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## Consolidated Financial Results for the Three Months Ended June 30, 2024 (under Japanese GAAP)

August 7, 2024

Company name: **Sanyo Chemical Industries, Ltd.**  
 Listing: Tokyo Stock Exchange  
 Securities code: 4471  
 URL: <https://www.sanyo-chemical.co.jp/>  
 Representative: Akinori Higuchi, President & CEO  
 Inquiries: Kenichi Nishimura, Director & Executive Officer, General Manager of Administration  
 Division  
 TEL: +81-75-541-4312  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: None  
 Holding of financial results presentation meeting: None

(Figures are rounded down to the nearest million yen)

### 1. Consolidated financial results for the first three months of the fiscal year ending March 31, 2025 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative) (% indicates 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	%
Three months ended								
June 30, 2024	39,654	1.9	2,183	209.8	3,571	25.7	2,402	(18.8)
June 30, 2023	38,914	(12.2)	704	(63.1)	2,842	(33.3)	2,960	16.7

Note: Comprehensive income: Three months ended June 30, 2024 ¥4,278 million [13.0%]  
 Three months ended June 30, 2023 ¥3,787 million [(5.0)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2024	108.80	—
June 30, 2023	134.13	—

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
June 30, 2024	198,817	143,794	71.0	6,394.36
March 31, 2024	205,818	141,577	67.6	6,295.31

Reference: Equity: As of June 30, 2024 ¥141,223 million  
 As of March 31, 2024 ¥139,037 million

## 2. Cash dividends

	Cash dividends per share				
	1Q (as of June 30)	2Q (as of Sept. 30)	3Q (as of Dec. 31)	4Q (as of Mar. 31)	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	85.00	–	85.00	170.00
Fiscal year ending March 31, 2025	–				
Fiscal year ending March 31, 2025 (Forecast)		85.00	–	85.00	170.00

Note: Revisions of the latest forecasts for cash dividends announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(% indicates year-on-year changes)

	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, 2024	75,000	(5.4)	3,000	48.5	4,000	(19.2)	2,500	(43.2)	113.20
Fiscal year ending March 31, 2025	145,000	(9.1)	8,000	63.7	9,500	16.0	2,500	–	113.20

Note: Revisions of the latest forecasts for earnings announced: None

**\* Notes**

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: None
- (2) Application of special accounting methods for the preparation of quarterly consolidated financial statements: Yes

Note: See page 10, “2. Quarterly consolidated financial statements and significant notes thereto, (4) Notes to quarterly consolidated financial statements, Application of special accounting methods for the preparation of quarterly consolidated financial statements” for more information.

- (3) Changes in accounting policies, accounting estimates, and restatements

- a. Changes in accounting policies associated with revised accounting standards, etc.: Yes
- b. Changes in accounting policies other than a. above: None
- c. Changes in accounting estimates: None
- d. Restatements: None

Note: See page 10, “2. Quarterly consolidated financial statements and significant notes thereto, (4) Notes to quarterly consolidated financial statements, Changes in accounting policies” for more information.

- (4) Number of shares issued (common stock)

- a. Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2024	23,534,752 shares
As of March 31, 2024	23,534,752 shares

- b. Number of treasury shares at the end of the period

As of June 30, 2024	1,449,125 shares
As of March 31, 2024	1,448,955 shares

- c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

For the three months ended June 30, 2024	22,085,679 shares
For the three months ended June 30, 2023	22,074,202 shares

Note: Shares of Sanyo Chemical Industries, Ltd. (the “Company”) owned by the trust whose beneficiaries are directors, etc. of the Company are included in the treasury shares that are excluded in calculating the number of treasury shares at the end of the period and the average number of shares outstanding during the period.

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

- \* Appropriate use of earnings forecasts and other special items

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual earnings may differ significantly due to various factors. See page 4, “1. Qualitative information regarding financial results for the three months ended June 30, 2024, (3) Information concerning future forecast such as consolidated earnings forecasts” for more information regarding the circumstances behind the assumptions used in earnings forecasts and matters to be noted when relying on earnings forecasts.

