



"Performance" Through Chemistry

**Material for
Financial Results Presentation
For the Nine Months Ended
December 31, 2024**

Sanyo Chemical Industries, Ltd.

Securities code: 4471

***Sanyo
Chemical***

<Notice>

Yen amounts described in this presentation material are rounded down to the nearest unit.
Other figures such as ratios are rounded off.

<Disclaimer>

This presentation material contains forward-looking statements including projections based on the assumptions, forecasts and plans as of February 4, 2025. Actual results may differ significantly from such projections due to risks and uncertainties relating to changes in the global economy, state of competition, foreign currency exchange rates, trends in raw material costs and other factors.

<Inquiries about IR>

Corporate Governance Dept.
Corporate Planning Division
Sanyo Chemical Industries, Ltd.
E-mail: pr-group@sanyo-chemical.group

Date of Establishment: November 1, 1949

Head Office: Higashiyama-ku, Kyoto-shi

Share Capital: ¥13,051 million

Domestic Branches Offices and Sales & Marketing Offices:

Tokyo, Nagoya, Hiroshima, Fukuoka

Domestic Factories:

Nagoya, Kinuura, Kashima, Kyoto, Kawasaki (San Chemical)

Number of Employees (Consolidated Basis):

1,709 (as of December 31, 2024)

Line of Business:

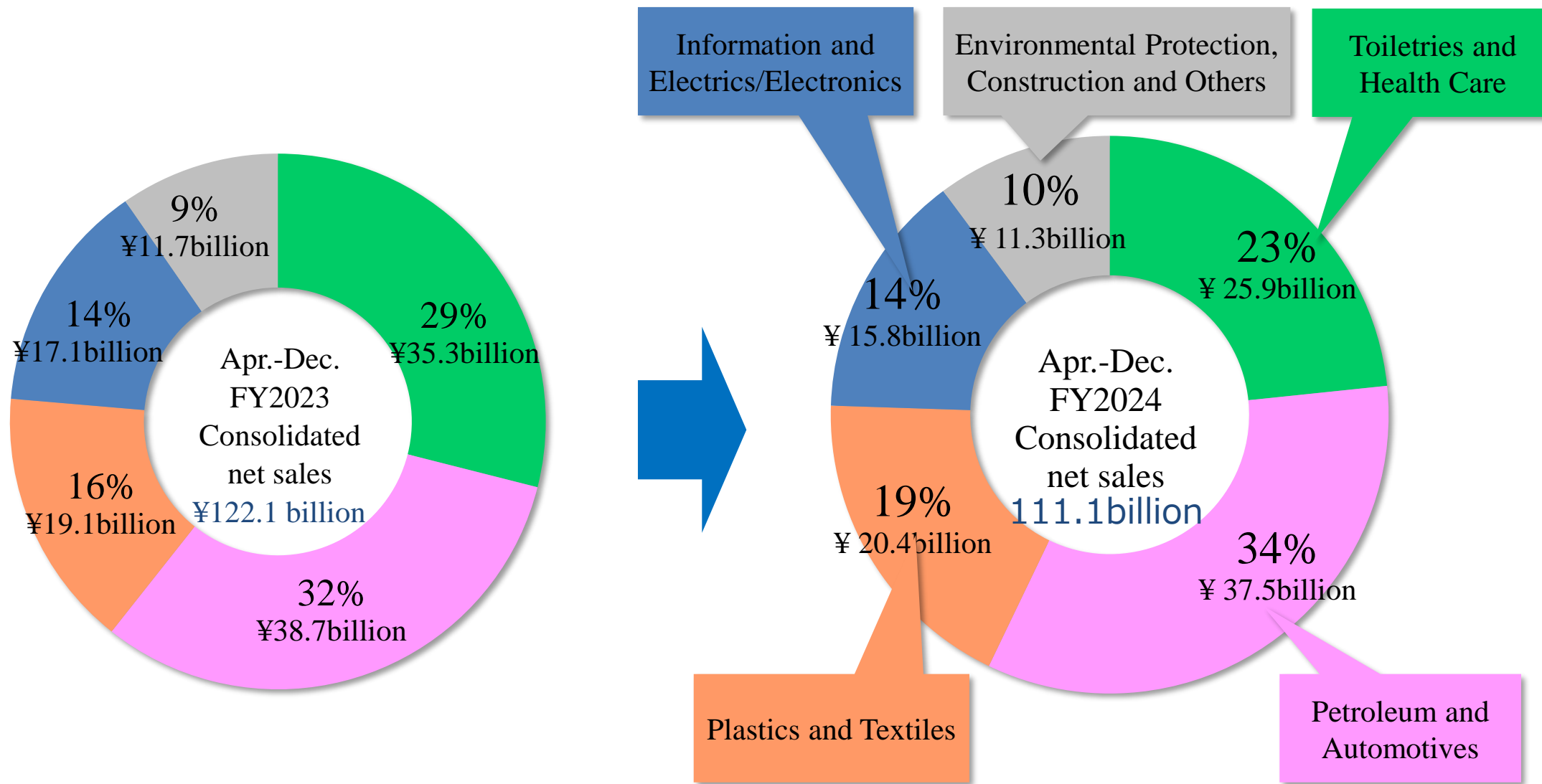
Manufacturing & sales of approx. 3,000 types of performance chemicals

Earnings for Apr.-Dec. FY2024

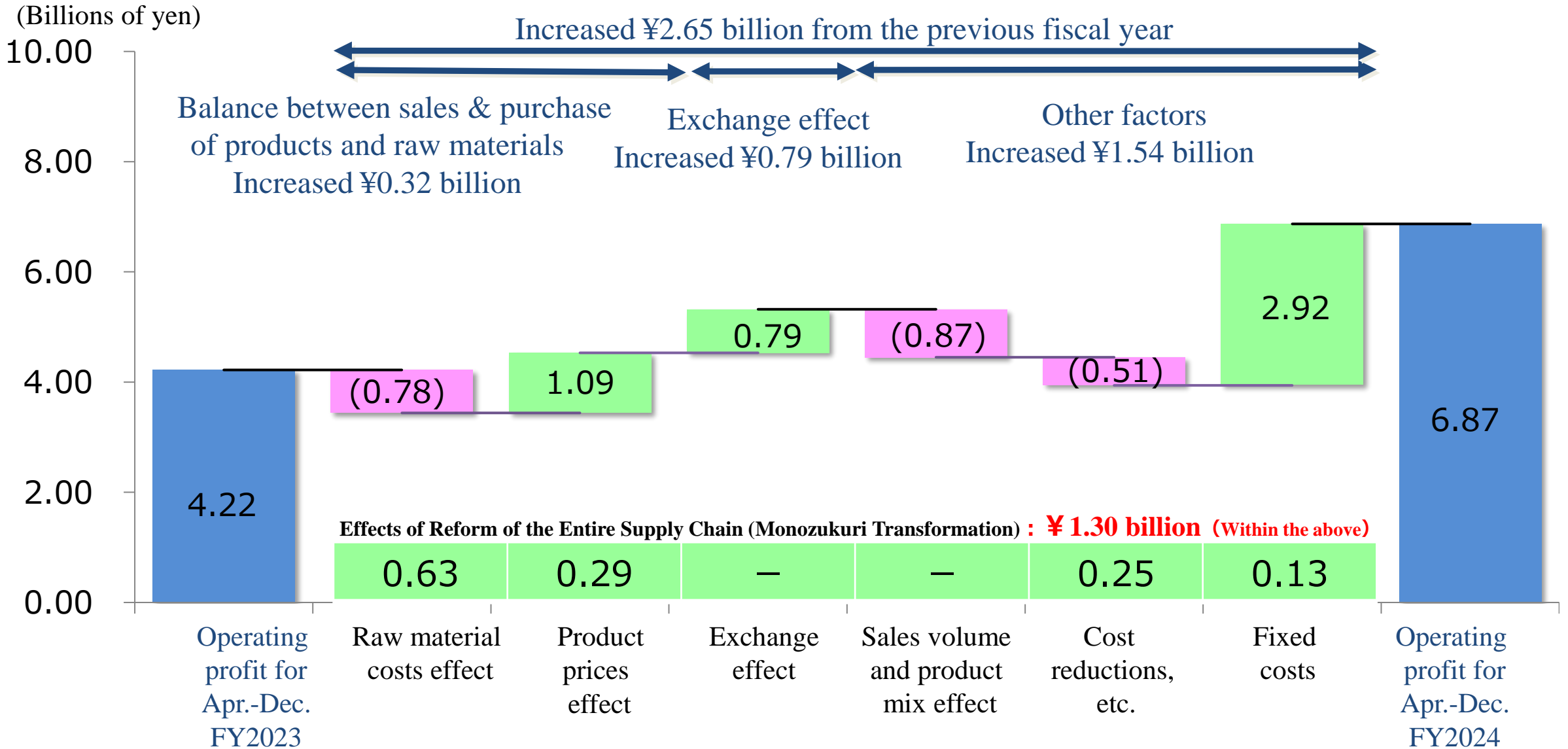
(Billions of yen)

Consolidated	Apr.-Dec. FY2023	Apr.-Dec. FY2024	Year-on-Year Change	
			Amount	Ratio (%)
Net sales	122.13	111.10	(11.02)	(9.0)
Operating profit	4.21	6.87	2.65	62.9
Ordinary profit	6.88	8.58	1.70	24.8
Profit attributable to owners of parent	2.98	3.64	0.65	22.1
Comprehensive income	3.89	1.68	(2.21)	(56.8)

