

# 11-Year Summary of Major Financial and Non-financial Data

\* The "Accounting Standard for Revenue Recognition" is applied from 2022.

Financial indicators	2013/12	2014/12	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	
<b>Fiscal year-end (unit: million yen)</b>												
Sales	135,737	145,858	159,739	168,505	179,738	181,104	189,527	196,045	203,785	152,339	158,344	
Overseas sales	4,722	5,305	5,791	6,734	9,198	9,986	11,309	11,960	13,196	14,054	14,963	
Overseas sales ratio (%)	3.5	3.6	3.6	4.0	5.1	5.5	6.0	6.1	6.5	9.2	9.4	
Total cost of sales	84,979	91,150	101,241	104,870	111,636	113,727	119,109	117,094	121,451	89,870	94,719	
Total selling, general and administrative expenses	45,311	49,864	54,481	58,085	63,645	66,340	66,501	67,535	71,666	55,034	57,254	
Advertising expenses	8,201	8,586	8,997	8,960	9,898	10,579	8,007	7,937	8,100	7,112	6,982	
Personnel expenses	13,260	14,026	15,074	16,295	16,838	17,707	18,478	20,253	20,882	20,685	21,607	
Depreciation	515	466	531	713	929	1,096	1,096	1,123	1,277	1,475	1,728	
Amortization of goodwill	1,707	1,765	1,908	1,908	2,295	2,559	2,596	2,440	1,836	429	119	
Research and development expenses	2,037	2,227	2,328	2,682	2,695	2,900	2,663	2,673	3,172	3,217	3,301	
Operating income	5,446	4,843	4,016	5,549	4,456	1,036	3,916	11,416	10,667	7,434	6,370	
Operating income margin (%)	4.0	3.3	2.5	3.3	2.5	0.6	2.1	5.8	5.2	4.9	4.0	
Net income before income taxes	6,649	5,567	4,306	6,437	5,059	1,960	3,372	7,278	10,963	8,057	6,563	
Net income attributable to owners of parent	2,986	1,705	1,165	3,364	2,205	-142	1,250	3,547	7,142	5,303	4,102	
Cash flows from operating activities	7,026	6,380	3,791	8,089	9,175	369	10,022	24,590	4,814	3,901	7,524	
Cash flows from investing activities	-1,419	-10,422	-5,969	-5,501	-13,995	-1,515	-3,990	-3,168	-3,220	-6,266	-10,135	
Cash flows from financing activities	-4,058	3,489	1,180	-2,216	3,262	-3,203	-4,768	-4,938	-4,610	-4,464	4,893	
Free cash flow	5,607	-4,041	-2,178	2,587	-4,819	-1,146	6,031	21,421	1,594	-2,364	-2,611	
<b>Fiscal year-end (unit: million yen)</b>												
Total property, plant and equipment	17,727	23,879	26,761	28,431	29,643	29,215	28,220	28,030	27,551	29,483	31,383	
Inventory assets	16,865	22,228	23,216	23,159	22,629	23,782	22,507	22,179	27,502	32,253	28,266	
Total intangible assets	14,596	14,450	12,703	12,132	19,256	16,180	13,143	6,268	4,276	5,355	8,774	
Total assets	85,796	101,598	104,448	107,366	118,167	109,309	107,425	119,870	120,715	124,489	132,407	
Total liabilities	37,390	52,017	55,457	58,174	67,638	64,936	63,102	60,046	56,118	56,470	60,406	
