Summary of Consolidated Financial Statements
for the six-month period ended September 30, 2024 (Japan GAAP)

November 8, 2024
Listed Exchanges: TSE

Name of Listed Company: Ishihara Sangyo Kaisha, Ltd.
Code: 4028 URL http://www.iskweb.co.jp
Representative: (Title) Executive Director President (Name) Hiroshi Okubo
Contact: (Title) Director (Name) Yasunobu Kawazoe Tel +81-6-6444-1850
Scheduled date of securities report submission: November ,11, 2024
Scheduled date of dividend payment: —
Supplementary materials for financial results: Yes
Holding of financial results presentation: Yes (for analysts)

(Any amount less than one million yen is rounded down to the nearest million yen or nil.)

1. Consolidated Financial Results for Second Quarter of Fiscal Year Ending March 31, 2025(April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(Percentages represent changes from same period in previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
2Q, 2024	74,522	10.4	2,653	16.4	2,486	-55.0	727	-80.6
2Q, 2023	67,529	5.1	2,280	-32.2	5,528	-13.9	3,748	-15.0

(Note) Comprehensive income: As of September 30, 2024: 2,895million yen (-51.4 %)
As of September 30, 2023: 5,953million yen (-7.4%)

	Net income per share	Net income per share after full dilution
	Yen	Yen
2Q, 2024	19.03	—
2Q, 2023	98.24	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	millions of yen	Millions of yen	%
2Q, 2024	220,685	106,392	48.2
Year ended March 31, 2024	224,324	106,116	47.3

(Reference) Equity capital: As of September 30, 2024: 106,307million yen
As of March 31, 2024: 106,068million yen

2. Dividends

	Dividends per share				
(Record date)	June 30 (Q1-end)	September 30 (Q2-end)	December 31 (Q3-end)	March 31 (Year-end)	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	—	0.00	—	70.00	70.00
Year ending March 31, 2025	—	0.00			
Year ending March 31, 2025 (Forecast)			—	70.00	70.00

(Note) 1. Modification in the dividend forecast for current quarter: None

3. Forecast for Consolidated Results for the Full Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentages represent forecasted changes from the previous year for the full year results, and forecasted changes from the same period in the previous year for the interim results.)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	Yen
Full year	148,000	6.9	10,000	-13.0	9,500	-36.0	6,000	-24.9	156.98

(Note) Modification in the dividend forecast for current quarter: Yes

* This is an English translation of Summary originally written in Japanese and disclosed to TSE.
For official purposes, the Japanese version takes preference over this English translation

4. Other information

(1) Significant changes in subsidiaries during the period
(changes in specified subsidiaries resulting in the change in consolidation scope): None

(2) Adoption of simplified accounting treatment and special accounting treatment for quarterly consolidated statement: None

(3) Changes in accounting principles, procedures, and the method of presentation

1) Changes due to revisions of accounting standards etc. : Yes
2) Changes other than those defined in 1) above : None
3) Changes in accounting procedures : None
4) Changes in the method of presentation : None

(4) Issued shares (common shares)

1) Issued shares as of period-end (including repurchased treasury shares)
As of September 30, 2024: 40,383,943 shares As of March 31, 2024: 40,383,943 shares

2) Number of shares of treasury stock as of period-end
As of September 30, 2024: 2,153,921 shares As of March 31, 2024: 2,186,519 shares

3) Average number of outstanding shares during period
As of September 30, 2024: 38,211,060 shares As of September 30, 2023: 38,151,268 shares

*This semi-annual financial results statement is exempt from the review procedures by certified public accountants or audit corporations.

*Notes on proper use of forecast and other matters
The forecast of financial results presented in this document is the result of management's assessment based upon currently available assumptions, prospects and plans for the future. Actual results and dividend payments may differ from these forecasts, due to risks and uncertain factors, such as the global economy, competition, and foreign currency fluctuations.

5. Semi-annual Consolidated Financial Statements, and Main Notes

(1) Consolidated Balance Sheet

(Unit: millions of yen)

Account Category	As of March,2024 (summary)	As of September,2024
ASSETS		
Current Assets		
Cash and deposits	19,982	26,268
Notes and accounts receivable-trade and contract assets	42,859	36,814
Electronically recorded monetary claims - operating	1,617	1,806
Merchandise and finished goods	52,371	50,483
Work in process	8,132	8,373
Raw materials and supplies	30,871	27,114
Other	5,640	4,143
Allowance for doubtful accounts	-302	-245
Total current assets	161,173	154,759
Non-current assets		
Property, plant and equipment		
Machinery and equipment, net	12,913	12,720
Others, net	28,646	29,829
Total property, plant and equipment	41,560	42,549
Intangible assets	2,052	2,106
Investments and other assets		
Investment securities	9,648	11,547
Deferred tax assets	7,630	6,623
Net defined benefit asset	29	37
Other	2,281	3,113
Allowance for doubtful accounts	-52	-52
Total investments and other assets	19,537	21,269
Total non-current assets	63,150	65,926
Total Assets	224,324	220,685

