside Japan fell below that of the previous fiscal year.

As a result of the factors above, net sales in the Agricultural Chemicals and Agriculture-Related Business segment came to ¥128,134 million, down ¥1,332 million (1.0%) compared with the previous fiscal year. Operating profit decreased ¥2,658 million (18.0%) year on year to ¥12,147 million.

2) Fine Chemicals Business segment

Sales volume of bismaleimides increased significantly due to the ongoing recovery in semiconductor demand. In addition, sales of expanded polystyrene were in line with the previous fiscal year.

As a result of the factors above, net sales in the Fine Chemicals Business segment came to ¥24,965 million, up by ¥2,493 million (11.1%) compared with the previous fiscal year. Operating profit increased by ¥244 million (46.2%) year on year to ¥772 million.

3) Other Business segment

Sales in the printing business and the logistics business remained strong, but sales in the construction business decreased due to a reduction in construction work carried over from the previous year. As a result, net sales in the Other Business segment amounted to ¥7,949 million, down ¥1,115 million (12.3%) compared with the previous fiscal year. Operating profit increased ¥0 million (0.0%) year on year to ¥849 million, due to a reduction of losses caused by lower net sales, owing to the recording of payments received for the completed portion of works under profitable, large-scale projects in the construction business.

(2) Overview of Financial Position in the Fiscal Year Ended October 31, 2024

As of October 31, 2024, total assets amounted to ¥275,474 million, an increase of ¥48,535 million compared with the end of the previous fiscal year. Current assets increased by ¥36,360 million, and non-current assets increased by ¥12,175 million. The increase in current assets was mainly due to increases in merchandise and finished goods, notes and accounts receivable - trade, and contract assets. The increase in non-current assets was mainly due to increases in investment securities and buildings and structures.

Liabilities increased ¥35,438 million compared with previous fiscal year-end to ¥122,532 million. Current liabilities increased by ¥24,334 million, and non-current liabilities increased by ¥11,104 million. The increase in current liabilities was mainly because of the increase in short-term borrowings and notes and accounts payable - trade. The increase in non-current liabilities was mainly due to the increase in long-term borrowings.

Total net assets amounted to ¥152,941 million, an increase of ¥13,097 million compared with the end of the previous fiscal year.

As a result, the equity ratio stood at 53.0%, and net assets per share were ¥1,212.20.

(3) Overview of Cash Flows for the Year Ended October 31, 2024

With regard to cash flows from operating activities, operating activities used net cash of ¥16,725 million, compared with net cash provided of ¥4,762 million in the previous fiscal year. Major factors in the cash increase included inflows of ¥16,981 million in profit before income taxes and ¥6,254 million in increase in trade payables. Main cash outflows were ¥26,355 million in increase in inventories, and ¥9,837 million in increase in trade receivables.

Cash flows from investing activities used net cash of ¥8,756 million, compared with net cash used of ¥10,099 million in the previous fiscal year. The major factor was an outflow of ¥9,016 million in purchase of property, plant and equipment.

Cash flows from financing activities provided net cash of ¥23,608 million, compared with net cash provided of ¥6,864 million in the previous fiscal year. This figure includes inflows from proceeds from long-term borrowings of ¥21,200 million and an increase in short-term borrowings of ¥13,528 million, and outflows due to a ¥6,306 million repayment of long-term borrowings and ¥4,439 million in dividends paid.

As a result, cash and cash equivalents at the end of the fiscal year stood at ¥27,088 million, an increase of ¥516 million from the previous fiscal year end.

(Reference) Changes in Cash Flow-Related Indicators

	Fiscal year ended October 31, 2022	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Equity ratio (%)	56.4	58.6	53.0
Equity ratio based on market value (%)	57.4	57.9	35.6
Ratio of interest-bearing liabilities to cash flows (%)	―	863.7	―
Interest coverage ratio (times)	―	21.3	―

(Notes) Equity ratio: equity capital / total assets
Equity ratio based on market value: gross market capitalization / total assets
Ratio of interest-bearing liabilities to cash flows: interest-bearing liabilities / cash flows
Interest coverage ratio: cash flows / interest payment

* Indicators are all calculated based on consolidated financial data.
* Gross market capitalization calculated using fiscal year-end closing price multiplied by total number of shares issued at fiscal year-end (excluding treasury shares)
* Cash flows used are those from operating activities shown in the Consolidated Statements of Cash Flows. Interest-bearing liabilities covers all liabilities recorded on the Consolidated Balance Sheets on which interest is paid. The amount of interest paid is that shown in the Consolidated Statements of Cash Flows.
* As operating cash flow was negative in the fiscal year ended October 31, 2022 and the fiscal year ended October 31, 2024, the ratio of interest-bearing liabilities to cash flows and the interest coverage ratio are omitted.

(4) Future Outlook

The future outlook is expected to remain uncertain due to the possibility of economic downturn overseas, primarily in China, rising commodity prices due to the soaring cost of fuel and raw materials, intensifying geopolitical risks, including the situations in Ukraine and the Middle East, and the possibility of policy changes stemming from the change in the U.S. administration and other factors.

