

# Consolidated Financial Results for the Nine Months Ended December 31, 2024 (JPGAAP)



February 7, 2025

Name of listed company: Nissan Chemical Corporation

Stock Exchange: Tokyo

Code number: 4021

URL: <https://www.nissanchem.co.jp/>

Representative: YAGI Shinsuke, President

Inquiry to: NOMURA Hiroshi, Deputy Head of Finance and Accounting Department Tel. +81 3 4463 8401

Scheduled submission date of quarterly report: February 7, 2025

Scheduled dividend payment date: —

Supplemental information: Yes

Financial results meeting : Yes (For institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (From April 01, 2024 to December 31, 2024)

### (1) Consolidated Operating Results

(% indicates the rate of increase/decrease against the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	174,832	12.6	41,080	22.9	43,326	23.6	31,708	22.1
Nine months ended December 31, 2023	155,334	(2.4)	33,436	(13.8)	35,049	(15.2)	25,972	(15.6)

(Note) Comprehensive income: Nine months ended December 31, 2024 : 30,498 million yen ,6.5%

Nine months ended December 31, 2023 : 28,625 million yen ,(11.7%)

	Basic earnings per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2024	230.27	—
Nine months ended December 31, 2023	186.02	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2024	329,761	228,814	68.4
As of March 31, 2024	323,458	230,952	70.3

(Reference) Shareholders' equity: As of December 31, 2024 : 225,638 million yen

As of March 31, 2024 : 227,520 million yen

## 2. Cash Dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	—	70.00	—	94.00	164.00
Year ending March 31, 2025	—	70.00	—	—	—
Year ending March 31, 2025 (Outlook)	—	—	—	94.00	164.00

(Note) Revision of the latest released dividend outlook: None

## 3. Outlook of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (From April 01, 2024 to March 31, 2025)

(% indicates the rate of increase/decrease against the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending March 31, 2025	247,600	9.2	55,000	14.1	55,900	8.3	40,900	7.5	297.25

(Note) Revision of the latest released outlook of financial results: Yes

Please refer to "Revision of Financial Results Outlook" for details

#### 4. Notes

(1) Changes in significant consolidated subsidiaries

(Changes in specified subsidiaries involving changes in scope of consolidation) : Yes

Newly Included: 2 company (Company name: NC Agro Hakodate Corporation, Nippon Polytech Corp.)

(2) Application of special accounting treatment to preparation of quarterly financial statements : None

(3) Changes of accounting policies and accounting estimates, and restatement

1. Changes of accounting policies due to revisions of accounting standards : Yes

2. Changes of accounting policies other than the above : None

3. Changes in accounting estimates : None

4. Restatements : None

(Note) Please refer to [2. Consolidated Financial Statements (4) Notes to Consolidated Financial Statements "(Changes in Accounting Policies)"] on page 10 for further details

(4) Number of shares outstanding (common shares)

1. Number of shares outstanding (including treasury shares)

As of December 31, 2024 : 137,800,000 shares

As of March 31, 2024 : 138,800,000 shares

2. Number of treasury shares

As of December 31, 2024 : 1,187,554 shares

As of March 31, 2024 : 186,649 shares

3. Average number of shares outstanding

As of December 31, 2024 : 137,701,777 shares

As of December 31, 2023 : 139,623,948 shares

(Note) The Company has introduced "Board Benefit Trust (BBT)" based on the resolution of Board of Directors' meeting held on July 30, 2019. The shares held by the Trust are included in the number of treasury shares at the end of the period, and they are included in the number of treasury shares deducted in calculating the average number of shares outstanding over the period. The number of shares held by the Trust (included in treasury shares) at the end of the period was 139,400 shares.

In addition, the average number of shares held by the Trust during the period was 139,656 shares.

This is not included in the average number of shares outstanding.

\* Presentation regarding implementation status of quarterly review procedures

The financial release is not subject to quarterly review.

\* Explanations regarding appropriate use of business outlook and other special notes

The business outlook contained in this report is based on information available at the time of disclosure.

Actual operating results may differ materially from the outlook due to various factors.

For supplemental information, please refer to our website.

The transcript of financial results briefing will be released on our website as well.