Consolidated Net Sales by Segment



Year-on-Year Change in Consolidated Operating Profit by Factor



Year-on-Year Change in Consolidated Profit by Factor

(Billions of yen)

	Apr.-Dec. FY2023	Apr.-Dec. FY2024	Change amount
Operating profit	4.21	6.87	2.65
Share of profit (loss) of entities accounted for using equity method	0.12	0.72	0.59
Foreign exchange gains (loss)	1.32	0.07	(1.25)
Other non-operating income (loss)	1.21	0.92	(0.29)
Ordinary profit	6.88	8.58	1.70
Gain on sale of investment securities	2.03	0.04	(1.98)
Loss on retirement of non-current assets	(0.94)	(0.46)	0.47
Restructuring charges	-	(1.57)	(1.57)
Impairment losses on non-current assets	(2.97)	(0.30)	2.66
Other extraordinary income (loss)	-	0.02	0.02
Profit before income taxes	5.00	6.30	1.30
Income taxes	(2.26)	(2.10)	0.15
Profit attributable to non-controlling interests	0.24	(0.55)	(0.79)
Profit attributable to owners of parent	2.98	3.64	0.65

Consolidated Balance Sheet

(Billions of yen)

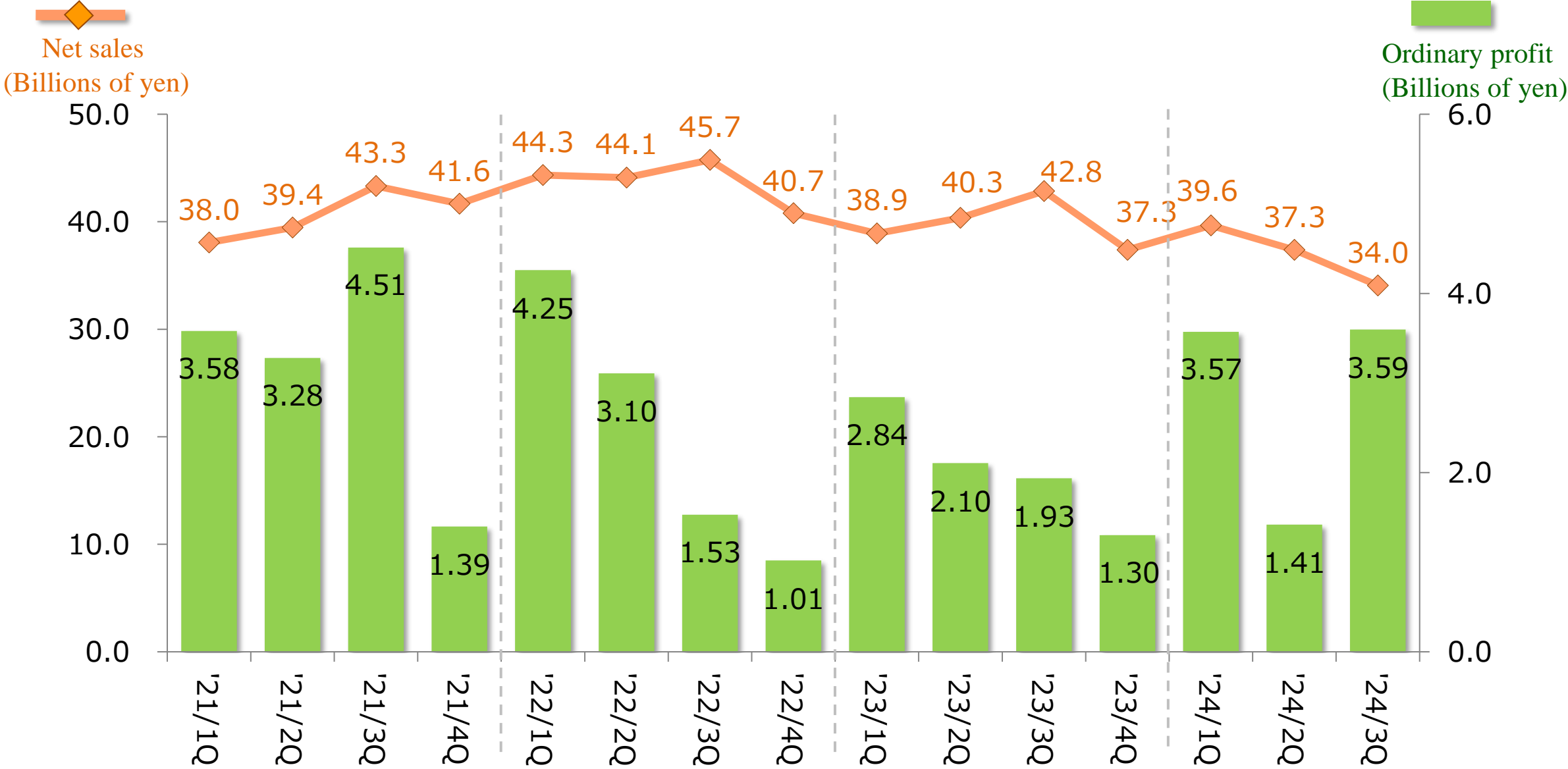
	March 31, 2024	December 31, 2024	Change amount	Main factors for changes
Current assets	105.9	89.5	(16.4)	Cash and deposits: (10.3)、Merchandise and finished goods: (6.2)、Notes and accounts receivable – trade, Electronically recorded monetary claims – operating: (4.4)、Others:6.1
Non-current assets	99.8	94.7	(5.1)	
Total assets	205.8	184.2	(21.5)	
Current liabilities	53.5	37.0	(16.5)	Accounts payable – trade, Electronically recorded obligations - operating: (3.7)、Accrued expenses: (6.7)、Arrears:(4.5)
Non-current liabilities	10.7	8.0	(2.6)	
Total liabilities	64.2	45.0	(19.2)	
Shareholders' equity	120.1	120.1	0.0	Profit:3.6、Cash dividends paid:(3.7)
Other comprehensive income	18.9	16.3	(2.5)	
Non-controlling interests	2.5	2.7	0.2	
Total net assets	141.5	139.2	(2.3)	
Total liabilities and net assets	205.8	184.2	(21.5)	

Consolidated Statements of Cash Flows

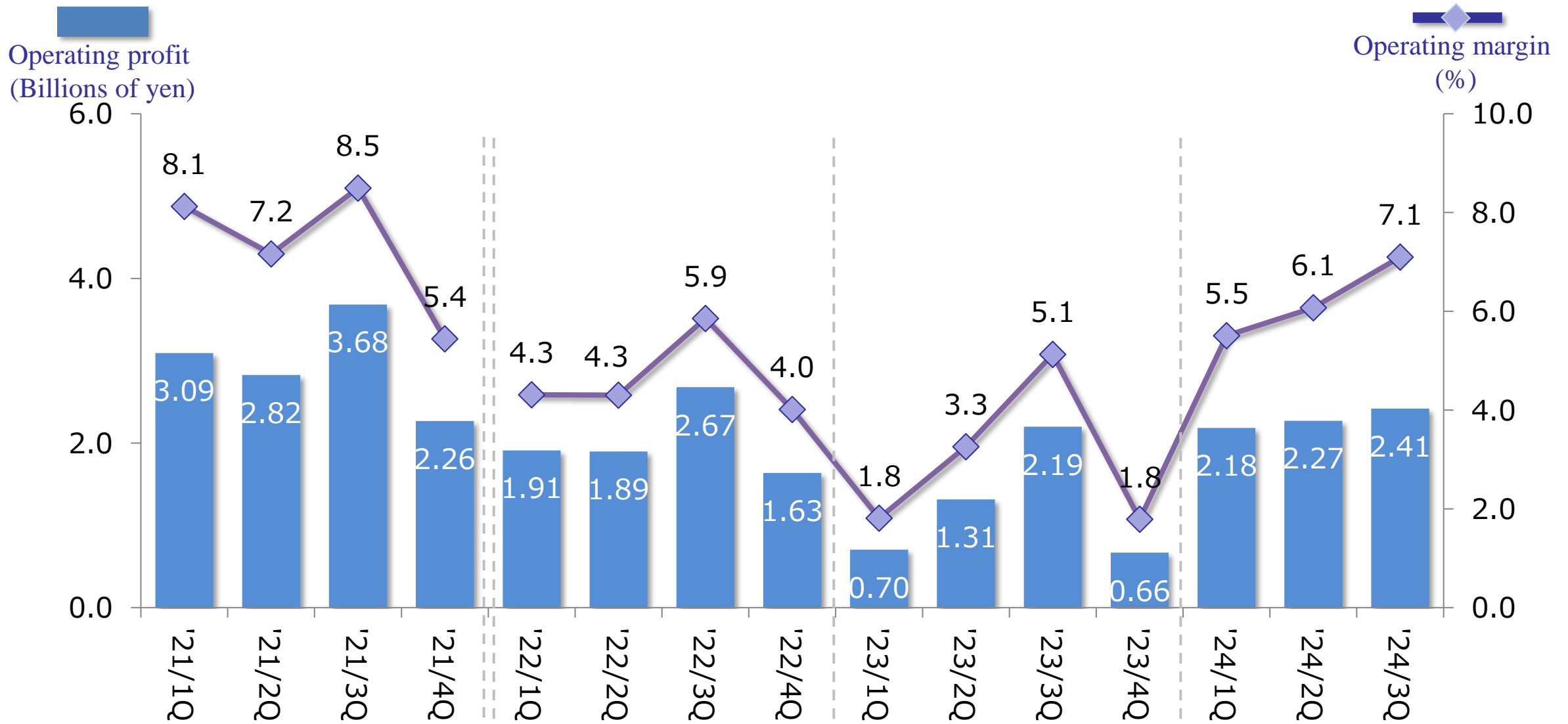
(Billions of yen)

