Walden Research Japan

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Written by Yoshiyuki Muroya / Yusuke Maeda

E-mail: <u>info@walden.co.jp</u> Tel: 81-(0)3-3553-3769

MORESCO (5018)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2021		24.479	842	1,030		54.09	40.00	1,695.81
FY02/2022		27,300	1,434	2,011	1,808	192.76	40.00	1,914.94
FY02/2023CoE		30,500	1,850	2,200	1,300	140.02	40.00	-
FY02/2022	YoY	11.5%	70.3%	95.3%	249.1%	-	-	-
FY02/2023CoE	YoY	11.7%	29.0%	9.4%	(28.1%)	-	-	-
Consolidated Quarter		Sales	Operating	Recurring	Profit Attributable to	EPS	DPS	BPS
(Million Yen)		Sales	Profit	Profit	Owners of Parent	(Yen)	(Yen)	(Yen)
Q1 FY02/2022		6,656	520	721	1,095	-	-	-
Q2 FY02/2022		6,710	403	442	264	-	-	-
Q3 FY02/2022		7,049	452	569	371	-	-	-
Q4 FY02/2022		6,885	59	279	78			
Q1 FY02/2023		7,050	201	471	317	-		
Q1 FY02/2023	YoY	5.9%	(61.4%)	(34.7%)	(71.0%)	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (13 July 2022)

Passing on to Selling Prices

On 13 July 2022, MORESCO, running operations of R&D, manufacture and sale for chemicals used in diverse domains with autos as the mainstay, released its Q1 FY02/2023 results. It has been revealed that the Company benefits from revision on selling prices of own products as assumed in Company forecasts and thus the Q1 results are also in line, generally speaking. As far as crude oil prices and/or naphtha prices are not to rise further, the Company suggests a tendency to persist for gross profit margin to rise for Q2 and thereafter in line with its measures and policies of passing on to selling prices. Meanwhile, the Company saw volume of products sold roughly unchanged for Q1 over the same period of the previous year, which is attributable to a factor that demand associated with autos, the mainstay by domain, has declined in Japan, the mainstay by region, in line with decreased production volume in Japan, albeit one-off, according to the Company. Meanwhile, having made progress for revision on selling prices of own products, the Company saw increased sales to a corresponding extent. Nevertheless, it was not enough to fully compensate for steep rise of raw material prices for Q1, having resulted in decreased earnings for the Company as a whole. Going forward, the Company is looking to improved impact of revision on selling prices of own products to appear after a time lag, resulting in increased sales and earnings on a full-year basis, as far as the above-mentioned condition is satisfied. We are to have an online interview with management, while planning to update MORESCO (5018) Recovery of Autos (1 June 2022) to release afresh in light of the content of the interview.

IR Representative: Hirofumi Fujimoto, Director, Senior Executive Officer and CFO (81-(0)78-303-9010/hirofumi fujimoto@moresco.co.jp)

2.0 Company Profile

Interface Science Specialist

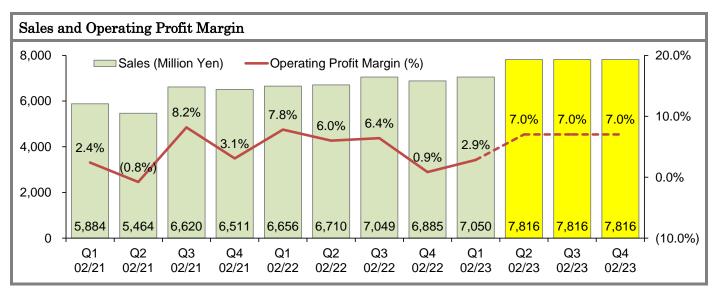
	interface offence openianst							
Company Name	MORESCO Corporation							
	Company Website IR Information							
	IR Information							
	Share Price (Japanese)							
Established	27 October 1958							
Listing	4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 5018)							
	14 February 2011: Tokyo Stock Exchange 1st section							
	29 July 2008: Tokyo Stock Exchange 2nd section							
	13 November 2003: Registered on the over-the-counter market of JSDA							
Capital	¥2,118m (as of the end of May 2022)							
No. of Shares	9,696,500 shares, including 316,570 treasury shares (as of the end of May 2022)							
Main Features	• Independent (non-keiretsu) manufacturer of chemicals, some 44% exposed to							
	autos by domain in terms of sales							
	• Specializing in "interface science" with exclusive exposure to niche markets							
	R&D, manufacture and sale of chemicals to fulfil the functionalities of							
	lubrications, adhesives and surface protections							
Segments	I . Japan							
	II . China							
	III. Southeast / South Asia							
	IV. North America							
Representative	CEO, Representative Director and President: Motohisa Morozumi							
Shareholders	Matsumura Oil 11.3%, Mater Trust Bank of Japan, T. 8.5%, Cosmo Oil Lubricants							
	5.3% (as of the end of February 2022, but for treasury shares)							
Head Office	Kobe-city, Hyogo-prefecture, JAPAN							
No. of Personnel	Consolidated: 787, Parent: 384 (as of the end of February 2022)							