The Agricultural Chemicals and Agriculture-Related Business segment, which is the Group's core business, is expected to continue expanding in the future, driven by higher food and feed demand due to the growing global population. However, the market environment has become more challenging against the backdrop of the uncertainties described above and the need for inventory optimization efforts due to rising distribution inventories.

Against this backdrop, the Kumiai Group formulated the Medium-Term Business Plan, "Create the Future—Expanding our Possibilities," which started in the fiscal year ended October 31, 2024, and is making every effort to implement priority measures designed to increase corporate value.

In the Japanese market, the Group will further expand its base by promoting sales of EFFEEDA, the herbicide for rice paddy fields, and Bensulfuron-Methyl to maintain its top market share in one-shot herbicides for rice paddy fields. The Group will also focus on developing and expanding sales of DISARTA, a rice paddy field fungicide, and continue taking initiatives to promote smart agriculture.

In the area of products for fruits and vegetables, the Group will work to maximize sales of newly introduced products as quickly as possible based on the marketing strategy as well as strengthening promotion activities for

proprietary products such as Pyribencarb.

The Group will also contribute to reducing environmental impact as required under Japan's Strategy for Sustainable Food Systems (Strategy MIDORI) by re-promoting the Eco Series brand of microbial pesticides and other measures.

In the overseas market, the Group will continuously expand and maintain sales of AXEEV, a core product in its business, by promoting the development of new mixed formulations and providing appropriate support for sales promotions in leading markets such as the U.S., Brazil, Australia, and Argentina. The Group will also launch generic products in the Australian market and plans to do so in Argentina. However, the Group will take various measures to counter generic products, including filing lawsuits to protect its intellectual property rights if patent infringement is identified through an analysis of a generic product. At the same time, the Group will strive to optimize its inventory. The Group will also expand sales of EFFEEDA in South Korea as well as promoting its development in Europe, the U.S., and other Asian countries. The Group will also launch and promote sales of new mixed formulations containing DISARTA in South Korea and conduct development centered in Asia.

Going forward, the Group will continue striving to improve global agricultural productivity and increase producer incomes by promoting its proprietary products and providing technical guidance.

In the area of specialty sales, the Group will maximize sales and profit by making effective use of proprietary agricultural chemical formulation technologies to acquire contract manufacturing for new formulations, and expand proprietary products in agricultural and non-agricultural fields, including EFFEEDA and Bensulfuron-Methyl agents. The Group will work to diversify sales channels in order to sell more proprietary products to other manufacturers.

In the Fine Chemicals Business segment, the Group will work to maximize sales and profit by driving further growth of chloroxylene derivatives, the raw materials for aramid fibers; expanding sales of bismaleimide, amine curing agents, industrial chemicals, and expanded polystyrene products; and growing the contract manufacturing business in step with market trends. It will also seek to expand the domain of the Fine Chemicals Business by strengthening and promoting collaboration between research and development departments and the Fine Chemicals Business across the entire Group to create new high value-added businesses.

In the Other Business segment, the Group will address the following issues in each business. In the construction business, the Group will continue to firmly establish the corporate brand and work to increase recognition among general customers, aiming to expand the volume of construction orders. In the printing business, the Group will further focus on cost reductions by improving production efficiency through initiatives such as promoting mechanization, and aim to retain existing customers and attract new customers by developing new sales methods. In the logistics business, the Group will continue to participate in the government-supported "White Logistics" movement and reduce labor load and improve operational efficiency through mechanization, while providing optimal logistics services tailored to each customer. In addition, the Group will focus on improving efficiency and profitability through visualization of logistics data and digitalization of logistics operations.

In the area of production, based on the premise of safe operations, the Group will work to reduce costs through efficient production of active ingredients and formulations, to reduce costs by the improvement of manufacturing conditions, and to strengthen capital investment and enhance plant functions for efficient production. The Group will also accelerate reductions in greenhouse gas emissions and waste as it strives to makes its plants even cleaner. In procurement, the Group will focus on optimizing AXEEV inventory in collaboration with the Overseas Marketing Department and will negotiate with suppliers to reduce the costs of various ingredients and raw materials.

In the area of research and development, in addition to conventional agricultural chemicals, the Group will work

to create new environmentally friendly products that are in harmony with nature by developing microbial pesticides, bio-stimulants, and other products to address Japan's Strategy for Sustainable Food Systems (Strategy MIDORI). The Group applied for agricultural chemical registrations in Japan for VANENTA, a new acaricide, and ECOARK, a microbial pesticide for the control of crown gall in fruit trees and roses and is preparing to launch these products while they are being reviewed. The Group is also conducting evaluation processes overseas.

