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## Consolidated Financial Results for the Fiscal Year Ended November 30, 2023 (FY11/23)

[Japanese GAAP]

January 11, 2024

Company name: OSAKA ORGANIC CHEMICAL INDUSTRY LTD.  
 Listing: Tokyo Stock Exchange, Prime Market  
 Securities code: 4187 URL: <https://www.ooc.co.jp/>  
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Scheduled date of Annual General Meeting of Shareholders: February 28, 2024  
 Scheduled date of dividend payment: February 29, 2024  
 Scheduled date of filing of Annual Securities Report: February 29, 2024  
 Preparation of supplementary materials for financial results: Yes  
 Holding of financial results meeting: Yes (for institutional and individual investors, and securities analysts)

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for FY11/23 (December 1, 2022 to November 30, 2023)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Nov. 30, 2023	28,907	(10.3)	3,577	(39.7)	3,877	(39.1)	3,270	(30.8)
Fiscal year ended Nov. 30, 2022	32,236	-	5,934	1.4	6,365	1.8	4,725	(5.5)

Note: Comprehensive income (millions of yen) Fiscal year ended Nov. 30, 2023: 4,019 (down 17.0%)  
 Fiscal year ended Nov. 30, 2022: 4,844 (down 6.2%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Nov. 30, 2023	152.94	-	7.8	7.2	12.4
Fiscal year ended Nov. 30, 2022	216.87	-	11.9	12.3	18.4

Reference: Equity in earnings of affiliates (millions of yen) Fiscal year ended Nov. 30, 2023: - Fiscal year ended Nov. 30, 2022: -  
 Note: "Accounting Standard for Recognition of Revenue" (ASBJ Statement No. 29, March 31, 2020) and other standards have been applied from the beginning of the previous fiscal year. Figures for the fiscal year ended November 2022 are based on figures after the adoption of the accounting standard. The rate of change in net sales from the previous fiscal year is not shown.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Nov. 30, 2023	54,636	43,629	78.7	2,021.12
As of Nov. 30, 2022	52,836	41,394	77.3	1,893.39

Reference: Shareholders' equity (millions of yen) As of Nov. 30, 2023: 42,984 As of Nov. 30, 2022: 40,826

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended Nov. 30, 2023	4,370	(4,127)	(476)	7,890
Fiscal year ended Nov. 30, 2022	4,727	(4,852)	(1,564)	8,064

### 2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended Nov. 30, 2022	-	27.00	-	27.00	54.00	1,170	24.9	3.0
Fiscal year ended Nov. 30, 2023	-	28.00	-	28.00	56.00	1,190	36.6	2.9
Fiscal year ending Nov. 30, 2024 (Forecast)	-	29.00	-	29.00	58.00		45.7	

### 3. Consolidated Forecast for FY11/24 (December 1, 2023 to November 30, 2024)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	14,500	1.7	1,400	(27.8)	1,500	(27.7)	1,000	(37.7)	47.02
Full year	31,000	7.2	3,700	3.4	3,900	0.6	2,700	(17.5)	126.95

#### \* Notes

(1) Changes in significant subsidiaries during the period (change in scope of consolidation): None

Newly added: -

Excluded: -

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

Note: For details, please refer to “3. Consolidated Financial Statements and Notes; (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)” on page 13 (Attachment) of this financial report.

(3) Number of shares issued (common shares)

1) Number of shares issued at the end of the period (including treasury shares)

As of Nov. 30, 2023: 22,410,038 shares As of Nov. 30, 2022: 22,410,038 shares

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

As of Nov. 30, 2023: 1,142,585 shares As of Nov. 30, 2022: 847,478 shares

3) Average number of shares during the period

Fiscal year ended Nov. 30, 2023: 21,387,005 shares Fiscal year ended Nov. 30, 2022: 21,791,059 shares

\*The current financial report is not subject to audit by certified public accountants or auditing firms.

\*Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in these materials are based on assumption judged to be valid and information available to the Company's management at the time the materials were prepared. Actual results may differ materially from the forecasts for a number of reasons. Please refer to “1. Overview of Results of Operations, (4) Outlook” on page 3 for forecast assumptions and notes of caution for usage.