Source: Company Data

3.0 Recent Trading and Prospects

Q1 FY02/2023

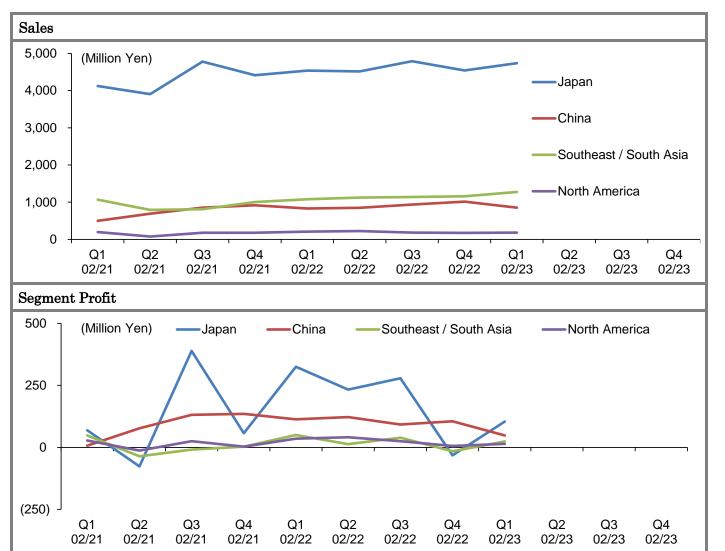
For Q1 FY02/2023, sales came in at ¥7,050m (up 5.9% YoY), operating profit ¥201m (down 61.4%), recurring profit ¥471m (down 34.7%) and profit attributable to owners of parent ¥317m (down 71.0%). At the non-operating level, the Company saw increased forex gain (¥123m to ¥210m) due to yen's depreciation, having enlarged recurring profit to a corresponding extent. Meanwhile, the Company saw gain of ¥833m at the extraordinary level, stemming from sale of MORESCO Hommachi Building, during the same period of the previous year, which did not reappear, having lowered profit attributable to owners of parent to a corresponding extent.



Source: Company Data, WRJ Calculation (Q2/Q3/Q4 FY03/2023: full-year Co. fore. after subtracting Q1 results, pro rata)

Meanwhile, gross profit came in at ¥2,053m (down 11.7%) and SG&A expenses ¥1,852m (up 2.6%), implying gross profit margin of 29.1% (down 5.8% points) and SG&A expenses ratio of 26.3% (down 0.8% points), having resulted in operating profit margin of 2.9% (down 5.0% points). On a year-on-year basis, the impact of revision on selling prices of own products accompanying steep rise of raw material prices was rather limited, having resulted in a major decline for gross profit margin. More importantly, however, the Company saw an improvement by 0.8% point in gross profit margin from 28.4% in Q4 FY02/2022 or on a quarter-on-quarter basis, implying that the impact of passing on to selling prices is actually feeding through to the performance.

By segment, the Company saw sales of ¥4,738m (up 4.4%), segment profit of ¥104m (down 68.1%) and segment profit margin of 2.2% (down 5.0%) in Japan, having accounted for 67.2% of sales for the Company as a whole and 55.0% for segment profit, which suggests that the Company's performance hinges on that of Japan to a large extent. It is bespoken that the Company is exposed to autos as much as some 40% by domain in terms of sales as a whole, while it appears that this is roughly the case in Japan only too. According to the Company, the production volume of autos in Japan for Q1 declined by no less than 14% or so on a year-on-year basis, which is mentioned as one of the key negative factors of the performance for the Company as a whole.



Source: Company Data, WRJ Calculation

FY02/2023 Company Forecasts

FY02/2023 Company forecasts (announced on 12 April 2022) have remained unchanged, going for prospective sales of \(\frac{\pmax}{30,500m}\) (up 11.7% YoY), operating profit of \(\frac{\pmax}{1,850m}\) (up 29.0%), recurring profit of \(\frac{\pmax}{2,200m}\) (up 9.4%) and profit attributable to owners of parent of \(\frac{\pmax}{1,300m}\) (down 28.1%), while operating profit margin of 6.1% (up 0.8% points). At the same time, Company forecasts have remained also for prospective annual dividend, going for \(\frac{\pmax}{4}0.00\) per share, implying payout ratio of 28.6%.

