

# DATA BOOK

**FY2025 (1st Quarter ended June 30,2024)**

***V-ACTION for sustainability***

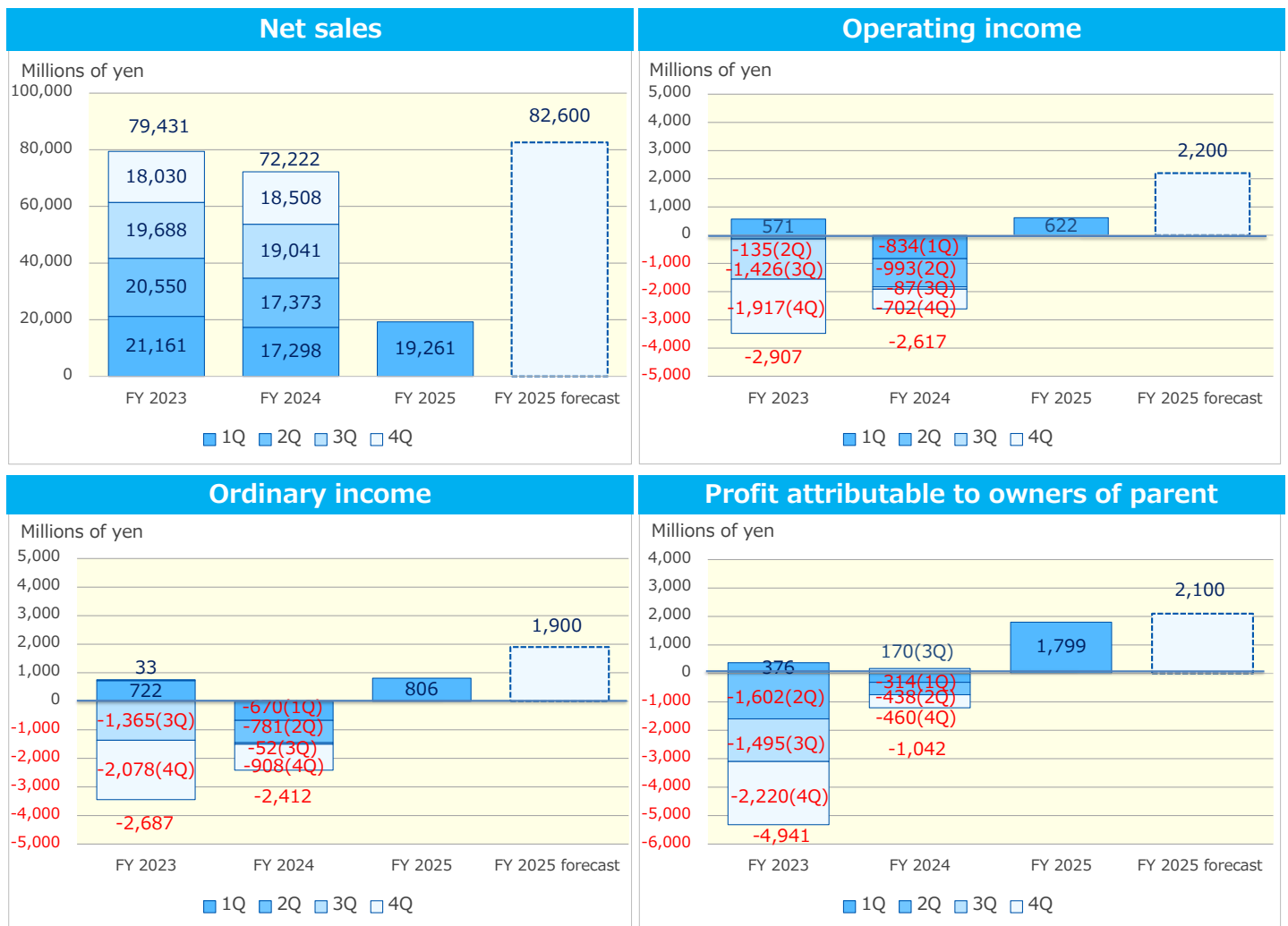


## INDEX

<b>Achievement Transition</b>	<b>1</b>
<b>Segment Information</b>	<b>2</b>
<b>Overseas Sales</b>	<b>4</b>
<b>Balance Sheets</b>	<b>5</b>
<b>Statements of Income</b>	<b>7</b>
<b>Statements of Cash Flows</b>	<b>8</b>

**August 2nd,2024**  
**ARAKAWA CHEMICAL INDUSTRIES, LTD.**

## Achievement Transition (Consolidated)



Consolidated	FY 2023 (1Q)		FY 2024 (1Q)		FY 2025 (1Q)		FY 2023		FY 2024		FY 2025 forecast	
	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Net sales	21,161	7.7	17,298	△ 18.3	19,261	11.3	79,431	△ 1.3	72,222	△ 9.1	82,600	14.4
Operating income	571	△ 66.4	△ 834	-	622	-	△ 2907	-	△ 2,617	-	2,200	-
Ordinary income	722	△ 60.5	△ 670	-	806	-	△ 2687	-	△ 2,412	-	1,900	-
Profit attributable to owners of parent	376	△ 70.4	△ 314	-	1,799	-	△ 4941	-	△ 1,042	-	2,100	-