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## 1. Overview of Results of Operations

### (1) Results of Operations

In the fiscal year under review, economic activity gradually began to normalize in tandem with the transition of new-type coronavirus infectious diseases to five-type infectious diseases, and the economy continued to show a gradual recovery trend. Nevertheless, uncertainty is expected to continue due to factors such as stagnant Chinese economy, price hikes caused by soaring raw material and energy prices, and heightened geopolitical risks.

Against this backdrop, our Group has been promoting the Second Five-Year Medium-Term Management Plan, the second half of the long-term management plan "Next Stage 10," which was launched in the fiscal year ended November 2020, and has been implementing various measures. In the chemical products business, we are focusing on improving profitability by concentrating investments on carefully selected categories in order to revitalize the product lineup. Another priority is increasing sales of raw materials for specialty ink for UV inkjet printers and eco-friendly products originated from biomass as the markets for these products grow worldwide. In the electronics materials business, we are strengthening activities for developing next-generation semiconductor materials to be the market leader in targeted categories and for increasing sales of new display materials. In the specialty chemicals business, there are measures to develop functional polymers and increase sales of raw materials for cosmetics and of high-purity specialty solvents. However, our business has been hit significantly by the sluggish demand particularly for electronics materials used for the manufacture of displays and semiconductors.

As a result, for the fiscal year under review, net sales were 28.907 billion yen (a year-on-year decrease of 10.3%), operating income was 3.577 billion yen (a year-on-year decrease of 39.7%), ordinary income was 3.877 billion yen (a year-on-year decrease of 39.1%), and profit attributable to owners of parent was 3.27 billion yen (a year-on-year decrease of 30.8%).

Business results by segment are explained below (excluding inter-segment transactions).

#### ① Chemical products

In the chemical products business, the acrylic ester group had strong sales of automotive paints due to a recovery in automotive production. On the other hand, sales for adhesives for displays and inks for UV inkjet decreased. Sales of methacrylic acid esters decreased significantly. As a result, net sales were 10.301 billion yen (year-on-year decrease of 6.7%), and segment income was 947 million yen (year-on-year increase of 16.5%).

#### ② Electronics materials

In the electronic materials business, sales of raw materials for cutting-edge EUV resists were strong in the semiconductor materials business. However, sales of raw materials for ArF resists, which are the Company's mainstay, remained sluggish due to prolonged inventory cutbacks caused by a decline in demand in the end-market. As a result, Group-wide sales declined. As for display materials, sales remained weak due to sluggish demand for displays. As a result, net sales were 12.777 billion yen (year-on-year decrease of 16.1%), and segment income was 1.663 billion yen (year-on-year decrease of 56.2%).

#### ③ Specialty chemicals

In the specialty chemicals business, overseas sales of the cosmetic raw materials group remained strong. As for functional materials, sales of products made for other companies remained weak. Sales of high-purity specialty solvents produced by a subsidiary remained solid. As a result, net sales were 5.828 billion yen (year-on-year decrease of 2.5%), and segment income was 973 million yen (year-on-year decrease of 25.1%).

**(2)Financial Position**

Total assets for the fiscal year under review increased by 1.8 billion yen from the previous fiscal year to 54.636 billion yen. This was mainly due to a decrease of 852 million yen in accounts receivable-trade, an increase of 1.972 billion yen in property, plant and equipment, and an increase of 881 million yen in investment securities.

Liabilities for the fiscal year under review decreased by 434 million yen from the previous fiscal year to 11.007 billion yen. This was mainly due to a decrease of 719 million yen in notes and accounts payable-trade, a decrease of 252 million yen in accounts payable-other, a decrease of 801 million yen in income taxes payable, and an increase of 1.433 billion yen in long-term loans payable.

Net assets for the fiscal year under review increased by 2.234 billion yen from the previous fiscal year to 43.629 billion yen. This was mainly due to an increase of 2.093 billion yen in retained earnings, an increase of 586 million yen in treasury stock, and an increase of 601 million yen in net unrealized holding gains on securities.

**(3)Cash Flows**

During the fiscal year under review, cash and cash equivalents (hereinafter referred to as "funds") decreased by 173 million yen to 7,890 million yen (down 2.2% year-on-year), mainly due to 4.127 billion yen invested in investing activities from 4.37 billion yen provided by operating activities and a decrease of 476 million yen in financing activities.

