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## Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)

May 15, 2024

Company name: Yushiro Chemical Industry Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 5013  
 URL: <https://www.yushiro.co.jp/en>  
 Representative: Masanori Arisaka, President and Representative Director  
 Contact: Hironori Yokoi, General Manager, Financing Department, Corporate Division  
 Phone: +81-3-3750-6793  
 Scheduled date of annual general meeting of shareholders: June 25, 2024  
 Scheduled date of commencing dividend payments: June 6, 2024  
 Scheduled date of filing annual securities report: June 26, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2024	52,985	13.2	3,619	244.8	4,628	220.8	3,010	234.9
March 31, 2023	46,794	24.2	1,049	17.4	1,442	(6.5)	898	229.2

(Note) Comprehensive income

Fiscal year ended March 31, 2024: ¥6,265 million [46.4%]

Fiscal year ended March 31, 2023: ¥4,279 million [77.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	221.20	—	8.0	7.8	6.8
March 31, 2023	66.04	—	2.7	2.7	2.2

(Reference) Share of profit (loss) of entities accounted for using equity method

Fiscal year ended March 31, 2024: ¥591 million

Fiscal year ended March 31, 2023: ¥203 million

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	62,169	42,633	64.7	2,953.54
As of March 31, 2023	56,283	36,984	61.6	2,545.72

(Reference) Equity

As of March 31, 2024: ¥40,196 million

As of March 31, 2023: ¥34,646 million

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	4,304	413	(1,603)	10,981
March 31, 2023	174	59	(83)	7,327

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2023	–	10.00	–	10.00	20.00	272	30.3	0.8
Fiscal year ended	–	20.00	–	50.00	70.00	952	31.7	2.6
March 31, 2024								
Fiscal year ending	–	30.00	–	40.00	70.00		30.7	
March 31, 2025 (Forecast)								

### 3. Consolidated financial results forecast for the fiscal year ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	55,500	4.7	3,680	1.7	4,340	(6.2)	3,100	3.0	227.78

**Notes:**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (3) Number of issued shares (common shares)
- (i) Total number of issued shares at the end of the period (including treasury shares)
 

March 31, 2024:	13,900,065 shares
March 31, 2023:	13,900,065 shares
  - (ii) Number of treasury shares at the end of the period
 

March 31, 2024:	290,421 shares
March 31, 2023:	290,362 shares
  - (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)
 

Fiscal year ended March 31, 2024:	13,609,644 shares
Fiscal year ended March 31, 2023:	13,609,703 shares

**Reference: Overview of non-consolidated financial results****1. Non-consolidated financial results for the fiscal year ended March 31, 2024) (from April 1, 2023 - March 31, 2024)**

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	20,919	18.5	354	–	2,659	109.8	3,297	114.4
March 31, 2023	17,650	13.3	(273)	–	1,267	322.2	1,538	–

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	242.31	–
March 31, 2023	113.03	–

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2024	40,212	25,090	62.4	1,843.59
March 31, 2023	36,692	21,264	58.0	1,562.44

(Reference) Equity  
 As of March 31, 2024: ¥25,090 million  
 As of March 31, 2023: ¥21,264 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts and other special matters