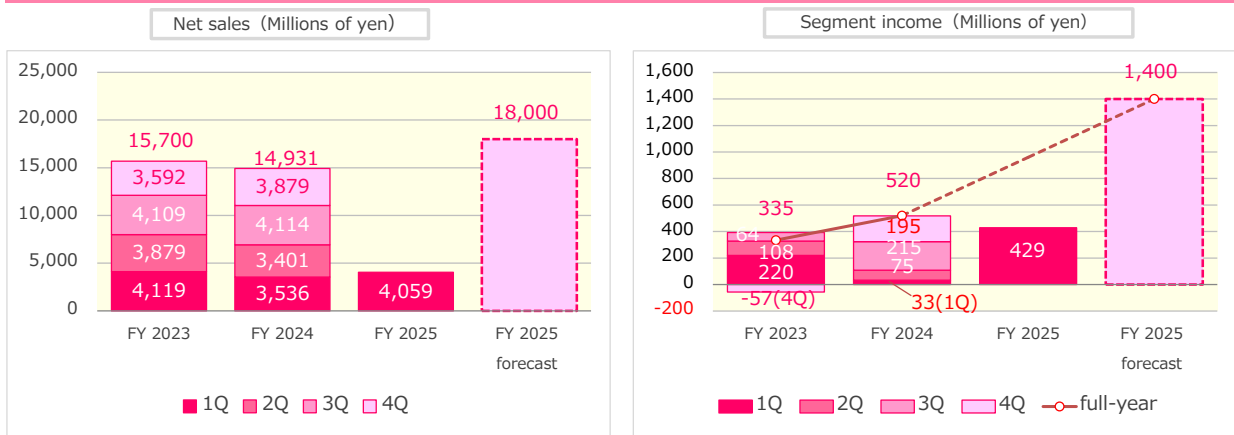
## Capital expenditure, etc.

Consolidated	FY 2023 (1Q)		FY 2024 (1Q)		FY 2025 (1Q)		FY 2023		FY 2024		FY 2025 forecast	
	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease
Capital expenditure	936	355	497	△ 439	384	△ 113	4,025	△ 2,541	6,057	2,031	5,600	△ 457
Depreciation	815	135	1,370	555	1,294	△ 76	4,477	1,357	5,808	1,330	5,700	△ 108
R&D expenses	751	20	731	△ 20	759	28	3,024	△ 75	2,965	△ 59	3,300	334
Interest-bearing debt	29,402	7,231	36,846	7,443	41,130	4,284	35,052	8,371	42,388	7,335	40,500	△ 1,888
EBITDA	1,387	△ 1,033	536	△ 851	1,916	1,379	1,569	△ 4,931	3,190	1,621	7,900	4,709

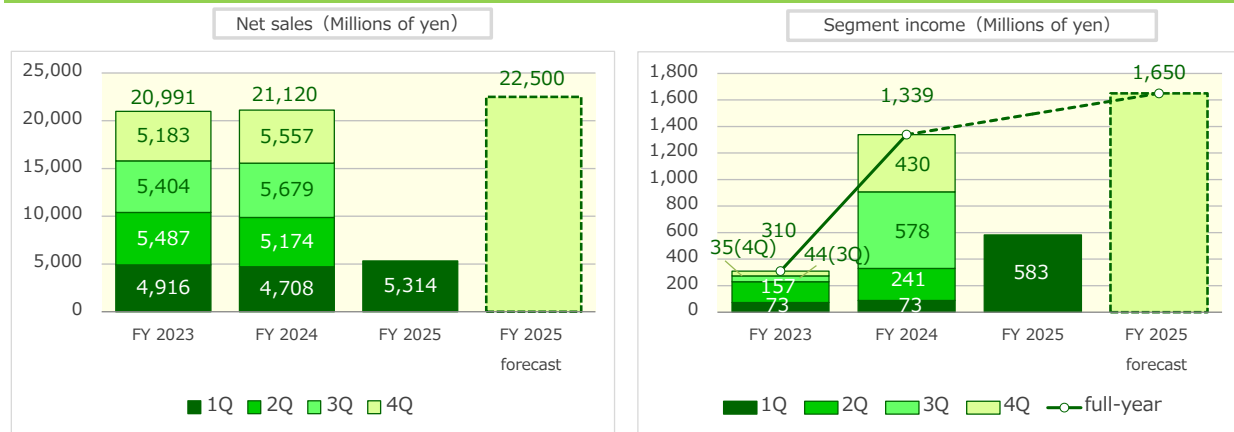
[ EBITDA ] Operating profit before amortization = Operating profit + Depreciation expense + Amortization of goodwill