	Apr.-Dec. FY2023	Apr.-Dec. FY2024	Change Amount	Special notes
Cash flows from operating activities	14.36	9.44	(4.92)	
Profit before income taxes	5.00	6.30	1.30	
Depreciation	8.14	7.38	(0.76)	
Share of loss (profit) of entities accounted for using equity method	(0.12)	(0.72)	(0.59)	
Impairment losses	2.97	0.30	(2.66)	
Loss (gain) on sale of investment securities	(2.03)	(0.04)	1.98	
Decrease (increase) in operating capital	4.95	3.51	(1.44)	
Income taxes	(2.59)	(2.44)	0.14	
Business restructuring expenses	—	(4.66)	(4.66)	withdraw from the superabsorbent polymers business and the production business in Nantong, Jiangsu Province, China.
Other, net	(1.95)	(0.18)	1.78	
Cash flows from investing activities	(4.41)	(8.45)	(4.04)	
Free cash flows	9.95	0.98	(8.96)	
Cash flows from financing activities	(4.09)	(11.47)	(7.37)	
Effect of exchange rate change on cash and cash equivalents	0.22	0.14	(0.07)	
Net increase (decrease) in cash and cash equivalents	6.07	(10.35)	(16.42)	
Cash and cash equivalents at beginning of period	17.04	27.18	10.14	
Cash and cash equivalents at end of period	23.11	16.83	(6.27)	

Trends in Consolidated Earnings (Quarter Period)



Trends in Consolidated Operating Profit and Margin (Quarter Period)



* Due to a change in the treatment of an account, figures for '21/4Q and before are shown before reclassification, while figures for '22/1Q and after are shown after reclassification.

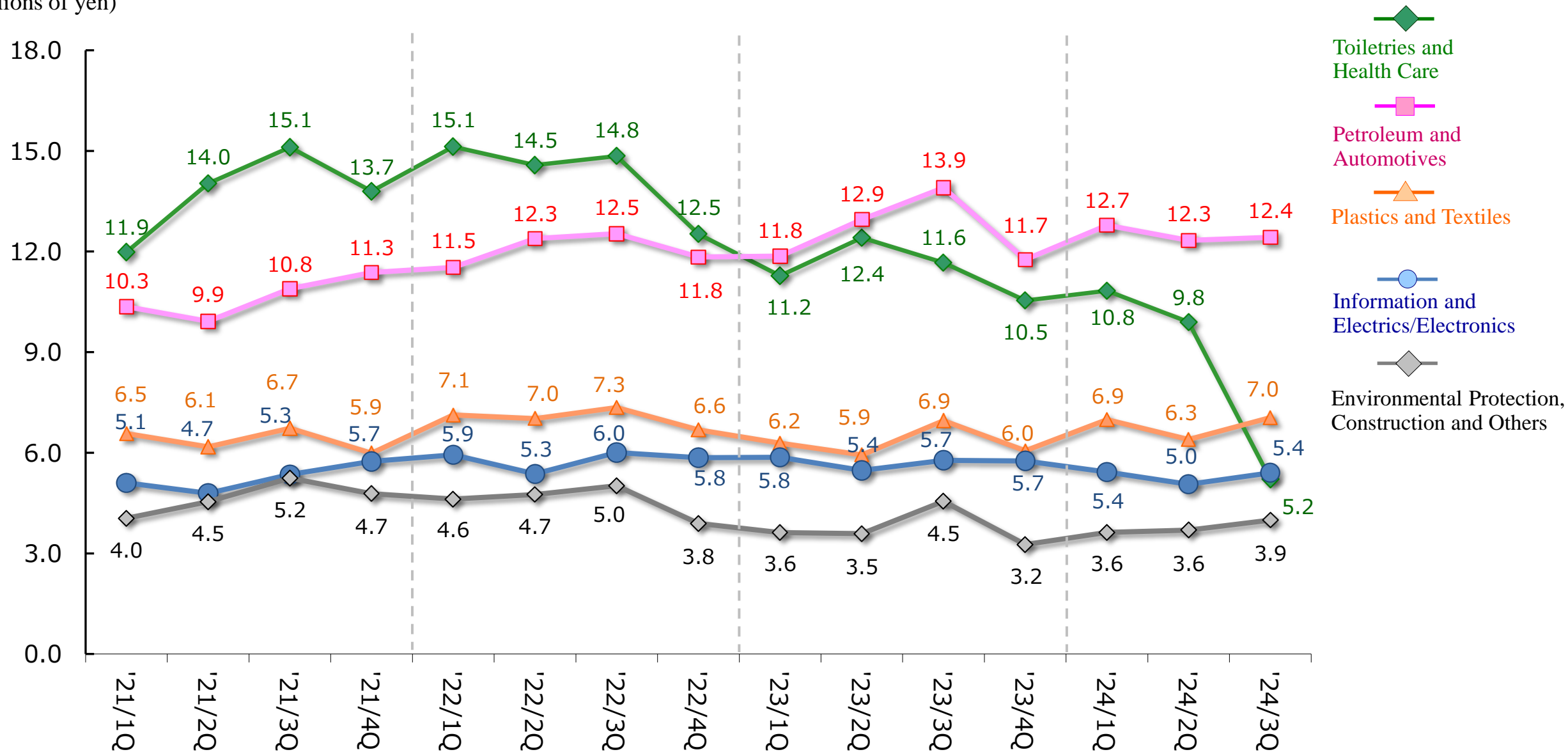
Consolidated Earnings by Segment

(Billions of yen)

Segment	Net sales			Operating profit		
	Apr.-Dec. FY2023	Apr.-Dec. FY2024	Change amount	Apr.-Dec. FY2023	Apr.-Dec. FY2024	Change amount
Toiletries and Health Care	35.35	25.94	(9.41)	(1.11)	0.20	1.32
Toiletries	9.95	10.84	0.88			
Health Care	25.39	15.09	(10.29)			
Petroleum and Automotives	38.71	37.53	(1.18)	2.14	3.09	0.95
Plastics and Textiles	19.17	20.43	1.25	1.89	2.25	0.36
Plastics	13.53	14.59	1.05			
Textiles	5.63	5.83	0.19			
Information and Electrics/Electronics	17.11	15.88	(1.22)	1.65	2.08	0.43
Information	10.42	7.87	(2.55)			
Electrics/Electronics	6.69	8.01	1.32			
Environmental Protection, Construction and Others	11.76	11.31	(0.45)	0.56	0.04	(0.52)
Research and development expenses for new businesses and Others				(0.92)	(0.81)	0.11
Total	122.13	111.10	(11.02)	4.21	6.87	2.65

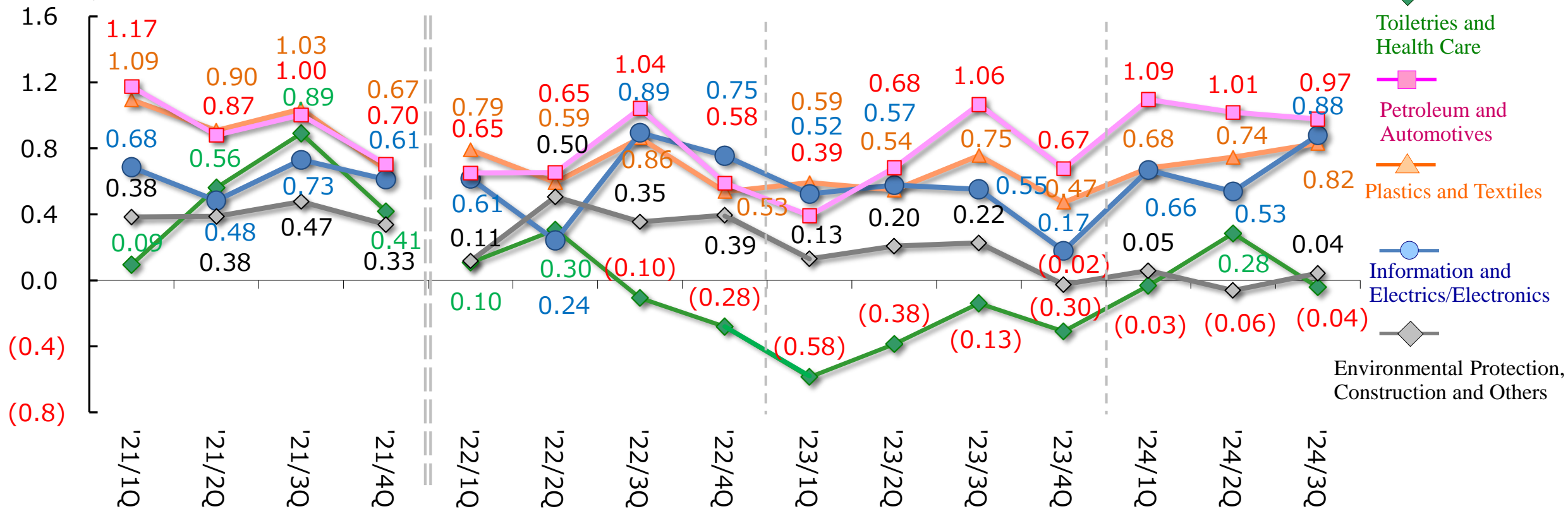
Trends in Consolidated Net Sales by Segment (Quarter Period)

