

Consolidated Financial Results Highlights for the Third Quarter of the Fiscal Year ending March 31, 2021 [Japanese GAAP]



January 29, 2021

Company Name: HARIMA CHEMICALS GROUP, INC.
 Code Number: 4410
 (URL: 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: February 5, 2021
 Scheduled date to commence dividend payments: —
 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 Third Quarter of the Year Ending March 31, 2021 (From April 1, 2020 to December 31, 2020)

(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	%
Third Quarter ended December 31, 2020	45,966	(16.9)	963	(72.0)	638	(81.7)	749	(65.7)
December 31, 2019	55,311	(7.0)	3,440	(9.9)	3,492	(12.7)	2,187	(40.7)

(Note) Comprehensive income: Third quarter ended December 31, 2020: 9million yen [(99.4%)],
 Third quarter ended December 31, 2019: 1,599million yen [(41.6%)]

	Net income per share	Fully diluted net income per share
	Yen	Yen
Third Quarter ended December 31, 2020	29.83	—
December 31, 2019	86.27	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Third Quarter ended December 31, 2020	70,642	36,664	48.1
Fiscal year ended March 31, 2020	71,395	37,745	49.2

(Reference) Equity: The third quarter of Fiscal year ended March 31, 2021: 33,974million yen,
 Fiscal year ended March 31, 2020: 35,134million yen

2. Dividends

	Annual dividend				
	1Q	2Q	3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	—	19.00	—	19.00	38.00
Fiscal year ending March 31, 2021	—	19.00	—		
Fiscal year ending March 31, 2021 (Forecast)				19.00	38.00

(Note) Changes in forecasts of dividends from recently announced figures: None

3. Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2021 (From April 1, 2020 to March 31, 2021)

(% indicates changes from 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	62,000	(13.6)	1,100	(70.7)	900	(74.9)	1,150	(48.1)	45.75

(Note) Changes in forecasts of financial results from recently announced figures: None

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)

3Q of fiscal year ending March 31, 2021	26,080,396 shares
Fiscal year ended March 31, 2020	26,080,396 shares

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

3Q of fiscal year ending March 31, 2021	946,459 shares
Fiscal year ended March 31, 2020	974,643 shares

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

3Q of fiscal year ending March 31, 2021	25,122,653 shares
3Q of fiscal year ending March 31, 2020	25,351,070 shares

* This summary of consolidated financial results is not subject to the quarterly review procedures provided for by the Japanese Financial Instruments and Exchange Law.

* 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. Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)

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	14,078,910	14,497,214	4,067,218	21,395,280	54,038,623
Intersegment sales or transfers	166,714	43,011	—	32,019	241,745
Total	14,245,624	14,540,225	4,067,218	21,427,300	54,280,368
Segment income	540,466	1,475,728	125,525	1,558,700	3,700,420

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	1,281,129	55,319,752	(8,710)	55,311,042
Intersegment sales or transfers	93,791	335,537	(335,537)	—
Total	1,374,921	55,655,289	(344,247)	55,311,042
Segment income	37,647	3,738,068	(297,566)	3,440,501

II. Nine months ended December 31, 2020 (April 1, 2020 to December 31, 2020)

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	10,780,024	13,506,482	3,506,406	16,938,920	44,731,834
Intersegment sales or transfers	152,077	3,472	—	281,240	436,790
Total	10,932,102	13,509,954	3,506,406	17,220,161	45,168,624
Segment income(loss)	(364,981)	1,442,923	125,564	9,369	1,212,876

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	1,181,724	45,913,558	52,477	45,966,035
Intersegment sales or transfers	117,439	554,229	(554,229)	—
Total	1,299,163	46,467,788	(501,752)	45,966,035
Segment income(loss)	25,076	1,237,952	(274,403)	963,548

- (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.