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## 1. Qualitative information regarding financial results for the three months ended June 30, 2024

### (1) Information regarding operating results

During the first three months (April 1, 2024 to June 30, 2024) of the fiscal year ending March 31, 2025, Japanese economy showed a gradual recovery against a backdrop of an improvement in the employment and income environment. In the global economy, while the U.S. economy has remained resilient and the European economy showed a recovery trend, China's economic recovery has lagged due to factors such as deteriorating real estate market conditions. In addition, resource and energy prices remained high and inflationary due to the prolonged situation in Russia and Ukraine and the geopolitical risk, etc. over the Middle East, making the outlook uncertain.

In the chemical industry, the business environment remains unpredictable due to factors including a continued trend of yen depreciation in the forex market, and a continued increasing trend in raw material prices due to yen depreciation, despite oil prices remaining flat.

Under these circumstances, net sales for the period under review increased by 1.9% year on year to ¥39,654 million primarily due to price revision, despite the impact of withdraw from the superabsorbent polymer business, etc. In term of profit, operating profit was ¥2,183 million (an increase of 209.8% year on year) and ordinary profit was ¥3,571 million (an increase of 25.7% year on year), mainly due to an improvement in profitability associated with the abovementioned business withdrawal, as well as a recovery in demand in the automotive industry and the semiconductor field. Profit attributable to owners of parent was ¥2,402 million (a decrease of 18.8% year on year), mainly reflecting the absence of a gain on sale of investment securities recorded in the same period of the previous fiscal year.

### 1) Business performance

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024	Change		FY2023
			(Amount)	(Change)	
Net sales	38,914	39,654	739	1.9%	159,510
Operating profit	704	2,183	1,478	209.8%	4,886
Ordinary profit	2,842	3,571	729	25.7%	8,186
Profit attributable to owners of parent	2,960	2,402	(557)	(18.8)%	(8,501)
Basic earnings per share	¥134.13	¥108.80	¥(25.33)	(18.9)%	¥(384.99)
ROA (Return on assets*)	5.6%	7.1%	–	1.5 percentage point	4.0%
ROE (Return on equity)	8.1%	6.9%	–	(1.2) percentage point	(6.0)%
Currency exchange (US\$, CNY)	US\$=¥137.50 CNY=¥19.57	US\$=¥155.86 CNY=¥21.48		¥18.36 ¥1.91	US\$=¥144.59 CNY=¥20.14
Naphtha price in Japan	¥67,500/kl	¥79,000/kl		¥11,500/kl	¥69,100/kl

\*ROA (Return on assets) is calculated based on ordinary profit.

Note: ROA and ROE for the three months ended June 30, 2023 and 2024 are annualized.

2) Business performance by segment

(Millions of yen)

	Three months ended June 30, 2023		Three months ended June 30, 2024		Change		FY2023	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Toiletries and Health Care	11,278	(586)	10,832	(32)	(446)	554	45,895	(1,421)
Petroleum and Automotives	11,862	392	12,780	1,095	918	703	50,479	2,819
Plastics and Textiles	6,287	591	6,990	680	703	88	25,235	2,367
Information and Electrics/Electronics	5,864	523	5,427	668	(437)	144	22,870	1,831
Environmental Protection, Construction and Others	3,622	130	3,623	59	0	(71)	15,030	539

<Toiletries and Health Care>

In the Toiletries segment, both the domestic and global markets for polyethyleneglycol recovered, causing a rise in sales.

In the Health Care segment, sales declined significantly as a result of withdraw from the superabsorbent polymer business.

As a result, total net sales in this segment decreased by 4.0% year on year, to ¥10,832 million. Operating loss improved and was ¥32 million (compared to operating loss of ¥586 million during the same period of the previous fiscal year).

<Petroleum and Automotives>

In the Petroleum and Automotives segment, sales performed favorably, due to an increase in sales of lubricant additives driven by a recovery in demand and sales of polyurethane beads for interior parts of automobiles, despite flat sales of raw materials for polyurethane foams used in automobile seats and other applications due to the inflow of low-cost products from overseas in spite of a recovery trend in automobile production.

As a result, total net sales in this segment increased by 7.7% year on year, to ¥12,780 million. Operating profit was ¥1,095 million (an increase of 179.0% year on year).