(Billions of yen)



Trends in Consolidated Operating Profit by Segment (Quarter Period)

(Billions of yen)



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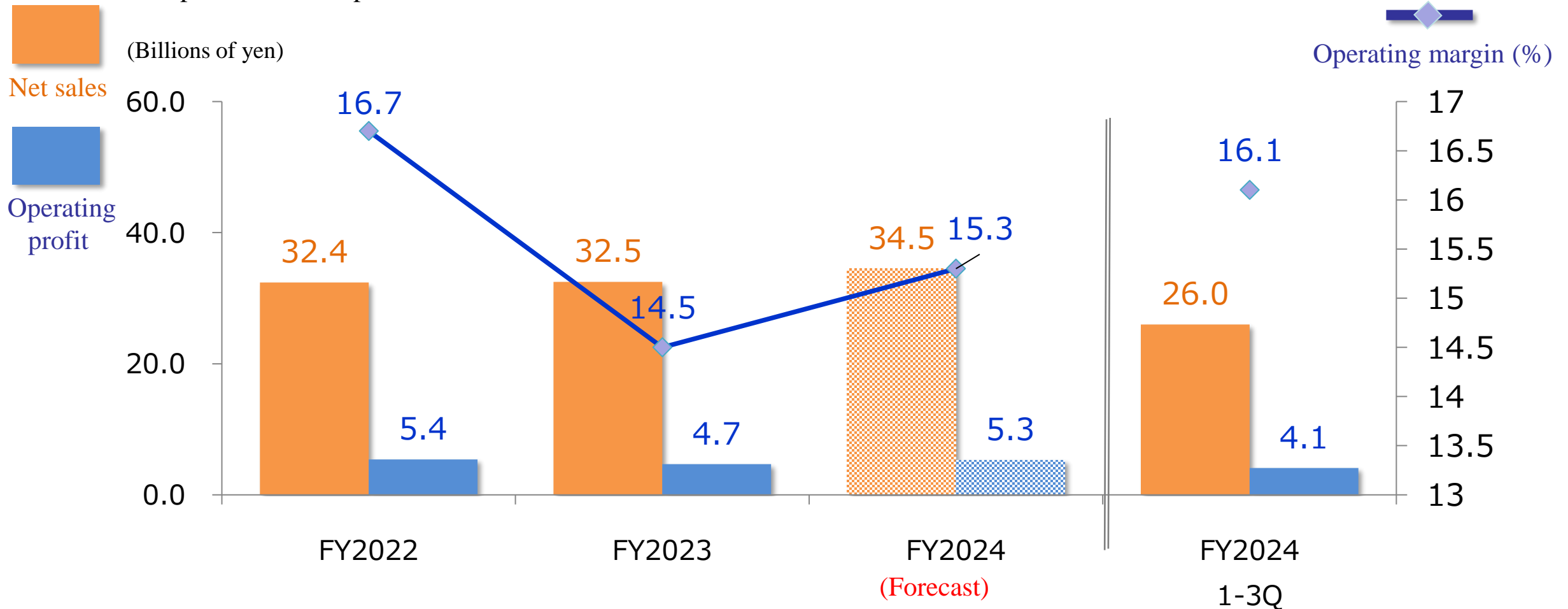
Research and development expenses for new businesses (Billions of yen)

FY2021				FY2022				FY2023				FY2024		
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
(0.34)	(0.39)	(0.45)	(0.47)	(0.37)	(0.40)	(0.36)	(0.35)	(0.34)	(0.31)	(0.26)	(0.32)	(0.28)	(0.25)	(0.27)

Trends in High-value-added products category

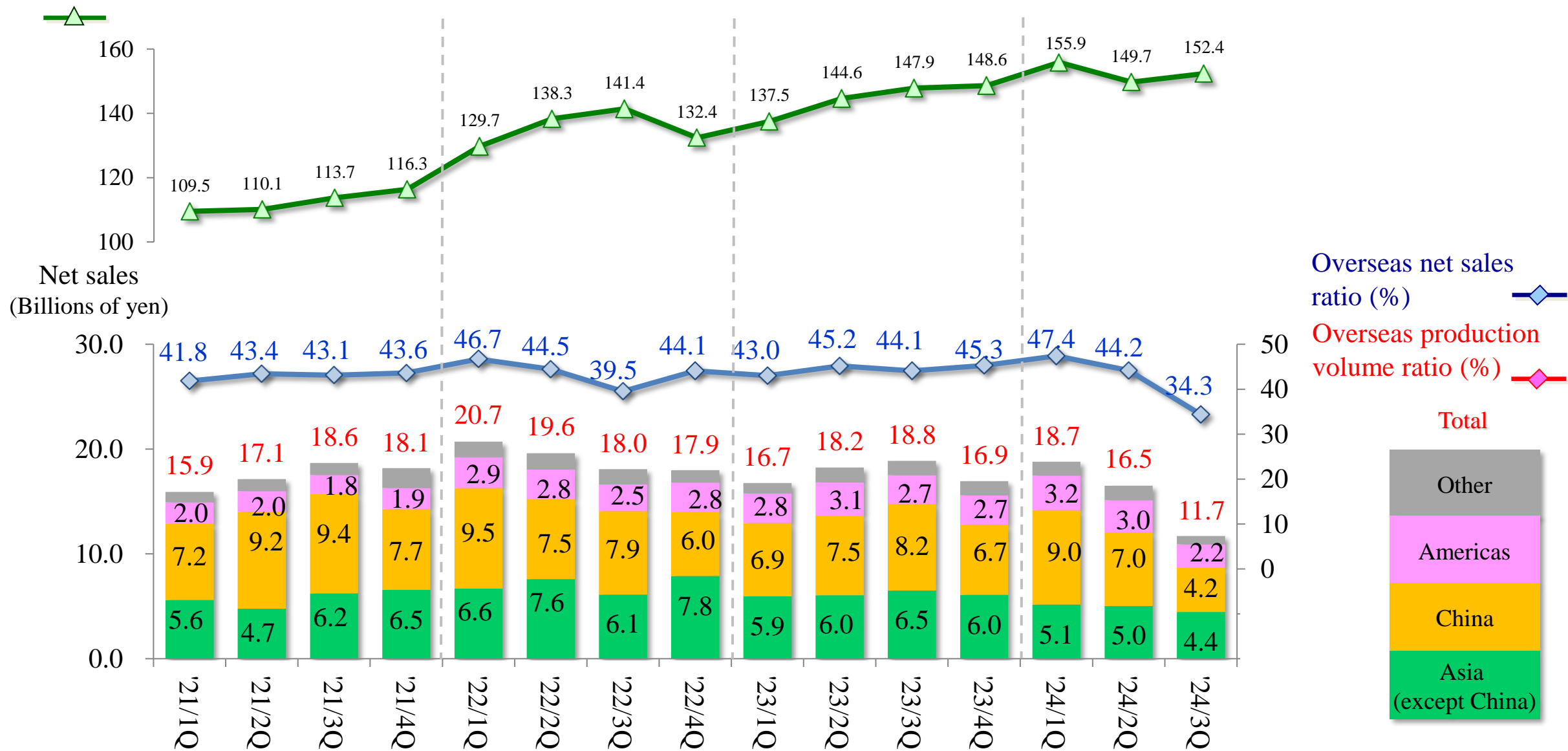
We will position five focus product groups that contribute to carbon neutrality (CN) and QOL (quality of life) as “high value-added products category” and promote to further accelerate our growth in New Medium-Term Management Plan 2025.

High-value-added products category: Chemicals for Special fibers and electronics, Lubricant additives, Permanent antistatic agents, Medical and pharmaceutical products



Trends in Overseas Net Sales (Half Period)

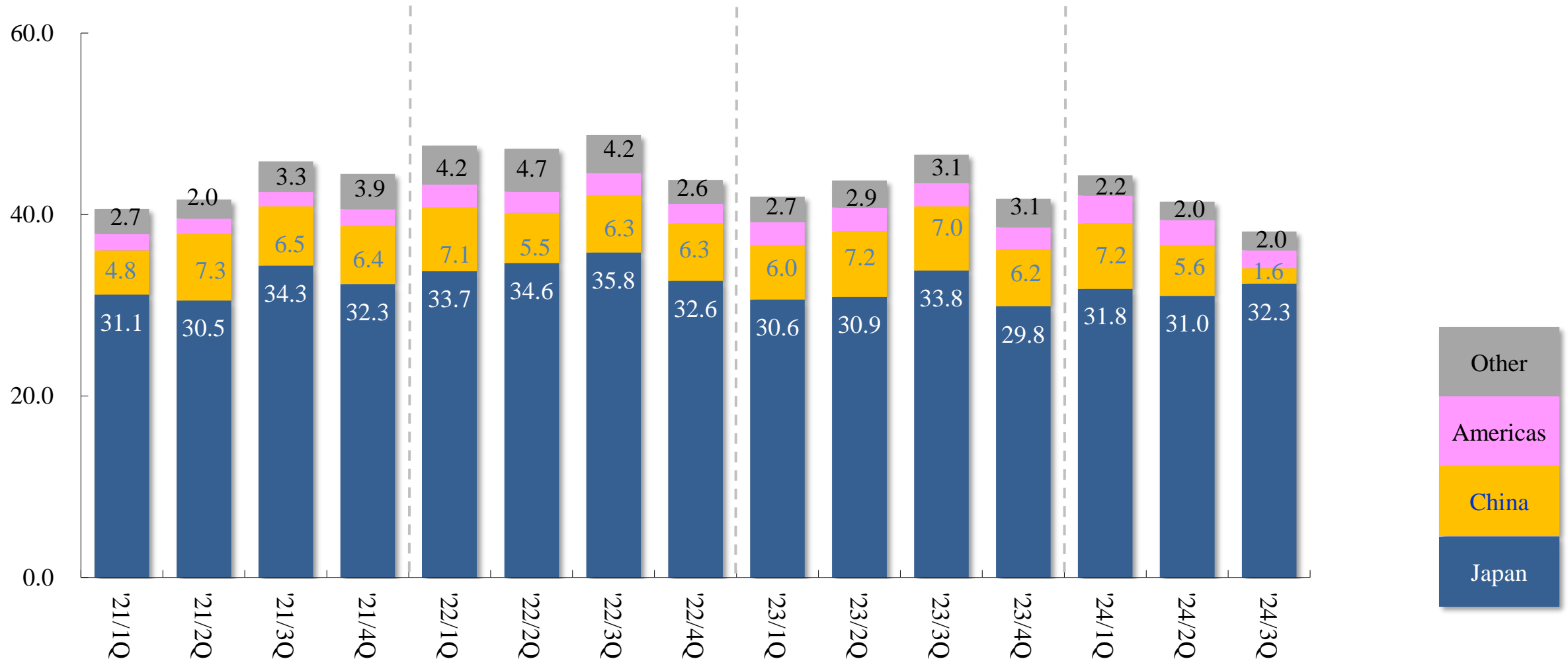
Exchange rate for each period (Yen/U.S. dollar)



