

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 7, 2025

Company name: Sakai Chemical Industry Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4078 URL <https://www.sakai-chem.co.jp>  
 Representative: President, Representative Director Toshiyuki Yagura  
 Director, General Manager of Accounting & Finance Department Hiroyuki Hattori  
 Inquiries: TEL 072-223-4111  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	63,567	4.6	4,679	174.4	4,970	179.6	3,726	–
Nine months ended December 31, 2023	60,755	(4.7)	1,705	(59.2)	1,777	(62.1)	(7,469)	(322.1)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	229.82	207.37
Nine months ended December 31, 2023	(460.96)	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	125,244	77,809	61.3	4,735.82
As of March 31, 2024	125,445	75,466	59.3	4,586.92

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	35.00	–	35.00	70.00
Year ending March 31, 2025	–	62.50	–		
Year ending March 31, 2025 (Forecast)				72.50	135.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	84,000	2.3	5,700	93.7	6,000	95.7	5,100	–	314.54

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: Yes

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2024	17,000,000 shares	As of March 31, 2024	17,000,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	782,216 shares	As of March 31, 2024	789,316 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	16,214,225 shares	Nine months ended December 31, 2023	16,203,461 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	16,590	15,072
Notes and accounts receivable - trade	29,570	28,744
Merchandise and finished goods	15,545	15,336
Work in process	5,155	5,057
Raw materials and supplies	8,046	7,961
Other	1,162	1,612
Allowance for doubtful accounts	(28)	(20)
Total current assets	76,042	73,765
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,648	16,405
Machinery, equipment and vehicles, net	7,666	7,017
Tools, furniture and fixtures, net	1,108	1,288
Land	13,305	13,444
Construction in progress	2,733	5,072
Total property, plant and equipment	40,463	43,228
Intangible assets		
Goodwill	888	805
Other	280	273
Total intangible assets	1,168	1,078
Investments and other assets		
Investment securities	6,206	5,688
Retirement benefit asset	104	114
Deferred tax assets	886	887
Other	586	512
Allowance for doubtful accounts	(12)	(31)
Total investments and other assets	7,770	7,172
Total non-current assets	49,402	51,479
Total assets	125,445	125,244
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,066	10,441
Short-term borrowings	15,108	12,530
Income taxes payable	576	937
Provision for bonuses	1,286	698
Other provisions	39	81
Other	5,679	5,912
Total current liabilities	31,757	30,601
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	3,000	3,000
Long-term borrowings	8,930	8,270
Provision for environmental measures	141	151
Retirement benefit liability	4,750	4,592
Deferred tax liabilities	1,136	568
Other	261	250
Total non-current liabilities	18,220	16,832
Total liabilities	49,978	47,434

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Net assets		
Shareholders' equity		
Share capital	21,838	21,838
Capital surplus	16,727	16,772
Retained earnings	34,334	36,479
Treasury shares	(1,716)	(1,700)
Total shareholders' equity	71,183	73,389
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,340	2,478
Deferred gains or losses on hedges	10	35
Foreign currency translation adjustment	572	694
Remeasurements of defined benefit plans	250	206
Total accumulated other comprehensive income	3,173	3,414
Share acquisition rights	35	35
Non-controlling interests	1,074	970
Total net assets	75,466	77,809
Total liabilities and net assets	125,445	125,244

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	60,755	63,567
Cost of sales	48,594	48,352
Gross profit	12,160	15,214
Selling, general and administrative expenses	10,455	10,535
Operating profit	1,705	4,679
Non-operating income		
Interest income	8	18
Dividend income	143	170
Insurance claim income	168	13
Foreign exchange gains	231	131
Other	51	136
Total non-operating income	602	470
Non-operating expenses		
Interest expenses	86	101
Tender Offer Related Costs	357	–
Other	87	77
Total non-operating expenses	530	179
Ordinary profit	1,777	4,970
Extraordinary income		
Gain on sale of non-current assets	0	1
Gain on sale of investment securities	69	50
Total extraordinary income	70	52
Extraordinary losses		
Loss on retirement of non-current assets	120	70
Impairment losses	6,256	381
Other	7	4
Total extraordinary losses	6,383	455
Profit (loss) before income taxes	(4,536)	4,567
Income taxes	2,679	725
Profit (loss)	(7,215)	3,842
Profit attributable to non-controlling interests	253	116
Profit (loss) attributable to owners of parent	(7,469)	3,726

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit (loss)	(7,215)	3,842
Other comprehensive income		
Valuation difference on available-for-sale securities	746	115
Deferred gains or losses on hedges	(21)	23
Foreign currency translation adjustment	595	129
Remeasurements of defined benefit plans, net of tax	(12)	(43)
Total other comprehensive income	1,308	224
Comprehensive income	(5,907)	4,067
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,289)	3,967
Comprehensive income attributable to non-controlling interests	382	99