(Cash flows from operating activities)

Net cash provided by operating activities increased by 4.37 billion yen (from 4,727 million yen in the same period of the previous fiscal year) due to income before income taxes of 4.455 billion yen, depreciation and amortization of 2.428 billion yen, and income taxes paid of 1.92 billion yen.

(Cash flows from investing activities)

Net cash used in investing activities was 4.127 billion yen, compared with 4.852 billion yen in the same period of the previous fiscal year. This was mainly due to expenditures of 4.708 billion yen for the acquisition of property, plant and equipment associated with the construction of new facilities, etc. and proceeds of 667 million yen from sales of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities decreased by 476 million yen (a decrease of 1,564 million yen in the same period of the previous fiscal year) due to income of 3.3 billion yen from long-term borrowings for the construction of new facilities, 1,934 million yen from repayment of long-term borrowings, 602 million yen from the purchase of treasury stock, and 1,177 million yen from dividend payments.

**(4)Outlook**

With regard to the future outlook, while the Japanese economy is in a recovery phase from the impact of a new type of coronavirus infectious disease, the outlook is expected to remain uncertain due to factors such as the possibility of an economic slowdown overseas, particularly in China, price hikes due to soaring fuel and raw material prices, and heightened geopolitical risks such as the situation in Ukraine and the situation in the Middle East.

Under these circumstances, we launched a new medium-term management planning Progress & Development 2030 (P&D 2030) for the period from the fiscal year ended November 2024 to the fiscal year ended November 2030. The previous medium-term management plan (Next Stage 10), which was launched in the fiscal year ended November 2015, was completed in the fiscal year ended November 2023, one year ahead of schedule.

Under the new medium-term management plan P&D 2030, we will promote sustainable management with consideration for ESG under the management vision of "providing value to the global market as a corporate leader in specialty acrylates" based on our group management philosophy.

Our basic strategy for the business domain is to accelerate the development of cutting-edge semiconductor materials, expand our semiconductor business by expanding into peripheral materials, expand our LCD resist design technology to non-display applications, expand our hydrophilic polymer technology to bio-compatible materials and new electronic materials applications, expand our focus areas through collaboration with other organizations and manufacturers related to organic piezoelectric materials and flexible elastomer materials, and launch new markets.

In addition, the Group will develop biomass acrylate, downstream, develop acrylic acid derived from non-fossil raw materials, take on the challenge of completely non-fossil-based materials, and develop materials for the environmental community by disclosing environmental data such as LCA.

To strengthen our overseas strategy, we will establish sales companies in China, South Korea, and North America, strengthen our channel strategy, including local production, and expand sales channels to ASEAN, India, and other countries, centered on cosmetics.

In non-business areas, we aim to contribute to a sustainable society by implementing measures aimed at achieving carbon neutrality, reducing waste, and reusing resources to realize a circular economy.

Through the promotion of IT, DX, we will work to improve quality, prevent problems, improve safety, and improve productivity. At the same time, we will improve employee job satisfaction and engagement by optimizing the working environment and working styles, create a framework for diversifying employment, and implement human capital management such as education and human resource development tailored to the environment and strategy.

In addition, we will strengthen risk management by ensuring thorough compliance, strengthening the supply chain, and enhancing the viability of BCP.

Taking these factors into account, we plan to achieve the following performance targets: net sales of 31 billion yen, operating income of 3.7 billion yen, ordinary income of 3.9 billion yen, and net income attributable to owners of the parent of 2.7 billion yen.

#### **(5)Basic Policy for Profit Distribution, and Dividends in the Current and Next Fiscal Years**

The priorities of the Group are strengthening financial soundness and the foundation for business operations from a long-term perspective and making steady and consistent distributions of earnings to shareholders. Dividends are determined based on results of operations with a payout ratio of 30% as a key guideline while maintaining balance by taking into consideration results of operations, the need to retain earnings to implement business plans, and other factors.

For the fiscal year ended November 2023, we paid a dividend of 28 yen for the second quarter based on our basic policy. The year-end dividend will be 28 yen (56 yen annual dividend) as originally planned.

The Company plans to pay a dividend of 58 yen per share for the next fiscal year (for the fiscal year ending November 2024), which is 29 yen for the second quarter and 29 yen for the end of the fiscal year.