Borrowings	5,564	11,452	15,148	15,503	22,254	22,764	20,717	5,290	3,698	2,200	10,000	
Short-term borrowings	1,330	2,240	4,051	4,997	7,859	12,072	13,882	1,756	1,480	1,000	10,000	
Current portion of long-term borrowings	1,408	2,206	3,066	2,667	4,041	3,882	3,284	1,314	1,018	1,200	0	
Long-term borrowings	2,826	7,006	8,030	7,838	10,354	6,809	3,550	2,218	1,200	0	0	
Total net assets	48,406	49,580	48,991	49,192	50,529	44,372	44,322	59,823	64,596	68,018	72,000	
Year-end share price (yen)	3,700	4,015	4,965	4,750	5,680	5,050	5,700	5,820	6,130	5,060	4,570	
<b>Information per share (unit: yen)</b>												
Net income per share	147.86	84.47	57.69	166.60	109.20	-7.06	61.80	170.65	323.76	240.47	185.57	
Net assets per share	2,151.52	2,192.88	2,151.82	2,154.95	2,225.30	1,989.93	1,978.86	2,507.62	2,720.37	2,846.07	3,007.52	
Dividend per share	105.0	110.0	110.0	115.0	115.0	115.0	100.0	115.0	118.0	118.0	118.0	
<b>Profitability and valuation reporting</b>												
Equity ratio (%)	50.6	43.6	41.6	40.5	38.0	36.8	37.3	46.1	49.7	50.4	50.3	
ROE (%)	7.0	3.9	2.7	7.7	5.0	-0.3	3.1	7.4	12.4	8.6	6.3	
ROIC (%)	5.7	3.4	2.6	5.6	3.6	0.3	3.0	10.0	11.3	8.0	5.6	
D/E ratio (times)	0.13	0.27	0.36	0.36	0.50	0.57	0.52	0.10	0.06	0.04	0.15	
DOE (%)	5.0	5.1	5.1	5.3	5.3	5.5	5.0	5.1	4.5	4.2	4.0	
PBR (times)	1.72	1.83	2.31	2.20	2.55	2.54	2.88	2.32	2.25	1.78	1.52	
Dividend payout ratio (%)	71.0	130.2	190.7	69.0	105.3	-1,628.9	161.9	67.4	36.4	49.1	63.6	
Total number of issued shares	20,200,000	20,200,000	20,200,000	20,200,000	20,200,000	20,220,000	20,237,500	22,057,500	22,077,500	22,077,500	22,141,100	
<b>Non-financial indicators (Non-consolidated)</b>												
Number of consolidated employees (Persons)	2,933	3,334	3,396	3,479	4,788	5,047	4,180	4,255	4,522	4,727	4,788	
Number of women in management positions <sup>*1</sup> (Persons)	4	7	13	14	15	16	19	21	28	32	32	
(Ratio of women in management positions <sup>*2</sup> (%))	1.7	2.8	4.9	5.0	4.9	5.3	6.4	7.1	9.2	10.2	11.4	
Annual work hours per person (hours)	—	—	—	—	—	—	—	—	1,756	1,766	1,814	
Paid holiday usage rate <sup>*3</sup> (%)	—	—	—	—	63.3	74.3	73.0	70.4	76.2	79.3	84.9	
Greenhouse gas emissions (Scope 1, 2, 3) <sup>*4</sup> (t-CO <sub>2</sub> )	5,553	5,693	5,785	5,583	7,341	6,297	5,448	5,453	1,035,784	978,120	1,079,694	
Energy usage volumes (GJ)	105,156	107,079	102,512	108,435	134,040	127,678	124,919	130,522	131,721	134,520	115,511	
Water usage volumes (water intake quantity) <sup>*5</sup> (1,000 m <sup>3</sup> )	48.6	43.5	42.6	48.3	77.6	81.2	93.2	103.4	97.5	101.6	98.0	
Industrial waste emission volumes (t)	1,565	1,615	2,709	3,196	2,647	2,285	1,993	2,260	3,202	4,328	3,883	

