

Summary of Consolidated Financial Statements for Third Quarter of Fiscal Year Ending March 31, 2025(Japan GAAP)

February 12, 2025
Listed Exchanges: TSE

Name of Listed Company: Ishihara Sangyo Kaisha, Ltd.
Code: 4028 URL <https://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 dividend payment: —
Supplementary materials for financial results: None
Holding of financial results presentation: None

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

1. Consolidated Financial Results for Third Quarter of Fiscal Year Ended March 31, 2025(April 1, 2024 to December 31, 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	%
3Q, 2024	105,422	7.0	3,834	54.4	5,631	6.6	1,799	-36.7
3Q, 2023	98,503	4.6	2,483	-34.8	5,280	-4.2	2,841	-5.7

(Note) Comprehensive income: As of December 31, 2024: 1,753 million yen (-67.1%)
As of December 31, 2023: 5,326 million yen (0.2%)

	Net income per share	Net income per share after full dilution
	Yen	Yen
3Q, 2024	47.08	—
3Q, 2023	74.44	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	millions of yen	Millions of yen	%
3Q, 2024	219.145	105.291	48.0
Year ended March 31, 2024	224.324	106.116	47.3

(Reference) Equity capital: As of December 31, 2024: 105,200 million yen
As of March 31, 2024: 106,068 million yen

2. Dividends

	Dividends per share				
	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 ended March 31, 2025	—	0.00	—		
Year ending March 31, 2025 (Forecast)				85.00	85.00

(Note) 1. Modification in the dividend forecast for current quarter: Yes

3. Forecast for Consolidated Results for the Full Year Ending March 31, 2025 (April 1, 2024 - 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: No modification

4. Other information

- (1) Significant changes in subsidiaries during the period : 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 December 31, 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 December 31, 2024: 2,122,614 shares As of March 31, 2024: 2,186,519 shares
 - 3) Average number of outstanding shares during period
As of December 31, 2024: 38,226,180 shares As of December 31, 2023: 38,165,795 shares

* Review of the Japanese-language originals of the attached quarterly consolidated statement by certified public accountants or an audit firm: None

*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. Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Unit: millions of yen)

Account Category	As of March 31, 2024 (summary)	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	19,982	23,377
Notes and accounts receivable-trade and contract assets	42,859	35,676
Electronically recorded monetary claims - operating	1,617	1,908
Merchandise and finished goods	52,371	48,209
Work in process	8,132	9,159
Raw materials and supplies	30,871	29,121
Other	5,640	5,123
Allowance for doubtful accounts	-302	-290
Total current assets	161,173	152,285
Non-current assets		
Property, plant and equipment		
Machinery equipment, net	12,913	12,393
Others, net	28,646	33,121
Total property, plant and equipment	41,560	45,514
Intangible assets	2,052	1,971
Investments and other assets		
Investment securities	9,648	11,427
Deferred tax assets	7,630	4,873
Net defined benefit asset	29	34
Other	2,281	3,091
Allowance for doubtful accounts	-52	-52
Total investments and other assets	19,537	19,373
Total non-current assets	63,150	66,860
Total assets	224,324	219,145

(Unit: millions of yen)

Account Category	As of March 31, 2024 (summary)	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable – trade	20,974	18,895
Electronically recorded obligations - operating	1,979	2,463
Short-term loans payable	15,280	19,474
Currents portion of bonds	968	728
Accrued income taxes	1,439	154
Provision	1,324	834
Other	11,090	12,216
Total current liabilities	53,056	54,767
Long-term liabilities		
Bonds payable	1,991	1,627
Long-term loans payable	47,839	42,446
Provision for environment and safety improvement	195	—
Other provision	—	27
Net defined benefit liability	12,007	11,855
Other	3,116	3,129
Total long-term liabilities	65,150	59,087
Total Liabilities	118,207	113,854
Net assets		
Shareholder's equity		
Capital stock	43,420	43,420
Capital surplus	10,672	10,705
Retained earnings	50,489	49,615
Treasury shares	-2,653	-2,590
Total shareholders' equity	101,928	101,150
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	817	741
Foreign currency translation adjustment	2,989	3,138
Remeasurements of defined benefit plans	333	170
Total accumulated other comprehensive income	4,139	4,050
Non-controlling interests	48	90
Total net assets	106,116	105,291
Total liabilities and net assets	224,324	219,145