With regard to AXEEV, the core of its agricultural chemicals business, the Group will promote intellectual property strategies and it will advance differentiation by developing new mixed formulations and new formulations. For EFFEEDA and DISARTA, the Group will pursue global development, including in Europe and the U.S, while simultaneously improving profitability through optimization of active ingredient production, aiming to maximize business. Additionally, by engaging in research and development of new technologies in anticipation of environmental changes due to global warming, population increase and regulations on substances such as PFAS, the Group will further focus on development of products and new technologies that aims to solve social issues from the research stage.

The chemicals research institute Shimizu Innovation Park (ShIP) began full-scale operations in October 2023, and is demonstrating significant synergy effects between the three integrated research centers. Constructions are moving forward for a new research wing of the bioscience research institute, which will become the driving force for R&D alongside ShIP, aiming to begin operations by 2027. With the chemicals research institute and the bioscience research institute as its two pillars, the Group will accelerate the creation of new agricultural chemicals, advance product development, and aim to expand its research areas.

In the area of sustainability management, the Group has set a target to reduce its greenhouse gas emissions by 30% from 2019 by 2030 as an initiative to address climate change and reduce environmental impact, issues which are deeply connected to the Group's core Agricultural Chemicals and Agriculture-Related Business. The Group is introducing CO_2-free electricity and switching to low-CO_2 fuels and is steadily promoting further reductions. Furthermore, the Group will continue to explore effective reduction measures toward the realization of carbon neutrality by 2048. As activities to maintain regional biodiversity and abundant scenery, the Group has been properly maintaining and managing 640 hectares of company-owned forest in Fukushima Town, Hokkaido, and has created a 3,030 m^2 biotope (Kumikarefugia) in Kikugawa City, Shizuoka, where rare species of plants and animals can thrive. The Group has also joined the 30by30 Alliance, led by the Ministry of the Environment, and will actively engage in activities to maintain and restore the ecosystem.

As part of its social initiatives, the Group declared its commitment to the United Nations Global Compact on September 18, 2023. The United Nations Global Compact is a set of voluntary principles for corporate actions, where signatory companies commit to and implement the 10 principles across four areas: human rights, labor, environment, and anti-corruption—with the direct commitment of their top management. Moreover, as a human resources strategy aimed at human capital management, Kumiai Chemical Industry will recruit human resources that fit Company expectations by formulating and working on human resources policy for each of the issues of recruitment, training, assignment/career development, personnel system, evaluation, remuneration, diversity, and work-life balance.

On November 1, 2024, under our new President, Mr. Yokoyama, we will transition to a new structure. Building on the management foundation established to date, the Group will aim to further enhance corporate value. To achieve this, the Group will pursue its ultimate goals toward becoming a 100-year company and strive to be a company that executives and employees can be proud of.

Kumiai Chemical Industry forecasts net sales of ¥159,300 million, operating profit of ¥10,400 million, ordinary profit of ¥14,500 million, and profit attributable to owners of parent of ¥10,900 million in the earnings forecast for next fiscal year ending October 31, 2025.

2. Basic Policy Regarding Selection of Accounting Standards

The Kumiai Chemical Group will prepare its consolidated financial statements based on Japanese standards for the foreseeable future, as this enables a comparison of fiscal years in the consolidated financial statements as well as a comparison of companies.

The Group will take the appropriate response to the application of IFRS, taking into consideration circumstances in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2023	As of October 31, 2024
Assets		
Current assets		
Cash and deposits	27,080	27,404
Notes and accounts receivable - trade, and contract assets	35,751	45,730
Merchandise and finished goods	51,232	75,076
Work in process	12,295	15,451
Raw materials and supplies	9,916	9,648
Other	5,745	5,276
Allowance for doubtful accounts	(25)	(232)
Total current assets	141,995	178,355
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,781	23,005
Machinery, equipment and vehicles, net	9,737	10,744
Land	12,149	12,416
Construction in progress	2,202	3,571
Other, net	2,719	2,470
Total property, plant and equipment	47,587	52,205
Intangible assets		
Goodwill	2,757	2,095
Other	1,232	1,146
Total intangible assets	3,989	3,241
Investments and other assets		
Investment securities	30,453	38,691
Long-term loans receivable	517	512
Deferred tax assets	1,098	1,164
Retirement benefit asset	56	61
Other	1,514	1,593
Allowance for doubtful accounts	(270)	(348)
Total investments and other assets	33,367	41,673
Total non-current assets	84,944	97,119
Total assets	226,939	275,474

(Millions of yen)

