

November 5, 2024

## Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: NIPPON CHEMI-CON CORPORATION  
 Listing: Tokyo Stock Exchange  
 Securities code: 6997  
 URL: <https://www.chemi-con.co.jp/>  
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 Scheduled date to file semi-annual securities report: November 6, 2024  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

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

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 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	%
Six months ended								
September 30, 2024	59,914	(25.4)	1,850	(63.9)	298	(94.4)	78	-
September 30, 2023	80,341	4.3	5,123	5.6	5,320	10.8	(22,781)	-

Note: Comprehensive income For the six months ended September 30, 2024: ¥ 1,049 million [ - % ]  
 For the six months ended September 30, 2023: ¥ (19,805) million [ - % ]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	3.66	2.37
September 30, 2023	(1,123.49)	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	158,333	54,499	34.1
March 31, 2024	172,921	53,610	30.7

Reference: Equity  
 As of September 30, 2024: ¥ 54,013 million  
 As of March 31, 2024 : ¥ 53,097 million

### 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2025	-	0.00			
Fiscal year ending March 31, 2025 (Forecast)					

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: The year-end dividend forecast for the fiscal year ending March 31, 2025 is undecided at this time.

Note: The above "Cash dividends" refers to dividends on common shares. Please refer to "Cash dividends on class shares" below for the status of dividends on class shares (unlisted) that have different rights from those of common shares issued by the Company.

### 3. Forecast of consolidated financial results for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	133,000	(11.8)	7,200	(23.6)	5,900	(25.4)	4,000	-	187.29

Note: Revisions to the earnings forecasts most recently announced: Yes

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2024	21,939,933 shares
As of March 31, 2024	21,939,933 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	582,543 shares
As of March 31, 2024	581,744 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	21,357,740 shares
Six months ended September 30, 2023	20,277,490 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to "1. Operating Results (3) Explanation of Forward-Looking Statements" on page 2 for the assumptions used in forecasting business results and precautions regarding the use of business results forecasts.

## Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	45,300	26,324
Notes and accounts receivable - trade	25,853	23,968
Merchandise and finished goods	11,186	12,175
Work in process	11,731	12,886
Raw materials and supplies	6,236	6,193
Other	4,564	5,697
Allowance for doubtful accounts	(58)	(51)
Total current assets	104,815	87,194
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,412	15,346
Machinery, equipment and vehicles, net	15,739	15,688
Tools, furniture and fixtures, net	2,733	2,742
Land	6,966	6,953
Leased assets, net	377	347
Right-of-use assets, net	3,084	2,853
Construction in progress	8,470	5,248
Total property, plant and equipment	47,784	49,179
Intangible assets	2,339	2,336
Investments and other assets		
Investment securities	14,649	16,105
Other	3,350	3,533
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	17,982	19,621
Total non-current assets	68,106	71,138
<b>Total assets</b>	<b>172,921</b>	<b>158,333</b>

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	7,143	6,832
Short-term borrowings	46,560	23,106
Accounts payable - other	7,501	6,711
Income taxes payable	1,161	531
Provision for bonuses	1,231	1,312
Other	11,419	11,372
Total current liabilities	75,017	49,865
Non-current liabilities		
Long-term borrowings	38,904	49,175
Other	5,388	4,792
Total non-current liabilities	44,293	53,967
Total liabilities	119,310	103,833
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,452	5,452
Capital surplus	57,487	57,343
Retained earnings	(26,702)	(26,640)
Treasury shares	(917)	(918)
Total shareholders' equity	35,320	35,237
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(8)	129
Foreign currency translation adjustment	11,790	12,851
Remeasurements of defined benefit plans	5,994	5,794
Total accumulated other comprehensive income	17,777	18,776
Non-controlling interests	513	485
Total net assets	53,610	54,499
Total liabilities and net assets	172,921	158,333

## Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	80,341	59,914
Cost of sales	63,247	47,777
Gross profit	17,093	12,137
Selling, general and administrative expenses	11,970	10,287
Operating profit	5,123	1,850
Non-operating income		
Interest income	79	93
Dividend income	79	1
Foreign exchange gains	302	-
Share of profit of entities accounted for using equity method	385	348
Other	30	17
Total non-operating income	878	461
Non-operating expenses		
Interest expenses	599	790
Financing expenses	54	397
Foreign exchange losses	-	720
Other	27	103
Total non-operating expenses	681	2,012
Ordinary profit	5,320	298
Extraordinary income		
Gain on sale of non-current assets	2	2
Gain on sale of investment securities	2,463	-
Total extraordinary income	2,466	2
Extraordinary losses		
Loss on disposal of non-current assets	11	14
Loss on antitrust law	29,276	-
Total extraordinary losses	29,287	14
Profit (loss) before income taxes	(21,500)	287
Income taxes - current	1,341	313
Income taxes - deferred	(59)	(105)
Total income taxes	1,282	207
Profit(loss)	(22,783)	79
Profit (loss) attributable to non-controlling interests	(1)	1
Profit (loss) attributable to owners of parent	(22,781)	78

## Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit(loss)	(22,783)	79
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,170)	-
Foreign currency translation adjustment	4,079	823
Remeasurements of defined benefit plans, net of tax	35	(200)
Share of other comprehensive income of entities accounted for using equity method	33	347
Total other comprehensive income	2,977	970
Comprehensive income	(19,805)	1,049
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(19,855)	1,077
Comprehensive income attributable to non-controlling interests	49	(27)