Meanwhile, the Company has announced that it would buy back own shares on 14 July 2022 with an object of "executing flexible capital policy to respond to changes in business environment", i.e., up to 180,000 in the number equating to 1.91% of the number of shares outstanding but for treasury shares or up to \(\frac{3}{2}\)25m in value, taking advantage of off-floor trading scheme of own shares based on Tokyo Stock Exchange Trading Network System.

4.0 Financial Statements

Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023	Net Chg.
Sales	6,656	13,366	20,415	27,300	7,050	-	-	-	+394
Cost of Sales	4,332	8,822	13,643	18,575	4,997	-	-	-	+665
Gross Profit	2,324	4,544	6,772	8,725	2,053	-	-	-	(271)
SG&A Expenses	1,805	3,621	5,397	7,291	1,852	-	-	-	+47
Operating Profit	520	923	1,375	1,434	201	-	-	-	(319)
Non Operating Balance	201	240	357	577	270	-	-	-	+69
Recurring Profit	721	1,163	1,732	2,011	471	-	-	-	(250)
Extraordinary Balance	834	833	833	833	-	-	-	-	(834)
Profit before Income Taxes	1,555	1,996	2,565	2,844	471	-	-	-	(1,084)
Total Income Taxes	379	527	685	831	116	-	-	-	(263)
Profit Attributable to Non-Controlling Interests	81	110	150	205	38	-	-	-	(43)
Profit Attributable to Owners of Parent	1,095	1,359	1,730	1,808	317	-			(778)
Sales YoY	+13.1%	+17.8%	+13.6%	+11.5%	+5.9%	-	-	-	-
Operating Profit YoY	+265.0%	+820.0%	+114.5%	+70.3%	(61.4%)	-	-	-	-
Recurring Profit YoY	-	-	+164.0%	+95.3%	(34.7%)	-	-	-	-
Profit Attributable to Owners of Parent YoY	24.00/	24.00/	+471.0%	+249.1%	(71.0%)			-	/F 00/\
Gross Profit Margin	34.9%	34.0%	33.2%	32.0%	29.1%	-	-	-	(5.8%)
SG&A Expenses Ratio	27.1%	27.1%	26.4%	26.7%	26.3%	-	-	-	(0.8%)
Operating Profit Margin	7.8%	6.9%	6.7%	5.3%	2.9%	-	-	-	(5.0%)
Recurring Profit Margin	10.8%	8.7%	8.5%	7.4%	6.7%	-	-	-	(4.2%)
Profit Attributable to Owners of Parent Margin	16.5%	10.2%	8.5%	6.6%	4.5%	-	-	-	(12.0%)
Total Income Taxes / Profit before Income Taxes	24.4%	26.4%	26.7%	29.2%	24.6%	-	-	-	+0.3%
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Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	V-V
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY Not Cha
(Million Yen)	Q1 02/2022	Q2 02/2022	Q3 02/2022	Q4 02/2022	Q1 02/2023				Net Chg.
(Million Yen) Sales	Q1 02/2022 6,656	Q2 02/2022 6,710	Q3 02/2022 7,049	Q4 02/2022 6,885	Q1 02/2023 7,050	Q2	Q3	Q4	Net Chg. +394
(Million Yen) Sales Cost of Sales	Q1 02/2022 6,656 4,332	Q2 02/2022 6,710 4,490	Q3 02/2022 7,049 4,821	Q4 02/2022 6,885 4,932	Q1 02/2023 7,050 4,997	Q2	Q3	Q4	Net Chg. +394 +665
(Million Yen) Sales Cost of Sales Gross Profit	Q1 02/2022 6,656 4,332 2,324	Q2 02/2022 6,710 4,490 2,220	Q3 02/2022 7,049 4,821 2,228	Q4 02/2022 6,885 4,932 1,953	Q1 02/2023 7,050 4,997 2,053	Q2	Q3	Q4	Net Chg. +394 +665 (271)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses	Q1 02/2022 6,656 4,332 2,324 1,805	Q2 02/2022 6,710 4,490 2,220 1,816	Q3 02/2022 7,049 4,821 2,228 1,776	Q4 02/2022 6,885 4,932 1,953 1,894	Q1 02/2023 7,050 4,997 2,053 1,852	Q2	Q3	Q4	+394 +665 (271) +47
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit	Q1 02/2022 6,656 4,332 2,324 1,805 520	Q2 02/2022 6,710 4,490 2,220 1,816 403	Q3 02/2022 7,049 4,821 2,228 1,776 452	Q4 02/2022 6,885 4,932 1,953 1,894 59	Q1 02/2023 7,050 4,997 2,053 1,852 201	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance	Q1 02/2022 6,656 4,332 2,324 1,805 520 201	Q2 02/2022 6,710 4,490 2,220 1,816 403 39	Q3 02/2022 7,049 4,821 2,228 1,776 452 117	Q4 02/2022 6,885 4,932 1,953 1,894 59 220	Q1 02/2023 7,050 4,997 2,053 1,852 201 270	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319) +69
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit	Q1 02/2022 6,656 4,332 2,324 1,805 520 201	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569	Q4 02/2022 6,885 4,932 1,953 1,894 59	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1)	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1)	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 - 279 146	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 - 279 146 55	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 - 279 146 55 78	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38 317	Q2	Q3	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81 1,095	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5%	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 - 279 146 55 78	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38 317 +5.9%	Q2 02/2023 - - - - - - - - - - - - - -	Q3 02/2023 - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5% (16.5%)	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 - 279 146 55 78 +5.7% (70.6%)	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38 317 +5.9% (61.4%)	Q2 02/2023 - - - - - - - - - - - - - -	Q3 02/2023 - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43)
