

**Consolidated Financial Results Highlights**  
**for the Second Quarter of the Fiscal Year ending March 31, 2019**  
**[Japanese GAAP]**



October 30, 2018

Company Name: HARIMA CHEMICALS GROUP, INC.

Code Number: 4410

(URL: <http://www.harima.co.jp/>)

Stock Exchange Listing: Tokyo Stock Exchange

Representative: Yoshihiro Hasegawa, President

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Scheduled submission date of the Quarterly Securities Report: November 6, 2018

Scheduled date to commence dividend payments: December 4, 2018

Availability of supplementary briefing material on quarterly results: Available

Schedule of quarterly results briefing session: Not scheduled

(Figures are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2019**  
**(From April 1, 2018 to September 30, 2018)**

(1) Consolidated Results of Operations (Cumulative) (% 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	%
Second Quarter ended September 30, 2018	39,404	12.6	2,354	31.4	2,731	52.5	2,947	129.5
September 30, 2017	35,002	(3.3)	1,791	(10.7)	1,791	6.9	1,284	14.4

(Note) Comprehensive income: Second quarter ended September 30, 2018: 2,104 million yen [ 37.6% ],  
 Second quarter ended September 30, 2017: 1,529 million yen [ -% ]

	Net income per share	Fully diluted net income per share
	Yen	Yen
Second Quarter ended September 30, 2018	113.26	—
September 30, 2017	49.50	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Second Quarter ended September 30, 2018	70,493	37,774	50.2
Fiscal year ended March 31, 2018	69,637	36,097	48.4

(Reference) Equity: The second quarter of Fiscal year ended March 31, 2019: 35,385million yen,  
 Fiscal year ended March 31, 2018: 33,723million yen

**2. Dividends**

	Annual dividend				
	1Q	2Q	3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ending March 31, 2018	—	11.00	—	12.00	23.00
Fiscal year ending March 31, 2019	—	17.00			
Fiscal year ending March 31, 2019 (Forecast)			—	17.00	34.00

(Note) Changes in forecasts of dividends from recently announced figures: Available

### 3. Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2019(From April 1, 2018 to March 31, 2019)

(% 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
Full year	80,000	9.1	4,500	12.2	4,500	12.3	3,700	35.7	142.17

(Note) Changes in forecasts of financial results from recently announced figures: Available

#### 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) Application of special accounting method for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and corrections of errors
  - (1) Changes in accounting policies accompanying the revisions to items such as accounting standards: None
  - (2) Changes in accounting policies other than (1) above: None
  - (3) Changes in accounting estimates: None
  - (4) Corrections of errors: None
- (4) Number of shares issued (common stock)

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

2Q of fiscal year ending March 31, 2019	26,080,396 shares
Fiscal year ended March 31, 2018	26,080,396 shares

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

2Q of fiscal year ending March 31, 2019	56,066 shares
Fiscal year ended March 31, 2018	55,330 shares

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

2Q of fiscal year ending March 31, 2019	26,024,830 shares
2Q of fiscal year ended March 31, 2018	25,948,316 shares

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

### I. Six months ended September 30, 2017 (April 1, 2017 to September 30, 2017)

Information regarding net sales and income or loss by reporting segment

(Thousands of yen)

	Reporting segment				
	Resin & Tall Oil Products	Paper Chemicals	Electronics Materials	Lawter	Subtotal
Net sales					
Net sales to external customers	9,307,726	7,945,518	2,776,008	14,160,414	34,189,669
Intersegment sales or transfers	108,327	80,009	—	76,697	265,034
Total	9,416,053	8,025,528	2,776,008	14,237,112	34,454,704
Segment income	496,356	600,482	203,287	740,447	2,040,573

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	828,975	35,018,644	(15,872)	35,002,772
Intersegment sales or transfers	70,548	335,583	(335,583)	—
Total	899,524	35,354,228	(351,455)	35,002,772
Segment income	9,692	2,050,266	(258,513)	1,791,752

### II. Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)

Information regarding net sales and income or loss by reporting segment

(Thousands of yen)

	Reporting segment				
	Resin & Tall Oil Products	Paper Chemicals	Electronics Materials	Lawter	Subtotal
Net sales					
Net sales to external customers	10,092,399	9,593,897	2,844,245	16,020,580	38,551,123
Intersegment sales or transfers	103,861	67,099	—	39,039	210,001
Total	10,196,261	9,660,996	2,844,245	16,059,620	38,761,124
Segment income (loss)	663,263	937,934	234,605	697,912	2,533,716

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	802,881	39,354,004	50,950	39,404,954
Intersegment sales or transfers	61,225	271,226	(271,226)	—
Total	864,107	39,625,231	(220,276)	39,404,954
Segment income (loss)	(28,971)	2,504,744	(149,845)	2,354,899

- (Notes) 1. The “Others” segment includes businesses not included in the reporting segments and mainly includes “Real estate management.”
2. The adjustment amount of segment income (loss) includes adjustments for inventories.
  3. Segment income (loss) is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.