	As of October 31, 2023	As of October 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,067	25,610
Short-term borrowings	37,404	55,010
Accounts payable - other	7,356	10,243
Income taxes payable	1,683	886
Provision for bonuses	1,908	1,798
Provision for environmental measures	201	113
Other	4,069	2,360
Total current liabilities	71,688	96,021
Non-current liabilities		
Long-term borrowings	8,355	19,252
Deferred tax liabilities	1,242	1,685
Provision for retirement benefits for directors (and other officers)	386	442
Retirement benefit liability	4,401	4,107
Asset retirement obligations	43	44
Other	980	982
Total non-current liabilities	15,406	26,511
Total liabilities	87,094	122,532
Net assets		
Shareholders' equity		
Share capital	4,534	4,534
Capital surplus	37,467	37,491
Retained earnings	100,969	110,107
Treasury shares	(9,240)	(9,221)
Total shareholders' equity	133,731	142,912
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,629	1,629
Foreign currency translation adjustment	(2,214)	1,317
Remeasurements of defined benefit plans	(120)	60
Total accumulated other comprehensive income	(706)	3,006
Non-controlling interests	6,819	7,024
Total net assets	139,845	152,941
Total liabilities and net assets	226,939	275,474

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended October 31, 2024
Net sales	161,002	161,049
Cost of sales	124,341	125,669
Gross profit	36,661	35,379
Selling, general and administrative expenses	22,572	24,029
Operating profit	14,089	11,350
Non-operating income		
Interest income	125	160
Dividend income	605	248
Reversal of allowance for doubtful accounts	75	10
Share of profit of entities accounted for using equity method	8,664	6,697
Foreign exchange gains	493	127
Other	467	358
Total non-operating income	10,431	7,600
Non-operating expenses		
Interest expenses	225	417
Provision of allowance for doubtful accounts	149	78
Other	30	156
Total non-operating expenses	405	650
Ordinary profit	24,115	18,300
Extraordinary income		
Gain on disposal of non-current assets	8	9
Gain on sale of investment securities	5	—
Subsidy income	287	369
Insurance claim income	88	13
Reversal of provision for environmental measures	27	—
Total extraordinary income	415	390
Extraordinary losses		
Loss on disposal of non-current assets	359	249
Loss on tax purpose reduction entry of non-current assets	7	88
Impairment losses	483	148
Loss on valuation of investment securities	360	1,024
Loss on sale of golf club membership	0	1
Loss on valuation of golf club membership	1	—
Environmental expenses	—	199
Total extraordinary losses	1,210	1,709
Profit before income taxes	23,320	16,981
Income taxes - current	5,122	2,836
Income taxes - deferred	(228)	284
Total income taxes	4,893	3,120
Profit	18,427	13,861
Profit attributable to non-controlling interests	403	271
Profit attributable to owners of parent	18,024	13,590

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended October 31, 2024
Profit	18,427	13,861
Other comprehensive income		
Valuation difference on available-for-sale securities	152	24
Foreign currency translation adjustment	266	323
Remeasurements of defined benefit plans, net of tax	(8)	180
Share of other comprehensive income of entities accounted for using equity method	2,706	3,299
Total other comprehensive income	3,116	3,826
Comprehensive income	21,543	17,687
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,066	17,302
Comprehensive income attributable to non-controlling interests	477	385

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended October 31, 2023 (From November 1, 2022 to October 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,534	37,403	86,649	(9,370)	119,216
Changes during period					
Dividends of surplus			(3,846)		(3,846)
Profit attributable to owners of parent			18,024		18,024
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		17		132	149
Decrease (increase) of capital surplus by change of share to consolidated subsidiary		48			48
Increase in earned surplus resulting from increase of consolidated subsidiaries			143		143
Net changes in items other than shareholders' equity					
Total changes during period	—	65	14,321	130	14,515
Balance at end of period	4,534	37,467	100,969	(9,240)	133,731

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,485	(5,121)	(112)	(3,748)	6,527	121,995
Changes during period						
Dividends of surplus						(3,846)
Profit attributable to owners of parent						18,024
Purchase of treasury shares						(2)
Disposal of treasury shares						149
Decrease (increase) of capital surplus by change of share to consolidated subsidiary						48
Increase in earned surplus resulting from increase of consolidated subsidiaries						143
Net changes in items other than shareholders' equity	144	2,907	(8)	3,042	292	3,334
Total changes during period	144	2,907	(8)	3,042	292	17,850
Balance at end of period	1,629	(2,214)	(120)	(706)	6,819	139,845

Fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,534	37,467	100,969	(9,240)	133,731
Changes during period					
Dividends of surplus			(4,453)		(4,453)
Profit attributable to owners of parent			13,590		13,590
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		24		21	45
Decrease (increase) of capital surplus by change of share to consolidated subsidiary					—
Increase in earned surplus resulting from increase of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	24	9,138	19	9,181
Balance at end of period	4,534	37,491	110,107	(9,221)	142,912

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,629	(2,214)	(120)	(706)	6,819	139,845
Changes during period						
Dividends of surplus						(4,453)
Profit attributable to owners of parent						13,590
Purchase of treasury shares						(2)
Disposal of treasury shares						45
Decrease (increase) of capital surplus by change of share to consolidated subsidiary						—
Increase in earned surplus resulting from increase of consolidated subsidiaries						—
Net changes in items other than shareholders' equity	0	3,531	180	3,711	205	3,916
Total changes during period	0	3,531	180	3,711	205	13,097
Balance at end of period	1,629	1,317	60	3,006	7,024	152,941

