

Consolidated Financial Results Highlights
for the First Quarter of the Fiscal Year ending March 31, 2022
[Japanese GAAP]



July 30, 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
 Contact: Kiyotaka Uetsuji, Managing Director, Accounting Section Director
 Phone: +81-6-6201-2461
 Scheduled submission date of the Quarterly Securities Report: August 6, 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 First Quarter of the Year Ending March 31, 2022 (From April 1, 2021 to June 30, 2021)

(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	%
First Quarter ended June 30, 2021	17,460	10.5	801	462.3	1,021	279.1	656	85.8
June 30, 2020	15,804	(13.0)	142	(87.0)	269	(76.5)	353	(58.8)

(Note) Comprehensive income: First quarter ended June 30, 2021: 1,606million yen (—%),
 First quarter ended June 30, 2020: (570)million yen (—%)

	Net income per share	Fully diluted net income per share
	Yen	Yen
First Quarter ended June 30, 2021	26.14	—
June 30, 2020	14.09	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
First Quarter ended June 30, 2021	71,867	38,370	49.3
Fiscal year ended March 31, 2021	69,390	37,441	49.8

(Reference) Equity: The first quarter of Fiscal year ended March 31, 2022: 35,462 million yen,
 Fiscal year ended March 31, 2021: 34,565 million yen

2. Dividends

	Annual dividend				
	1Q	2Q	3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	19.00	—	19.00	38.00
Fiscal year ending March 31, 2022	—				
Fiscal year ending March 31, 2022(Forecast)		19.00	—	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, 2022 (From April 1, 2021 to March 31, 2022)

(% 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)	36,000	19.6	1,800	405.2	1,800	—	900	162.1	35.80
Full year	76,500	21.7	3,100	96.6	3,100	183.5	1,600	46.6	63.66

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

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: Yes
 - (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)

1Q of fiscal year ending March 31, 2022	26,080,396 shares
Fiscal year ended March 31, 2021	26,080,396 shares

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

1Q of fiscal year ending March 31, 2022	946,459 shares
Fiscal year ended March 31, 2021	946,459 shares

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

1Q of fiscal year ending March 31, 2022	25,133,937 shares
1Q of fiscal year ended March 31, 2021	25,105,711 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. Three months ended June 30, 2020 (April 1, 2020 to June 30, 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	3,669,277	4,289,104	999,057	6,427,522	15,384,961
Intersegment sales or transfers	48,429	47,322	—	101,280	197,032
Total	3,717,706	4,336,426	999,057	6,528,803	15,581,994
Segment income(loss)	(268,526)	355,954	(25,381)	145,639	207,684

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	388,365	15,773,327	31,399	15,804,726
Intersegment sales or transfers	42,759	239,792	(239,792)	—
Total	431,125	16,013,119	(208,393)	15,804,726
Segment income(loss)	15,750	223,434	(80,832)	142,602

II. Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)

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	4,367,742	4,626,117	1,603,202	6,519,775	17,116,837
Intersegment sales or transfers	70,837	—	—	147,920	218,758
Total	4,438,580	4,626,117	1,603,202	6,667,696	17,335,596
Segment income(loss)	5,935	448,075	204,344	518,073	1,176,428

	Others (Note 1)	Total	Adjustment (Note 2)	Amount in consolidated statement of income (Note 3)
Net sales				
Net sales to external customers	383,994	17,500,831	(40,013)	17,460,818
Intersegment sales or transfers	44,124	262,883	(262,883)	—
Total	428,118	17,763,714	(302,896)	17,460,818
Segment income(loss)	(4,974)	1,171,454	(369,557)	801,896

- (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.