

# Summary of Consolidated Financial Results for the First Quarter of Fiscal Year 2023 (Japanese GAAP)

July 31, 2023

Company name: Nippon Chemiphar Co., Ltd. Listing: Tokyo Stock Exchange  
 Securities code: 4539 URL: <https://www.chemiphar.co.jp/english/>  
 Representative: Kazushiro Yamaguchi, President & CEO  
 Contact: Shinji Nakajima, Corporate Officer and Senior Manager of Accounts & Finance Department  
 Phone: 03-3863-1211  
 Scheduled date of dividend payout: –  
 Supplementary documents for quarterly financial results: Yes  
 Quarterly financial results briefing: None

\*Amounts less than one million yen are rounded down

## 1. Consolidated Financial Results for the First Quarter of FY2023 (from April 1, 2023 to June 30, 2023)

### (1) Business Results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	7,537	(10.5)	(106)	–	111	(78.2)	79	(87.8)
June 30, 2022	8,425	11.2	175	–	514	–	653	–

(Note) Comprehensive income: Three Months ended June 30, 2023: 42 million yen (down 85.5 %)  
 Three Months ended June 30, 2022: 291 million yen (432.7%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	22.03	–
June 30, 2022	180.91	–

### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2023	52,078	18,393	35.3	5,091.84
March 31, 2023	48,571	18,534	38.1	5,130.65

(Reference) Equity: As of June 30, 2023: 18,376 million yen

As of March 31, 2023: 18,517 million yen

## 2. Dividends

	Dividend per share				
	End of Q1	End of Q2	End of Q3	End of fiscal year	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	0.00	–	50.00	50.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (forecast)		0.00	–	50.00	50.00

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Forecast of Consolidated Financial Results for the FY2023 (from April 1, 2023 to March 31, 2024)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	32,700	3.6	200	–	100	70.4	60	(82.3)	16.62

(Note) Revision to the financial results forecast announced most recently: None

\* Notes

- (1) Changes in significant subsidiaries during the period (changes in specific subsidiaries accompanied by a change in the scope of consolidation): No
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies and changes or restatement of accounting estimates
- |   |    |
|---|----|
| (i) Changes in accounting policies accompanying amendments to accounting standards, etc.: | No |
| (ii) Changes in accounting policies other than (i):                                       | No |
| (iii) Changes in accounting estimates:  | No |
| (iv) Restatement:   | No |
- (4) Number of shares outstanding (common stock)
- |  |                  |                                   |                  |
|--|------------------|-----------------------------------|------------------|
| (i) Number of shares outstanding at the end of the period (including treasury shares)                      |                  |                                   |                  |
| As of June 30, 2023:   | 4,261,420 shares | As of March 31, 2023:             | 4,261,420 shares |
| (ii) Number of treasury shares at the end of the period  |                  |                                   |                  |
| As of June 30, 2023:   | 652,320 shares   | As of March 31, 2023:             | 652,254 shares   |
| (iii) Average number of outstanding shares during the period (cumulative from the beginning of the period) |                  |                                   |                  |
| Three months ended June 30, 2023:  | 3,609,112 shares | Three months ended June 30, 2022: | 3,609,829 shares |