## Segment Information (Consolidated)

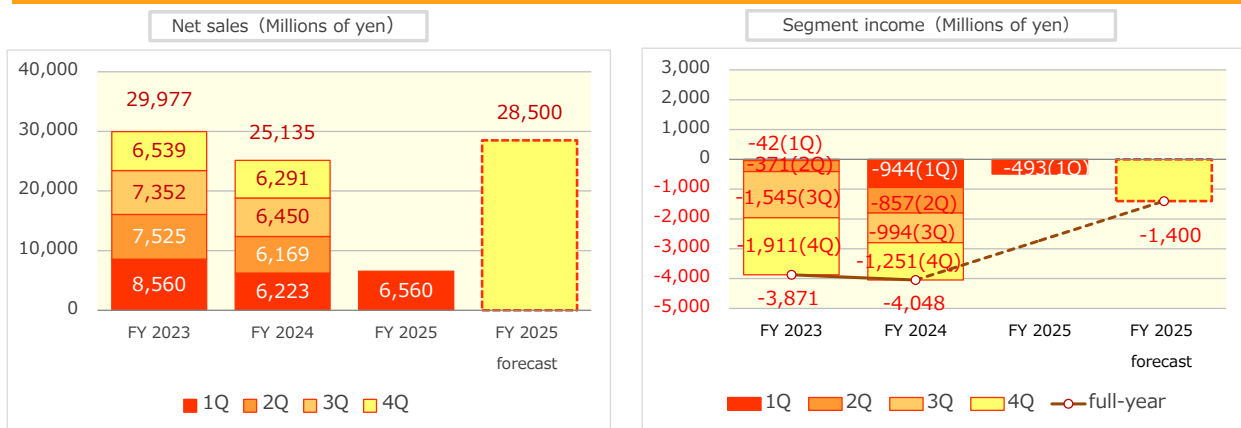
### Functional Coating Chemicals



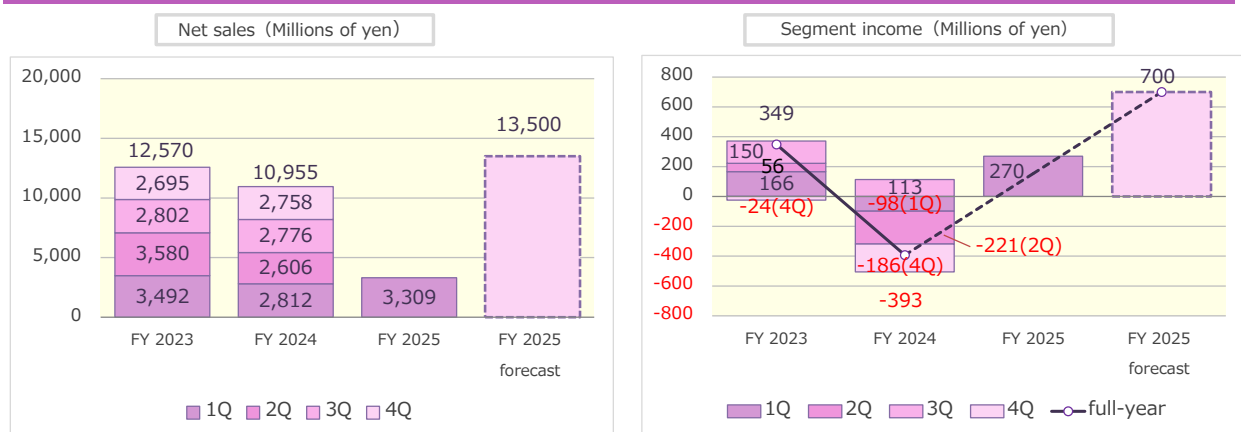
### Paper Chemicals & Environmental Business