Trends in Consolidated Net Sales by Geographic Segments

(Simple Addition)

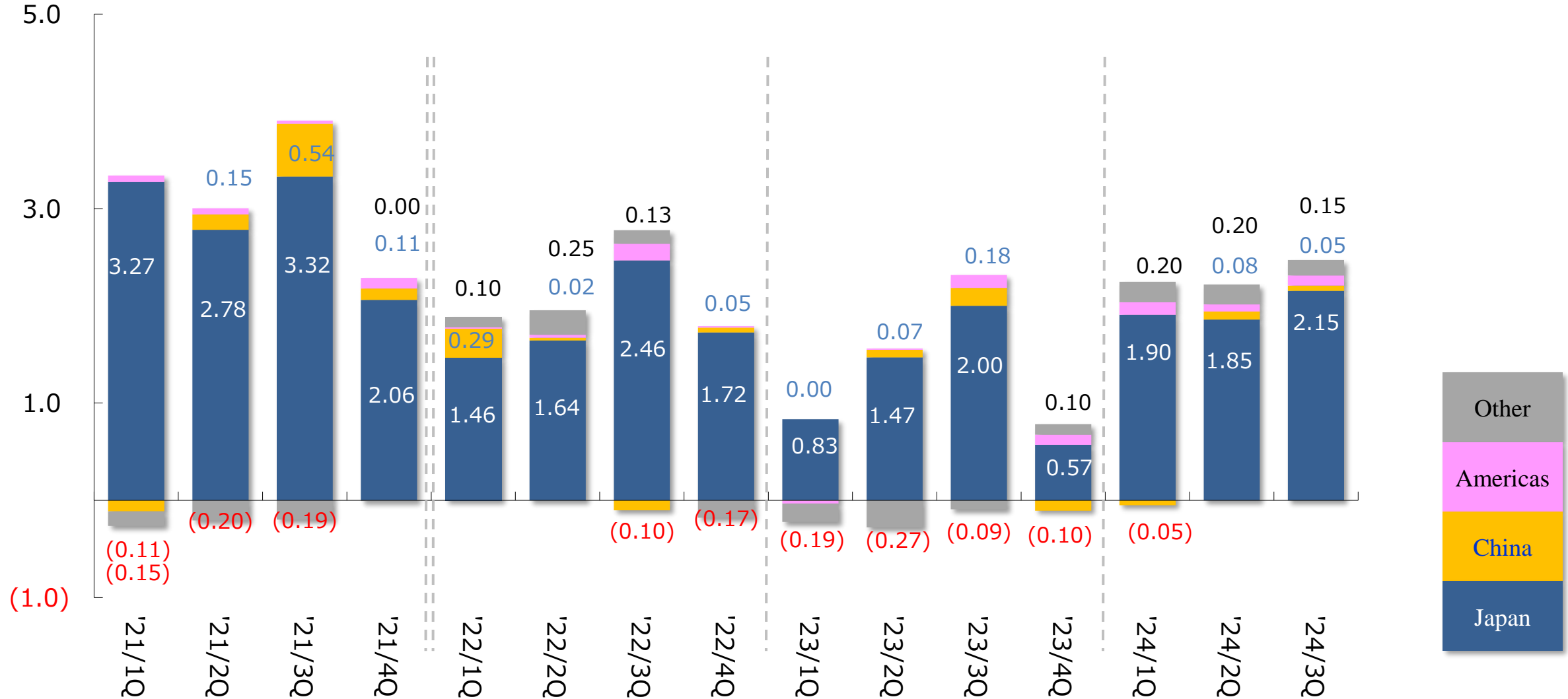
(Billions of yen)



Trends in Consolidated Operating Profit by Geographic Segment

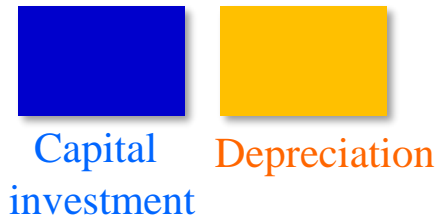
(Simple Addition)

(Billions of yen)

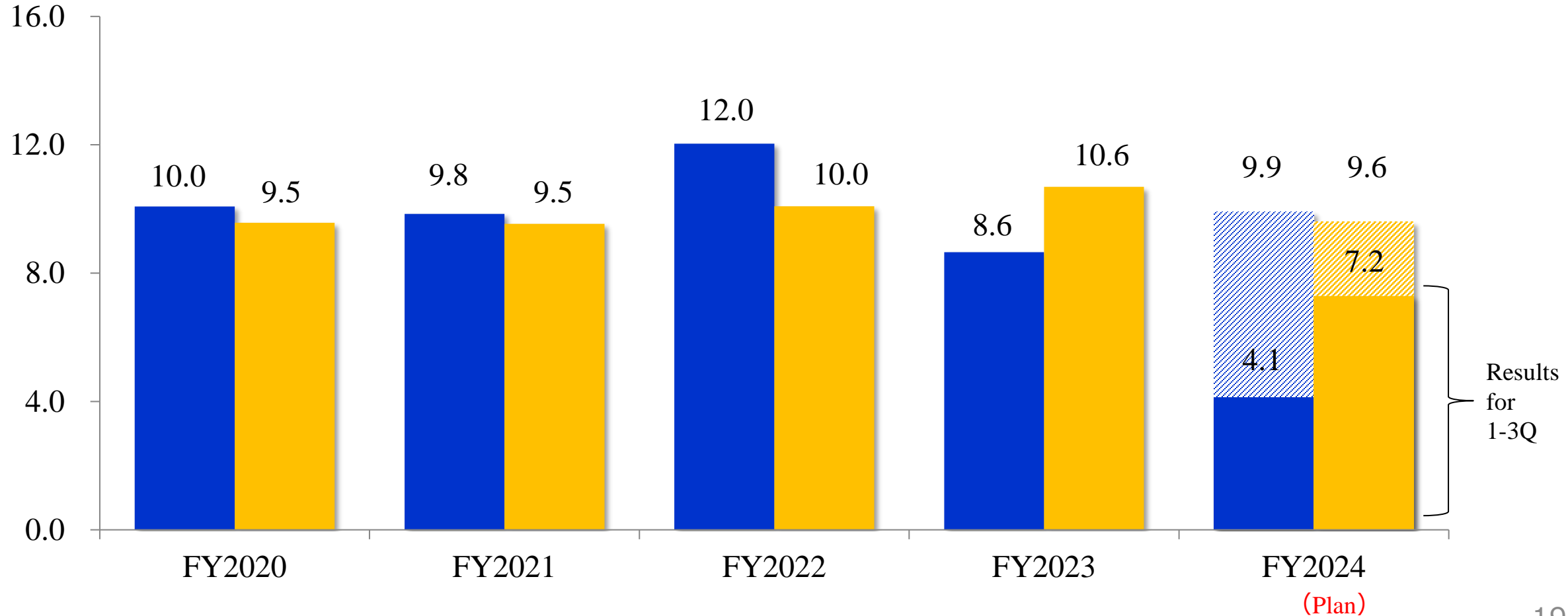


* Due to a change in the treatment of an account, figures for '21/4Q and before are shown before reclassification, while figures for '22/1Q and after are shown after reclassification.

Capital Investment and Depreciation (Consolidated)



(Billions of yen)



Reference

Sanyo Chemical Sanyo Chemical Group

- Consolidated Subsidiaries
- Entities Accounted for Using the Equity Method

Domestic

- SDP Global Co., Ltd.*
- SAN NOPCO LIMITED
- San-Apro Ltd.
- San Chemical Co., Ltd.
- San-Petrochemicals Co., Ltd.