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(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81 1,095 +13.1% +265.0%	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264 +22.8%	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5% (16.5%) (4.8%) (5.6%)	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 279 146 55 78 +5.7% (70.6%) (25.4%) (63.7%)	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 	Q2 02/2023 - - - - - - - - - - - - - -	Q3 02/2023 - - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43) (778)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81 1,095 +13.1% +265.0%	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264 +22.8%	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5% (16.5%) (4.8%) (5.6%) 31.6%	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 279 146 555 78 +5.7% (70.6%) (25.4%) (63.7%) 28.4%	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 	Q2 02/2023	Q3 02/2023 - - - - - - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43) (778) (5.8%)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales Yoy Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A Expenses Ratio	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81 1,095 +13.1% +265.0%	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264 +22.8%	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5% (16.5%) (4.8%) (5.6%) 31.6% 25.2%	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 279 146 555 78 +5.7% (70.6%) (25.4%) (63.7%) 28.4% 27.5%	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38 317 +5.9% (61.4%) (34.7%) (71.0%)	Q2 02/2023	Q3 02/2023 - - - - - - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43) (778) (5.8%) (0.8%)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales Yoy Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A Expenses Ratio Operating Profit Margin	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81 1,095 +13.1% +265.0%	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264 +22.8%	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5% (16.5%) (4.8%) (5.6%) 31.6% 25.2% 6.4%	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 279 146 55 78 +5.7% (70.6%) (25.4%) (63.7%) 28.4% 27.5% 0.9%	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38 317 +5.9% (61.4%) (34.7%) (71.0%) 29.1% 26.3% 2.9%	Q2 02/2023	Q3 02/2023 - - - - - - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43) (778) (5.8%) (0.8%) (5.0%)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin SG&A Expenses Ratio Operating Profit Margin Recurring Profit Margin	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81 1,095 +13.1% +265.0%	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264 +22.8%	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5% (16.5%) (4.8%) (5.6%) 31.6% 25.2% 6.4% 8.1%	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 - 279 146 55 78 +5.7% (70.6%) (25.4%) (63.7%) 28.4% 27.5% 0.9% 4.1%	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38 317 +5.9% (61.4%) (34.7%) (71.0%) 29.1% 26.3% 2.9% 6.7%	Q2 02/2023	Q3 02/2023 - - - - - - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43) (778) (5.8%) (0.8%) (5.0%) (4.2%)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes Profit Attributable to Non-Controlling Interests Profit Attributable to Owners of Parent Sales Yoy Operating Profit Yoy Recurring Profit Yoy Profit Attributable to Owners of Parent Yoy Gross Profit Margin SG&A Expenses Ratio Operating Profit Margin	Q1 02/2022 6,656 4,332 2,324 1,805 520 201 721 834 1,555 379 81 1,095 +13.1% +265.0%	Q2 02/2022 6,710 4,490 2,220 1,816 403 39 442 (1) 441 148 29 264 +22.8%	Q3 02/2022 7,049 4,821 2,228 1,776 452 117 569 - 569 158 40 371 +6.5% (16.5%) (4.8%) (5.6%) 31.6% 25.2% 6.4%	Q4 02/2022 6,885 4,932 1,953 1,894 59 220 279 279 146 55 78 +5.7% (70.6%) (25.4%) (63.7%) 28.4% 27.5% 0.9%	Q1 02/2023 7,050 4,997 2,053 1,852 201 270 471 - 471 116 38 317 +5.9% (61.4%) (34.7%) (71.0%) 29.1% 26.3% 2.9%	Q2 02/2023	Q3 02/2023 - - - - - - - - - - - - - - - - - - -	Q4	Net Chg. +394 +665 (271) +47 (319) +69 (250) (834) (1,084) (263) (43) (778) (5.8%) (0.8%) (5.0%)