### Adhesive & Biomass Materials



### Fine Chemicals & Electronics



## Segment Information (Consolidated)

Consolidated		FY 2023 (1Q)		FY 2024 (1Q)		FY 2025 (1Q)		FY 2023		FY 2024		FY 2025 forecast	
		Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Functional Coating Chemicals	Net sales ※1	4,119	△ 1.1	3,536	△ 14.2	<b>4,059</b>	<b>14.8</b>	15,700	△ 3.2	14,931	△ 4.9	18,000	20.6
	Segment income	220	△ 34.6	33	△ 84.7	<b>429</b>	<b>-</b>	335	△ 69.0	520	55.2	1,400	168.8
	Segment income/sales	5.4%		1.0%		<b>10.6%</b>		2.1%		3.5%		7.8%	
Paper Chemicals & Environmental Business	Net sales ※1	4,916	13.5	4,708	△ 4.2	<b>5,314</b>	<b>12.9</b>	20,991	12.5	21,120	0.6	22,500	6.5
	Segment income	73	△ 75.2	89	21.0	<b>583</b>	<b>555.0</b>	310	△ 67.9	1,339	330.9	1,650	23.2
	Segment income/sales	1.5%		1.9%		<b>11.0%</b>		1.5%		6.3%		7.3%	
Adhesive & Biomass Materials	Net sales ※1	8,560	8.8	6,223	△ 27.3	<b>6,560</b>	<b>5.4</b>	29,977	△ 7.8	25,135	△ 16.2	28,500	13.4
	Segment income	△ 42	-	△ 944	-	<b>△ 493</b>	<b>-</b>	△ 3,871	-	△ 4,048	-	△ 1,400	-
	Segment income/sales	△ 0.5%		△ 15.2%		<b>△ 7.5%</b>		△ 12.9%		△ 16.1%		△ 4.9%	
Fine Chemicals & Electronics	Net sales ※1	3,492	8.9	2,812	△ 19.5	<b>3,309</b>	<b>17.6</b>	12,570	△ 2.0	10,955	△ 12.8	13,500	23.2
	Segment income	166	△ 3.9	△ 98	-	<b>270</b>	<b>-</b>	349	△ 36.7	△ 393	-	700	-
	Segment income/sales	4.8%		△ 3.5%		<b>8.2%</b>		2.8%		△ 3.6%		5.2%	
Others	Net sales ※1	72	7.0	17	△ 76.1	<b>18</b>	<b>6.6</b>	191	△ 31.4	80	△ 57.9	100	23.9
	Segment income	9	△ 4.9	7	△ 22.1	<b>8</b>	<b>15.7</b>	42	△ 7.3	38	△ 7.3	40	2.7
	Segment income/sales	12.6%		40.9%		<b>44.4%</b>		22.0%		48.3%		40.0%	
Subtotal	Net sales ※1	21,161	7.7	17,298	△ 18.3	<b>19,261</b>	<b>11.3</b>	79,431	△ 1.3	72,222	△ 9.1	82,600	14.4
	Segment income	427	△ 67.7	△ 913	-	<b>798</b>	<b>-</b>	△ 2,832	-	△ 2,542	-	2,390	-
	Segment income/sales	2.0%		△ 5.3%		<b>4.1%</b>		△ 3.6%		△ 3.5%		2.9%	
Consolidated total	Development Investment ※2	△ 102	-	△ 96	-	<b>△ 93</b>	<b>-</b>	△ 406	-	△ 408	-	△ 400	-
	Segment income	324	△ 73.4	△ 1,009	-	<b>704</b>	<b>-</b>	△ 3,239	-	△ 2,950	-	1,990	-
	Segment income/sales	1.5%		△ 5.8%		<b>3.7%</b>		△ 4.1%		△ 4.1%		2.4%	

※1 The sales of business segmentation do not include intersegment sales.

※2 Applied research and development expense that will be the source of growth in the medium to long term.

[Functional Coating Chemicals] UV/EB curable resin, Resins for paint and printing ink, etc.

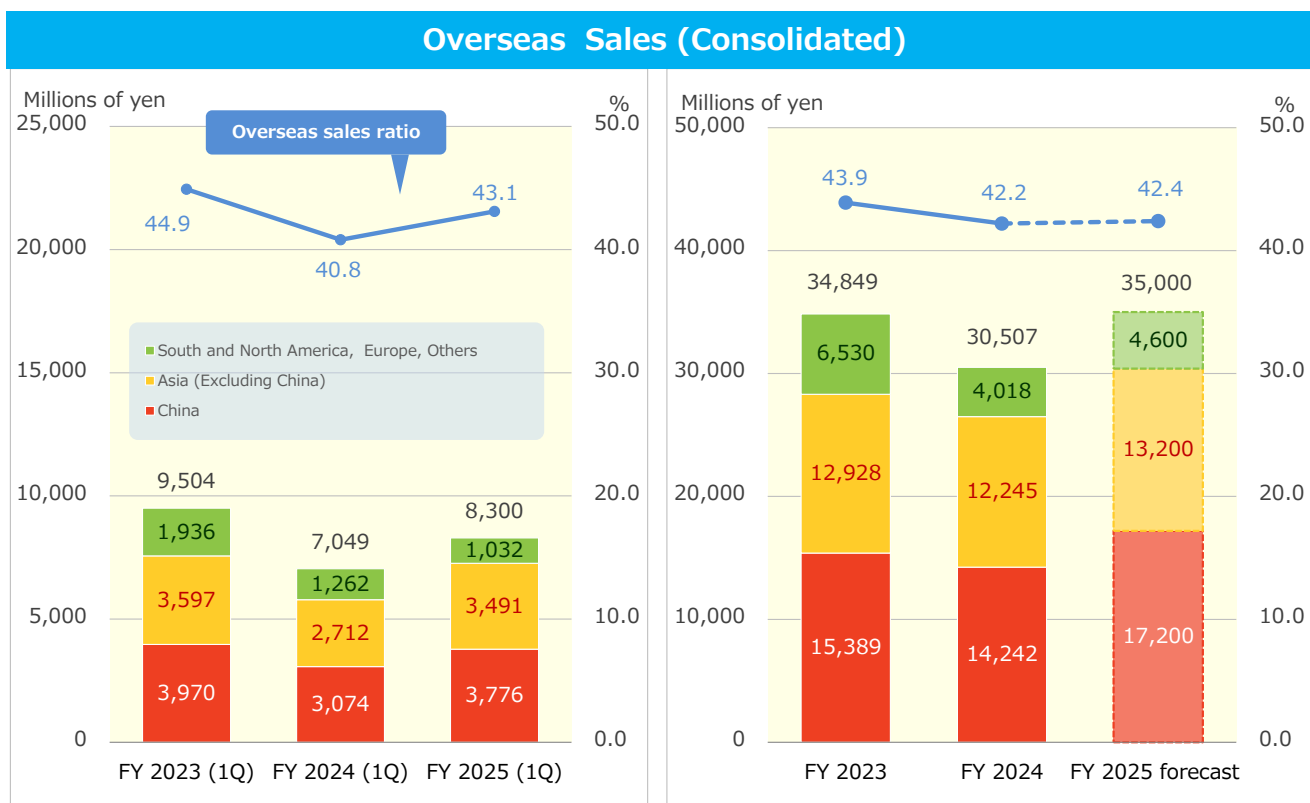
[Paper chemicals & Environmental Business] Paper strengthening agent, Sizing agent, New water-based polymer, etc.