Overseas

-  ● Sanyo Kasei (Nantong) Co., Ltd. * ● San-Dia Polymers (Nantong) Co., Ltd.*
- SANYO CHEMICAL (SHANGHAI) TRADING CO., LTD.
- Sanyo Kasei Korea, Ltd.
- 
- Sanyo Kasei (Thailand) Ltd.
- 
- Sanyo Chemical America Incorporated
- Sanyo Chemical Texas Industries, LLC
- Sunrise Chemical LLC
- 
- SDP GLOBAL (MALAYSIA) SDN. BHD.*
- 

Logistics and Service Subsidiaries

- Sanyo Chemical Logistics Co., Ltd.
- Shiohama Chemicals Warehouse Co., Ltd.

Other Subsidiaries and Affiliates:

SANYO KASEI (TAIWAN) LTD. Sanyo Chemical Manufacturing Korea, Ltd. San Nopco (Korea) Limited
 San Nopco (Shanghai) Trading Co., Ltd. DaXiang International Trading (Shanghai) Co., Ltd.

* Our Company has resolved to withdraw from the superabsorbent polymers business and the production business in Nantong, Jiangsu Province, China. For details of the dissolution and transfer (transfer of equity interest) associated with this business withdrawal, please refer to the timely disclosure material released on 3/25, 9/27 and 11/6 (Japanese only). As a result of the Company completing the transfer of its interest in San-Dia Polymers (Nagton) Co., Ltd. in December, the company ceased to be a subsidiary, and was excluded from the scope of consolidation in the third quarter of the fiscal year ending March 31, 2025.

Principal Products by Industrial Field (Segment)

Broad category	Middle category	Principal products
Toiletries and Health Care	Toiletries	Surfactants for Detergents, Surfactants for Hair Care Products, Agents for Paper-making
	Health Care	Superabsorbent Polymers (SAP)*, Raw Materials for Pharmaceuticals, Germicides/Disinfectants, Surgical Hemostatic Agent, Clinical Diagnostic Reagents for Enzyme Immunoassay (EIA), Potting Resins for Artificial Kidneys
Petroleum and Automotives		Thermoplastic Polyurethane Beads (TUB) for the Interior Parts of Automobiles, Raw Materials for Polyurethane Foams (PPG), Lubricant Additives, Additives for Fuel Oil, Water-Soluble Cutting Oil, Halogen-Free Cleaning Agents, Base Materials for Synthetic Lubricants, Paste Resins for Design Models, Resins for Automobile Paints
Plastics and Textiles	Plastics	Permanent Antistatic Agents, Pigment Dispersants, Resin Modifiers, Paint Resins, Defoaming Agents, Raw Materials for Polyurethane Elastomers, Chemical Boards for Models
	Textiles	Chemicals for Textile Manufacturing, Chemicals for Carbon Fibers, Chemicals for Fiberglass, Polyurethane Resins for Artificial and Synthetic Leather
Information and Electrics/Electronics	Information	Materials for Polymerization Toners, Toner Binder
	Electrics/Electronics	Electrolytes for Aluminum Electrolytic Capacitors, Adhesive for Electronic Parts, Chemicals for Use in Electronic Parts Manufacturing, UV/EB Curing Resins
Environmental Protection, Construction and Others		Polymer Flocculants for Wastewater Treatment, Cationic Monomer, PPG for Furniture and Heat Insulating Materials, Slurry Chemicals, Reactive Hot-Melt Adhesives, Raw materials for Building Sealants, Cement Chemicals

*On March 25, 2024, Our Company resolved to withdraw from the SAP business.

Domestic Production Bases



Kyoto Factory, Head Office and
Research Laboratory
(Higashiyama-ku, Kyoto,
Approx. 26,000 m²)



Kashima Factory
(Kamisu-shi, Ibaraki, Approx. 130,000 m²)



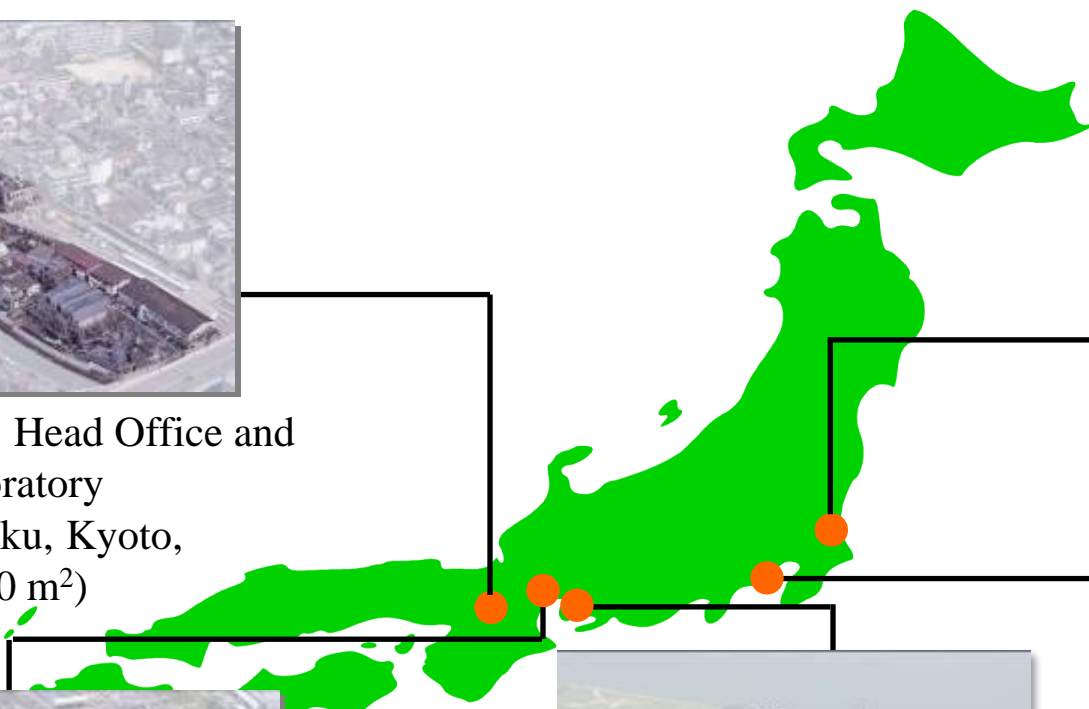
Nagoya Factory
(Tokai-shi, Aichi, Approx. 100,000 m²)



Kinuura Factory
(Handa-shi, Aichi, Approx. 140,000 m²)



San Chemical Co., Ltd., Kawasaki Factory
(Kawasaki-shi, Kanagawa, Approx. 11,000 m²)



Overseas Production Bases



 Sanyo Chemical Manufacturing Korea, Ltd.



 Sanyo Kasei (Thailand) Ltd.



 Sanyo Chemical Texas Industries, LLC

Overseas Sales Offices

 SANYO CHEMICAL (SHANGHAI) TRADING CO., LTD.
San Nopco (Shanghai) Trading Co., Ltd.
DaXiang International Trading (Shanghai) Co., Ltd.



 Sanyo Kasei Korea, Ltd.
San Nopco (Korea) Limited

 Sanyo Chemical America Inc.



 SANYO KASEI (TAIWAN) LTD.

 Sanyo Kasei (Thailand) Ltd.



Domestic Consolidated Subsidiaries

Company Name	Abbr.	Share of Voting Rights	Line of Business
SDP Global Co., Ltd. *	SDP	Sanyo Chemical Industries, Ltd. 100%	Manufacture and sales of superabsorbent polymers
SAN NOPCO LIMITED	SNL	Sanyo Chemical Industries, Ltd. 100%	Manufacture and sales of chemicals for pulp & paper, coating chemicals, a wide range of industrial chemicals, etc.
San Chemical Co., Ltd.	SCC	Sanyo Chemical Industries, Ltd. 50% ENEOS Corporation 50%	Manufacture of raw materials for polyurethane foams, etc.
San-Apro Ltd.	SA	Sanyo Chemical Industries, Ltd. 50% Evonik International Holding B.V. 50%	Manufacture and sales of curing accelerators for epoxy resins, urethane catalysts, etc.
Sanyo Chemical Logistics Co., Ltd.	—	Sanyo Chemical Industries, Ltd. 100%	General trucking business Warehousing

* Our Company has resolved to withdraw from the superabsorbent polymers business and the production business in Nantong, Jiangsu Province, China.

For details of the dissolution and transfer (transfer of equity interest) associated with this business withdrawal, please refer to the timely disclosure material released on 3/25, 9/27 and 11/6 (Japanese only).

Overseas Consolidated Subsidiaries

Company Name	Country of incorporation	Abbr.	Share of Voting Rights	Line of Business
Sanyo Kasei (Nantong) Co., Ltd.*	China	SKN	Sanyo Chemical Industries, Ltd. 100%	Manufacture of surfactants, polyurethane resins, etc.
San-Dia Polymers (Nantong) Co., Ltd.*	China	SDN	SDP Global Co., Ltd. 100%	Manufacture and sales of superabsorbent polymers
SANYO CHEMICAL (SHANGHAI) TRADING CO., LTD.	China	SCST	Sanyo Chemical Industries, Ltd. 100%	Sales of surfactants, polyurethane resins, etc.
Sanyo Kasei (Thailand) Ltd.	Thailand	SKT	Sanyo Chemical Industries, Ltd. 79% VIV Interchem Co. Ltd., Toyota Tsusho Corporation, etc. 21%	Manufacture and sales of surfactants, polyurethane resins, etc.
Sanyo Chemical America Incorporated	USA	SCA	Sanyo Chemical Industries, Ltd. 100%	Holding company of U.S. consolidated subsidiaries Sales of lubricant additives, polyurethane beads, etc.
Sanyo Chemical Texas Industries, LLC	USA	SCTI	Sanyo Chemical America Inc. 100%	Manufacture of polyurethane beads
SDP GLOBAL (MALAYSIA) SDN. BHD.*	Malaysia	SDPM	SDP Global Co., Ltd. 100%	Manufacture and sales of superabsorbent polymers
Sanyo Kasei Korea, Ltd.	Korea	SKK	Sanyo Chemical Industries, Ltd. 100%	Sales of lubricant additives, surfactants, etc.