<Plastics and Textiles>

In the Plastics segment, sales increased because sales of permanent antistatic agents grew due to a recovery in demand for semiconductors and electronic components and sales of paint coating agents and additives were also favorable.

In the Textiles segment, sales were brisk due to a sharp increase in sales of spin finish oil used in the manufacturing process of tire cord yarns following a recovery in automobile production, despite sluggish sales of chemicals for carbon fibers used in wind turbines for wind power generation.

As a result, total net sales in this segment increased by 11.2% year on year, to ¥6,990 million. Operating profit was ¥680 million (an increase of 14.9% year on year).

<Information and Electrics/Electronics>

In the Information segment, sales decreased significantly, reflecting weak sales of polymerization toner-related materials, mainly due to the withdrawal from production operations in China, despite a recovery trend in demand for toner resins.

In the Electrics/Electronics segment, sales of electrolyte for aluminum electrolytic capacitors remained sluggish due to underperformance in its consumer applications. However, the recovery of the semiconductor market drove increased sales of related materials, and sales increased.

As a result, total net sales in this segment decreased by 7.5% year on year, to ¥5,427 million. Operating profit was ¥668 million (an increase of 27.5% year on year).

<Environmental Protection, Construction and Others>

In the Environmental Protection segment, sales were flat due to sluggish market conditions for cationic monomer for polymer flocculants.

In the Construction segment, sales were flat, as a slump in sales of cement agents was offset by brisk performance in sales of raw materials for building sealants.

As a result, total net sales in this segment increased by 0.0% year on year, to ¥3,623 million. Operating profit was ¥59 million (a decrease of 54.7% year on year).

(2) Analysis of financial position

The Group's financial position at the end of the period under review was as follows:

Total assets decreased by ¥7,000 million compared with the end of the previous fiscal year, amounting to ¥198,817 million.

Net assets increased by ¥2,216 million from the end of the previous fiscal year, to ¥143,794 million.

Equity ratio rose by 3.4 percentage points from the end of the previous fiscal year, to 71.0%.

Cash and cash equivalents ("cash") as of the end of the period under review amounted to ¥21,158 million.

This marked a decrease of ¥6,030 million compared with the end of the previous fiscal year (cash increased by ¥610 million during the same period of the previous fiscal year).

The cash flow movements during the period under review and the factors influencing them were as follows:

*Cash flows from operating activities*

Net cash provided by operating activities amounted to ¥1,947 million (compared to ¥2,769 million in net cash provided during the same period of the previous fiscal year). This result was mainly due to the cash inflow from profit before income taxes of ¥3,535 million, depreciation of ¥2,534 million and the decrease in inventories of ¥1,836 million, which outweighed the cash outflow mainly from payment for business restructuring of ¥3,509 million and income taxes paid of ¥1,198 million.

*Cash flows from investing activities*

Net cash used in investing activities amounted to ¥2,049 million (compared to ¥732 million in net cash used during the same period of the previous fiscal year). This result was mainly due to a cash outlay of ¥2,040 million for purchase of non-current assets.

*Cash flows from financing activities*

Net cash used in financing activities amounted to ¥6,451 million (compared to ¥1,777 million in net cash used during the same period of the previous fiscal year). This result was mainly due to the cash outflow from net decrease in short-term borrowings of ¥4,365 million and dividends paid of ¥1,855 million.

(3) Information concerning future forecast such as consolidated earnings forecasts

Due to its steady earnings for the period under review, the Company has left its half-year and full-year consolidated earnings forecasts announced on May 14, 2024 unchanged. The rates of progress made during the period under review in comparison to the half-year and full-year consolidated earnings forecasts are shown in the table below.

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Half-year consolidated earnings forecasts	75,000	3,000	4,000	2,500
[Progress to forecasts (%)]	[52.9]	[72.8]	[89.3]	[96.1]
Full-year consolidated earnings forecasts	145,000	8,000	9,500	2,500
[Progress to forecasts (%)]	[27.3]	[27.3]	[37.6]	[96.1]

\* These earnings forecasts were based on information available at the time of announcement. Actual earnings may differ due to various factors occurring in the future.