Segmented Information (Cumulative / Quarterly)

	Segmented in	itormatio	n (Cumi	liative / (auarteriy	/)			
Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023	Net Chg.
Japan	4,537	9,053	13,843	18,385	4,738	-	-	-	+201
China	830	1,677	2,612	3,625	854	-	-	-	+24
Southeast / South Asia	1,080	2,205	3,345	4,501	1,276	-	-	-	+196
North America	209	432	615	789	182	-	-	-	(27)
Sales	6,656	13,366	20,415	27,300	7,050	-	-		+394
Japan	325	558	837	805	104	-	-	-	(221)
China	113	235	327	432	48	-	-	-	(65)
Southeast / South Asia	50	63	102	86	24	-	-	-	(26)
North America	35	76	101	107	14	-	-	-	(21)
Segment Profit	523	932	1,367	1,431	189	-	-	-	(334)
Adjustments	(3)	(9)	7	4	11	-	-	-	+14
Operating Profit	520	923	1,375	1,434	201	-	-	-	(319)
Japan	7.2%	6.2%	6.0%	4.4%	2.2%	-	-	-	(5.0%)
China	13.6%	14.0%	12.5%	11.9%	5.6%	-	-	-	(8.0%)
Southeast / South Asia	4.6%	2.9%	3.0%	1.9%	1.9%	-	-	-	(2.7%)
North America	16.7%	17.6%	16.4%	13.6%	7.7%	-	-	-	(9.1%)
Adjustments	(0.0%)	(0.1%)	0.0%	0.0%	0.2%	-	-	-	+0.2%
Operating Profit Margin	7.8%	6.9%	6.7%	5.3%	2.9%	-	-	-	(5.0%)
Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023	Net Chg.
Japan	4,537	4,516	4,790	4,542	4,738	-	-	-	+201
China	830	847	935	1,013	854	-	-	-	+24
Southeast / South Asia	1,080	1,125	1,140	1,156	1,276	-	-	-	+196
North America	209	223	183	174	182	-	-	-	(27)
Sales	6,656	6,710	7,049	6,885	7,050	-	-	-	+394
Japan	325	233	279	(32)	104	-	-	-	(221)
China	113	122	92	105	48	-	-	-	(65)
Southeast / South Asia	50	13	39	(16)	24	-	-	-	(26)
North America	35	41	25	6	14	-	-	-	(21)
Segment Profit	523	409	435	64	189	-	-	-	(334)
Adjustments	(3)	(6)	16	(3)	11	-	-	-	+14
Operating Profit	520	403	452	59	201	-	-		(319)
Japan	7.2%	5.2%	5.8%	(0.7%)	2.2%	-	-	-	(5.0%)
China	13.6%	14.4%	9.8%	10.4%	5.6%	-	-	-	(8.0%)
Southeast / South Asia	4.6%	1.2%	3.4%	(1.4%)	1.9%	-	-	-	(2.7%)
North America	16.7%	18.4%	13.7%	3.4%	7.7%	-	-	-	(9.1%)
Adjustments	(0.0%)	(0.1%)	0.2%	(0.0%)	0.2%	-	-	-	+0.2%
Operating Profit Margin	7.8%	6.0%	6.4%	0.9%	2.9%				(5.0%)

Sales by Business Division (Cumulative / Quarterly)