#### **2.Basic Approach for the Selection of Accounting Standards**

The Group will continue to prepare consolidated financial statements using the generally accepted accounting principles in Japan for the time being to permit comparisons with prior years and with the financial data of other companies.

We will take suitable actions with regard to the application of International Financial Reporting Standards by taking into account associated factors in Japan and other countries.

### 3.Consolidated Financial Statements and Notes

#### (1)Consolidated Balance Sheet

(Thousands of yen)

	FY11/22 (As of November 30, 2022)	FY11/23 (As of November 30, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	8,094,541	7,890,809
Notes receivable-trade	7,311	25,878
Electronically recorded monetary claims-operating	357,804	335,183
Accounts receivable-trade	8,838,444	7,985,781
Contract assets	978,344	623,007
Finished goods	4,625,496	4,558,239
Work in process	1,985,897	1,979,792
Raw materials and supplies	2,437,106	2,175,488
Other	772,651	1,540,540
Allowance for doubtful accounts	(15,329)	(12,736)
<b>Total current assets</b>	<b>28,082,267</b>	<b>27,101,985</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,378,700	19,448,521
Accumulated depreciation	(10,209,064)	(10,727,778)
Buildings and structures, net	7,169,635	8,720,743
Machinery, equipment and vehicles	28,621,245	34,866,382
Accumulated depreciation	(24,747,678)	(26,192,631)
Machinery, equipment and vehicles, net	3,873,567	8,673,751
Land	2,173,661	2,172,476
Construction in progress	4,785,912	520,490
Other	3,290,266	3,277,607
Accumulated depreciation	(2,822,212)	(2,921,604)
Other, net	468,053	356,003
<b>Total property, plant and equipment</b>	<b>18,470,830</b>	<b>20,443,464</b>
Intangible assets		
Goodwill	63,333	43,333
Other	53,358	59,379
<b>Total intangible assets</b>	<b>116,692</b>	<b>102,713</b>
Investments and other assets		
Investment securities	5,619,707	6,500,840
Retirement benefit asset	353,157	357,945
Deferred tax assets	420	209
Other	193,660	129,806
<b>Total investments and other assets</b>	<b>6,166,945</b>	<b>6,988,802</b>
<b>Total non-current assets</b>	<b>24,754,468</b>	<b>27,534,980</b>
<b>Total assets</b>	<b>52,836,735</b>	<b>54,636,965</b>

(Thousands of yen)

	FY11/22 (As of November 30, 2022)	FY11/23 (As of November 30, 2023)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	4,522,059	3,802,732
Current portion of bonds payable	25,000	25,000
Current portion of long-term borrowings	1,795,832	1,728,157
Accounts payable-other	1,066,907	814,077
Income taxes payable	1,036,437	234,679
Contract liabilities	3,225	14,130
Provision for bonuses for directors (and other officers)	34,715	15,590
Other	685,491	463,683
<b>Total current liabilities</b>	<b>9,169,669</b>	<b>7,098,050</b>
Non-current liabilities		
Bonds payable	25,000	-
Long-term borrowings	1,736,327	3,169,849
Deferred tax liabilities	410,366	628,650
Provision for share awards for directors (and other officers)	10,591	21,107
Other	90,405	90,085
<b>Total non-current liabilities</b>	<b>2,272,690</b>	<b>3,909,693</b>
<b>Total liabilities</b>	<b>11,442,359</b>	<b>11,007,743</b>
Net assets		
Shareholders' equity		
Share capital	3,600,295	3,600,295
Capital surplus	3,513,544	3,511,017
Retained earnings	33,861,607	35,954,913
Treasury shares	(2,123,303)	(2,709,700)
<b>Total shareholders' equity</b>	<b>38,852,143</b>	<b>40,356,525</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,913,210	2,514,638
Foreign currency translation adjustment	78,564	125,461
Remeasurements of defined benefit plans	(17,619)	(12,589)
<b>Total accumulated other comprehensive income</b>	<b>1,974,155</b>	<b>2,627,510</b>
Non-controlling interests	568,076	645,186
<b>Total net assets</b>	<b>41,394,375</b>	<b>43,629,221</b>
<b>Total liabilities and net assets</b>	<b>52,836,735</b>	<b>54,636,965</b>



