

# Consolidated Financial Results Highlights for the Fiscal Year Ended March 31, 2022

## [Japanese GAAP]



April 28, 2022

Company Name: HARIMA CHEMICALS GROUP, INC.  
 Code Number: 4410  
 (URL: [www.harima.co.jp](http://www.harima.co.jp))  
 Stock Exchange Listing: Tokyo Stock Exchange  
 Representative: Yoshihiro Hasegawa, President  
 Contact: Kiyotaka Uetsuji, Managing Director, Accounting Section Director  
 Phone: +81-6-6201-2461  
 Scheduled date of Ordinary General Shareholders' Meeting: June 23, 2022  
 Scheduled submission date of Securities Report: June 24, 2022  
 Scheduled date to commence dividend payments: June 24, 2022  
 Availability of supplementary briefing material on Financial Results: Available  
 Schedule of Financial Results briefing session: Not scheduled

(Figures are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 2022 (From April 1, 2021 to March 31, 2022)

(1) Consolidated Results of Operations (% indicates changes from the same period of the previous year)

|                         | Net sales       |        | Operating income |        | Ordinary income |        | Net income attributable to Harima Chemicals Group, INC |        |
|-------------------------|-----------------|--------|------------------|--------|-----------------|--------|--|--------|
|                         | Millions of yen | %      | Millions of yen  | %      | Millions of yen | %      | Millions of yen  | %      |
| FY Ended March 31, 2022 | 76,093          | 21.1   | 3,250            | 106.2  | 3,433           | 214.0  | 1,746  | 60.0   |
| FY Ended March 31, 2021 | 62,850          | (12.5) | 1,576            | (58.0) | 1,093           | (69.5) | 1,091  | (50.8) |

(Note) Comprehensive income: FY Ended March 31, 2022: 3,805million yen [ 378.9%], FY Ended March 31, 2021: 794million yen [(53.1%)]

|                         | Net income per share | Fully diluted net income per share | Return on equity | Return on assets | Operating profit on sales |
|-------------------------|----------------------|------------------------------------|------------------|------------------|---------------------------|
|                         | Yen                  | Yen                                | %                | %                | %                         |
| FY Ended March 31, 2022 | 69.42                | —                                  | 4.9              | 4.6              | 4.3                       |
| FY Ended March 31, 2021 | 43.44                | —                                  | 3.1              | 1.6              | 2.5                       |

(Reference) Equity in net income (loss) of affiliated companies: FY Ended March 31, 2022: 292 million yen, FY Ended March 31, 2021: (110) million yen

### (2) Consolidated Financial Position

|                   | Total assets    | Net assets      | Equity ratio | Net assets per share |
|-------------------|-----------------|-----------------|--------------|----------------------|
|                   | Millions of yen | Millions of yen | %            | Yen                  |
| At March 31, 2022 | 78,905          | 40,104          | 46.6         | 1,459.97             |
| At March 31, 2021 | 69,390          | 37,441          | 49.8         | 1,375.27             |

(Reference) Equity: FY Ended March 31, 2022: 36,741million yen, FY Ended March 31, 2021: 34,565million yen

### (3) Consolidated Cash Flows

|                         | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at Year end |
|-------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|
|                         | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                       |
| FY Ended March 31, 2022 | 2,833                                | (3,438)                              | 2,106                                | 5,338                                 |
| FY Ended March 31, 2021 | 3,007                                | (1,858)                              | (1,564)                              | 3,421                                 |

## 2. Dividends

|                                    | Annual dividend |       |     |          |       | Dividend        | Dividend payout ratio | Dividend on equity ratio |
|------------------------------------|-----------------|-------|-----|----------|-------|-----------------|-----------------------|--------------------------|
|                                    | 1Q              | 2Q    | 3Q  | Year end | Total | (Total)         | (Consolidated)        | (Consolidated)           |
|                                    | Yen             | Yen   | Yen | Yen      | Yen   | Millions of yen | %                     | %                        |
| FY Ended March 31, 2021            | —               | 19.00 | —   | 19.00    | 38.00 | 955             | 87.5                  | 2.7                      |
| FY Ended March 31, 2022            | —               | 19.00 | —   | 19.00    | 38.00 | 956             | 54.7                  | 2.7                      |
| FY Ending March 31, 2023(Forecast) | —               | 19.00 | —   | 19.00    | 38.00 |                 | 47.8                  |                          |