Sales by Business Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023	Net Chg.
Functional Fluids	3,083	6,341	9,687	13,021	3,420	-	-	-	+337
Synthetic Lubricants	503	1,033	1,529	1,974	502	-	-	-	(1)
Liquid Paraffines & Sulfonates	807	1,672	2,579	3,480	902	-	-	-	+95
Hot Melt Adhesives	1,671	3,325	5,086	6,785	1,809	-	-	-	+138
Energy Device Materials	57	128	198	237	45	-	-	-	(12)
Other	528	859	1,328	1,794	372	-	-	-	(156)
Chemical Business	6,648	13,358	20,407	27,292	7,050	-	-	-	+402
Rental Building Business	8	8	8	8	7.050	-	-	-	(8)
Sales Functional Fluids	6,656	13,366	20,415	27,300	7,050	-	-	-	+394
	+25.1%	+36.5%	+27.2% +7.0%	+23.2%	+10.9%	-	-	-	-
Synthetic Lubricants	(4.3%)	+12.6%	+7.0%	+5.5% +2.8%	(0.1%) +11.9%	-	-	-	-
Liquid Paraffines & Sulfonates Hot Melt Adhesives	(6.4%) +2.8%	(3.9%) +0.7%	+2.6%	(0.3%)	+11.9%	-	-	-	-
Energy Device Materials	+159.6%	+202.2%	+149.4%	+109.9%	(21.3%)	-	-		-
Other	+41.8%	+202.2%	+7.8%	+6.6%	(21.5%)	_	_]	
Chemical Business	+13.2%	+18.0%	+13.8%	+11.7%	+ 5.9%	-	_]	
Rental Building Business	(36.7%)	(68.3%)	(78.9%)	(84.2%)	+3.5%	_	_		
Sales (YoY)	+13.1%	+17.8%	+13.6%	+11.5%	+5.9%	-	-]	
Functional Fluids	46.3%	47.4%	47.5%	47.7%	48.5%				
Synthetic Lubricants	7.6%	7.7%	7.5%	7.2%	7.1%	_	_		_
Liquid Paraffines & Sulfonates	12.1%	12.5%	12.6%	12.7%	12.8%	_	_		_
Hot Melt Adhesives	25.1%	24.9%	24.9%	24.9%	25.7%	_	_	_	
Energy Device Materials	0.9%	1.0%	1.0%	0.9%	0.6%	_	_	_	_
Other	7.9%	6.4%	6.5%	6.6%	5.3%				-
Chemical Business	99.9%	99.9%	100.0%	100.0%	100.0%	_	_		-
Rental Building Business	0.1%	0.1%	0.0%	0.0%	0.0%	-	-		-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	-	_	-	-
Sales by Business Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023	Net Chg.
Functional Fluids	3,083	3,258	3,346	3,334	3,420	_			
	5,005	5,250	5,540	3,334	0, 120		-	-	+337
Synthetic Lubricants	503	530	496	445	502	-	-		
Synthetic Lubricants Liquid Paraffines & Sulfonates						-	- -		(1)
•	503	530	496	445	502	- - -	- - -	:	(1) +95
Liquid Paraffines & Sulfonates	503 807	530 865	496 907	445 901	502 902	- - -	- - - -		(1) +95 +138
Liquid Paraffines & Sulfonates Hot Melt Adhesives	503 807 1,671	530 865 1,654	496 907 1,761	445 901 1,699	502 902 1,809	- - - -	- - - -	- - - -	(1) +95 +138 (12)
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials	503 807 1,671 57	530 865 1,654 71	496 907 1,761 70	445 901 1,699 39	502 902 1,809 45	- - - - -	- - - - -	- - - - -	(1) +95 +138 (12) (156)
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other	503 807 1,671 57 528	530 865 1,654 71 331	496 907 1,761 70 469	445 901 1,699 39 466	502 902 1,809 45 372	- - - - -	- - - - - -	-	(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business	503 807 1,671 57 528 6,648	530 865 1,654 71 331	496 907 1,761 70 469	445 901 1,699 39 466	502 902 1,809 45 372	- - - - - -	- - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business	503 807 1,671 57 528 6,648	530 865 1,654 71 331 6,710	496 907 1,761 70 469 7,049	445 901 1,699 39 466 6,885	502 902 1,809 45 372 7,050	- - - - - -	- - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales	503 807 1,671 57 528 6,648 8	530 865 1,654 71 331 6,710	496 907 1,761 70 469 7,049	445 901 1,699 39 466 6,885	502 902 1,809 45 372 7,050	- - - - - - -	- - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids	503 807 1,671 57 528 6,648 8 6,656 +25.1%	530 865 1,654 71 331 6,710 - 6,710 +49.2%	496 907 1,761 70 469 7,049 - 7,049	445 901 1,699 39 466 6,885 - 6,885 +13.1%	502 902 1,809 45 372 7,050 - 7,050 +10.9%	- - - - - - - -	- - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%)	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%)	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2%	502 902 1,809 45 372 7,050 - 7,050 +10.9% (0.1%)	- - - - - - - - -	- - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%)	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%)	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4%	502 902 1,809 45 372 7,050 - 7,050 +10.9% (0.1%) +11.9%	- - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%)	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%)	502 902 1,809 45 372 7,050 - 7,050 +10.9% (0.1%) +11.9% +8.2%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% +89.2%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7%	7,050 +10.9% (0.1%) +8.2% (21.3%)	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% (36.7%)	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% +89.2% (15.8%) +6.7%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +3.6% +6.0%	502 902 1,809 45 372 7,050 - 7,050 +10.9% (0.1%) +11.9% +8.2% (21.3%) (29.5%) +5.9%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY)	