## Table of Contents for Attached Materials

1. Qualitative Information on Quarterly Results .....	2
(1) Business Performance .....	2
(2) Financial Position .....	3
(3) Outlook of Consolidated Financial Results and Other Forward-looking Information .....	4
(4) Basic Policy on Distribution of Earnings .....	4
2. Consolidated Financial Statements .....	5
(1) Consolidated Balance Sheets .....	5
(2) Consolidated Statements of Income / Consolidated Statements of Comprehensive Income .....	7
(3) Consolidated Statements of Cash Flows .....	9
(4) Notes to Consolidated Financial Statements .....	10
(Notes on Assumption of Going Concern) .....	10
(Notes on Significant Changes in Shareholders' Equity) .....	10
(Changes in Accounting Policies) .....	10
(Segment Information) .....	11

## 1. Qualitative Information on Quarterly Results

### (1) Business Performance

During the third quarter of the current fiscal year (April 01, 2024 to December 31, 2024), the domestic economy recovered moderately due to an increase in inbound demand, a recovery in consumer spending, which was accompanied by an increase in the rate of wage increases, and a recovery in demand for semiconductors. Under these circumstances, in the Chemicals Segment, sales of Fine Chemicals increased. In the Performance Materials Segment, sales of Semiconductor Materials were strong, and sales of Display Materials increased. In the Agricultural Chemicals Segment, sales increased. In the Healthcare Segment, sales decreased.

As a result, both sales and each income were above the same period of the previous fiscal year, and they exceeded the outlooks announced in November.

(Million yen, amount rounded down to the nearest million yen)

	3Q FY2023	3Q FY2024	Year on Year Change	3Q FY2024 (Outlook) (Note)	Change from Outlook
Sales	155,334	174,832	+19,497	170,400	+4,432
Operating income	33,436	41,080	+7,644	37,700	+3,380
Ordinary income	35,049	43,326	+8,276	37,600	+5,726
Net income attributable to owners of parent	25,972	31,708	+5,735	27,700	+4,008

(Note) The outlook is described on page 10 of the 2Q FY2024 Presentation Materials (announced on November 11, 2024).

Explanations by segments are as below.

#### The Chemicals Segment

In Basic Chemicals, sales of high purity sulfuric acid (agent used for cleaning semiconductor) increased, but sales of urea, AdBlue®\* (high-grade urea solution) and nitric acid products (metal dissolution, surface treatment, etc.) decreased. In Fine Chemicals, sales of FINEOXOCOL(cosmetics, etc.) and "TEPIC" (powder coating agent for paint, sealants, etc.) increased.

As a result, sales of this segment were 28,103 million yen (an increase of 555 million yen from the same period of the previous fiscal year) and operating income was 66 million yen (a decrease of 217 million yen). Compared to the outlook (Note), sales were below 0.1 billion yen and operating income was above 0.3 billion yen.

\* AdBlue® is a registered trademark of the Verband der Automobilindustrie (VDA).

(Note) The outlook is described on page 21 of the 2Q FY2024 Presentation Materials (announced on November 11, 2024).

#### The Performance Materials Segment

In Display Materials, sales of "SUNEVER" (LCD alignment coating) increased. In Semiconductor Materials, sales of anti-reflective coating for semiconductors (ARC®\*) and multi-layer process materials (OptiStack®\*) increased due to recovery in customer utilization. In Inorganic Materials, sales of "SNOWTEX" for polishing electronic materials and hard coating, Organo / Monomer sol (various kinds of coating materials, resin additive) increased.

As a result, sales of this segment were 74,194 million yen (an increase of 12,257 million yen) and operating income was 22,264 million yen (an increase of 4,850 million yen). Compared to the outlook (Note), sales were above 1.1 billion yen and operating income was above 0.6 billion yen.

\* ARC® and OptiStack® are registered trademarks of Brewer Science, Inc.

(Note) The outlook is described on page 21 of the 2Q FY2024 Presentation Materials (announced on November 11, 2024).

### **The Agricultural Chemicals Segment**

Sales of Fluralaner (active ingredients for veterinary pharmaceuticals) increased. In Japanese domestic market, sales of "GRACIA"(insecticide) and "ALTAIR" (paddy rice herbicide) increased. In the overseas market, sales of "LEIMAY" (fungicide) and "GRACIA" grew.

