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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

July 25, 2025

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 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4462
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 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on annual financial results: No
 Schedule of financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	5,566	(6.9)	632	(21.7)	651	(25.7)	458	(27.9)
June 30, 2024	5,980	25.5	808	115.6	876	102.7	635	82.7

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 554 million [(17.3)%]
 Three months ended June 30, 2024: ¥ 670 million [68.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	33.56	-
June 30, 2024	42.66	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	26,934	22,180	82.3
March 31, 2025	26,997	21,899	81.1

(Reference) Equity: As of June 30, 2025: ¥ 22,180 million
 As of March 31, 2025: ¥ 21,899 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	20.00	-	20.00	40.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		22.00	-	22.00	44.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	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
Six months ending September 30, 2025	11,800	(1.9)	1,690	(4.9)	1,730	(3.1)	1,220	(5.2)	89.33
Full year	24,500	3.7	3,510	3.2	3,600	4.1	2,550	3.4	186.71

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2025: No

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: No

2) Changes in accounting policies due to other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

June 30, 2025: 15,153,680 shares

March 31, 2025: 15,153,680 shares

2) Number of treasury shares at the end of the period:

June 30, 2025: 1,496,159 shares

March 31, 2025: 1,496,159 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 13,657,521 shares

Three months ended June 30, 2024: 14,897,121 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

*Explanation for the appropriate use of performance forecast and other special notes:

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and are not intended to guarantee the achievement of the forecasts. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors. For the suppositions that form the assumptions for earnings forecast and cautions concerning the use thereof, please refer to "1. Overview of Business Results (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information "on page 3 of this report.

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1. Overview of Business Results

(1) Overview of Business Results for the Three Months Ended June 30, 2025

For the three months ended June 30, 2025, Japanese economy continues to recover moderately. However, the outlook is uncertain due to price hikes, increase in interest rates and trade policy trend in the United States.

Under such circumstances, the group has been working on the development of high value-added products, conducting sales activities in Japan and abroad, and striving to expand the market.

As a result, net sales for the three months ended June 30, 2025 were 5,566 million yen (down 6.9% year on year), operating profit was 632 million yen (down 21.7% year on year), ordinary profit was 651 million yen (down 25.7% year on year), and profit attributable to owners of parent was 458 million yen (down 27.9% year on year).

Overview of financial results by segment are as follows.

<Plating chemicals & Automated chemical analyzer>

In Plating chemicals, although demand for some cutting-edge semiconductor packages, such as those for generative AI, remained strong, the production adjustments continued for electronic components used in automotive applications, PCs and smartphones.

In addition, sales of Automated chemical analyzers declined compared to the previous year due to a lack of large-scale investment by customers and the absence of major demand.

As a result, net sales in this segment were 2,874 million yen (down 11.5% year on year), operating profit was 440 million yen (down 26.2% year on year).

<Electronic materials>

As for processed functional materials, the semiconductor market was recovering, and sales of ceramics and engineering plastics for semiconductor manufacturing equipment increased from the previous year. However, operating profit decreased due to changes in the product sales mix.

As a result, net sales in this segment were 229 million yen (up 16.2% year on year), operating loss was 6 million yen (Operating profit was 15 million yen for the same period last year.).

<Automotive chemicals>

Sales of air conditioner cleaners for car dealers, deodorizing and antibacterial agents for car interiors, and coating agents increased from the previous year due to the expansion of the number of car dealers that deal with our products. On the other hand, sales of repair applications declined compared to the previous year, which had benefited from the initial distribution of a new compound. In addition, sales of car wash detergents for self-service gas stations declined compared to the previous year due to unfavorable weather during the May holiday period, which led to reduced operation of car wash machines.

As a result, net sales in this segment were 984 million yen (up 5.2% year on year), operating profit was 237 million yen (up 7.2% year on year).

<Industrial chemicals>

Sales of Industrial chemicals declined compared to the previous year due to reduced factory utilization and inventory adjustment in the segment's main steel industry.

As a result, net sales in this segment were 1,478 million yen (down 7.5% year on year), operating profit was 55 million yen (down 13.2% year on year).

(2) Overview of Financial Position for the Three Months Ended June 30, 2025

Current assets at the end of the current consolidated fiscal year increased by 337 million yen from the end of the previous consolidated fiscal year to 16,169 million yen. The main change was an increase of 302 million yen in securities. Non-current assets decreased by 400 million yen from the end of the previous consolidated fiscal year to 10,765 million yen. The main changes were a 265 million yen decrease in life insurance funds and a 138 million yen decrease in investment securities. Total liabilities decreased by 343 million yen to 4,754 million yen, and total net assets increased by 280 million yen to 22,180 million yen from the end of the previous consolidated fiscal year.

(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information

There is no change to the consolidated earnings forecast for the first six months of the fiscal year ending March 31, 2026, nor to the full-year earnings forecast, both of which were announced on May 15, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	6,531,799	6,590,554
Notes and accounts receivable - trade	4,542,787	4,422,028
Electronically recorded monetary claims - operating	971,991	944,582
Securities	1,390,180	1,692,220
Merchandise and finished goods	1,077,498	1,052,270
Work in process	227,858	284,466
Raw materials and supplies	864,052	901,238
Other	225,911	282,134
Total current assets	15,832,079	16,169,495
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,999,535	2,953,634
Other, net	2,662,609	2,729,364
Total property, plant and equipment	5,662,144	5,682,998
Intangible assets		
Software in progress	223,897	-
Other	58,305	260,485
Total intangible assets	282,202	260,485
Investments and other assets		
Investment securities	4,086,282	3,948,145
Other	1,139,801	878,651
Allowance for doubtful accounts	(5,250)	(5,250)
Total investments and other assets	5,220,833	4,821,546
Total non-current assets	11,165,180	10,765,029
Total assets	26,997,260	26,934,525
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,969,501	2,078,301
Electronically recorded obligations - operating	858,718	848,037
Income taxes payable	629,075	203,657
Provision for bonuses	233,331	129,011
Provision for bonuses for directors (and other officers)	51,200	6,975
Other	622,409	722,118
Total current liabilities	4,364,234	3,988,101
Non-current liabilities		
Retirement benefit liability	53,009	53,912
Asset retirement obligations	69,363	69,516
Other	611,325	642,703
Total non-current liabilities	733,698	766,132
Total liabilities	5,097,932	4,754,234