## 2. Quarterly consolidated financial statements and significant notes thereto

### (1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	27,240	21,265
Notes and accounts receivable - trade	44,967	44,740
Electronically recorded monetary claims - operating	492	491
Merchandise and finished goods	19,842	18,121
Semi-finished goods	5,082	5,297
Work in process	350	212
Raw materials and supplies	5,859	6,104
Other	2,576	2,694
Allowance for doubtful accounts	(484)	(476)
Total current assets	105,929	98,449
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	16,003	16,171
Machinery, equipment and vehicles, net	22,266	22,443
Land	8,869	8,907
Construction in progress	1,936	1,270
Other, net	2,401	2,333
Total property, plant and equipment	51,477	51,127
Intangible assets		
Software	6,348	6,086
Other	1,214	1,225
Total intangible assets	7,563	7,312
Investments and other assets		
Investment securities	30,701	31,812
Long-term loans receivable	3,545	3,403
Deferred tax assets	417	473
Retirement benefit asset	3,672	3,691
Other	2,541	2,578
Allowance for doubtful accounts	(30)	(31)
Total investments and other assets	40,848	41,928
Total non-current assets	99,889	100,367
Total assets	205,818	198,817



(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	23,849	24,310
Electronically recorded obligations - operating	4,911	5,339
Short-term borrowings	8,682	4,522
Current portion of long-term borrowings	505	530
Accounts payable - other	8,491	4,336
Income taxes payable	1,384	1,047
Provision for bonuses	2,064	996
Provision for bonuses for directors (and other officers)	36	22
Electronically recorded obligations - non-operating	557	1,009
Other	3,035	3,051
Total current liabilities	53,519	45,166
Non-current liabilities		
Long-term borrowings	1,516	1,592
Deferred tax liabilities	2,938	3,063
Provision for share-based payments	431	282
Retirement benefit liability	102	109
Provision for business restructuring	4,706	4,006
Other	1,026	802
Total non-current liabilities	10,720	9,856
Total liabilities	64,240	55,023
<b>Net assets</b>		
Shareholders' equity		
Share capital	13,051	13,051
Capital surplus	13,270	13,270
Retained earnings	99,488	100,005
Treasury shares	(5,675)	(5,676)
Total shareholders' equity	120,134	120,650
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,584	12,097
Foreign currency translation adjustment	5,978	7,160
Remeasurements of defined benefit plans	1,339	1,314
Total accumulated other comprehensive income	18,902	20,572
Non-controlling interests	2,540	2,571
Total net assets	141,577	143,794
Total liabilities and net assets	205,818	198,817

(2) Consolidated statements of income and consolidated statements of comprehensive income  
Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	38,914	39,654
Cost of sales	32,193	31,381
Gross profit	6,721	8,272
Selling, general and administrative expenses	6,016	6,089
Operating profit	704	2,183
Non-operating income		
Interest income	42	63
Dividend income	443	483
Rental income from real estate	34	22
Foreign exchange gains	1,672	569
Share of profit of entities accounted for using equity method	28	317
Other	32	54
Total non-operating income	2,254	1,511
Non-operating expenses		
Interest expenses	38	33
Rental costs on real estate	17	16
Other	61	72
Total non-operating expenses	116	123
Ordinary profit	2,842	3,571
Extraordinary income		
Gain on sale of investment securities	1,735	–
Other	–	110
Total extraordinary income	1,735	110
Extraordinary losses		
Loss on retirement of non-current assets	244	137
Loss on valuation of investment securities	–	8
Total extraordinary losses	244	146
Profit before income taxes	4,333	3,535
Income taxes	1,270	945
Profit	3,062	2,590
Profit attributable to non-controlling interests	101	187
Profit attributable to owners of parent	2,960	2,402

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	3,062	2,590
Other comprehensive income		
Valuation difference on available-for-sale securities	200	513
Foreign currency translation adjustment	537	1,199
Remeasurements of defined benefit plans, net of tax	(12)	(25)
Total other comprehensive income	724	1,688
Comprehensive income	3,787	4,278
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,652	4,073
Comprehensive income attributable to non-controlling interests	134	205