[Adhesive & Biomass Materials] Hydrogenated hydrocarbon resin, Adhesive resin, Colorless rosin derivative, Synthetic rubber polymerization emulsifier, etc.

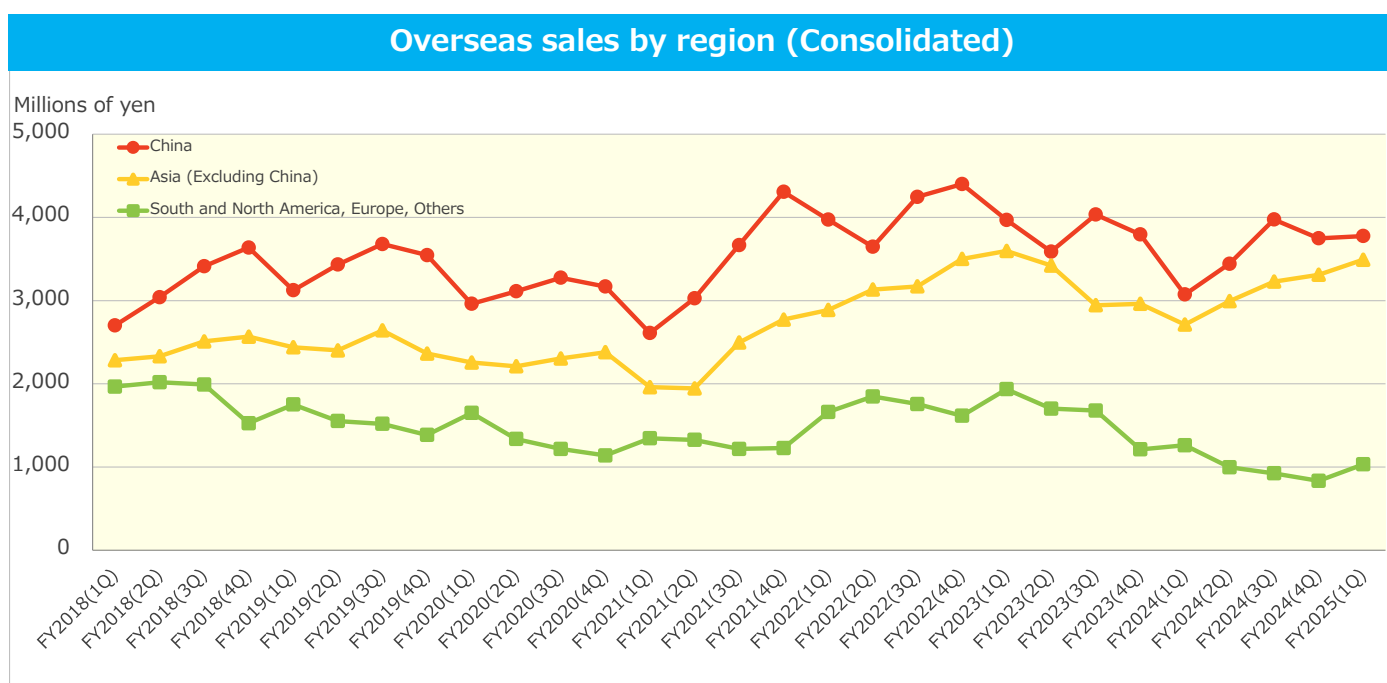
[Fine Chemicals & Electronics] Precise parts cleaning agent and Cleaning system and its peripheral equipment, Thermoplastic Polyimide Solution, Fine chemical Products, Compounded Products for electronic material, Polishing agent for hard disk substrates, etc.