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	1,980,874	1,980,874
Capital surplus	2,254,875	2,254,875
Retained earnings	19,223,598	19,408,840
Treasury shares	(2,305,781)	(2,305,781)
Total shareholders' equity	21,153,566	21,338,808
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	715,325	826,584
Foreign currency translation adjustment	30,435	14,898
Total accumulated other comprehensive income	745,760	841,482
Total net assets	21,899,327	22,180,291
Total liabilities and net assets	26,997,260	26,934,525

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(For the three months ended June 30, 2025)

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	5,980,444	5,566,703
Cost of sales	4,031,102	3,695,324
Gross profit	1,949,341	1,871,378
Selling, general and administrative expenses	1,141,258	1,238,513
Operating profit	808,083	632,865
Non-operating income		
Interest income	1,695	1,457
Dividend income	27,614	31,671
Foreign exchange gains	31,296	-
Other	8,270	13,594
Total non-operating income	68,877	46,723
Non-operating expenses		
Interest expenses	60	210
Loss on cancellation of insurance policies	-	19,466
Commission for purchase of treasury shares	302	-
Foreign exchange losses	-	8,368
Other	538	518
Total non-operating expenses	901	28,563
Ordinary profit	876,059	651,024
Extraordinary income		
Gain on sale of investment securities	8,567	-
Total extraordinary income	8,567	-
Extraordinary losses		
Loss on retirement of non-current assets	482	359
Total extraordinary losses	482	359
Profit before income taxes	884,145	650,665
Income taxes	248,621	192,272
Profit	635,523	458,392
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	635,523	458,392

Quarterly Consolidated Statement of Comprehensive Income
(For the three months ended June 30, 2025)

	(Thousands of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	635,523	458,392
Other comprehensive income		
Valuation difference on available-for-sale securities	24,400	111,259
Foreign currency translation adjustment	10,412	(15,537)
Total other comprehensive income	34,813	95,722
Comprehensive income	670,337	554,114
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	670,337	554,114
Comprehensive income attributable to non-controlling interests	-	-

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumptions)

Not applicable.

(Notes to Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)

	For the three months ended June 30, 2025
Calculation of tax expenses	The Company and its consolidated subsidiaries calculated tax expenses by rationally estimating the effective tax rate after applying the tax effect on income before income taxes for the fiscal year including the first quarter of the year ending March 31, 2026, and multiplying income before income taxes by the estimated effective tax rate.

(Notes to Segment Information, etc.)

【Segment Information】

I For the three months ended June 30, 2024

1.Information regarding net sales and operating profit or loss by the reportable segments

(Thousands of yen)

	Reportable segments				Total	Adjustment (Note) 1	Amount on consolidated financial statements (Note) 2
	Plating chemicals & Automated chemical analyzer	Electronic materials	Automotive chemicals	Industrial chemicals			
Net sales							
Net sales to external Customers	3,249,587	197,368	935,758	1,597,730	5,980,444	—	5,980,444
Intersegment net sales and transfer	—	—	—	—	—	—	—
Total	3,249,587	197,368	935,758	1,597,730	5,980,444	—	5,980,444
Segment profit (loss)	597,031	15,890	221,141	63,608	897,672	(89,589)	808,083

Note1: Segment profit or loss adjustments of (89,589) thousand yen are corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly selling, general and administrative expenses that do not belong to any reportable segment.

Note2: Segment profit or loss is adjusted to operating profit in the quarterly consolidated statements of income.

2.Information regarding impairment loss of non-current assets and goodwill by the reportable segments

Not applicable.

II For the three months ended June 30, 2025

1.Information regarding net sales and operating profit or loss by the reportable segments

(Thousands of yen)

	Reportable segments				Total	Adjustment (Note) 1	Amount on consolidated financial statements (Note) 2
	Plating chemicals & Automated chemical analyzer	Electronic materials	Automotive chemicals	Industrial chemicals			
Net sales							
Net sales to external Customers	2,874,627	229,329	984,654	1,478,091	5,566,703	—	5,566,703
Intersegment net sales and transfer	—	—	—	—	—	—	—
Total	2,874,627	229,329	984,654	1,478,091	5,566,703	—	5,566,703
Segment profit (loss)	440,421	(6,197)	237,088	55,207	726,522	(93,657)	632,865

Note1: Segment profit or loss adjustments of (93,657) thousand yen are corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly selling, general and administrative expenses that do not belong to any reportable segment.

Note2: Segment profit or loss is adjusted to operating profit in the quarterly consolidated statements of income.

2.Information regarding impairment loss of non-current assets and goodwill by the reportable segments

Not applicable.

(Notes to Statements of Cash Flows)

The quarterly consolidated statements of cash flows have not been prepared for the three months ended June 30, 2025. And depreciation (including amortization related to intangible assets and long-term prepaid expenses) for the three months ended June 30, 2025 is as follows.

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
	Thousands of yen	Thousands of yen
Depreciation	122,427	132,446