## (3) Consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	4,333	3,535
Depreciation	2,675	2,534
Loss on retirement of non-current assets	244	137
Increase (decrease) in provision for bonuses	(877)	(1,075)
Increase (decrease) in retirement benefit asset and liability	(28)	(53)
Increase (decrease) in provision for bonuses for directors (and other officers)	(62)	(13)
Increase (decrease) in provision for share-based payments	(31)	(149)
Interest and dividend income	(486)	(547)
Interest expenses	38	33
Share of loss (profit) of entities accounted for using equity method	(28)	(317)
Loss (gain) on sale of investment securities	(1,735)	–
Loss (gain) on valuation of investment securities	–	8
Decrease (increase) in trade receivables	1,459	591
Decrease (increase) in inventories	873	1,836
Increase (decrease) in trade payables	(902)	547
Other, net	(2,082)	(1,017)
Subtotal	3,388	6,051
Interest and dividends received	706	648
Interest paid	(39)	(44)
Income taxes paid	(1,286)	(1,198)
Payment for business restructuring	–	(3,509)
Net cash provided by (used in) operating activities	2,769	1,947
Cash flows from investing activities		
Purchase of non-current assets	(1,718)	(2,040)
Proceeds from sale of investment securities	1,764	–
Proceeds from collection of loans receivable	73	141
Other, net	(851)	(150)
Net cash provided by (used in) investing activities	(732)	(2,049)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	302	(4,365)
Net decrease (increase) in treasury shares	(0)	(0)
Dividends paid	(1,852)	(1,855)
Dividends paid to non-controlling interests	(175)	(175)
Other, net	(51)	(55)
Net cash provided by (used in) financing activities	(1,777)	(6,451)
Effect of exchange rate change on cash and cash equivalents	350	523
Net increase (decrease) in cash and cash equivalents	610	(6,030)
Cash and cash equivalents at beginning of period	17,042	27,188
Cash and cash equivalents at end of period	17,653	21,158

(4) Notes to quarterly consolidated financial statements

*Notes to going concern assumptions*

None

*Notes on significant changes in the amount of shareholders' equity*

None

*Application of special accounting methods for the preparation of quarterly consolidated financial statements*

After applying tax effect accounting to profit before income taxes for the fiscal year, which includes the first quarter under review, the Company makes a reasonable estimate of the effective tax rate and multiply the profit before income taxes by that estimated effective tax rate. Furthermore, income tax adjustments are included in the presentation of income taxes.

*Changes in accounting policies*

(Application of Accounting Standard for Current Income Taxes, etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022") and other relevant ASBJ regulations from the start of the first quarter under review.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022, and the transitional treatment in the proviso of paragraph 65-2 (2) of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; the "Revised Guidance of 2022").

Furthermore, there is no impact on the quarterly consolidated financial statements from this change in accounting policy.

In addition, for revisions concerning the review of the treatment in the consolidated financial statements when a gain or loss on the sale of the shares of subsidiaries, etc., between consolidated companies is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the start of the first quarter under review. This change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements for the same period of the previous fiscal year and consolidated financial statements for the previous fiscal year reflect the change. There is no impact on the quarterly consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year from this change in accounting policy.

Notes on segment information, etc.

[Segment information]

I Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

Information regarding net sales, profit or loss by reportable segment

(Millions of yen)

	Reportable Segment						Adjustment	Total
	Toiletries and Health Care	Petroleum and Automotives	Plastics and Textiles	Information and Electrics/Electronics	Environmental Protection, Construction and Others	Subtotal		
Net sales								
Sales to external customers	11,278	11,862	6,287	5,864	3,622	38,914	–	38,914
Intersegment sales/transfers	–	–	–	–	25	25	(25)	–
Total	11,278	11,862	6,287	5,864	3,647	38,940	(25)	38,914
Segment profit (loss)	(586)	392	591	523	130	1,052	(348)	704

Notes: 1. Company-wide expenses of ¥348 million not allocated to reportable segments are included in the adjustment to segment profit. Company-wide expenses include research and development expenses for new businesses, etc. not belonging to reportable segments.

2. Total amount of segment profit has been adjusted with operating profit in the quarterly consolidated statements of income.

II Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

Information regarding net sales, profit or loss by reportable segment

(Millions of yen)

	Reportable Segment						Adjustment	Total
	Toiletries and Health Care	Petroleum and Automotives	Plastics and Textiles	Information and Electrics/Electronics	Environmental Protection, Construction and Others	Subtotal		
Net sales								
Sales to external customers	10,832	12,780	6,990	5,427	3,623	39,654	–	39,654
Intersegment sales/transfers	–	–	–	–	32	32	(32)	–
Total	10,832	12,780	6,990	5,427	3,656	39,687	(32)	39,654
Segment profit (loss)	(32)	1,095	680	668	59	2,471	(288)	2,183

Notes: 1. Company-wide expenses of ¥288 million not allocated to reportable segments are included in the adjustment to segment profit. Company-wide expenses include research and development expenses for new businesses, etc. not belonging to reportable segments.

2. Total amount of segment profit has been adjusted with operating profit in the quarterly consolidated statements of income.

<Reference>

[Information by geographic segment]

Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or common assets	Consolidated total
Net sales							
(1) Sales to external customers	28,363	2,498	5,431	2,620	38,914	–	38,914
(2) Intersegment sales/transfers	2,272	–	597	165	3,035	(3,035)	–
Total	30,636	2,498	6,028	2,786	41,950	(3,035)	38,914
Operating profit (loss)	834	(28)	(3)	(190)	612	92	704

Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or common assets	Consolidated total
Net sales							
(1) Sales to external customers	27,525	3,030	7,199	1,898	39,654	–	39,654
(2) Intersegment sales/transfers	4,278	14	47	317	4,658	(4,658)	–
Total	31,804	3,045	7,246	2,216	44,313	(4,658)	39,654
Operating profit (loss)	1,908	129	(50)	209	2,196	(13)	2,183

[Overseas net sales]

Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(Millions of yen)

	Asia	[Of which, China]	Americas	Other	Total
I. Overseas net sales	12,939	[6,984]	2,822	987	16,749
II. Consolidated net sales	–	–	–	–	38,914
III. Percentage of overseas net sales to consolidated net sales (%)	33.2	[17.9]	7.3	2.5	43.0

Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(Millions of yen)

	Asia	[Of which, China]	Americas	Other	Total
I. Overseas net sales	14,181	[9,017]	3,297	1,319	18,798
II. Consolidated net sales	–	–	–	–	39,654
III. Percentage of overseas net sales to consolidated net sales (%)	35.8	[22.7]	8.3	3.3	47.4

Notes: 1. The term “overseas net sales” refers to net sales of the Company (non-consolidated) and its consolidated subsidiaries registered in countries and regions outside Japan.

2. Areas included in each country or region are determined based on their degree of proximity.

3. Main countries or regions included in each geographic segment outside Japan

(1) Asia: South Korea, China, Indonesia, India, Thailand, etc.

(2) Americas: USA, Mexico, Brazil, etc.

(3) Other: Australia, Europe, Russia, the Middle East, etc.

### 3. Supplementary information

Trend of quarterly consolidated earnings

Fiscal year ended March 31, 2024

(Millions of yen)

	1Q	2Q	3Q	4Q	Total
	April 2023 to June 2023	July 2023 to September 2023	October 2023 to December 2023	January 2024 to March 2024	April 2023 to March 2024
Net sales	38,914	40,363	42,853	37,378	159,510
Operating profit	704	1,315	2,197	668	4,886
Ordinary profit	2,842	2,105	1,936	1,302	8,186
Profit attributable to owners of parent	2,960	1,437	(1,417)	(11,482)	(8,501)
Comprehensive income	3,787	2,828	(2,724)	(7,291)	(3,399)

Fiscal year ending March 31, 2025

(Millions of yen)

	1Q	Change (%)	
	April 2024 to June 2024	The same period of the previous fiscal year	The previous period
		April 2023 to June 2023	January 2024 to March 2024
Net sales	39,654	1.9	6.1
Operating profit	2,183	209.8	226.5
Ordinary profit	3,571	25.7	174.1
Profit attributable to owners of parent	2,402	(18.8)	—
Comprehensive income	4,278	13.0	—