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% (15.8%) +6.7% - +6.5%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +3.6% +6.0% - +5.7%	502 902 1,809 45 372 7,050 - 7,050 +10.9% (0.1%) +11.9% +8.2% (21.3%) (29.5%) +5.9%		- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% (15.8%) +6.7% - +6.5%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +3.6% +6.0% - +5.7% 48.4%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% +8.2% (21.3%) (29.5%) +5.9% 48.5%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids Synthetic Lubricants	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8% 48.6% 7.9%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% (15.8%) +6.7% - +6.5% 47.5%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +3.6% +6.0% - +5.7% 48.4% 6.5%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% (21.3%) (29.5%) +5.9% 48.5% 7.1%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8% 48.6% 7.9%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% (15.8%) +6.7% - +6.5% 47.5% 7.0% 12.9%	445 901 1,699 39 466 6,885 -13.1% +0.2% +3.4% (2.9%) +14.7% +3.6% +6.0% - +5.7% 48.4% 6.5% 13.1%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% (21.3%) (29.5%) +5.9% 48.5% 7.1% 12.8%	- - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -		(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Hot Melt Adhesives	503 807 1,671 57 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1% 46.3% 7.6% 12.1% 25.1%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8% 48.6% 7.9% 12.9% 24.6%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% (15.8%) +6.7% - +6.5% 47.5% 7.0% 12.9% 25.0%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +3.6% +6.0% - +5.7% 48.4% 6.5% 13.1% 24.7%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% +8.2% (21.3%) (29.5%) +5.9% 48.5% 7.1% 12.8% 25.7%				(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Hot Melt Adhesives Energy Device Materials	503 807 1,671 577 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1% 46.3% 7.6% 12.1% 25.1% 0.9%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8% 48.6% 7.9% 12.9% 24.6% 1.1%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% +89.2% (15.8%) +6.7% - +6.5% 47.5% 7.0% 12.9% 25.0% 1.0%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +5.7% 48.4% 6.5% 13.1% 24.7% 0.6%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% (21.3%) (29.5%) +5.9% 48.5% 7.1% 12.8% 25.7% 0.6%				(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other	503 807 1,671 577 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1% 46.3% 7.6% 12.1% 25.1% 0.9% 7.9%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8% 48.6% 7.9% 12.9% 24.6% 1.1% 4.9%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% +89.2% (15.8%) +6.7% - +6.5% 47.5% 7.0% 12.9% 25.0% 1.0% 6.7%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +5.7% 48.4% 6.5% 13.1% 24.7% 0.6% 6.8%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% +8.2% (21.3%) (29.5%) +5.9% - +5.9% 48.5% 7.1% 12.8% 25.7% 0.6% 5.3%				(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business	503 807 1,671 577 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1% 46.3% 7.6% 12.1% 25.1% 0.9% 7.9%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.3%) +255.0% +9.2% +23.1% - +22.8% 48.6% 7.9% 12.9% 24.6% 1.1% 4.9%	496 907 1,761 70 469 7,049 +12.7% (2.9%) +17.0% +0.2% +89.2% (15.8%) +6.7% - +6.5% 47.5% 7.0% 12.9% 25.0% 1.0% 6.7% 100.0%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +5.7% 48.4% 6.5% 13.1% 24.7% 0.6% 6.8% 100.0%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% (21.3%) (29.5%) +5.9% - +5.9% 48.5% 7.1% 12.8% 25.7% 0.6% 5.3% 100.0%				(1) +95 +138 (12) (156) +402
Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other Chemical Business Rental Building Business Sales (YoY) Functional Fluids Synthetic Lubricants Liquid Paraffines & Sulfonates Hot Melt Adhesives Energy Device Materials Other	503 807 1,671 577 528 6,648 8 6,656 +25.1% (4.3%) (6.4%) +2.8% +159.6% +41.8% +13.2% (36.7%) +13.1% 46.3% 7.6% 12.1% 25.1% 0.9% 7.9%	530 865 1,654 71 331 6,710 - 6,710 +49.2% +35.2% (1.4%) (1.3%) +255.0% +9.2% +23.1% - +22.8% 48.6% 7.9% 12.9% 24.6% 1.1% 4.9%	496 907 1,761 70 469 7,049 - 7,049 +12.7% (2.9%) +17.0% +0.2% +89.2% (15.8%) +6.7% - +6.5% 47.5% 7.0% 12.9% 25.0% 1.0% 6.7%	445 901 1,699 39 466 6,885 - 6,885 +13.1% +0.2% +3.4% (2.9%) +14.7% +5.7% 48.4% 6.5% 13.1% 24.7% 0.6% 6.8%	502 902 1,809 45 372 7,050 +10.9% (0.1%) +11.9% +8.2% (21.3%) (29.5%) +5.9% - +5.9% 48.5% 7.1% 12.8% 25.7% 0.6% 5.3%				+337 (1) +95 +138 (12) (156) +402 (8) +394