[Others] Insurance business, Real estate management, etc.

## Overseas Sales (Consolidated)



Consolidated	FY 2023 (1Q)		FY 2024 (1Q)		FY 2025 (1Q)		FY 2023		FY 2024		FY 2025 forecast	
	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
<b>Overseas sales</b>	9,504	11.5	7,049	△ 25.8	<b>8,300</b>	<b>17.7</b>	34,849	△ 2.8	30,507	△ 12.5	35,000	14.7
Overseas sales in Asia	7,567	10.3	5,787	△ 23.5	<b>7,268</b>	<b>25.6</b>	28,318	△ 2.2	26,488	△ 6.5	30,400	14.8
Overseas sales in China	3,970	△ 0.1	3,074	△ 22.6	<b>3,776</b>	<b>22.8</b>	15,389	△ 5.4	14,242	△ 7.5	17,200	20.8
<b>Overseas sales ratio</b>	44.9%		40.8%		<b>43.1%</b>		43.9%		42.2%		42.4%	



## Balance Sheets (Consolidated)

(Unit: Millions of yen)

Item	FY2024 (As of June 30, 2023)		FY2025 (As of June 30, 2024)		FY2024 (As of March 31, 2024)		Increase /Decrease (A) - (B)
	Amount	Composition ratio	Amount (A)	Composition ratio	Amount (B)	Composition ratio	
		%		%		%	
(Assets)		%		%		%	
<b>I Current assets</b>							
1. Cash and deposits	9,950		9,821		11,578		△ 1,756
2. Notes and accounts receivable - trade	22,945		26,775		25,683		1,092
3. Electronically recorded monetary claims - operating	2,103		2,397		2,504		△ 107
4. Merchandise and finished goods	13,649		12,365		12,423		△ 58
5. Work in process	1,692		1,447		1,603		△ 155
6. Raw materials and supplies	9,063		9,015		9,267		△ 251
7. Other	1,806		961		1,215		△ 253
8. Allowance for doubtful accounts	△ 114		△ 117		△ 116		△ 1
<b>Total current assets</b>	61,096	51.6	62,667	50.6	64,159	51.2	△ 1,491
<b>II Non-current assets</b>							
1. Property, plant and equipment							
(1) Buildings and structures	16,472		17,623		17,723		△ 99
(2) Machinery, equipment and vehicles	14,254		13,652		14,126		△ 474
(3) Land	4,996		4,995		4,996		△ 0
(4) Construction in progress	3,383		2,062		1,969		92
(5) Other	1,049		1,086		1,136		△ 49
<b>Total property, plant and equipment</b>	40,156	34.0	39,420	31.8	39,952	31.9	△ 531
2. Intangible assets							
(1) Other	1,639		1,485		1,529		△ 44
<b>Total intangible assets</b>	1,639	1.4	1,485	1.2	1,529	1.2	△ 44
3. Investments and other assets							
(1) Investment securities	9,075		11,811		11,200		611
(2) Retirement benefit asset	3,961		6,172		6,087		84
(3) Deferred tax assets	236		255		286		△ 31
(4) Other	320		366		354		12
(5) Allowance for doubtful accounts	△ 77		△ 82		△ 79		△ 3
<b>Total investments and other assets</b>	13,517	11.4	18,523	14.9	17,850	14.2	673
<b>Total non-current assets</b>	55,313	46.8	59,429	47.9	59,332	47.3	96
<b>III Deferred assets</b>							
1. Business commencement expenses	1,911		1,829		1,927		△ 97
<b>Total deferred assets</b>	1,911	1.6	1,829	1.5	1,927	1.5	△ 97
<b>Total assets</b>	118,322	100.0	123,926	100.0	125,418	100.0	△ 1,492

(Unit: Millions of yen)