**(2) Consolidated Statements of Income and Comprehensive Income**Consolidated Statement of Income

(Thousands of yen)

	FY11/22 (December 1, 2021 To November 30, 2022)	FY11/23 (December 1, 2022 To November 30, 2023)
Net sales	32,236,826	28,907,186
Cost of sales	21,947,772	20,947,756
Gross profit	10,289,053	7,959,430
Selling, general and administrative expenses	4,354,525	4,382,266
Operating profit	5,934,528	3,577,163
Non-operating income		
Interest income	1,263	1,693
Dividend income	198,199	165,779
Foreign exchange gains	110,759	34,225
Insurance income	-	72,590
Insurance premiums refunded cancellation	34,383	-
Other	107,895	39,501
Total non-operating income	452,500	313,791
Non-operating expenses		
Interest expenses	5,915	7,336
Commission for purchase of treasury stock	13,948	3,241
Loss on investments in partnership	181	2,521
Other	1,835	46
Total non-operating expenses	21,881	13,146
Ordinary profit	6,365,146	3,877,808
Extraordinary income		
Gain on sales of non-current assets	426,995	873
Gain on sales of investment securities	35,769	586,542
Total extraordinary income	462,764	587,415
Extraordinary losses		
Loss on sales of non-current assets	207	1,889
Loss on retirement of non-current assets	18,493	7,726
Total extraordinary losses	18,701	9,615
Profit before income taxes	6,809,209	4,455,607
Income taxes-current	2,087,265	1,146,055
Income taxes-deferred	(103,190)	(51,393)
Total income taxes	1,984,075	1,094,661
Profit	4,825,134	3,360,946
Profit attributable to non-controlling interests	99,232	89,959
Profit attributable to owners of parent	4,725,901	3,270,986

Consolidated Statement of Comprehensive Income

	(Thousands of yen)	
	FY11/22 (December 1, 2021 To November 30, 2022)	FY11/23 (December 1, 2022 To November 30, 2023)
Profit	4,825,134	3,360,946
Other comprehensive income		
Valuation difference on available-for-sale securities	(184,721)	606,749
Foreign currency translation adjustment	45,327	46,897
Remeasurements of defined benefit plans, net of tax	158,917	5,146
Total other comprehensive income	19,523	658,792
Comprehensive income (millions of yen)	4,844,658	4,019,738
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,738,422	3,924,341
Comprehensive income attributable to non-controlling interests	106,235	95,397

**(3) Consolidated Statement of Changes in Equity**

FY11/22 (December 1, 2021, to November 30, 2022)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,600,295	3,512,539	30,004,244	(433,016)	36,684,063
Cumulative effect of changes in accounting policies			274,088		274,088
Restated balance	3,600,295	3,512,539	30,278,333	(433,016)	36,958,151
Changes during period					
Dividends of surplus			(1,142,627)		(1,142,627)
Profit attributable to owners of parent			4,725,901		4,725,901
Purchase of treasury shares				(1,699,127)	(1,699,127)
Disposal of treasury shares		1,004		8,840	9,845
Net changes in items other than shareholders' equity					
Total changes during period	-	1,004	3,583,274	(1,690,287)	1,893,991
Balance at end of period	3,600,295	3,513,544	33,861,607	(2,123,303)	38,852,143

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,101,591	33,236	(173,194)	1,961,634	479,361	39,125,059
Cumulative effect of changes in accounting policies						274,088
Restated balance	2,101,591	33,236	(173,194)	1,961,634	479,361	39,399,147
Changes during period						
Dividends of surplus						(1,142,627)
Profit attributable to owners of parent						4,725,901
Purchase of treasury shares						(1,699,127)
Disposal of treasury shares						9,845
Net changes in items other than shareholders' equity	(188,381)	45,327	155,574	12,520	88,715	101,236
Total changes during period	(188,381)	45,327	155,574	12,520	88,715	1,995,228
Balance at end of period	1,913,210	78,564	(17,619)	1,974,155	568,076	41,394,375