Balance Sheet (Quarterly)

Balance Sheet	Cons.Act								
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023	Net Chg.
Cash and Deposit	4,521	3,988	4,090	4,001	3,812	-	-	-	(709)
Accounts Receivables	6,479	6,337	6,800	6,844	7,046	-	-	-	+567
Inventory	4,665	4,869	5,043	5,326	5,727	-	-	-	+1,062
Other	545	413	343	436	580	-	-	-	+35
Current Assets	16,210	15,607	16,276	16,607	17,165	-	-	-	+955
Tangible Assets	7,811	7,842	7,954	8,304	8,330	-	-	-	+519
Intangible Assets	742	706	672	633	614	-	-	-	(128)
Investments and Other Assets	3,238	3,182	3,320	3,465	3,583	-	-	-	+345
Fixed Assets	11,791	11,730	11,947	12,401	12,527	-	-	-	+736
Total Assets	28,001	27,337	28,223	29,008	29,691	-	-	-	+1,690
Accounts Payables	3,925	3,762	4,151	4,308	4,419	-	-	-	+494
Short Term Debt	1,119	566	553	560	857	-	-	-	(262)
Other	2,223	2,065	2,453	2,392	2,052	-	-	-	(171)
Current Liabilities	7,267	6,393	7,157	7,260	7,328	-	-	-	+61
Long Term Debt	660	545	430	350	457	-	-	-	(203)
Other	568	587	590	847	785	-	-	-	+217
Fixed Liabilities	1,228	1,132	1,020	1,197	1,242	-	-	-	+14
Total Liabilities	8,495	7,525	8,178	8,457	8,570	-	-	-	+75
Shareholders' Equity	16,697	16,966	17,150	17,227	17,357	-	-	-	+660
Other	2,809	2,846	2,896	3,324	3,764	-	-	-	+955
Net Assets	19,506	19,812	20,046	20,551	21,121	-	-	-	+1,615
Total Liabilities & Net Assets	28,001	27,337	28,223	29,008	29,691	-	-	-	+1,690
Equity Capital	17,096	17,381	17,586	17,962	18,492	-	-	-	+1,396
Interest Bearing Debt	1,779	1,111	983	910	1,314	-	-	-	(465)
Net Debt	(2,742)	(2,877)	(3,107)	(3,091)	(2,498)	-	-	-	+244
Equity Ratio	61.1%	63.6%	62.3%	61.9%	62.3%	-	-	-	-
Net Debt Equity Ratio	(16.0%)	(16.6%)	(17.7%)	(17.2%)	(13.5%)	-	-	-	-
ROE (12 months)	10.0%	12.0%	11.7%	10.7%	5.8%	-	-	-	-
ROA (12 months)	6.2%	7.9%	7.7%	7.1%	6.1%	-	-	-	-
Days for Inventory Turnover	98	98	95	98	104	-	-	-	-
Quick Ratio	151%	162%	152%	149%	148%	-	-	-	-
Current Ratio	223%	244%	227%	229%	234%	-	-	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

Cash Flow Statement	Cons.Act								
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023	Net Chg.
Operating Cash Flow	-	1,327	-	2,333	-	-	-	-	-
Investing Cash Flow	-	1,043	-	603	-	-	-	-	-
Operating Cash Flow and Investing Cash Flow	-	2,370	-	2,936	-	-	-	-	-
Financing Cash Flow	-	(2,504)	-	(2,937)	-	-	-	-	-

Disclaimer

Information here is a summary of "IR Information" of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. "IR Information" of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

Company name: Walden Research Japan Incorporated

Head office: Level 4 Ginza Ishii Building, 6-14-8 Ginza Chuo-ku Tokyo 104-0061, JAPAN

URL: https://walden.co.jp/
E-mail: info@walden.co.jp
Tel: 81-(0)3-3553-3769