* 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

(2) Consolidated Statements of Income

(Unit: millions of yen)

Account Category	Q3 2023 (April 1, 2023 to December 31, 2023)	Q3 2024 (April 1, 2024 to December 31, 2024)
Net sales	98,503	105,422
Cost of sales	76,969	80,121
Gross profit	21,534	25,301
Selling, general and administrative expenses	19,050	21,467
Operating income	2,483	3,834
Non-operating income		
Interest income	105	181
Dividend income	219	228
Equity in earnings of affiliates	985	1,506
Foreign exchange gains	1,553	676
Reversal of allowance for environment and safety improvement	660	—
Gain on sales of raw materials	145	91
Other	200	236
Total non-operating income	3,868	2,921
Non-operating expenses		
Interest expenses	435	541
Financial fee	449	340
Other	186	241
Total non-operating expenses	1,071	1,123
Ordinary income	5,280	5,631
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		
Impairment losses	—	102
Loss on disposal of non-current assets	362	364
Total extraordinary losses	362	466
Income before income taxes and minority interests	5,006	5,211
Income taxes-current	444	548
Income taxes – deferred	1,710	2,821
Total income taxes	2,155	3,370
Net income	2,850	1,841
Profit attributable to non-controlling interests	8	41
Profit attributable to owners of parent	2,841	1,799

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For official purposes, the Japanese version takes preference over this English translation

(Unit: millions of yen)

Account Category	Q3 2023 (April 1, 2023 to December 31, 2023)	Q3 2024 (April 1, 2024 to December 31, 2024)
Net income	2,850	1,841
Other comprehensive income		
Valuation difference on available-for-sale securities	220	-75
Foreign currency translation adjustment	1,830	136
Remeasurements of defined benefit plans	44	-162
Share of other comprehensive income of entities accounted for using equity method	380	13
Total other comprehensive income	2,476	-88
Comprehensive income	5,326	1,753
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	5,317	1,711
Comprehensive income attributable to non-controlling interests	8	41

6. Segment Information

【Business Segment Information】

3Q of Fiscal Year Ended March 31, 2024 (April 1, 2023 to December 31, 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	45,771	50,445	2,286	98,503	—	98,503
(2) Intersegment sales and transfers	0	—	2,882	2,882	-2,882	—
Total	45,771	50,445	5,168	101,386	-2,882	98,503
Segment profit	3,880	856	117	4,854	-2,371	2,483

(Note) 1. Adjustment include the following items

- (1) Adjustment in segment profit (- ¥ 2,371 million) includes elimination of transaction between segments (¥ 128million) and corporate expenses not allocated to reporting segments(- ¥ 2,499million). 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
41,689	18,903	18,106	19,072	730	98,503

(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 non-current assets by segment

We do not note significant changes.

【Business Segment Information】

3Q of Fiscal Year Ended March 31, 2025(April 1,2024 to December31, 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	48,315	53,847	3,259	105,422	—	105,422
(2) Intersegment sales and transfers	0	—	3,164	3,164	-3,164	—
Total	48,315	53,847	6,423	108,587	-3,164	105,422
Segment profit	4,385	1,941	515	6,842	-3,008	3,834

(Note) 1. Adjustment include the following items

- (1) Adjustment in segment profit (- ¥ 3,008 million) includes elimination of transaction between segments (¥ 58million) and corporate expenses not allocated to reporting segments(- ¥ 3,066 million). 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
40,507	23,551	18,537	21,089	1,736	105,422

(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 non-current assets by segment

We do not note significant changes.

(Notes related to statement of cash flows)

The Group has not prepared a quarterly consolidated statement of cash flows for the nine months of the fiscal year under review.

Depreciation and other amortization (including amortization of intangible assets) for the nine months of the fiscal year under review is as follows:

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Millions of yen	Millions of yen
Depreciation and other amortization	4,033	3,676