FY11/23 (from December 1, 2022 to November 30, 2023)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,600,295	3,513,544	33,861,607	(2,123,303)	38,852,143
Cumulative effect of changes in accounting policies					-
Restated balance	3,600,295	3,513,544	33,861,607	(2,123,303)	38,852,143
Changes during period					
Dividends of surplus			(1,177,680)		(1,177,680)
Profit attributable to owners of parent			3,270,986		3,270,986
Purchase of treasury shares				(598,924)	(598,924)
Disposal of treasury shares		(2,527)		12,527	10,000
Net changes in items other than shareholders' equity					
Total changes during period	-	(2,527)	2,093,306	(586,397)	1,504,381
Balance at end of period	3,600,295	3,511,017	35,954,913	(2,709,700)	40,356,525

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,913,210	78,564	(17,619)	1,974,155	568,076	41,394,375
Cumulative effect of changes in accounting policies						-
Restated balance	1,913,210	78,564	(17,619)	1,974,155	568,076	41,394,375
Changes during period						
Dividends of surplus						(1,177,680)
Profit attributable to owners of parent						3,270,986
Purchase of treasury shares						(598,924)
Disposal of treasury shares						10,000
Net changes in items other than shareholders' equity	601,428	46,897	5,029	653,355	77,109	730,464
Total changes during period	601,428	46,897	5,029	653,355	77,109	2,234,846
Balance at end of period	2,514,638	125,461	(12,589)	2,627,510	645,186	43,629,221

**(4) Consolidated Statement of Cash Flows**

	(Thousands of yen)	
	FY11/22 (December 1, 2021 To November 30, 2022)	FY11/23 (December 1, 2022 To November 30, 2023)
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,809,209	4,455,607
Depreciation	2,284,165	2,428,049
Amortization of goodwill	19,999	19,999
Increase (decrease) in allowance for doubtful accounts	1,228	(2,593)
Increase (decrease) in provision for bonuses for directors (and other officers)	(38,485)	(19,125)
Increase (decrease) in provision for share awards for directors (and other officers)	10,591	10,516
Decrease (increase) in retirement benefit asset	22,010	2,616
Interest and dividend income	(199,462)	(167,473)
Insurance income	-	(72,590)
Interest expenses	5,915	7,336
Foreign exchange losses (gains)	(109,566)	(12,605)
Loss (gain) on sales of non-current assets	(426,787)	1,016
Loss on retirement of non-current assets	18,493	7,726
Gain (loss) on investments in partnership (gain on △)	181	2,521
Loss (gain) on sales of investment securities	(35,769)	(586,542)
Decrease (increase) in trade receivables and contract assets	402,169	1,224,702
Decrease (increase) in inventories	(1,507,738)	345,287
Increase (decrease) in trade payables	293,262	(738,719)
Other	(326,013)	(846,991)
Subtotal	7,223,406	6,058,740
Interest and dividends received	156,878	167,474
Interest paid	(5,401)	(7,597)
Insurance received	-	72,590
Income taxes (paid) refund	(2,647,736)	(1,920,643)
Cash flows from operating activities	4,727,146	4,370,564
<b>Cash flows from investing activities</b>		
Payments into time deposits	(330,000)	-
Proceeds from withdrawal of time deposits	630,000	30,000
Purchase of property, plant and equipment	(5,500,648)	(4,708,033)
Proceeds from sales of property, plant and equipment	434,250	2,253
Purchase of intangible assets	(15,975)	(29,029)
Purchase of investment securities	(298,709)	(90,000)
Proceeds from sales of investment securities	61,971	667,267
Proceeds from liquidation of subsidiaries and associates	54,116	-
Purchase of insurance funds	(1,192)	-
Proceeds from maturity of insurance funds	118,208	-
Other	(4,538)	472
Cash flows from investing activities	(4,852,517)	(4,127,070)

	(Thousands of yen)	
	FY11/22 (December 1, 2021 To November 30, 2022)	FY11/23 (December 1, 2022 To November 30, 2023)
Cash flows from financing activities		
Proceeds from long-term borrowings	2,300,000	3,300,000
Repayments of long-term borrowings	(1,022,224)	(1,934,152)
Proceeds from issuance of bonds	50,000	-
Redemption of bonds	-	(25,000)
Repayments of lease obligations	(18,904)	(18,884)
Purchase of treasury shares	(1,713,076)	(602,166)
Dividends paid	(1,142,627)	(1,177,680)
Dividends paid to non-controlling interests	(17,520)	(18,288)
Cash flows from financing activities	(1,564,352)	(476,171)
Effect of exchange rate change on cash and cash equivalents	160,534	58,945
Net increase (decrease) in cash and cash equivalents	(1,529,189)	(173,732)
Cash and cash equivalents at beginning of period	9,593,730	8,064,541
Cash and cash equivalents at end of period	8,064,541	7,890,809

**(5)Notes to Consolidated Financial Statements**Going Concern Assumption

Not applicable.