Item	FY2024 (As of June 30, 2023)		FY2025 (As of June 30, 2024)		FY2024 (As of March 31, 2024)		Increase /Decrease (A) - (B)
	Amount	Composition ratio	Amount (A)	Composition ratio	Amount (B)	Composition ratio	
(Liabilities)		%		%		%	
I Current liabilities							
1. Notes and accounts payable - trade	8,565		7,702		9,478		△ 1,775
2. Electronically recorded obligations - operating	1,107		1,370		1,403		△ 32
3. Short-term borrowings	21,752		17,935		18,512		△ 577
4. Current portion of bonds payable	-		5,000		5,000		-
5. Income taxes payable	332		662		434		228
6. Accrued consumption taxes	160		147		100		46
7. Provision for bonuses	582		623		1,190		△ 566
8. Provision for bonuses for directors (and other officers)	-		10		-		10
9. Provision for repairs	442		441		732		△ 291
10. Provision for loss on business liquidation	1,215		82		110		△ 27
11. Asset retirement obligations	-		158		-		158
12. Notes payable - facilities	220		199		297		△ 98
13. Other	7,250		6,015		6,146		△ 130
Total current liabilities	41,629	35.2	40,349	32.6	43,406	34.6	△ 3,056
II Non-current liabilities							
1. Bonds payable	10,000		5,000		5,000		-
2. Long-term borrowings	5,093		13,195		13,875		△ 680
3. Deferred tax liabilities	2,703		4,304		3,847		457
4. Retirement benefit liability	305		304		299		5
5. Asset retirement obligations	2,180		1,770		1,919		△ 149
6. Other	145		147		151		△ 4
Total non-current liabilities	20,428	17.2	24,722	19.9	25,093	20.0	△ 371
Total liabilities	62,057	52.4	65,071	52.5	68,500	54.6	△ 3,428
(Net assets)							
I Shareholders' equity							
1. Share capital	3,343		3,343		3,343		-
2. Capital surplus	3,564		3,564		3,564		-
3. Retained earnings	40,151		40,250		38,927		1,323
4. Treasury shares	△ 1,211		△ 1,211		△ 1,211		-
Total shareholders' equity	45,847	38.8	45,946	37.1	44,623	35.6	1,323
II Accumulated other comprehensive income							
1. Valuation difference on available-for-sale securities	3,784		5,619		5,173		445
2. Foreign currency translation adjustment	2,986		4,134		3,530		604
3. Remeasurements of defined benefit plans	1,655		2,727		2,807		△ 79
Total accumulated other comprehensive income	8,426	7.1	12,482	10.1	11,511	9.2	970
III Non-controlling interests	1,990	1.7	425	0.3	783	0.6	△ 358
Total net assets	56,264	47.6	58,854	47.5	56,918	45.4	1,935
Total liabilities and net assets	118,322	100.0	123,926	100.0	125,418	100.0	△ 1,492

## Statements of Income (Consolidated)

(Unit: Millions of yen)

Item	FY2024 '23/4-'23/6		FY2025 '24/4-'24/6		Increase /Decrease		FY2024 '23/4-'24/3	
	Amount	Ratio	Amount	Ratio	Amount	Rate of Change	Amount	Ratio
		%		%		%		%
I Net sales	17,298	100.0	19,261	100.0	1,963	11.3	72,222	100.0
II Cost of sales	14,585	84.3	15,002	77.9	416	2.9	60,540	83.8
Gross profit	2,712	15.7	4,259	22.1	1,546	57.0	11,681	16.2
III Selling, general and administrative expenses	3,547	20.5	3,637	18.9	90	2.5	14,299	19.8
Operating profit (loss)	△ 834	△ 4.8	622	3.2	1,456	-	△ 2,617	△ 3.6
IV Non-operating income								
Interest income	21		30		8		97	
Dividend income	77		79		1		226	
Rental income from real estate	10		13		3		49	
Foreign exchange gains	85		228		143		172	
Other	59		45		△ 14		274	
Total non-operating income	254	1.4	397	2.1	142	56.2	821	1.1
V Non-operating expenses								
Interest expenses	66		96		29		331	
Loss on investments in investment partnerships	-		-		-		67	
Amortization of business commencement expenses	2		99		96		43	
Other	20		17		△ 2		173	
Total non-operating expenses	90	0.5	213	1.1	122	136.4	615	0.8
Ordinary profit (loss)	△ 670	△ 3.9	806	4.2	1,476	-	△ 2,412	△ 3.3
VI Extraordinary income								
Gain on sale of non-current assets	4		979		974		5	
Gain on sale of investment securities	38		314		275		511	
Compensation income	-		-		-		431	
Gain on reversal of asset retirement obligations	-		-		-		514	
Total extraordinary income	43	0.3	1,293	6.7	1,250	-	1,463	2.0
VII Extraordinary losses								
Loss on sale and retirement of non-current assets	36		18		△ 17		462	
Loss on valuation of non-current assets	-		-		-		7	
Total extraordinary losses	36	0.2	18	0.1	△ 17	△ 48.7	470	0.7
Profit(Loss) before income taxes	△ 663	△ 3.8	2,081	10.8	2,744	-	△ 1,418	△ 2.0
Income taxes - current	135	0.8	370	1.9	234	173.3	996	1.3
Income taxes - deferred	△ 25	△ 0.1	326	1.7	352	-	△ 57	△ 0.1
Profit(Loss)	△ 773	△ 4.5	1,384	7.2	2,157	-	△ 2,356	△ 3.2
Profit(Loss) attributable to non-controlling interests	△ 459	△ 2.7	△ 414	△ 2.1	44	-	△ 1,314	△ 1.8
Profit(Loss) attributable to owners of parent	△ 314	△ 1.8	1,799	9.3	2,113	-	△ 1,042	△ 1.4
<b>&lt;Reference&gt; Statements of Comprehensive Income (Consolidated)</b>								
Profit(Loss)	△ 773		1,384		2,157	-	△ 2,356	
Other comprehensive income								
Valuation difference on available-for-sale securities	850		445		△ 405		2,239	
Foreign currency translation adjustment	189		660		471		844	
Remeasurements of defined benefit plans, net of tax	△ 55		△ 79		△ 24		1,094	
Total other comprehensive income	985		1,027		41		4,179	
Comprehensive income	212		2,411		2,199	-	1,822	