## 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

(% indicates changes from the same period of the previous year)

|                | Net sales       |      | Operating income |        | Ordinary income |        | Net income attributable to Harima Chemicals Group,INC. |        | Net income per share |
|----------------|-----------------|------|------------------|--------|-----------------|--------|--|--------|----------------------|
|                | Millions of yen | %    | Millions of yen  | %      | Millions of yen | %      | Millions of yen  | %      | Yen                  |
| 2Q(cumulative) | 44,000          | 21.1 | 1,000            | (48.7) | 1,400           | (31.1) | 1,000  | (20.2) | 39.74                |
| Full year      | 88,000          | 15.6 | 2,000            | (38.5) | 2,800           | (18.5) | 2,000  | 14.5   | 79.47                |

## 4. Others

- (1) Significant changes of subsidiaries during period under review (affecting specific subsidiaries due to changes in scope of consolidation): None  
Newly included: 0 (Company name: ) Excluded: 0 (Company name: )
- (2) Changes in accounting policies, changes in accounting estimates and corrections of errors
  - (i) Changes in accounting policies accompanying the revisions to items such as accounting standards: Yes
  - (ii) Changes in accounting policies other than (i) above: None
  - (iii) Changes in accounting estimates: None
  - (iv) Corrections of errors: None
- (3) Number of shares issued (common stock)

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

|                                  |                   |
|----------------------------------|-------------------|
| Fiscal Year Ended March 31, 2022 | 26,080,396 shares |
| Fiscal Year Ended March 31, 2021 | 26,080,396 shares |

- (ii) Total number of treasury stock at the end of the period

|                                  |                |
|----------------------------------|----------------|
| Fiscal Year Ended March 31, 2022 | 914,657 shares |
| Fiscal Year Ended March 31, 2021 | 946,459 shares |

- (iii) Average number of shares during the period

|                                  |                   |
|----------------------------------|-------------------|
| Fiscal Year Ended March 31, 2022 | 25,155,981 shares |
| Fiscal Year Ended March 31, 2021 | 25,125,257 shares |

(Reference) Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

(1) Non-consolidated Results of Operations

(% indicates changes from the same period of the previous year)

|                         | Net sales       |        | Operating income |        | Ordinary income |        | Net income      |      |
|-------------------------|-----------------|--------|------------------|--------|-----------------|--------|-----------------|------|
|                         | Millions of yen | %      | Millions of yen  | %      | Millions of yen | %      | Millions of yen | %    |
| FY Ended March 31, 2022 | 1,961           | (17.2) | (184)            | —      | (221)           | —      | (81)            | —    |
| FY Ended March 31, 2021 | 2,369           | (19.1) | 274              | (66.2) | 368             | (59.1) | 1,744           | 77.1 |

|                         | Net income per share |     | Fully diluted net income per share |     |
|-------------------------|----------------------|-----|------------------------------------|-----|
|                         | Yen                  | Yen | Yen                                | Yen |
| FY Ended March 31, 2022 | (3.23)               | —   | —                                  | —   |
| FY Ended March 31, 2021 | 69.42                | —   | —                                  | —   |

(2) Non-consolidated Financial Position

|                   | Total assets    |                 | Net assets      |                 | Equity ratio |          | Net assets per share |  |
|-------------------|-----------------|-----------------|-----------------|-----------------|--------------|----------|----------------------|--|
|                   | Millions of yen | Millions of yen | Millions of yen | Millions of yen | %            | Yen      | Yen                  |  |
| At March 31, 2022 | 36,450          | 24,749          | 24,749          | 24,749          | 67.9         | 983.46   | 983.46               |  |
| At March 31, 2021 | 34,285          | 25,859          | 25,859          | 25,859          | 75.4         | 1,028.86 | 1,028.86             |  |

(Reference) Equity: FY Ended March 31, 2022: 24,749million yen, FY Ended March 31, 2021: 25,859million yen

\* This summary of consolidated financial results is not subject to audit procedure.

\* Explanation for the appropriate use of performance forecasts and other special notes:

The performance forecasts and other forward-looking statements herein are based on information currently available to the Company and certain preconditions which the Company believes to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

## Segment Information

Information regarding net sales and income or loss by reporting segment

I. For the previous fiscal year (April 1, 2020 to March 31, 2021)

(Thousands of yen)