Changes in Accounting Policies

(Application of the Accounting Standard for Fair Value Measurement, etc.)

The Company will apply the "Implementation Guidance on Accounting Standard for Calculation of Market Value" (ASBJ Guidance No. 31, June 17, 2021; hereinafter referred to as the "Guidance on Accounting Standard for Market Value Calculation") from the beginning of the fiscal year under review, and apply the new accounting policy stipulated by the Implementation Guidance on Accounting Standard for Market Value Calculation in accordance with the transitional treatment stipulated in Article 27-2 of the Guidance on Accounting Standard for Market Value Calculation in the future. The application has no impact on the consolidated financial statements.

Changes in Presentation Method

(Consolidated Statements of Income)

"Loss on investments in partnerships," which was included in "Other" under "Non-operating expenses" in the previous fiscal year, is presented separately because it exceeded 10/100 of the total amount of non-operating expenses. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, 2,017 thousand yen presented as "Other" under "Non-operating expenses" in the Consolidated Statement of Income for the previous fiscal year has been reclassified as "181 thousand yen loss on investments in partnerships" and "1,835 thousand yen other".

(Consolidated Statements of Cash Flows)

In the previous fiscal year, "Profit and loss from investment partnership operations" (gain), which was included in "Other" under "Cash flows from operating activities," will be reported separately from the current fiscal year due to its increased importance. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

Consequently, (325,831) thousand yen, which was presented as "Other" under "Cash flows from operating activities" in the consolidated statements of cash flows for the previous fiscal year, has been reclassified as "Result (gain) on investments in partnerships" 181 thousand yen and "Other" (326,013) thousand yen.

Segment and Other Information**【Segment information】****1 Overview of reportable segment**

Segments used for financial reporting are the constituent units of Osaka Organic Chemical Industry and its subsidiaries for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

Acrylic acid esters are the main product of the Group. Consequently, there are three reportable segments based on the categories of products and markets where these esters are used: chemical products, electronics materials and specialty chemicals.

The main businesses of these three segments are as follows.

Segment	Main businesses
Chemical products	Specialty acrylates and acrylic acid for coatings, adhesives and inks
Electronics materials	Electronics materials primarily for displays and semiconductors
Specialty chemicals	Raw materials for cosmetics and functional materials, others

**2 Calculation method for net sales and profit or loss, assets, and other items for each reportable segment**

The accounting methods used for reportable business segments are generally the same as the descriptions in "Significant matters that serve as the basis for preparation of consolidated financial statements."

Profits for reportable segments are operating profit figures. Inter-segment sales and transfers are based on market prices.

### 3 Information on the amounts of sales, profits or losses, assets, liabilities, and other items by reportable segment and information on disaggregation of revenue

FY11/22 (December 1, 2021, to November 30, 2022)

(Thousands of yen)

	Reportable segment				Adjustment (NOTE 1)	Amounts shown on consolidated financial statements (NOTE 2)
	Chemical products	Electronics materials	Specialty chemicals	Total		
Net sales						
Japan	7,309,311	13,550,908	5,002,618	25,862,838	-	25,862,838
Asia and Australia	2,637,045	1,611,307	871,029	5,119,382	-	5,119,382
Americas	656,025	58,724	90,570	805,320	-	805,320
Europe	437,012	-	12,271	449,284	-	449,284
From Contracts with Customers Revenue	11,039,396	15,220,939	5,976,490	32,236,826	-	32,236,826
Other revenues	-	-	-	-	-	-
External sales	11,039,396	15,220,939	5,976,490	32,236,826	-	32,236,826
Inter-segment sales and transfers	-	-	384,844	384,844	(384,844)	-
Total	11,039,396	15,220,939	6,361,334	32,621,670	(384,844)	32,236,826
Segment profit	813,908	3,800,093	1,299,412	5,913,414	21,113	5,934,528
Segment assets	6,954,765	18,279,659	4,933,778	30,168,203	22,668,532	52,836,735
Other items						
Depreciation	611,760	1,334,799	337,606	2,284,165	-	2,284,165
Amortization of goodwill	-	-	19,999	19,999	-	19,999
Increase in property, plant and equipment and intangible assets	84,495	269,986	597,443	951,925	217,770	1,169,696

Notes: 1. Adjustments are as follows.