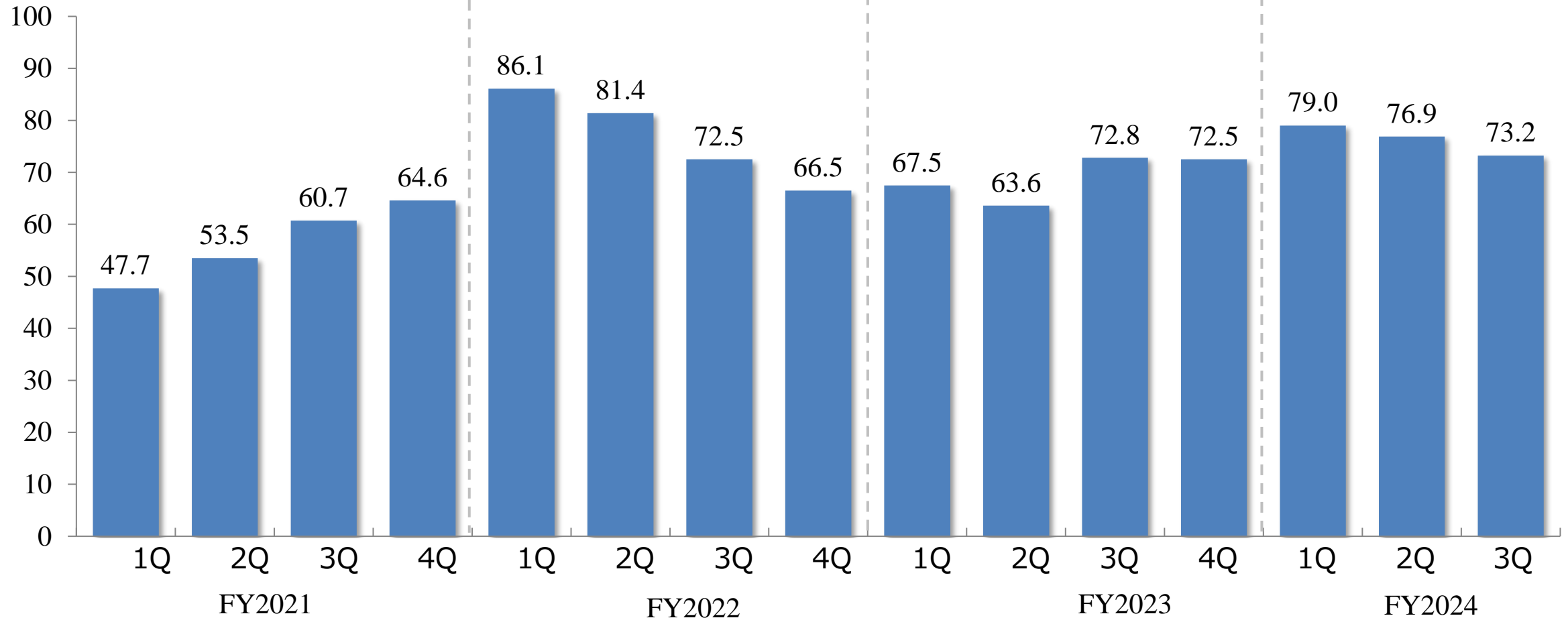
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Entities Accounted for Using the Equity Method

Company Name	Abbr.	Share of Voting Rights	Line of Business
San-Petrochemicals Co., Ltd.	SPCC	Sanyo Chemical Industries, Ltd. 50% ENEOS Materials Corporation 50%	Manufacture of raw materials for synthetic rubbers
Sunrise Chemical LLC [USA]	SRC	Sanyo Chemical America Inc. 50% Nippon Chemical Texas Inc. 50%	Manufacture of raw materials for synthetic rubbers
Shiohama Chemicals Warehouse Co., Ltd.	—	Sanyo Chemical Industries, Ltd. 50% ENEOS Materials Corporation 50%	Warehousing

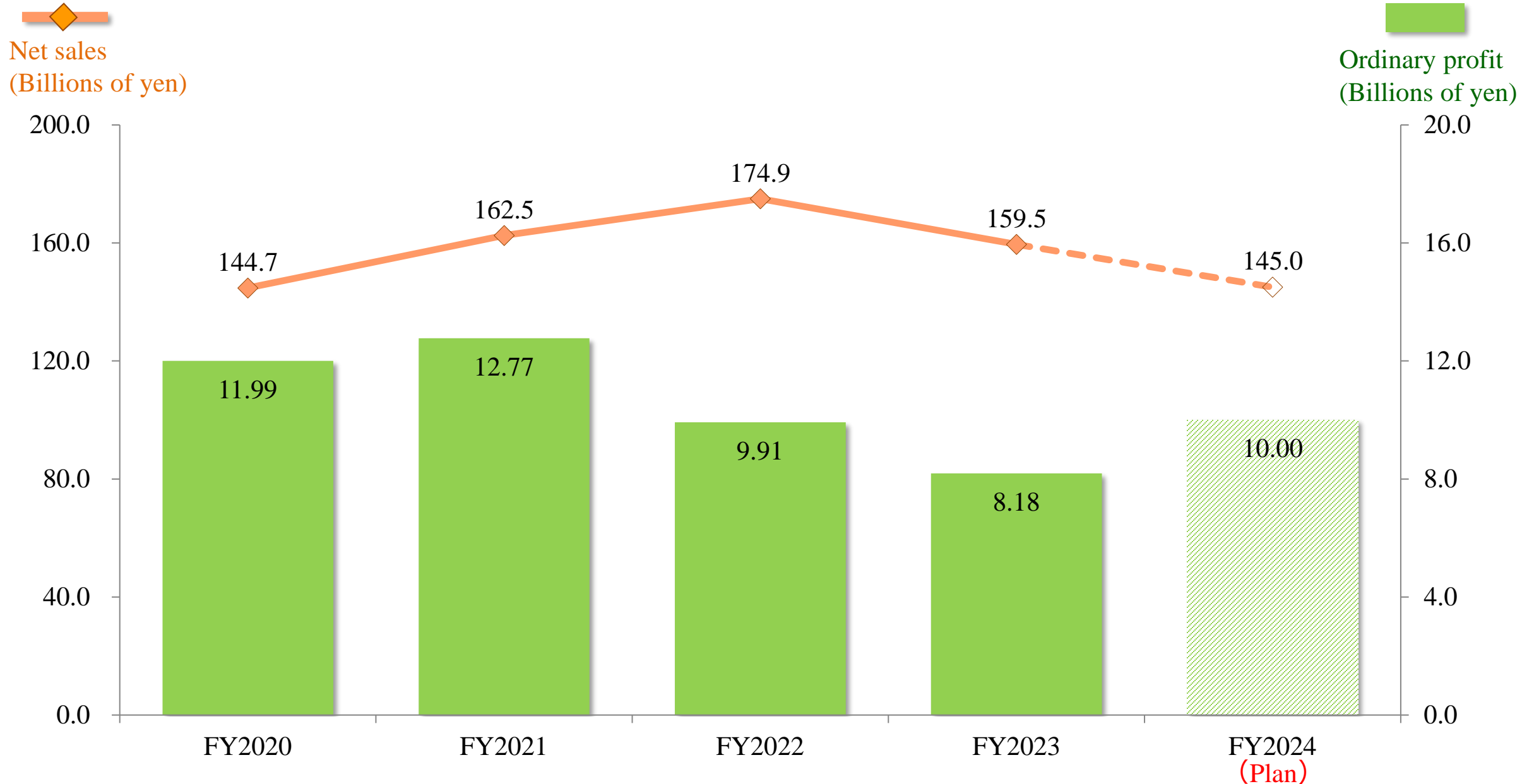
Trends in Price of Naphtha Produced in Japan

Price of Naphtha
(Thousands of yen/kl)