The financial results forecast and other forward-looking information presented herein are based on the information available to the Company and certain assumptions deemed reasonable at the present time. Actual results may differ significantly from these forecasts due to various factors.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	8,028	12,338
Notes and accounts receivable - trade	9,382	10,020
Merchandise and finished goods	2,521	2,549
Raw materials and supplies	4,626	4,530
Other	1,239	732
Allowance for doubtful accounts	(25)	(21)
<b>Total current assets</b>	<b>25,773</b>	<b>30,150</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,882	3,871
Machinery, equipment and vehicles, net	1,426	1,432
Tools, furniture and fixtures, net	300	289
Land	5,168	5,141
Leased assets, net	38	36
Construction in progress	63	129
<b>Total property, plant and equipment</b>	<b>10,879</b>	<b>10,900</b>
Intangible assets		
Goodwill	1,949	1,843
Customer relationship	1,994	1,995
Technical assets	612	593
Trademark right	537	520
Other	404	938
<b>Total intangible assets</b>	<b>5,499</b>	<b>5,892</b>
Investments and other assets		
Investment securities	4,316	5,683
Shares of subsidiaries and associates	7,615	7,522
Insurance funds	724	715
Long-term time deposits	15	2
Retirement benefit asset	412	480
Deferred tax assets	101	88
Other	958	747
Allowance for doubtful accounts	(13)	(13)
<b>Total investments and other assets</b>	<b>14,131</b>	<b>15,226</b>
<b>Total non-current assets</b>	<b>30,509</b>	<b>32,019</b>
<b>Total assets</b>	<b>56,283</b>	<b>62,169</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,381	5,190
Short-term borrowings	4,943	4,894
Lease liabilities	98	95
Accounts payable - other	854	1,093
Income taxes payable	220	317
Provision for bonuses	367	445
Other	1,485	1,846
Total current liabilities	13,350	13,883
Non-current liabilities		
Long-term borrowings	2,392	1,478
Lease liabilities	138	128
Deferred tax liabilities	1,900	2,546
Provision for retirement benefits for directors (and other officers)	91	109
Retirement benefit liability	1,218	1,192
Long-term guarantee deposits	184	185
Asset retirement obligations	20	11
Total non-current liabilities	5,947	5,652
Total liabilities	19,298	19,535
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,249	4,249
Capital surplus	3,931	3,931
Retained earnings	24,855	27,433
Treasury shares	(384)	(384)
Total shareholders' equity	32,651	35,230
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,738	2,677
Foreign currency translation adjustment	400	2,357
Remeasurements of defined benefit plans	(143)	(68)
Total accumulated other comprehensive income	1,994	4,966
Non-controlling interests	2,338	2,437
Total net assets	36,984	42,633
Total liabilities and net assets	56,283	62,169

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	46,794	52,985
Cost of sales	35,271	37,992
Gross profit	11,523	14,992
Selling, general and administrative expenses	10,473	11,373
Operating profit	1,049	3,619
Non-operating income		
Interest income	76	122
Dividend income	121	127
Foreign exchange gains	—	128
Share of profit of entities accounted for using equity method	203	591
Other	166	129
Total non-operating income	568	1,098
Non-operating expenses		
Interest expenses	56	46
Foreign exchange losses	23	—
Commission for syndicated loans	63	—
Other	32	42
Total non-operating expenses	175	89
Ordinary profit	1,442	4,628
Extraordinary income		
Gain on sale of investment securities	108	—
Gain on sale of non-current assets	400	8
Gain on sale of shares of subsidiaries and associates	—	24
Total extraordinary income	508	32
Extraordinary losses		
Loss on valuation of investment securities	2	—
Loss on abandonment of non-current assets	—	44
Impairment losses	—	50
Loss on valuation of investments in capital of subsidiaries and associates	229	17
Total extraordinary losses	231	112
Profit before income taxes	1,719	4,548
Income taxes - current	680	1,131
Income taxes - deferred	(171)	242
Total income taxes	508	1,374
Profit	1,210	3,174
Profit attributable to non-controlling interests	311	164
Profit attributable to owners of parent	898	3,010

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	1,210	3,174
Other comprehensive income		
Valuation difference on available-for-sale securities	226	937
Foreign currency translation adjustment	2,331	1,727
Remeasurements of defined benefit plans, net of tax	(21)	75
Share of other comprehensive income of entities accounted for using equity method	531	351
Total other comprehensive income	3,068	3,090
Comprehensive income	4,279	6,265
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,834	5,981
Comprehensive income attributable to non-controlling interests	445	283