\*1 Data up to 2022 refers to the number of females in manager-equivalent positions among executive officers (excluding directors, treated as executives up to 2017), full-time employees, and continuous employment contract employees as of December 31 of the relevant fiscal year. Data for 2023 refers to the number of females in manager-equivalent positions among full-time employees as of December 31, 2023.

\*2 Data up to 2022 is calculated as the number of females in manager-equivalent positions among executive officers (excluding directors, treated as executives up to 2017), full-time employees, and continuous employment contract employees as of December 31 of the relevant fiscal year divided by the total number and multiplied by 100%. Data for 2023 is calculated as the number of females in manager-equivalent positions among full-time employees as of December 31, 2023, divided by the total number and multiplied by 100%.

\*3 Calculated as the total number of paid holiday days taken during the relevant fiscal year by all eligible employees, where eligible employees refers to those that have been granted paid holidays during the relevant fiscal year and were employed as of December 31 of the relevant fiscal year (excluding those on leave and seconded employees), divided by the total number of paid holiday days granted during the relevant fiscal year and multiplied by 100%.

\*4 Data prior to 2020 does not include Scope 3, and data for Scope 1 prior to 2018 does not include CFCs from the headquarters. Actual data for Scope 1 and 2 for the period ended December 31, 2023, is calculated using the coefficients following the legal revisions in April 2023.

\*5 Only plants, research facilities, the headquarters, and ActTerra (not including tenant offices)

## Glossary

Term	Explanation
Act For ECO Mark	A mark displayed on products that meet the Earth ECO Standards, Earth Corporation's unique environmental standards.
Customer Service Department	On April 1, 2021, we renamed the Customer Service Office to the Customer Service Department. This department receives direct feedback from customers regarding products and the issues they face on a day-to-day basis, and plays the important role of accurately conveying this feedback to the responsible department. In order to further instill within the Company Earth Corporation's policy of creating a market with customers, this department was transferred to the direct control of the President in 2018.
Earth ECO Standards	Earth Corporation's unique environmental standards for promoting the development of environmentally friendly products. Under the concepts of reducing CO <sub>2</sub> emissions, valuing limited resources, and factoring in every stage through to disposal, we formulated these standards with the explicit goal of achieving six of the 17 SDGs related to the environment and manufacturing.
EMAL	Standing for Eearth Merchandising Action Lady, this acronym refers to employees who create attractive sales floors and engage in in-store sales promotions from a customer perspective. Locally hired in regions throughout Japan, EMAL support the creation of sales floors and sales promotions in consideration of seasonal, weather, and other trends from a customer perspective, and from the standpoint of a consumer from their region of hire.
Environmental Doctor	Staff possessing the latest knowledge on hygiene management and the related high-level technical capabilities. Having acquired knowledge and skills through a proprietary education and training program, and having built up extensive experience at various worksites, these staff diagnose the quality of hygiene management at customer worksites, identify problematic areas, prescribe improvement measures, and offer support for maintaining and improving the safety and security of environments while providing treatment and implementing preventative measures.
Insecticides and repellents	Refers to products intended to exterminate or repel flies, mosquitoes, cockroaches, ticks, and other harmful insects. Despite their extremely high level of safety, however, consumers have tended to believe that insecticides are highly toxic. Moreover, in Japanese, "insecticide" is written using characters meaning "kill," "insect" and "substance." Therefore, in 2017, we began using the term "Mushi-Care" (Insecticides and Repellents in English) to insist on the protection from insects that our products offer to humans. The English name of the segment was also changed from "Insecticides" to "Insecticides and Repellents."
Integrated Environmental Hygiene Management (Total Healthcare System)	A support service for hygiene management provided by Earth Environmental Service Co., Ltd. This integrated, systematic hygiene management support service is tailor-made for each customer based on Earth Corporation's various management systems, as well as our unique technologies and expertise.
Japan MA-T Industrial Association	An open innovation platform that aims to explore the economic benefits of creating an industry from MA-T®, as well as its potential for solving the challenges faced by society.
MA-T System®	Standing for Matching Transformation System®, this oxidation control system is based on an innovative technology developed in Japan. Controlling the strength of activation allows this system to be applied to a wide range of applications, including neutralizing viruses and sterilizing various types of bacteria.
Phase Free	This is the concept that common goods and services should be made in a way that improves quality of life and protects our lifestyles and lives, both during normal times and emergencies (disasters).
SKU	The acronym for Stock Keeping Unit, SKUs are used to classify products into the minimum unit for management purposes. SKUs are used to classify the same product by different sizes and package types, thereby easing ordering and inventory management.
TACO System	The acronym for Tactical Antenna for Consumers' Opinions, this name was chosen given our desire to accumulate feedback from customers with a level of sensitivity equal to that of insect antenna, and to apply this feedback in product strategies. This unique customer service system was designed by Earth Corporation to swiftly and painstakingly respond to consultations and inquiries from customers. It also maintains data on inquiry details collected from customers and retail stores, which we then use to provide better products and services.