As a result, sales of this segment were 53,789 million yen (an increase of 5,331 million yen) and operating income was 17,904 million yen (an increase of 3,394 million yen). Compared to the outlook (Note), sales were above 2.1 billion yen and operating income was above 1.3 billion yen.

(Note) The outlook is described on page 21 of the 2Q FY2024 Presentation Materials (announced on November 11, 2024).

### **The Healthcare Segment**

Sales of "LIVALO" (anti-cholesterol drug) decreased. In "Custom Chemicals" (solution proposal business and joint development business), sales increased.

As a result, sales of this segment were 4,425 million yen (a decrease of 414 million yen) and operating income was 1,618 million yen (a decrease of 659 million yen). Compared to the outlook (Note), sales and operating income were in line with the target.

(Note) The outlook is described on page 21 of the 2Q FY2024 Presentation Materials (announced on November 11, 2024).

### **Trading**

Sales of this segment were 87,061 million yen (an increase of 9,999 million yen) and operating income was 3,149 million yen (an increase of 307 million yen). Compared to the outlook (Note), sales were above 2.1 billion yen and operating income was above 0.2 billion yen.

(Note) The outlook is described on page 62 and 63 of the 2Q FY2024 Presentation Materials (announced on November 11, 2024).

### **Others**

Sales of this segment were 20,863 million yen (an increase of 2,533 million yen) and operating income was 134 million yen (an increase of 178 million yen).

## **(2) Financial Position**

(Position of Assets, Liabilities and Net Assets)

Total assets as of December 31, 2024 was 329,761 million yen (an increase of 6,302 million yen from March 31, 2024). It is mainly due to the increase inventory and cash and deposits, though notes and accounts receivable - trade decreased.

Also, total liabilities as of December 31, 2024 was 100,946 million yen (an increase of 8,441 million yen). It is mainly due to the increase of commercial papers and bonds payable.

Net assets as of December 31, 2024 was 228,814 million yen (a decrease of 2,138 million yen).

As a result of these factors, equity ratio was 68.4% (a decrease of 1.9% from March 31, 2024).

(Position of Cash Flows)

Deducting income taxes paid from income before income taxes and non-controlling interests, depreciation and change in working capital, net cash provided by operating activities for the nine months ended December 31, 2024 was 47,338 million yen (33,678 million yen for the same period of the previous year).

Mainly due to capital investment in factories, etc., net cash used in investing activities for the nine months ended December 31, 2024 was 13,349 million yen (11,920 million yen for the same period of the previous year).

Due to payment for dividends and share repurchase, net cash used in financing activities for the nine months ended December 31, 2024 was 27,349 million yen (25,899 million yen for the same period of the previous year).

Cash and cash equivalents at the end of this period increased 6,447 million yen from March 31, 2024 after adjusting for the 192 million yen effect of exchange rate. Moreover, after adding the 17 million yen increase in cash and cash equivalents resulting from change in scope of consolidation, the balance stood at 29,202 million yen (25,683 million yen for the same period of the previous year).

### (3) Outlook of Consolidated Financial Results and Other Forward-looking Information

Outlook for the year ending March 31, 2025 was revised as follows based on the cumulative third quarter and demand forecast for the fourth quarter. The exchange rate for the fourth quarter is assumed to be 150 yen to the U.S. dollar.

Revision of consolidated financial results' outlook for the year ending March 31, 2025 (April 01, 2024 to March 31, 2025)

(Billion yen)

	Previous outlook(A)	Revised outlook(B)	Change (B-A)	Rate of change (%)	(Reference) Results for the previous fiscal year
Sales	245.0	247.6	+2.6	+1.1%	226.7
Operating income	53.0	55.0	+2.0	+3.8%	48.2
Ordinary income	53.2	55.9	+2.7	+5.1%	51.6
Net income attributable to owners of parent	39.4	40.9	+1.5	+3.8%	38.0
Basic earnings per share	285.94 yen	297.25 yen	+11.31 yen	+4.0%	272.82 yen

Revision of consolidated sales and operating income outlook by segments for the year ending March 31, 2025

(Billion yen)