|  | Reporting segment         |                 |                       |            |            |
|--|---------------------------|-----------------|-----------------------|------------|------------|
|  | Resin & Tall Oil Products | Paper Chemicals | Electronics Materials | Lawter     | Subtotal   |
| Net sales                              |                           |                 |                       |            |            |
| Net sales to external customers        | 14,783,648                | 18,481,288      | 5,005,477             | 23,068,621 | 61,339,036 |
| Intersegment sales or transfers        | 227,729                   | 3,447           | —                     | 401,403    | 632,580    |
| Total                                  | 15,011,378                | 18,484,736      | 5,005,477             | 23,470,025 | 61,971,616 |
| Segment income (loss)                  | (490,595)                 | 1,987,791       | 272,216               | 386,134    | 2,155,547  |
| Depreciation                           | 781,070                   | 738,187         | 157,426               | 534,430    | 2,211,115  |
| Interest income and interest expenses  | (3,301)                   | 10,641          | (200)                 | (169,228)  | (162,088)  |
| Equity in loss of affiliated companies | —                         | —               | —                     | (158,362)  | (158,362)  |

|  | Others (Note 1) | Total      | Adjustment (Note 2) | Amount in consolidated statement of income (Note 3) |
|--|-----------------|------------|---------------------|---|
| Net sales                              |                 |            |                     |   |
| Net sales to external customers        | 1,525,429       | 62,864,465 | (13,651)            | 62,850,813  |
| Intersegment sales or transfers        | 156,223         | 788,803    | (788,803)           | —   |
| Total                                  | 1,681,652       | 63,653,269 | (802,455)           | 62,850,813  |
| Segment income (loss)                  | 26,078          | 2,181,626  | (604,771)           | 1,576,854   |
| Depreciation                           | 142,152         | 2,353,268  | —                   | 2,353,268   |
| Interest income and interest expenses  | (6,206)         | (168,294)  | (68,975)            | (237,269)   |
| Equity in loss of affiliated companies | —               | (158,362)  | 48,209              | (110,152)   |

(Notes) 1. “Others” division is business segment not attributable to reportable segment and includes mainly real estate management, etc.

2. The adjustment amount of segment income (loss) includes the adjustment of inventories 112,922 thousand yen and company-wide expenses (732,459) thousand yen, etc. that are not attributable to reportable segment.

3. Segment income (loss) is adjusted to reflect operating income as recorded in the consolidated statement of income.

4. Assets are not allocated into reportable segments how to determine the allocation of management resources and how to assess performance of the Company.

II. For the current fiscal year (April 1, 2021 to March 31, 2022)

(Thousands of yen)

|  | Reporting segment         |                 |                       |            |            |
|--|---------------------------|-----------------|-----------------------|------------|------------|
|  | Resin & Tall Oil Products | Paper Chemicals | Electronics Materials | Lawter     | Subtotal   |
| Net sales                                |                           |                 |                       |            |            |
| Net sales to external customers          | 17,566,058                | 21,174,052      | 6,304,064             | 29,518,728 | 74,562,904 |
| Intersegment sales or transfers          | 251,546                   | 156,633         | —                     | 646,215    | 1,054,394  |
| Total                                    | 17,817,604                | 21,330,685      | 6,304,064             | 30,164,944 | 75,617,299 |
| Segment income (loss)                    | 90,983                    | 1,650,790       | 658,186               | 1,721,511  | 4,121,472  |
| Depreciation                             | 646,841                   | 669,921         | 133,366               | 573,094    | 2,023,224  |
| Interest income and interest expenses    | (1,276)                   | 22,220          | 135                   | (178,270)  | (157,190)  |
| Equity in income of affiliated companies | —                         | —               | —                     | 277,696    | 277,696    |

|  | Others (Note 1) | Total      | Adjustment (Note 2) | Amount in consolidated statement of income (Note 3) |
|--|-----------------|------------|---------------------|---|
| Net sales                                |                 |            |                     |   |
| Net sales to external customers          | 1,524,527       | 76,087,431 | 5,629               | 76,093,061  |
| Intersegment sales or transfers          | 202,593         | 1,256,988  | (1,256,988)         | —   |
| Total                                    | 1,727,120       | 77,344,419 | (1,251,358)         | 76,093,061  |
| Segment income (loss)                    | (11,852)        | 4,109,619  | (858,723)           | 3,250,896   |
| Depreciation                             | 151,924         | 2,175,149  | —                   | 2,175,149   |
| Interest income and interest expenses    | (680)           | (157,871)  | (75,026)            | (232,897)   |
| Equity in income of affiliated companies | —               | 277,696    | 14,579              | 292,276   |

(Notes) 1. “Others” division is business segment not attributable to reportable segment and includes mainly real estate management, etc.

2. The adjustment amount of segment income (loss) includes the adjustment of inventories 15,695 thousand yen and company-wide expenses (882,322) thousand yen, etc. that are not attributable to reportable segment.

3. Segment income (loss) is adjusted to reflect operating income as recorded in the consolidated statement of income.

4. Assets are not allocated into reportable segments how to determine the allocation of management resources and how to assess performance of the Company.