

Consolidated Financial Results for the Nine Months Ended October 31, 2024



[Japanese GAAP]

November 29, 2024

Company name: Tri Chemical Laboratories Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4369
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 Scheduled date of commencing dividend payments: –
 Availability of supplementary briefing material on financial results: Not available
 Scheduled date of financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Nine Months Ended October 31, 2024 (February 1, 2024 to October 31, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended								
October 31, 2024	13,105	59.5	3,502	156.4	4,351	78.4	3,226	74.6
October 31, 2023	8,215	(19.0)	1,366	(51.6)	2,439	(56.5)	1,848	(57.7)

(Note) Comprehensive income: Nine months ended October 31, 2024: ¥3,202 million (57.3%)
 Nine months ended October 31, 2023: ¥2,035 million (down 56.5%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
October 31, 2024	99.29	–
October 31, 2023	56.88	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of October 31, 2024	38,214	29,797	78.0
As of January 31, 2024	31,864	27,570	86.5

(Reference) Equity: As of October 31, 2024: ¥29,797 million
 As of January 31, 2024: ¥27,570 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 January 31, 2024	—	0.00	—	30.00	30.00
Fiscal year ending January 31, 2025	—	0.00	—		
Fiscal year ending January 31, 2025 (Forecast)				30.00	30.00

(Note) Revision of dividend forecasts from recently announced figures: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending January 31, 2025 (February 1, 2024 to January 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	17,000	51.2	3,900	100.2	5,590	70.6	4,260	72.4	131.09

(Note) Revision of financial results forecast from recently announced figures: None

* Notes:

- (1) Significant changes in the scope of consolidation during the period under review: No
New: – companies (company name) , excluded: – companies (company name)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies 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):
As of October 31, 2024: 32,498,640 shares
As of January 31, 2024: 32,498,640 shares
 - 2) Total number of treasury shares at the end of the period:
As of October 31, 2024: 1,810 shares
As of January 31, 2024: 1,702 shares
 - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):
Nine months ended October 31, 2024: 32,496,875 shares
Nine months ended October 31, 2023: 32,496,938 shares

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

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and do not represent a commitment by the Company that they will be achieved. Actual results may differ significantly from these forecasts due to a wide range of factors.

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of January 31, 2024	As of October 31, 2024
Assets		
Current assets		
Cash and deposits	10,497,345	10,952,505
Notes and accounts receivable - trade	2,687,345	3,649,170
Electronically recorded monetary claims - operating	1,347,961	1,522,873
Merchandise and finished goods	122,623	408,975
Work in process	2,116,390	1,920,871
Raw materials and supplies	1,783,894	4,019,689
Other	453,056	782,438
Total current assets	19,008,618	23,256,525
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,238,838	6,322,841
Accumulated depreciation	(2,095,368)	(2,323,502)
Buildings and structures, net	4,143,470	3,999,338
Machinery, equipment and vehicles	4,437,297	4,538,894
Accumulated depreciation	(2,491,042)	(2,826,458)
Machinery, equipment and vehicles, net	1,946,255	1,712,435
Tools, furniture and fixtures	3,327,939	3,824,254
Accumulated depreciation	(2,182,909)	(2,504,963)
Tools, furniture and fixtures, net	1,145,030	1,319,290
Land	714,933	714,933
Other	1,741,748	3,606,803
Accumulated depreciation	(422,206)	(494,733)
Other, net	1,319,542	3,112,070
Total property, plant and equipment	9,269,231	10,858,068
Intangible assets	105,421	76,346
Investments and other assets		
Investment securities	2,977,516	3,420,313
Other	504,144	603,536
Total investments and other assets	3,481,661	4,023,849
Total non-current assets	12,856,314	14,958,264
Total assets	31,864,933	38,214,790

(Thousand yen)

	As of January 31, 2024	As of October 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	354,413	3,096,013
Current portion of long-term loans payable	700,867	659,240
Income taxes payable	235,903	811,405
Provision for bonuses	115,182	325,768
Other	1,147,327	2,165,387
Total current liabilities	2,553,693	7,057,814
Non-current liabilities		
Long-term loans payable	1,212,920	883,000
Net defined benefit liability	143,775	154,213
Other	384,128	322,207
Total non-current liabilities	1,740,824	1,359,420
Total liabilities	4,294,517	8,417,235
Net assets		
Shareholders' equity		
Capital stock	3,278,912	3,278,912
Capital surplus	3,179,912	3,179,912
Retained earnings	20,304,819	22,556,447
Treasury shares	(2,025)	(2,501)
Total shareholders' equity	26,761,619	29,012,772
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,113	11,059
Foreign currency translation adjustments	812,767	788,023
Remeasurements of defined benefit plans	(17,084)	(14,299)
Total accumulated other comprehensive income	808,796	784,782
Total net assets	27,570,415	29,797,554
Total liabilities and net assets	31,864,933	38,214,790

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended October 31

(Thousand yen)

	For the nine months ended October 31, 2023	For the nine months ended October 31, 2024
Net sales	8,215,001	13,105,295
Cost of sales	5,262,985	7,632,631
Gross profit	2,952,016	5,472,664
Selling, general and administrative expenses	1,585,977	1,970,006
Operating profit	1,366,038	3,502,657
Non-operating income		
Interest income	309	981
Dividend income	342	449
Share of profit of entities accounted for using equity method	809,846	881,303
Foreign exchange gains	299,062	–
Other	6,916	6,791
Total non-operating income	1,116,477	889,527
Non-operating expenses		
Interest expenses	18,187	17,701
Foreign exchange losses	–	21,370
Other	24,963	1,673
Total non-operating expenses	43,150	40,744
Ordinary profit	2,439,365	4,351,439
Profit before income taxes	2,439,365	4,351,439
Income taxes - current	749,779	1,218,260
Income taxes - deferred	(158,739)	(93,357)
Total income taxes	591,040	1,124,903
Profit	1,848,324	3,226,536
Profit attributable to owners of parent	1,848,324	3,226,536