(Unit: millions of yen)

Account Category	As of March,2024 (summary)	As of September, 2024
LIABILITIES		
Current Liabilities		
Notes and accounts payable – trade	20,974	22,779
Electronically recorded obligations - operating	1,979	1,520
Short-term loans payable	15,280	15,151
Current portion of bonds	968	863
Income taxes payable	1,439	508
Reserve	1,324	1,636
Other	11,090	11,067
Total current liabilities	53,056	53,529
Noncurrent liabilities		
Bonds payable	1,991	1,627
Long-term loans payable	47,839	44,047
Provision for environment and safety improvement	195	—
Net defined benefit liability	12,007	12,016
Other	3,116	3,072
Total non-current liabilities	65,150	60,763
Total Liabilities	118,207	114,293
NET ASSETS		
Shareholders' equity		
Capital stock	43,420	43,420
Capital surplus	10,672	10,694
Retained earnings	50,489	48,542
Treasury stock	-2,653	-2,621
Total shareholders' equity	101,928	100,036
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	817	675
Foreign currency translation adjustment	2,989	5,418
Remeasurements of defined benefit plans	333	176
Total accumulated other comprehensive income	4,139	6,270
Non-controlling interests	48	85
Total net assets	106,116	106,392
Total Liabilities and Net Assets	224,324	220,685

(2) Consolidated Statements of Income

(Unit: millions of yen)

Account Category	Six Months Ended September 30,2023	Six Months Ended September 30,2024
Net sales	67,529	74,522
Cost of sales	52,553	57,615
Gross profit	14,975	16,906
Selling, general and administrative expenses	12,695	14,253
Operating income	2,280	2,653
Non-operating income		
Interest income	57	98
Dividend income	199	181
Equity in earnings of affiliates	897	1,252
Foreign exchange income	2,434	—
Reversal of allowance for doubtful accounts	41	61
Gain on sales of raw materials	153	94
Other	164	77
Total non-operating income	3,948	1,766
Non-operating expenses		
Interest expenses	291	363
Financial Fees	305	248
Foreign exchange losses	—	1,158
Other	103	162
Total non-operating expenses	699	1,933
Ordinary income	5,528	2,486
Extraordinary income		
Gain on sale of non-current assets	39	—
Gain on sale of investment securities	47	47
Total extraordinary income	87	47
Extraordinary loss		
Loss on disposal of non-current assets	300	189
Total extraordinary loss	300	189
Income before income taxes and minority interests	5,315	2,344
Income taxes-current	407	466
Income taxes – deferred	1,154	1,113
Total income taxes	1,561	1,580
Net income	3,754	763
Profit attributable to non-controlling interests	5	36
Profit attributable to owners of parent	3,748	727

(Unit: millions of yen)

Account Category	Six Months Ended September 30,2023	Six Months Ended September 30,2024
Profit	3,754	763
Other comprehensive income		
Valuation difference on available-for-sale securities	225	-141
Foreign currency translation adjustment	1,572	1,985
Remeasurements of defined benefit plans, net of tax	34	-156
Share of other comprehensive income of entities accounted for using equity method	365	443
Total other comprehensive income	2,198	2,131
Comprehensive income	5,953	2,895
(Breakdown)		
Comprehensive income attributable to owners of parent	5,947	2,858
Comprehensive income attributable to non-controlling interests	5	36

(3) Statement of Consolidated Cash Flows

(Unit: millions of yen)

Account Category	Six Months Ended September 30,2023	Six Months Ended September 30,2024
Cash flows from operating activities		
Income before income taxes	5,315	2,344
Depreciation and amortization	2,745	2,580
Increase (decrease) in allowance for doubtful accounts	-34	-61
Increase (decrease) in net defined benefit liability	-116	-263
Increase (decrease) in allowance for doubtful accounts	-174	23
Increase (decrease) in other provision	62	92
Interest and dividend income	-257	-280
Interest expenses	291	363
Foreign exchange losses (gains)	-51	72
Share of (profit) loss of entities accounted for using equity method	-897	-1,252
Loss (gain) on sale of investment securities	-47	-47
Loss (gain) on disposal of noncurrent assets	38	59
Decrease (increase) in notes and accounts receivable-trade	6,509	7,046
Decrease (increase) in inventories	-9,530	7,132
Decrease (increase) in other current assets	718	428
Increase (decrease) in notes and accounts payable-trade	-1,345	-132
Increase (decrease) in other current liabilities	440	332
Other	1	-16
Subtotal	3,666	18,422
Interest and dividends income received	257	279
Interest expenses paid	-217	-311
Proceeds from insurance income	—	21
Settlement received	—	1,038
Income taxes refund (paid)	-338	-1,204
Cash flows from operating activities	3,367	18,245