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended October 31, 2024
Cash flows from operating activities		
Profit before income taxes	23,320	16,981
Depreciation	4,426	5,254
Amortization of goodwill	662	662
Increase (decrease) in allowance for doubtful accounts	22	285
Increase (decrease) in provision for bonuses	166	(111)
Increase (decrease) in provision for environmental measures	(403)	(88)
Increase (decrease) in net defined benefit asset and liability	(20)	(40)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(125)	56
Interest and dividend income	(731)	(408)
Share of loss (profit) of entities accounted for using equity method	(8,664)	(6,697)
Interest expenses	225	417
Foreign exchange losses (gains)	(2,243)	(2,219)
Subsidy income	(287)	(369)
Loss (gain) on disposal of non-current assets	352	240
Loss on tax purpose reduction entry of non-current assets	7	88
Impairment losses	483	148
Loss (gain) on sale of investment securities	(5)	—
Loss (gain) on valuation of investment securities	360	1,024
Decrease (increase) in trade receivables	14,087	(9,837)
Decrease (increase) in inventories	(16,422)	(26,355)
Increase (decrease) in trade payables	(3,126)	6,254
Other, net	(1,457)	922
Subtotal	10,627	(13,793)
Interest and dividends received	2,567	1,352
Interest paid	(224)	(411)
Income taxes paid	(8,224)	(3,979)
Income taxes refund	15	107
Net cash provided by (used in) operating activities	4,762	(16,725)
Cash flows from investing activities		
Decrease (increase) in time deposits	(161)	197
Purchase of property, plant and equipment	(8,692)	(9,016)
Proceeds from sale of property, plant and equipment	36	216
Purchase of intangible assets	(126)	(173)
Purchase of investment securities	(1,178)	(6)
Proceeds from sale of investment securities	10	—
Loan advances	(220)	(185)
Proceeds from collection of loans receivable	222	52
Purchase of insurance funds	(79)	(72)
Proceeds from maturity of insurance funds	11	18
Subsidies received	287	369
Other, net	(208)	(157)
Net cash provided by (used in) investing activities	(10,099)	(8,756)

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended October 31, 2024
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	15,243	13,528
Proceeds from long-term borrowings	100	21,200
Repayments of long-term borrowings	(4,280)	(6,306)
Decrease (increase) in treasury shares	(2)	(2)
Dividends paid	(3,835)	(4,439)
Dividends paid to non-controlling interests	(137)	(181)
Other, net	(225)	(192)
Net cash provided by (used in) financing activities	6,864	23,608
Effect of exchange rate change on cash and cash equivalents	2,248	2,389
Net increase (decrease) in cash and cash equivalents	3,774	516
Cash and cash equivalents at beginning of period	22,071	26,572
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	726	—
Cash and cash equivalents at end of period	26,572	27,088

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Significant matters that serve as the basis for preparation of Consolidated Financial Statements)

1. Matters regarding the scope of consolidation

(1) Number of consolidated subsidiaries

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Names of consolidated subsidiaries

RIKENGREEN CO., LTD., IHARANIKKEI CHEMICAL INDUSTRY CO., LTD., K-I CHEMICAL INDUSTRY CO., LTD. Ihara Construction Industry, Co., Ltd., ONOMICHI KUMIKA INDUSTRY CO., LTD., RYOCHI SANGYO CO., LTD., NIHON PRINTING INDUSTRY CO., LTD., KUMIKA LOGISTICS CO., LTD., ASADA SHOJI CO., LTD., NEP CO., LTD.,
K-I CHEMICAL U.S.A. INC., K-I CHEMICAL EUROPE SA/NV, K-I CHEMICAL DO BRASIL LTDA., Iharanikkei Chemical (Thailand) Co., Ltd., PI Kumiai Private Ltd., Asiatic Agricultural Industries Pte. Ltd.

Significant changes in the scope of consolidation

K-I INFORMATION SYSTEM CO., LTD., which was a consolidated subsidiary until the previous fiscal year, was merged into the Company on May 1, 2024, and has therefore been excluded from the scope of consolidation

(2) Names of major non-consolidated subsidiaries

Ihara Daiben Co., Ltd., KUMIAI CHEMICAL SHANGHAI CO., LTD.

Reason for the exclusion from the scope of consolidation

The aforementioned non-consolidated subsidiaries have been excluded from the scope of consolidation as their scale of operation is small and their total assets, net sales, net profit or loss (amount corresponding to the equity interest), and retained earnings (amount corresponding to the equity interest) has no significant impact on the consolidated financial statements.

2. Matters regarding the application of equity method

(1) Number of non-consolidated subsidiaries accounted for by the equity method

Not applicable.

(2) Number of affiliates accounted for by the equity method

3

Names of affiliates accounted for by the equity method

IHARABRAS S.A. INDUSTRIAS QUIMICAS, T.J.C. CHEMICAL CO.,LTD., Shanghai Qunli Chemical Co., Ltd.