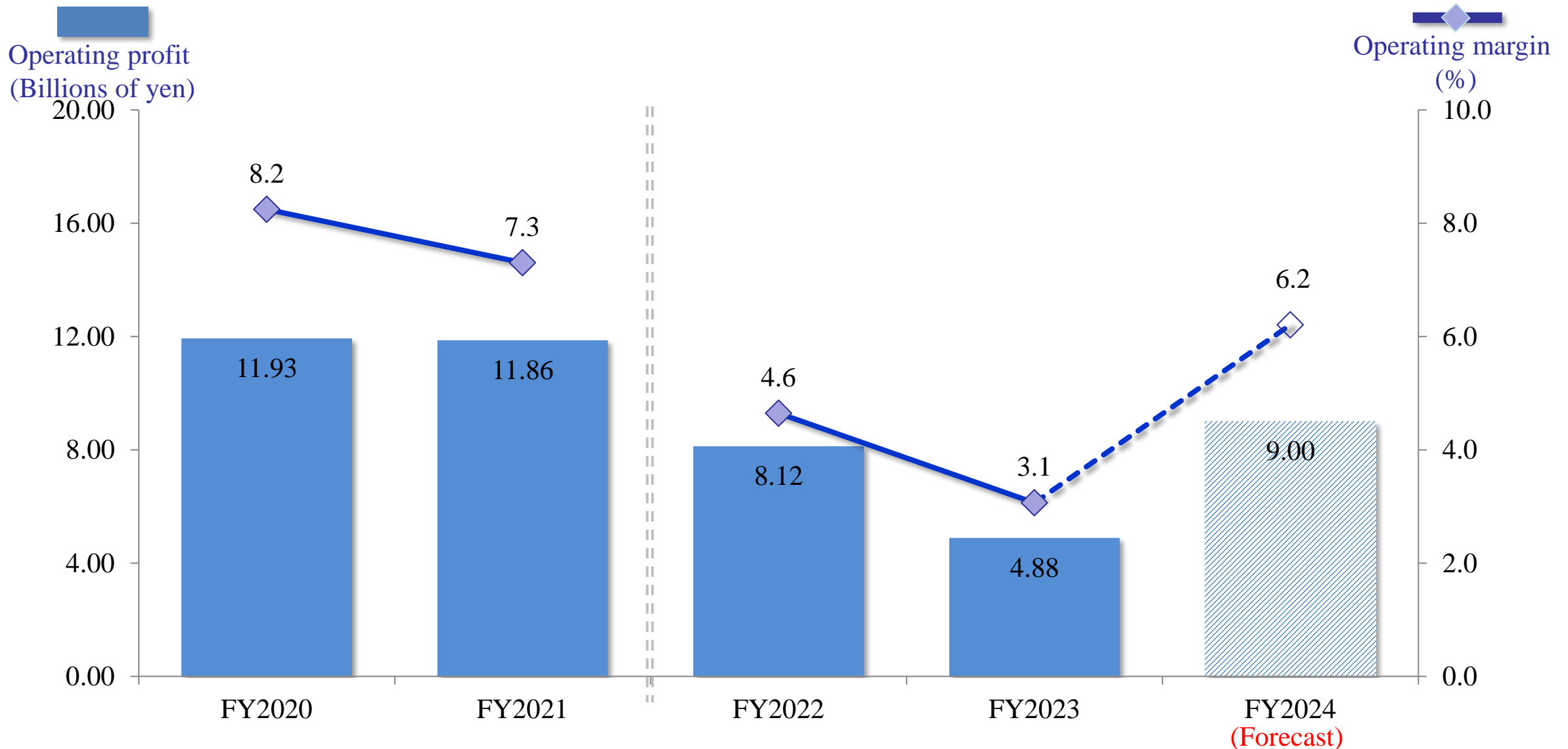


(Source: Trade Statistics of Japan)

Trends in Consolidated Earnings



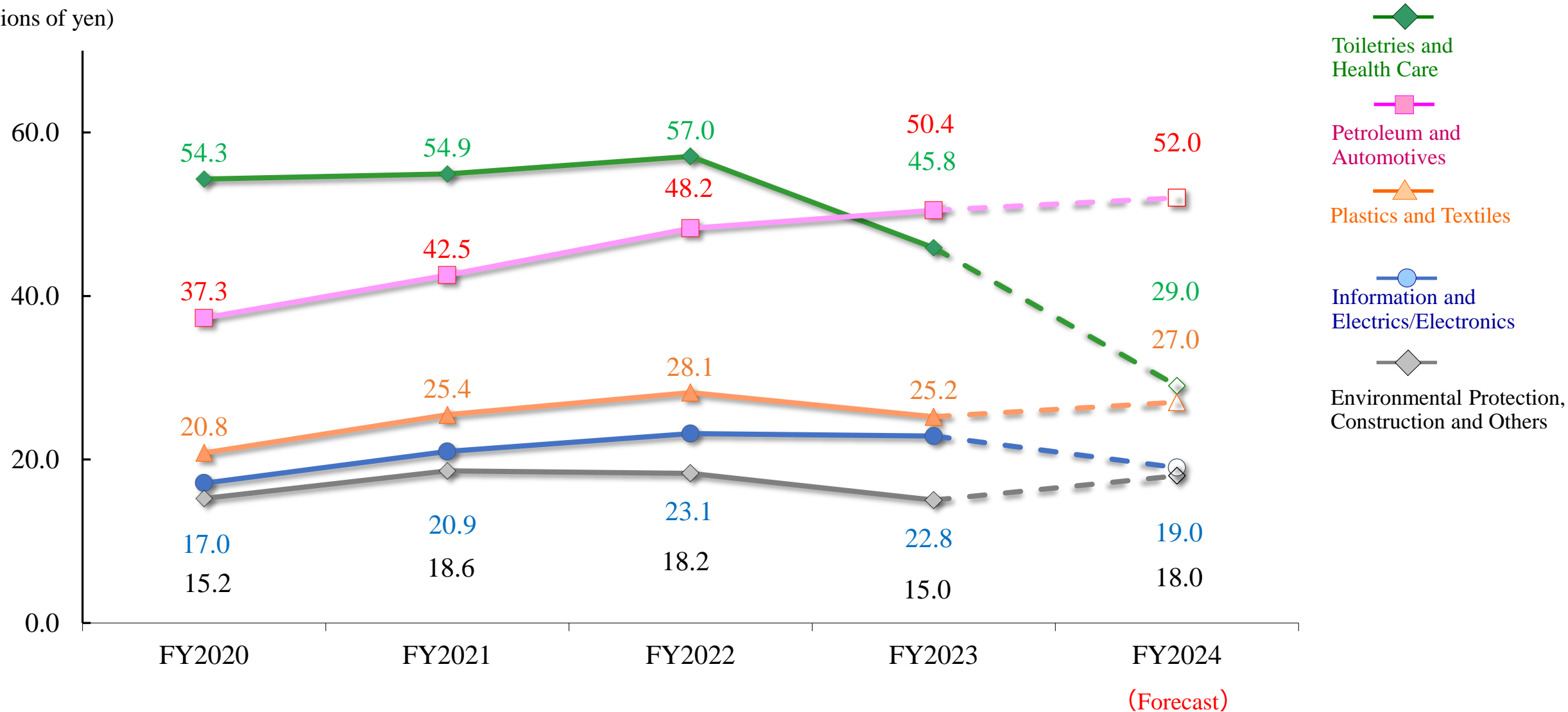
Trends in Consolidated Operating Profit and Margin



* Due to a change in the treatment of an account, figures for FY2021 and before are shown before reclassification, while figures for FY2022 and after are shown after reclassification.

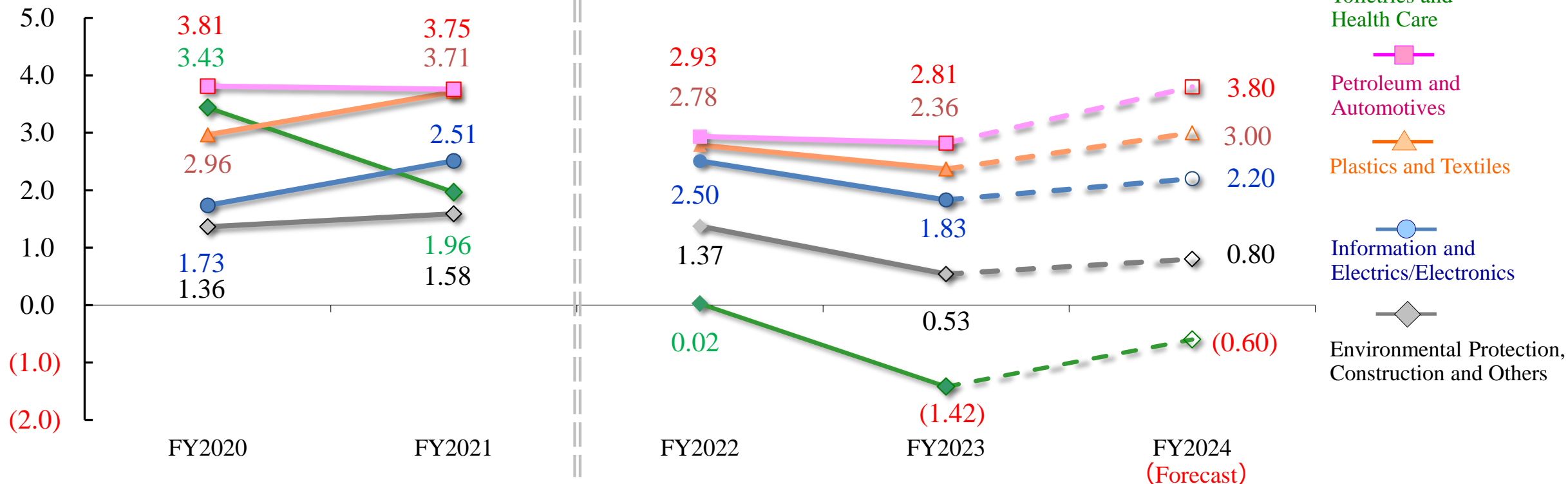
Trends in Consolidated Net Sales by Segment

(Billions of yen)



Trends in Consolidated Operating Profit by Segment

(Billions of yen)



* Due to a change in the treatment of some account items, figures for 4Q of FY2021 and earlier are presented before reclassification, while figures for 1Q of FY2022 and later are presented after reclassification.

Research and development expenses for new businesses *(Billions of yen)

FY2020	FY2021	FY2022	FY2023	FY2024 (Forecast)
(1.38)	(1.67)	(1.50)	(1.25)	(1.20)

* Research and development expenses for new businesses, which were allocated to each reportable segments so far, are recorded as corporate expenses in the margin.