## (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,249	3,991	24,522	(384)	32,378
Changes during period					
Dividends of surplus			(517)		(517)
Profit attributable to owners of parent			898		898
Change in ownership interest of parent due to transactions with non-controlling interests		(60)			(60)
Employee incentive welfare funds			(48)		(48)
Net changes in items other than shareholders' equity					
Total changes during period	—	(60)	332	—	272
Balance at end of period	4,249	3,931	24,855	(384)	32,651

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,516	(2,334)	(122)	(940)	2,429	33,868
Changes during period						
Dividends of surplus						(517)
Profit attributable to owners of parent						898
Change in ownership interest of parent due to transactions with non-controlling interests						(60)
Employee incentive welfare funds						(48)
Net changes in items other than shareholders' equity	222	2,734	(21)	2,935	(91)	2,843
Total changes during period	222	2,734	(21)	2,935	(91)	3,116
Balance at end of period	1,738	400	(143)	1,994	2,338	36,984

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,249	3,931	24,855	(384)	32,651
Changes during period					
Dividends of surplus			(408)		(408)
Profit attributable to owners of parent			3,010		3,010
Purchase of treasury shares				(0)	(0)
Employee incentive welfare funds			(23)		(23)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	2,578	(0)	2,578
Balance at end of period	4,249	3,931	27,433	(384)	35,230

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,738	400	(143)	1,994	2,338	36,984
Changes during period						
Dividends of surplus						(408)
Profit attributable to owners of parent						3,010
Purchase of treasury shares						(0)
Employee incentive welfare funds						(23)
Net changes in items other than shareholders' equity	938	1,957	75	2,971	99	3,070
Total changes during period	938	1,957	75	2,971	99	5,649
Balance at end of period	2,677	2,357	(68)	4,966	2,437	42,633

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,719	4,548
Depreciation	1,065	1,062
Amortization of goodwill	221	238
Share of loss (profit) of entities accounted for using equity method	(203)	(591)
Increase (decrease) in allowance for doubtful accounts	10	(5)
Increase (decrease) in provision for bonuses	(0)	75
Increase (decrease) in provision for bonuses for directors (and other officers)	(9)	—
Increase (decrease) in retirement benefit liability	(27)	14
Decrease (increase) in retirement benefit asset	(108)	(68)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(79)	18
Interest and dividend income	(197)	(249)
Interest expenses	56	46
Decrease (increase) in trade receivables	(1,093)	(271)
Decrease (increase) in inventories	(848)	489
Increase (decrease) in trade payables	703	(427)
Other, net	(550)	169
Subtotal	657	5,048
Interest and dividends received	224	353
Interest paid	(55)	(46)
Income taxes paid	(651)	(1,050)
Net cash provided by (used in) operating activities	174	4,304
<b>Cash flows from investing activities</b>		
Payments into time deposits	(691)	(600)
Proceeds from withdrawal of time deposits	622	43
Purchase of investment securities	(22)	(23)
Proceeds from sale of investment securities	212	—
Payments for investments in capital of subsidiaries and associates	(414)	—
Incomes from refund in capital of subsidiaries and associates	—	123
Proceeds from sale of shares of subsidiaries and associates	—	961
Purchase of property, plant and equipment	(525)	(461)
Proceeds from sale of property, plant and equipment	599	450
Purchase of intangible assets	(31)	(240)
Proceeds from sale of intangible assets	115	0
Other, net	194	160
Net cash provided by (used in) investing activities	59	413

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,704	(0)
Proceeds from long-term borrowings	202	—
Repayments of long-term borrowings	(971)	(963)
Dividends paid	(517)	(408)
Dividends paid to non-controlling interests	(206)	(134)
Purchase of treasury shares	—	(0)
Repayments of lease liabilities	(85)	(96)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(210)	—
Net cash provided by (used in) financing activities	(83)	(1,603)
Effect of exchange rate change on cash and cash equivalents	485	538
Net increase (decrease) in cash and cash equivalents	636	3,654
Cash and cash equivalents at beginning of period	6,691	7,327
Cash and cash equivalents at end of period	7,327	10,981