(3) Names of major non-consolidated subsidiaries and affiliates not accounted for by the equity method

Ihara Daiben Co., Ltd., KUMIAI CHEMICAL SHANGHAI CO., LTD.

Reason for not applying the equity method

The aforementioned non-consolidated subsidiaries and affiliates not accounted for by the equity method have been excluded from the scope of application of the equity method, as they have an immaterial impact on the consolidated financial statements and do not have significance as a whole in terms of factors such as their net profit or loss (amount corresponding to the equity interest) as well as retained earnings (amount corresponding to the equity interest), if they are excluded from the object of the equity method.

(4) Special matters regarding the procedure for application of equity method

For companies with an account closing date different from the consolidated account closing date, the financial statements for their respective fiscal year are used.

3. Matters regarding fiscal years, etc., of consolidated subsidiaries

Among the consolidated subsidiaries, the account closing date of K-I CHEMICAL DO BRASIL LTDA. is December 31, while the account closing dates of PI Kumiai Private Ltd. and Asiatic Agricultural Industries Pte. Ltd. are March 31. However, for the preparation of consolidated financial statements, financial statements based on a provisional settlement as of the consolidated account closing date have been used.

Additionally, among the consolidated subsidiaries, the account closing date of Iharanikkei Chemical (Thailand) Co., Ltd. is July 31. Since the difference in account closing dates does not exceed three months, the consolidated financial statements have been prepared based on the subsidiary's financial statements. However, adjustments necessary for consolidation have been made for significant transactions occurring between the subsidiary's account closing date and the consolidated account closing date.

4. Matters regarding accounting policies

(1) Valuation standards and methods for significant assets

(i) Securities

Available-for-sale securities

Securities other than shares, etc., without market price

Stated at fair value (unrealized gains and losses are recognized directly in net assets, and cost of sales is calculated using the moving-average method).

Shares, etc., without market price

Stated at cost using the moving-average method.

(ii) Inventories

Stated primarily at cost using the weighted average method (using the inventory write-down method based on decreased profitability).

(2) Depreciation and amortization methods for significant depreciable assets

(i) Property, plant and equipment (excluding leased assets)

Primarily, the declining-balance method

However, straight-line method is used for buildings (excluding facilities attached thereto) acquired on or after April 1, 1998 as well as for facilities attached thereto and structures acquired on or after April 1, 2016.

The useful lives are determined by the same standard as stipulated in the Corporation Tax Act.

(ii) Intangible assets (excluding leased assets)

Straight-line method

The useful lives are determined by the same standard as stipulated in the Corporation Tax Act.

However, straight-line method is used for software for internal use based on the internally usable period (five years).

(iii) Leased assets

Leased assets related to finance lease transactions not involving the transfer of ownership

The straight-line method is adopted, using the lease term as useful life of the asset while assuming its residual value at zero.

(3) Accounting standards for significant allowances

(i) Allowance for doubtful accounts

To prepare for losses arising from uncollectible receivables, the Group records an allowance for doubtful accounts at an estimated uncollectible amount based on the historical rate of credit losses with respect to general receivables, and in consideration of individual collectability with respect to doubtful accounts and other receivables.

(ii) Provision for bonuses

To provide for the future payments of employee bonuses, the Group has provided an allowance for the portion of the estimated payment amount attributable to the current fiscal year.

(iii) Provision for retirement benefits for directors (and other officers)

To provide for the future payments of provision for retirement benefits for directors (and other officers), the domestic consolidated companies have provided an allowance for the payment amount at the end of the current fiscal year based on internal regulations.

(iv) Provision for environmental measures

To provide for expenditures related to environmental measures, such as soil treatment costs based on the Soil Contamination Countermeasures Act and other laws and regulations, the Group has provided an allowance for the estimated expenditures that can be reasonably determined as of the end of the current fiscal year.

(4) Accounting standards for significant revenue and expenses

Businesses related to revenues arising from contracts with customers with the Company and its consolidated subsidiaries are "Agricultural Chemicals and Agriculture-Related Business," which mainly manufactures and sells insecticides, fungicides, herbicides, plant growth regulators for agricultural and non-agricultural use, and agrochemical ingredients, "Fine Chemicals Business," which mainly manufactures and sells chlorotoluene and chloroxylene derivatives, advanced chemicals, speciality chemicals, and expanded polystyrene, and "Other Business," which mainly engage in leasing business, power generation and electricity sales business, construction business, printing business, logistics business, information services business, and staffing business.

For product sales, the Group considers control of the product to be transferred to the customer, and the performance obligation to be fulfilled, upon delivery of the product to the customer. For domestic sales, revenue is recognized at the time of shipment, as the period between shipment and the transfer of control of the product to the customer is typical. For overseas sales, revenue is recognized based on the specific terms and conditions of trade. These revenues are calculated based on the price specified in the contract, minus estimated rebates, discounts, and returns, and are recognized only when it is highly probable that a material reversal will not occur. For paid supply transactions corresponding to repurchase agreements related to product manufacturing, the Group does not recognize the consideration received from suppliers as revenue. For paid receipt transactions, only the net amount of processing fees are recognized as revenue when the items are sold back to the source of the paid supply.