(Unit: millions of yen)

Account Category	Six Months Ended September 30,2023	Six Months Ended September 30,2024
Cash flows from investing activities		
Purchase of investment securities	-4	-407
Purchase of non-current assets	-1,244	-3,857
Proceeds from sales of non-current assets	1,961	0
Payments of loans receivable	-62	-61
Collection of loans receivable	85	128
Proceeds from sales and redemption of short-term and long-term investment securities	55	82
Others	-498	-976
Cash flows from investing activities	293	-5,093
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	6,770	—
Proceeds from long-term borrowings	13,000	—
Repayments of long-term loans payable	-4,103	-3,920
Redemption of bonds	-469	-469
Cash dividends paid	-1,601	-2,673
Repayments of lease obligations	-232	-216
Repayments of installment payables	-262	-303
Net decrease (increase) in treasury shares	-2	-3
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	20	—
Cash flows from financing activities	13,117	-7,587
Effect of exchange rate change on cash and cash equivalents	884	721
Net increase (decrease) in cash and cash equivalents	17,663	6,286
Cash and cash equivalents at beginning of period	17,662	19,982
Cash and cash equivalents at end of period	35,325	26,268

6. Segment Information

【Business Segment Information】
Six months ended September 30, 2023(April 1, 2023 to September 30, 2023)

(1) Information relating sales, profits, losses, for each reporting unit

(Unit: millions of yen)

	Organic Chemicals	Inorganic Chemicals	Other Businesses	Total	Elimination/ Corporate	Consolidated
Sales (1) Sales to external customers	33,236	32,875	1,417	67,529	―	67,529
(2) Intersegment sales and transfers	0	―	1,167	1,167	-1,167	―
Total	33,236	32,875	2,585	68,696	-1,167	67,529
Segment profit or loss (-)	2,087	1,796	-66	3,818	-1,537	2,280

(Note) 1. Adjustment include the following items

(1) Adjustment in segment profit or loss(-￥1,537million) includes elimination of transaction between segments(￥107million) and corporate expenses not allocated to reporting segments(-￥1,645million). Corporate expenses mainly comprise general expenses not allocated segments.

(2) Segment profit or loss is adjusted to be consistent with operating income shown on the quarterly consolidated income statement.

(2) Geographical information

Net Sales (Unit: millions of yen)

Japan	Asia	America	Europe	Other	Total
27,961	11,233	11,490	16,380	463	67,529

(Note) 1. Net sales by geographic segment are based on nations or regions where customers reside.

2. Grouping of countries and regions is based on the geographic proximity and relevance of businesses.
Countries and regions included in each geographic segment are follows, excluding Japan:

(1) Asia : China, Taiwan, South Korea, Thailand, Indonesia, Singapore, and India

(2) Americas: United States of America, Canada, Brazil, Argentina, and Mexico

(3) Europe : Germany, Netherlands, France, the United Kingdom, Belgium, Italy, and East Europe and Middle East regions

(4) Other : Australia, New Zealand and Africa

(3) Information concerning impairment loss or goodwill on fixed assets by segment

We do not note any significant changes.

【Business Segment Information】
Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Information relating sales, profits, losses, for each reporting unit

(Unit: millions of yen)

	Organic Chemicals	Inorganic Chemicals	Other Businesses	Total	Adjustment	Amount reported on consolidated financial statements
Sales (1) Sales to external customers	36,296	36,019	2,206	74,522	―	74,522
(2) Intersegment sales and transfers	0	―	1,480	1,480	-1,480	―
Total	36,296	36,019	3,687	76,003	-1,480	74,522
Segment profit	2,684	1,743	168	4,597	-1,943	2,653

(Note) 1. Adjustment include the following items

(1) Adjustment in segment profit (-￥1,943million) includes elimination of transaction between segments (￥55million) and corporate expenses not allocated to reporting segments(-￥1,999million). Corporate expenses mainly comprise general expenses not allocated segments.

(2) Segment profit is adjusted to be consistent with operating income shown on the quarterly consolidated income statement.

(2) Geographical information

Net Sales (Unit: millions of yen)

Japan	Asia	America	Europe	Other	Total
26,551	15,742	11,860	18,830	1,537	74,522

(Note) 1. Net sales by geographic segment are based on nations or regions where customers reside.

2. Grouping of countries and regions is based on the geographic proximity and relevance of businesses.
Countries and regions included in each geographic segment are follows, excluding Japan:
(1) Asia : China, Taiwan, South Korea, Thailand, Indonesia, Singapore, and India
(2) Americas : United States of America, Canada, Brazil, Argentina, and Mexico
(3) Europe : Germany, Netherlands, France, the United Kingdom, Belgium, Italy, and East Europe and Middle East regions
(4) Other : Australia, New Zealand and Africa

(3) Information concerning impairment loss or goodwill on noncurrent assets by segment

We do not note any significant changes.