#### 4. Quarterly Consolidated Financial Statements

##### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	FY2022 (As of March 31, 2023)	Q1 of FY2023 (As of June 30, 2023)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	10,529	12,259
Notes and accounts receivable—trade, and contract assets	7,516	6,997
Electronically recorded monetary claims—operating	3,738	3,891
Merchandise and finished goods	6,468	7,090
Work in process	1,277	1,450
Raw materials and supplies	3,010	3,111
Income taxes refund receivable	220	225
Others	675	899
<b>Total current assets</b>	<b>33,436</b>	<b>35,926</b>
<b>Non-current assets</b>		
<b>Property, plant, and equipment</b>		
Buildings and structures, net	4,786	4,691
Machinery, equipment, and vehicles, net	1,636	1,512
Tools, furniture and fixtures, net	379	375
Land	4,344	4,344
Leased assets, net	170	167
Construction in progress	200	1,356
<b>Total property, plant and equipment</b>	<b>11,518</b>	<b>12,447</b>
<b>Intangible assets</b>		
Patent rights	15	14
Trademark rights	54	52
Sales rights	383	312
Leased assets	47	43
Software	59	53
Telephone subscription rights	9	9
<b>Total intangible assets</b>	<b>569</b>	<b>486</b>
<b>Investments and other assets</b>		
Investment securities	1,385	1,549
Long-term prepaid expenses	496	470
Retirement benefit assets	401	435
Leasehold and guarantee deposits	57	55
Deferred tax assets	353	353
Others	414	414
Allowance for doubtful accounts	(61)	(61)
<b>Total investments and other assets</b>	<b>3,046</b>	<b>3,218</b>
<b>Total non-current assets</b>	<b>15,134</b>	<b>16,151</b>
<b>Total assets</b>	<b>48,571</b>	<b>52,078</b>

(Millions of yen)

	FY2022 (As of March 31, 2023)	Q1 of FY2023 (As of June 30, 2023)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable—trade	2,545	2,871
Electronically recorded obligations—operating	6,399	6,439
Short-term borrowings	392	720
Current portion of long-term borrowings	2,650	2,780
Lease obligations	77	75
Accounts payable—other	84	43
Income taxes payable	81	109
Accrued consumption taxes	91	67
Accrued expenses	1,678	1,873
Deposits received	175	202
Refund liabilities	221	201
Others	369	418
<b>Total current liabilities</b>	<b>14,766</b>	<b>15,803</b>
<b>Non-current liabilities</b>		
Long-term borrowings	11,950	13,956
Lease obligations	161	154
Provision for retirement benefits for directors	457	464
Net defined benefit liability	139	143
Deferred tax liabilities for land revaluation	915	915
Others	1,645	2,246
<b>Total non-current liabilities</b>	<b>15,270</b>	<b>17,881</b>
<b>Total liabilities</b>	<b>30,037</b>	<b>33,684</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	4,304	4,304
Capital surplus	1,263	1,263
Retained earnings	13,636	13,533
Treasury shares	(3,110)	(3,111)
<b>Total shareholders' equity</b>	<b>16,093</b>	<b>15,990</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	335	450
Revaluation reserve for land	2,072	2,072
Foreign currency translation adjustment	(20)	(167)
Remeasurements of defined benefit plans	35	31
<b>Total accumulated other comprehensive income</b>	<b>2,423</b>	<b>2,386</b>
Share acquisition rights	17	17
<b>Total net assets</b>	<b>18,534</b>	<b>18,393</b>
<b>Total liabilities and net assets</b>	<b>48,571</b>	<b>52,078</b>

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

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	8,425	7,537
Cost of sales	6,200	5,686
Gross profit	2,225	1,850
Selling, general and administrative expenses	2,050	1,957
Operating profit (loss)	175	(106)
Non-operating income		
Interest income	0	0
Dividend income	14	18
Rental income from non-current assets	1	1
Share of profit of entities accounted for using equity method	8	10
Foreign exchange gains	348	217
Others	2	5
Total non-operating income	376	254
Non-operating expenses		
Interest expenses	30	31
Commission expense	2	1
Others	4	2
Total non-operating expenses	37	36
Ordinary profit	514	111
Extraordinary income		
Gain on sales of investment securities	411	–
Total extraordinary income	411	–
Profit before income taxes	925	111
Income taxes—current	272	80
Income taxes—deferred	(0)	(47)
Total income taxes	272	32
Profit	653	79
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	653	79

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	653	79
Other comprehensive income		
Valuation difference on available-for-sale securities	(286)	114
Foreign currency translation adjustment	(70)	(147)
Remeasurements of defined benefit plans	(4)	(4)
Total other comprehensive income	(361)	(37)
Comprehensive income	291	42
Comprehensive income attributable to:		
Owners of parent	291	42
Non-controlling interests	–	–