	Sales		Operating income	
	Previous	Revised	Previous	Revised
Chemicals	38.5	38.5	0.1	0.1
Performance Materials	97.4	97.4	28.3	28.3
Agricultural Chemicals	86.3	86.3	25.7	25.7
Healthcare	6.2	6.2	2.3	2.3
Trading	112.4	112.4	3.7	3.7
Others	29.1	29.1	0.8	0.8
Adjustment	(124.9)	(122.3)	(7.9)	(5.9)
Total	245.0	247.6	53.0	55.0

### (4) Basic Policy on Distribution of Earnings

The Company's basic policy of profit allocation is returning to shareholders by improving company value through increasing revenue in the medium and long terms.

In medium-term business plan "Vista2027" Stage I launched from April 2022, the company aims to realize dividend payout ratio to be 55% and total payout ratio to be 75% after FY2022.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	22,738	29,202
Notes and accounts receivable - trade	88,800	73,010
Merchandise and finished goods	56,804	65,885
Work in process	5	290
Raw materials and supplies	21,370	24,414
Accounts receivable - other	2,956	1,605
Short-term loans receivable	2,152	1,843
Other	7,189	9,180
Allowance for doubtful accounts	(48)	(58)
Total current assets	<u>201,968</u>	<u>205,374</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	85,860	88,664
Accumulated depreciation and impairment loss	(50,898)	(53,386)
Buildings and structures, net	<u>34,962</u>	<u>35,278</u>
Machinery, equipment and vehicles	170,309	176,081
Accumulated depreciation and impairment loss	(145,729)	(152,510)
Machinery, equipment and vehicles, net	<u>24,579</u>	<u>23,570</u>
Tools, furniture and fixtures	44,084	45,361
Accumulated depreciation and impairment loss	(39,457)	(41,113)
Tools, furniture and fixtures, net	<u>4,626</u>	<u>4,247</u>
Land	9,064	9,051
Leased assets	160	143
Accumulated depreciation	(24)	(25)
Leased assets, net	<u>135</u>	<u>117</u>
Construction in progress	4,004	5,584
Total property, plant and equipment	<u>77,372</u>	<u>77,850</u>
Intangible assets		
Software	2,444	2,834
Other	8,302	10,214
Total intangible assets	<u>10,747</u>	<u>13,049</u>
Investments and other assets		
Investment securities	26,119	25,403
Long-term loans receivable	50	136
Deferred tax assets	519	665
Net defined benefit asset	3,737	3,729
Other	3,054	3,663
Allowance for doubtful accounts	(111)	(110)
Total investments and other assets	<u>33,370</u>	<u>33,487</u>
Total non-current assets	<u>121,489</u>	<u>124,386</u>
Total assets	<u>323,458</u>	<u>329,761</u>

(Million yen)

	As of March 31, 2024	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	20,427	23,738
Short-term loans payable	39,062	24,829
Commercial papers	–	10,997
Current portion of long-term loans payable	634	574
Income taxes payable	4,940	5,087
Provision for bonuses	2,548	856
Provision for loss on business of subsidiaries and associates	310	54
Provision for business structure improvement	2	–
Other	18,638	18,400
Total current liabilities	<u>86,563</u>	<u>84,538</u>
Non-current liabilities		
Bonds payable	–	10,000
Long-term loans payable	1,284	1,253
Deferred tax liabilities	1,381	1,789
Provision for loss on business of subsidiaries and affiliates	143	159
Provision for share-based remuneration for directors (and other officers)	272	254
Net defined benefit liability	467	548
Other	2,392	2,401
Total non-current liabilities	<u>5,941</u>	<u>16,407</u>
Total liabilities	<u>92,505</u>	<u>100,946</u>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	18,942	18,942
Capital surplus	13,613	13,613
Retained earnings	182,376	186,668
Treasury shares	(943)	(6,164)
Total shareholders' equity	<u>213,989</u>	<u>213,060</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,238	7,694
Foreign currency translation adjustment	4,226	3,923
Remeasurements of defined benefit plans	1,066	959
Total accumulated other comprehensive income	<u>13,531</u>	<u>12,578</u>
Non-controlling interests	<u>3,432</u>	<u>3,175</u>
Total net assets	<u>230,952</u>	<u>228,814</u>
Total liabilities and net assets	<u>323,458</u>	<u>329,761</u>