In Other Business, revenue is recognized at the amount expected to be received in exchange for promised goods or services when control of those goods or services is transferred to the customer. In service contracts, when goods or services are transferred over a certain period of time, the Group recognizes revenue over a certain period of time as it satisfies its performance obligation to transfer the goods or services to the customer.

In these businesses, for transactions where the Company or its consolidated subsidiaries are deemed to be an agent, the net amount of the total consideration received from customers, minus the amounts paid to suppliers, is recognized as revenue.

(5) Accounting methods for retirement benefits

(i) Method of attributing expected retirement benefits to periods

In calculating retirement benefit obligations, expected retirement benefits are attributed to the period up to the end of the current fiscal year based on the benefit formula basis.

(ii) Method of amortizing actuarial differences

Actuarial differences are amortized using the straight-line method over a certain number of years (10 years) within the average remaining years of service of the eligible employees at the time of occurrence, starting from the fiscal year following the occurrence.

(iii) Adoption of a simplified method in consolidated subsidiaries

Consolidated subsidiaries apply a simplified method to calculate retirement benefit liability and retirement benefit expenses.

(6) Translation standards of significant assets and liabilities denominated in foreign currencies into Japanese yen

Foreign currency denominated monetary receivables and payables are translated into Japanese yen at the

spot exchange rate on the consolidated closing date, and foreign exchange gains and losses from translation are recognized as profit or loss. Assets and liabilities of overseas subsidiaries are converted into yen at the spot exchange rate on the consolidated closing date, while revenue and expenses at the average exchange rate for the year, where exchange difference is included in foreign currency translation adjustment and non-controlling interests under net assets.

(7) Significant hedge accounting method

(i) Hedge accounting method

The appropriation procedure is adopted to foreign exchange fluctuation risk hedging.

(ii) Hedging instruments and hedged items

Hedging instruments: Forward exchange contracts

Hedged items: Foreign currency denominated monetary receivables and payables

(iii) Hedging policy

Foreign exchange fluctuation risks are hedged in accordance with internal rules. (Foreign exchange fluctuation risks associated with foreign currency denominated monetary receivables and payables from import and export transactions, which represent a major risk, are hedged as a general principle.)

(iv) Assessment of hedge effectiveness

Hedge effectiveness are ensured as only hedging instruments that meet the hedging requirements are contracted.

(8) Scope of funds in the consolidated statements of cash flows

Funds in the consolidated statements of cash flows comprise cash on hand, deposits available for withdrawal as needed, and short-term investments due for redemption within three months from the date of acquisition, which are easily cashable and are subject to minimal risk of fluctuations in value.

(9) Method and period of amortization of goodwill

Goodwill is amortized by the straight-line method over 8 years.

(Significant Subsequent Event)

(Absorption-type merger of wholly owned subsidiary)

The meeting of the Board of Directors of Kumiai Chemical Industry Co., Ltd. (“the Company”) held on December 5, 2023 resolved to implement an absorption-type merger with the Company as the surviving company and K-I Information System Co., Ltd., the Company’s wholly owned subsidiary, as the absorbed company, and the merger agreement was concluded on the same date. Additionally, the Company has implemented the absorption-type merger on May 1, 2024 based on the agreement.

1. Overview of Business Combination

(1) Name and business description of the absorbed company

Name of the absorbed company: K-I INFORMATION SYSTEM CO., LTD.

Business content: Information services business

(2) Date of the business combination

May 1, 2024

(3) Legal form of business combination

An absorption-type merger, with Kumiai Chemical Industry as the surviving company and K-I Information System as the absorbed company

(4) Name after the business combination

Kumiai Chemical Industry Co., Ltd.

(5) Other matters concerning overview of the transaction

The Company has been collaborating with K-I Information System Co., Ltd., which is a company responsible for information services within the Group, on various measures to promote business efficiency through the use of digital technology and on ensuring preparedness for security incidents.

With the aim of further accelerating the improvement of operations through digitalization, as well as to generate further synergies by incorporating K-I Information System into the Company’s ICT division, and to lay the groundwork for the further promotion of digital transformation, the Company decided to implement an absorption-type merger with K-I Information System, effective May 1, 2024.

2. Overview of Accounting Treatment

The business combination is accounted for as a transaction under common control in accordance with the Accounting Standard for Business Combinations (Accounting Standards Board of Japan (ASBJ) Statement No. 21, January 16, 2019) and the Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, January 16, 2019).

(Segment information, etc.)

[Segment Information]

1. Overview of the Reporting Segments

(1) The method to categorize reported segments

The reportable segments of the Group are those for which separate financial information is available and are subject to periodic review in order for the Company's Board of Directors to determine the allocation of management resources and evaluate performance.

(2) Products and services categorized for each reported segments

The principal products and services in each reportable segment are as in the table below.