(1) Segment profit in the above adjustment represents eliminations for inter-segment transactions.

(2) The adjustment to segment assets includes 107,493 thousand yen in elimination of inter-segment receivables, 22,857,538 thousand yen of corporate assets that cannot be allocated to reportable segments, and inventory adjustments of 81,512 thousand yen. Corporate assets mainly include cash and deposits and investment securities that cannot be attributed to reportable segments.

(3) The amount of adjustment to increase in property, plant and equipment and intangible assets in other items represents corporate assets that have not been allocated to reportable segments.

2. Segment profit is adjusted to be consistent with the operating profit on the consolidated statement of income.



FY11/23 (from December 1, 2022 to November 30, 2023)

(Thousands of yen)

	Reportable segment				Adjustment (NOTE 1)	Amounts shown on consolidated financial statements (NOTE 2)
	Chemical products	Electronics materials	Specialty chemicals	Total		
Net sales						
Japan	5,963,459	11,083,253	4,710,929	21,757,642	-	21,757,642
Asia and Australia	2,869,334	1,640,402	1,000,430	5,510,167	-	5,510,167
Americas	894,700	53,559	110,816	1,059,076	-	1,059,076
Europe	574,104	60	6,135	580,300	-	580,300
From Contracts with Customers Revenue	10,301,599	12,777,275	5,828,311	28,907,186	-	28,907,186
Other revenues	-	-	-	-	-	-
External sales	10,301,599	12,777,275	5,828,311	28,907,186	-	28,907,186
Inter-segment sales and transfers	-	-	404,498	404,498	(404,498)	-
Total	10,301,599	12,777,275	6,232,810	29,311,684	(404,498)	28,907,186
Segment profit	947,965	1,663,999	973,719	3,585,684	(8,520)	3,577,163
Segment assets	6,551,702	20,727,563	4,970,262	32,249,527	22,387,437	54,636,965
Other items						
Depreciation	485,335	1,571,399	371,314	2,428,049	-	2,428,049
Amortization of goodwill	-	-	19,999	19,999	-	19,999
Increase in property, plant and equipment and intangible assets	113,804	3,832,372	459,858	4,406,034	207,405	4,613,440

Notes: 1. Adjustments are as follows.

(1) Segment profit in the above adjustment represents eliminations for inter-segment transactions.

(2) The adjustment to segment assets includes 114,773 thousand yen in elimination of inter-segment receivables, 22,596,780 thousand yen of corporate assets that cannot be allocated to reportable segments, and inventory adjustments of 94,569 thousand yen. Corporate assets mainly include cash and deposits and investment securities that cannot be attributed to reportable segments.

(3) The amount of adjustment to increase in property, plant and equipment and intangible assets in other items represents corporate assets that have not been allocated to reportable segments.

2. Segment profit is adjusted to be consistent with the operating profit on the consolidated statement of income.

**Per-share Information**

(Yen)

	FY11/22 (December 1, 2021 To November 30, 2022)	FY11/23 (December 1, 2022 To November 30, 2023)
Net assets per share	1,893.39	2,021.12
Net income per share	216.87	152.94

(NOTE) 1 Diluted net income per share is not presented because there are no latent shares.

2 The basis of calculating the net income per share is as follows

Item	FY11/22 (December 1, 2021 To November 30, 2022)	FY11/23 (December 1, 2022 To November 30, 2023)
Net income per share		
Profit attributable to owners of parent (Thousands of yen)	4,725,901	3,270,986
Amount not attributable to common shareholders (Thousands of yen)	-	-
Profit attributable to owners of parent applicable to common shares (Thousands of yen)	4,725,901	3,270,986
Average number of common shares outstanding during the period (Shares)	21,791,059	21,387,005

**Significant Subsequent Events**

Not applicable.