Quarterly Consolidated Statements of Comprehensive Income
 Nine Months Ended October 31

(Thousand yen)

	For the nine months ended October 31, 2023	For the nine months ended October 31, 2024
Profit	1,848,324	3,226,536
Other comprehensive income		
Valuation difference on available-for-sale securities	9,093	(2,054)
Foreign currency translation adjustments	83,820	17,676
Remeasurements of defined benefit plans, net of tax	2,624	2,785
Share of other comprehensive income of entities accounted for using equity method	91,769	(42,420)
Total other comprehensive income	187,307	(24,013)
Comprehensive income	2,035,632	3,202,522
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,035,632	3,202,522
Comprehensive income attributable to non-controlling interests	–	–

(3) Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the nine months ended October 31, 2023	For the nine months ended October 31, 2024
Cash flows from operating activities		
Profit before income taxes	2,439,365	4,351,439
Depreciation	963,924	1,019,943
Increase (decrease) in provision for bonuses	72,656	210,104
Interest and dividend income	(652)	(1,431)
Interest expenses	18,187	17,701
Share of loss (profit) of entities accounted for using equity method	(809,846)	(881,303)
Decrease (increase) in notes and accounts receivable - trade	1,367,758	(1,131,208)
Decrease (increase) in inventories	(1,308,746)	(2,324,176)
Increase (decrease) in notes and accounts payable - trade	(250,435)	2,736,594
Decrease/increase in consumption taxes receivable/payable	10,303	(303,746)
Increase (decrease) in accounts payable - other	(21,710)	214,563
Decrease (increase) in other current assets	20,793	(25,023)
Increase (decrease) in other current liabilities	5,822	(3,041)
Increase (decrease) in other non-current liabilities	3,907	10,437
Other, net	(211,040)	28,111
Subtotal	2,300,286	3,918,964
Interest and dividend income received	2,542,146	392,144
Interest expenses paid	(18,192)	(17,815)
Income taxes paid	(1,520,289)	(653,420)
Net cash provided by (used in) operating activities	3,303,951	3,639,873
Cash flows from investing activities		
Purchase of investment securities	(899)	(899)
Purchase of property, plant and equipment	(1,390,875)	(1,717,275)
Purchase of intangible assets	(29,791)	(13,924)
Purchase of shares of subsidiaries and associates	–	(30,915)
Net cash provided by (used in) investing activities	(1,421,566)	(1,763,014)
Cash flows from financing activities		
Proceeds from long-term loans payable	–	200,000
Repayments of long-term loans payable	(599,301)	(571,547)
Repayments of lease obligations	(74,019)	(79,605)
Purchase of treasury shares	–	(475)
Cash dividends paid	(973,562)	(974,262)
Net cash provided by (used in) financing activities	(1,646,883)	(1,425,890)
Effect of exchange rate change on cash and cash equivalents	14,274	4,191
Net increase (decrease) in cash and cash equivalents	249,776	455,160
Cash and cash equivalents at beginning of period	11,137,800	10,497,345
Cash and cash equivalents at end of period	11,387,576	10,952,505

Supplementary Information

(Disaggregated information on revenue from contracts with customers)

The Group's business consists of a single segment comprising high-purity chemicals for semiconductor manufacturing and other applications, together with ancillary services. Information on revenue from contracts with customers, disaggregated by region and product application, is shown below.

For the nine months ended October 31, 2023

(By region)

		(Thousand yen)
		Segment name
		High-purity Chemicals Business
Japan		2,712,862
Taiwan		3,108,404
China		1,131,958
South Korea		1,118,855
Other		142,920
Revenue from contracts with customers		8,215,001
Other revenue		—
Net sales to external customers		8,215,001

(Note) Region is based on the location of the end customer.

(By product application)

		(Thousand yen)
		Segment name
		High-purity Chemicals Business
Si semiconductor applications	High-k	3,050,774
	Metal	1,783,386
	Etching	1,015,458
	Other	1,466,157
Other applications (apart from Si semiconductors)		899,224
Revenue from contracts with customers		8,215,001
Other revenue		—
Net sales to external customers		8,215,001

(Note) Product application is based on the application of the end customer.

For the nine months ended October 31, 2024

(By region)

(Thousand yen)

	Segment name
	High-purity Chemicals Business
Japan	2,913,967
Taiwan	4,449,594
China	4,236,294
South Korea	1,241,439
Other	263,999
Revenue from contracts with customers	13,105,295
Other revenue	—
Net sales to external customers	13,105,295

(Note) Region is based on the location of the end customer.

(By product application)

(Thousand yen)

		Segment name
		High-purity Chemicals Business
Si semiconductor applications	High-k	6,279,006
	Metal	2,434,002
	Etching	1,363,969
	Other	2,115,475
Other applications (apart from Si semiconductors)		912,841
Revenue from contracts with customers		13,105,295
Other revenue		—
Net sales to external customers		13,105,295

(Note) Product application is based on the application of the end customer.