Agricultural Chemicals and Agriculture-Related	Manufacture, sale, import and export of agricultural chemicals (insecticide, fungicide, herbicide, etc.), sale of greening materials, comprehensive golf course maintenance
Fine Chemicals	Manufacture, sale, import and export of chlorotoluene and chloroxylene derivatives, advanced chemicals, speciality chemicals, and expanded polystyrene

2. Method of Calculation of Amounts of Net Sales and Profit for Each Reportable Segment

The accounting methods for each of the reportable business segments are the same as those described in "Significant matters that serve as the basis for preparation of Consolidated Financial Statements."

Profit for each reportable segment is the figure based on operating profit. Internal revenues and inter-segment transfers are based on prevailing market prices.

3. Information on net sales and income (loss) by reportable segment

For the fiscal year ended October 31, 2023 (From November 1, 2022 to October 31, 2023)

(Millions of yen)

	Reportable segment			Other Business (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture-Related	Fine Chemicals	Total				
Net sales							
Net sales to outside customers	129,466	22,472	151,938	9,064	161,002	—	161,002
Inter-segment net sales or transfers	3	61	64	4,164	4,227	(4,227)	—
Total	129,469	22,533	152,002	13,227	165,229	(4,227)	161,002
Segment income	14,805	528	15,333	848	16,182	(2,093)	14,089

(Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, information services business, and staffing business.

2. The segment income adjustment of ¥(2,093) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.

3. Segment income was reconciled to operating profit in the consolidated statements of income.

For the fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)

(Millions of yen)

	Reportable segment			Other Business (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture-Related	Fine Chemicals	Total				
Net sales							
Net sales to outside customers	128,134	24,965	153,100	7,949	161,049	—	161,049
Inter-segment net sales or transfers	5	55	60	4,156	4,216	(4,216)	—
Total	128,139	25,020	153,159	12,105	165,264	(4,216)	161,049
Segment income	12,147	772	12,919	849	13,768	(2,417)	11,350

(Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, information services business, and staffing business.

2. The segment income adjustment of ¥(2,417) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.

3. Segment income was reconciled to operating profit in the consolidated statements of income.

(Per share information)

	For the fiscal year ended October 31, 2023 (From November 1, 2022 to October 31, 2023)	For the fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)
Net assets per share	¥1,105.55	¥1,212.20
Basic earnings per share	¥149.88	¥112.91

(Notes) 1. Diluted earnings per share are not presented, as there are no dilutive shares.

2. The basis for the calculation of net assets per share is as follows.

Item	For the fiscal year ended October 31, 2023	For the fiscal year ended October 31, 2024
Total net assets on consolidated balance sheets (millions of yen)	139,845	152,941
Total net assets attributable to common shares (millions of yen)	133,025	145,917
Difference between total net assets on consolidated balance sheets and net assets at the end of the consolidated fiscal year related to common shares used to calculate net assets per share (millions of yen)	6,819	7,024
[Of which, non-controlling interests] (millions of yen)	[6,819]	[7,024]
Number of common shares issued (thousand shares)	133,185	133,185
Number of treasury shares issued (thousand shares)	12,859	12,810
Number of common shares used to calculate net assets per share (thousand shares)	120,326	120,374

3. The basis for the calculation of basic earnings per share is as follows.

Item	For the fiscal year ended October 31, 2023 (From November 1, 2022 to October 31, 2023)	For the fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)
Profit attributable to owners of parent (millions of yen)	18,024	13,590
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent for common shares (millions of yen)	18,024	13,590
Average number of common shares outstanding during the period (thousand shares)	120,251	120,358

4. Others

(1) Changes in Officers

(As of January 29, 2025)

1. Changes in Directors, etc.

(i) New Director candidates

Director: Katsuki Imai
(Currently: Regional Manager, Corporate Planning Department of National Federation of Agricultural Cooperative Associations)

Director: Yoshihiro Yamaji
(Currently: Managing Executive Officer, Head of Corporate Planning & Coordination Division)

Director: Kouichi Iwata
(Currently: Managing Executive Officer, Head of Domestic Sales Division)

(ii) New Audit & Supervisory Board Member candidates

Audit & Supervisory Board Member: Takahiro Nakajima
(Currently: Director, Senior Executive Managing Officer of JA MITSUI LEASING, LTD.)

Audit & Supervisory Board Member: Tomitaka Suzuki
(Currently: Deputy Director, Cultivation Materials Department of National Federation of Agricultural Cooperative Associations)

* Mr. Nakajima and Mr. Suzuki are candidates for Outside Audit & Supervisory Board Members.

(iii) Retiring Directors

Director: Toshiharu Uchidoi

Director: Tetsuo Okawa

Director: Makoto Takagi

(iv) Retiring Audit & Supervisory Board Member

Audit & Supervisory Board Member: Kohei Taneda

Audit & Supervisory Board Member: Masakazu Yamada (Retiring on December 31, 2024)