## Statements of Cash Flows (Consolidated)

(Unit: Millions of yen)

Item	FY2024	FY2025	Increase /Decrease	FY2024
	'23/4-'23/6	'24/4-'24/6		'23/4-'24/3
	Amount	Amount		Amount
<b>I Cash flows from operating activities</b>				
Profit (loss) before income taxes	△ 663	2,081	2,744	△ 1,418
Depreciation	1,370	1,294	△ 76	5,808
Amortization of business commencement expenses	2	99	96	43
Increase (decrease) in allowance for doubtful accounts	2	△ 0	△ 3	2
Increase (decrease) in provision for bonuses	△ 456	△ 574	△ 118	144
Increase (decrease) in provision for bonuses for directors (and other officers)	-	10	10	-
Increase (decrease) in retirement benefit liability	6	5	△ 0	△ 0
Decrease (increase) in retirement benefit asset	△ 66	△ 83	△ 17	△ 2,190
Increase (decrease) in provision for loss on business liquidation	-	△ 31	△ 31	△ 1,169
Loss (gain) on sale and retirement of non-current assets	32	△ 960	△ 992	456
Loss on valuation of non-current assets	-	-	-	7
Loss (gain) on sale of investment securities	△ 38	△ 314	△ 275	△ 511
Loss (gain) on investments in investment partnerships	-	-	-	67
Compensation income	-	-	-	△ 431
Gain on reversal of asset retirement obligations	-	-	-	△ 514
Interest and dividend income	△ 99	△ 109	△ 10	△ 324
Interest expenses	66	96	29	331
Decrease (increase) in trade receivables	537	△ 690	△ 1,228	△ 2,281
Decrease (increase) in inventories	△ 36	677	713	1,386
Increase (decrease) in trade payables	△ 1,459	△ 1,907	△ 448	△ 435
Increase (decrease) in accrued consumption taxes	195	214	18	71
Other	△ 592	△ 121	471	3,021
Subtotal	△ 1,198	△ 317	881	2,062
Interest and dividends received	97	111	13	324
Interest paid	△ 63	△ 96	△ 32	△ 358
Income taxes refund (paid)	△ 88	△ 162	△ 73	△ 871
Net cash provided by (used in) operating activities	△ 1,253	△ 465	787	1,157
<b>II Cash flows from investing activities</b>				
Decrease (increase) in time deposits	△ 30	676	706	△ 428
Purchase of property, plant and equipment	△ 1,182	△ 689	493	△ 6,768
Proceeds from sale of property, plant and equipment	0	768	767	14
Purchase of investment securities	△ 11	△ 11	0	△ 38
Proceeds from sale of investment securities	39	355	316	655
Purchase of intangible assets	△ 13	△ 6	6	△ 89
Purchase of shares of subsidiaries and associates	-	-	-	△ 305
Payments for deferred assets	△ 9	-	9	△ 64
Decrease (increase) in investments and other assets	△ 1	3	5	△ 1
Other	△ 0	△ 25	△ 25	△ 113
Net cash provided by (used in) investing activities	△ 1,210	1,070	2,280	△ 7,140
<b>III Cash flows from financing activities</b>				
Net increase (decrease) in short-term borrowings	1,970	△ 529	△ 2,500	309
Proceeds from long-term borrowings	-	-	-	12,162
Repayments of long-term borrowings	△ 355	△ 875	△ 520	△ 5,503
Purchase of treasury shares	-	-	-	△ 0
Dividends paid	△ 476	△ 476	0	△ 952
Dividends paid to non-controlling interests	-	-	-	△ 460
Other	△ 22	△ 5	16	△ 71
Net cash provided by (used in) financing activities	1,117	△ 1,886	△ 3,003	5,484
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	103	136	33	376
<b>V Net increase (decrease) in cash and cash equivalents</b>	△ 1,242	△ 1,144	98	△ 121
<b>VI Cash and cash equivalents at beginning of period</b>	9,286	9,164	△ 121	9,286
<b>VII Cash and cash equivalents at end of period</b>	8,043	8,020	△ 23	9,164