

For the year ended September 30, 2021

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Summary of Consolidated Financial Results for the Year Ended September 30, 2021

Consolidated Financial Results for the Year Ended September 30, 2021

(Millions of yen)

	Year ended September 30, 2020	Year ended September 30, 2021	Change	Change rate
Net sales	16,112	19,397	3,285	20.4%
Operating profit	914	2,312	1,398	153.0%
Operating profit percentage	5.7%	11.9%	+6.2pt	
Ordinary profit	925	2,322	1,396	150.9%
Profit	650	2,025	1,375	211.3%
Earnings per share (Yen)	73.99	230.27		

Earning for the Year Ended September 30, 2021, by Business

(Millions of yen)

		Year ended September 30, 2020	Year ended September 30, 2021	Change
Inorganic Chemicals	Net Sales	6,576	7,310	733
	Operating Profit	(50)	565	615
Specialty Chemicals	Net Sales	7,591	9,288	1,697
	Operating Profit	671	1,196	525
Leasing Business	Net Sales	456	457	0
	Operating Profit	269	266	(3)
Air-conditioning Business	Net Sales	1,057	1,926	869
	Operating Profit	(27)	258	285
Others	Net Sales	430	414	(15)
	Operating Profit	18	20	2
Total	Net Sales	16,112	19,397	3,285
	Operating Profit	914	2,312	1,398

Inorganic Chemicals

Chromium Compounds	Strongness for automobile and steel
Silicates and Silica	Decline resulting from rebuilding supply chains
Inorganic Phosphorus Compounds	Strongness in industrial uses, LCDs and semiconductors
Others	Solidness

Specialty Chemicals

Phosphine Derivatives	Strongness in plant catalysts and phosphorus raw materials for QD
Agrochemicals	Net sales decline resulting from slippage in timing of delivery
Battery Materials	Net sales decline resulting from lowered crude oil prices.
Electronic Ceramic Materials	Strongness in automobile and telecommunication
Circuit Materials	Solidness for major customers
High Purity Electronic Materials	Strongness in semiconductors and organic electronic materials
Others	Solidness

Other

Leasing Business	Solidness
Air-conditioning Business	Strongness in chemical filters and quantum computers
Book Store Operation	Weakness
Others	Solidness

Consolidated Balance sheet - Assets

(Millions of yen)

[Assets]	As of		Change
	March 31, 2021	September 30, 2021	
Current assets	30,598	29,773	(825)
Cash and deposits	10,004	10,405	401
Notes and accounts receivable - trade	11,297	-	-
Notes and accounts receivable - trade, and contract assets	-	10,310	-
Inventories	8,788	7,893	(895)
Other	509	1,165	656
Non-current assets	39,598	40,576	978
Property, plant and equipment	30,874	31,739	864
Intangible assets	589	497	(92)
Investment securities	7,044	7,496	452
Other	1,091	844	(247)
Total assets	70,196	70,350	153

Consolidated balance sheets - Liabilities & Net assets

(Millions of yen)

[Liabilities & Net assets]	As of March 31, 2021	As of September 30, 2021	Change
Current liabilities	17,525	17,793	268
Notes and accounts payable - trade	3,802	3,225	(577)
Short-term borrowings	8,300	8,776	475
Other	5,423	5,792	369
Non-current liabilities	13,595	11,587	(2,008)
Long-term borrowings	7,283	5,335	(1,947)
Retirement benefit liability	1,387	1,329	(58)
Deferred tax liabilities	2,173	2,485	312
Liabilities from application of equity method	424	288	(136)
Other	2,326	2,147	(179)
Total liabilities	31,120	29,380	(1,740)
[Net assets]			
Shareholders' equity	35,365	37,101	1,736
Accumulated other comprehensive income	3,709	3,867	158
Total net assets	39,075	40,969	1,894
Total liabilities and net assets	70,196	70,350	153

Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021	Change	Change rate
Net sales	16,112	19,397	3,285	20.4%
Cost of sales	12,707	14,360	1,653	13.0%
Selling, general and administrative expenses	2,490	2,724	234	9.4%
Operating profit	914	2,312	1,398	153.0%
Non-operating income	147	129	(18)	(12.2%)
Non-operating expenses	136	119	(17)	(12.5%)
Ordinary profit	925	2,322	1,396	150.9%
Extraordinary income	-	552	552	
Extraordinary losses	41	45	4	
Profit before income taxes	884	2,829	1,945	220.0%
Income taxes - current	148	744	596	
Income taxes - deferred	85	59	(26)	
Profit	650	2,025	1,375	211.3%

Consolidated Statements of Cash Flows

(Millions of yen)

	As of September 30, 2020	As of September 30, 2021
I Cash flows from operating activities	2,824	1,217
Profit before income taxes	884	2,829
Depreciation	1,405	1,510
Gain on sale of shares of subsidiaries and associates	-	(552)
Changes in inventories	74	458
Other	461	(3,028)
II Cash flows from investing activities	(2,047)	582
Capital expenditure	(1,996)	(1,693)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	2,227
Other	(51)	48
III Cash flows from financing activities	(711)	(1,378)
Changes in loans payable	(399)	(1,069)
Cash dividends paid	(307)	(306)
Other	(5)	(3)
Effect of exchange rate change on cash and cash equivalents	(4)	10
Net increase (decrease) in cash and cash equivalents	61	432
Cash and cash equivalents at beginning of period	9,315	9,962
Cash and cash equivalents at end of period	9,377	10,395

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Forecast of Consolidated Financial Results for the Year Ended March 31, 2022

(There is no revision to the forecast for business performance.)

Forecast of Consolidated Financial Results for the Year Ending March 31, 2022

(Millions of yen)

	Year ended March 31, 2021 Actual results	Year ending March 31, 2022 Forecast	Change	Change rate
Net sales	34,642	36,000	1,358	3.9%
Operating profit	2,783	4,000	1,217	43.7%
Operating profit margin	8.0%	11.1%	+3.1pt	
Ordinary profit	2,315	4,000	1,685	72.7%
Profit	2,182	2,600	418	19.1%
Earnings per share (Yen)	248.11	295.60	-	-
Cash dividends (Yen)	70	70	-	-
Capital expenditures	4,443	5,300	857	19.3%
Depreciation	2,875	3,200	325	11.3%
R & D expenses	1,223	1,300	77	6.3%

Forecast of Earnings for the Year Ending March 31, 2022, by Business

(Millions of yen)

		Year ended March 31, 2021	Year ending March 31, 2022	Change
		Actual results	Forecast	
Inorganic Chemicals	Net Sales	14,257	14,470	213
	Operating Profit	434	830	396
Specialty Chemicals	Net Sales	15,151	17,900	2,749
	Operating Profit	1,517	2,330	813
Leasing Business	Net Sales	913	913	0
	Operating Profit	535	550	15
Air-conditioning Business	Net Sales	3,399	1,875	(1,524)
	Operating Profit	182	235	53
Others	Net Sales	921	842	(79)
	Operating Profit	68	55	(13)
Total	Net Sales	34,642	36,000	1,358
	Operating Profit	2,783	4,000	1,217

Inorganic Chemicals

Chromium Compounds	Recovery tendency for automobile and steel
Silicates and Silica	Decline resulting from the review of the supply chain
Inorganic Phosphorus Compounds	Recovery for industrial use, strongness in LCDs and semiconductors
Other Inorganic Chemicals	Solidness expected

Specialty Chemicals

Phosphine Derivatives	Increase in catalysts for plants, strongness in phosphorus materials for QD
Agrochemicals	Solidness
Battery Materials	Sales decrease due to decline in crude oil prices, solidness in quantity
Electronic Ceramic Materials	Strongness for Automobile and communication
Circuit Materials	Solidness for major customers
High purity electronic materials	Strong demand for semiconductors and major customers
Other Specialty Chemicals	Recovery in barium and others for industrial use

Other

Leasing business	Solidness
Air-conditioning business	Unconsolidated after the third quarter due to selling of stocks
Book store operation	Weakness
Other	Solidness



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The forecasts of financial results and business plans included in the materials were based on the information available for us as of now and certain preconditions, and so they do not guarantee our future financial results. Actual financial results, etc., may differ from the forecasts due to a variety of reasons. Please make decisions on investment by user himself or herself.