## Statement of Authenticity

### On Issuing the Earth Corporation 2024 Integrated Report

**Isao Goji**

Senior Executive Officer and Director General of the Corporate Planning Headquarters

Earth Corporation has provided information on our medium- to long-term initiatives and sustainability efforts through our website and other means. More recently, we published our first-ever integrated report in order to indicate to our investors and other stakeholders our approach to and initiatives for solving problems as we work to create value and achieve sustainable growth. We hope that this integrated report provides a solid understanding of our path to materializing the Earth Group Corporate Philosophy of "We act to live in harmony with the Earth."

## Company Overview

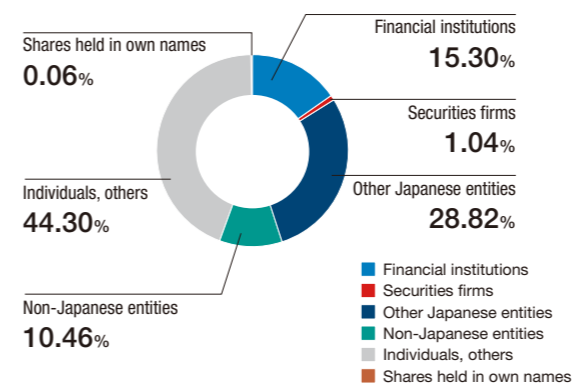
Name	Earth Corporation
Head office location	12-1, Kanda-Tsukasamachi 2 chome, Chiyoda-ku, Tokyo 101-0048, Japan
Founded	April 1, 1892
Established	August 26, 1925
Capital	10,043.62 million yen
Representative	Katsunori Kawabata, Representative Director, President & CEO
Business	Manufacturing, marketing, and import/export of pharmaceutical products, quasi-drugs, medical tools, household products, etc.
Employees (As of December 31, 2023)	Consolidated: 4,788 Non-consolidated: 1,358
URL	<a href="https://corp.earth.jp/en/">https://corp.earth.jp/en/</a>
Audit firm	Ernst & Young ShinNihon LLC

Consolidated Subsidiaries	Domestic	Overseas
	<ul style="list-style-type: none"> <li>BATHCLIN Corporation</li> <li>Hakugen Earth Co., Ltd.</li> <li>Earth Pet Co., Ltd.</li> <li>Earth Environmental Service Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Earth (Thailand) Co., Ltd.</li> <li>Earth Corporation (Shanghai)</li> <li>Earth Corporation (Tianjin)</li> <li>Earth Corporation (Suzhou)</li> <li>Earth Corporation Vietnam</li> <li>EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD.</li> <li>EARTH HOMECARE PRODUCT (PHILIPPINES), INC.</li> </ul>

## Stock Information (As of December 31, 2023)

Listed stock exchange	Prime Market of the Tokyo Stock Exchange
Stock code	4985
Total number of shares authorized to be issued	64,000,000 shares
Total number of shares issued	22,141,100 shares
Number of shareholders	31,849

### Distribution of shares per shareholder type



### Major Shareholders (Top 10 shareholders)

Name or title	Number of shares held	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,228,800	10.07
Otsuka Pharmaceutical Co., Ltd.	2,200,000	9.94
Otsuka Pharmaceutical Factory, Inc.	1,948,500	8.80
Earth Corporation Employee Shareholding Association	1,053,700	4.76
Custody Bank of Japan, Ltd. (Trust Account)	610,900	2.76
Taiho Pharmaceutical Co., Ltd.	600,000	2.71
Otsuka Chemical Co., Ltd.	400,000	1.80
The Chugoku Bank, Ltd.	340,600	1.53
STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS - UNITED KINGDOM	310,179	1.40
HSBC BANK PLC A/C M AND G (ACS) VALUE PARTNERS CHINA EQUITY FUND	290,600	1.31

\* Ratio of shares held compared with the total number of shares issued, excluding treasury shares (14,296 shares)