(2) Consolidated Statements of Income / Consolidated Statements of Comprehensive Income

- Consolidated Statements of Income

(Million yen)

	Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024
Net sales	155,334	174,832
Cost of sales	80,611	90,426
Gross profit	74,723	84,406
Selling, general and administrative expenses	41,287	43,325
Operating income	33,436	41,080
Non-operating income		
Interest income	115	170
Dividend income	622	1,078
Equity in earnings of affiliates	497	469
Foreign exchange gains	1,078	952
Other	576	1,116
Total non-operating income	2,889	3,787
Non-operating expenses		
Interest expenses	378	490
Loss on disposal of non-current assets	666	511
Bond issuance costs	—	54
Plant stop losses	68	249
Other	161	235
Total non-operating expenses	1,275	1,541
Ordinary income	35,049	43,326
Extraordinary income		
Gain on receipt of contingent consideration	—	821
Gain on sales of investment securities	603	—
Total extraordinary income	603	821
Extraordinary losses		
Total extraordinary losses	—	—
Income before income taxes and non-controlling interests	35,653	44,148
Income taxes - current	8,597	11,762
Income taxes - deferred	999	592
Total income taxes	9,596	12,355
Net income	26,056	31,792
Net income attributable to non-controlling interests	83	83
Net income attributable to owners of parent	25,972	31,708

- Consolidated Statements of Comprehensive Income

(Million yen)

	Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024
Net income	26,056	31,792
Other comprehensive income		
Valuation difference on available-for-sale securities	882	(542)
Foreign currency translation adjustment	1,702	(643)
Remeasurements of defined benefit plans, net of tax	(16)	(107)
Share of other comprehensive income of entities accounted for using equity method	(0)	(0)
Total other comprehensive income	2,569	(1,293)
Comprehensive income	28,625	30,498
(Comprehensive income attributable to)		
Owners of parent	28,362	30,755
Non-controlling interests	263	(256)

### (3) Consolidated Statements of Cash Flows

(Million yen)

	Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024
Cash flows from operating activities		
Income before income taxes and non-controlling interests	35,653	44,148
Depreciation	9,415	10,079
Gain on receipt of contingent consideration	–	(821)
Amortization of goodwill	76	24
Interest and dividend income	(737)	(1,249)
Loss (gain) on sales of investment securities	(603)	–
Interest expenses	378	490
Loss (gain) on disposal of non-current assets	666	511
Decrease (increase) in notes and accounts receivable - trade	19,469	16,343
Decrease (increase) in inventories	(19,442)	(12,088)
Increase (decrease) in notes and accounts payable - trade	2,765	2,432
Other	276	(2,896)
Subtotal	47,919	56,973
Interest and dividend income received	1,617	2,450
Interest expenses paid	(373)	(482)
Income taxes paid	(15,484)	(11,602)
Net cash provided by (used in) operating activities	33,678	47,338
Cash flows from investing activities		
Purchase of investment securities	(100)	(119)
Proceeds from sales of investment securities	788	1
Purchase of shares of subsidiaries	(10)	–
Proceeds from sale of shares of subsidiaries	–	276
Purchase of property, plant and equipment	(12,779)	(10,892)
Payments for retirement of property, plant and equipment	(586)	(475)
Purchase of intangible assets	(1,251)	(1,753)
Proceeds from contingent consideration	–	2,633
Net decrease (increase) in short-term loans receivable	2,110	408
Purchase of long-term prepaid expenses	(203)	(645)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(2,921)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	93	–
Other	18	137
Net cash provided by (used in) investing activities	(11,920)	(13,349)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	7,392	(15,338)
Net increase (decrease) in commercial papers	–	10,993
Repayments of long-term loans payable	(312)	(317)
Proceeds from issuance of bonds	–	10,000
Cash dividends paid	(22,973)	(22,681)
Share repurchase	(5,818)	(10,000)
Payments made to trust account for acquisition of treasury shares	(4,187)	–
Other	(0)	(5)
Net cash provided by (used in) financing activities	(25,899)	(27,349)
Effect of exchange rate change on cash and cash equivalents	176	(192)
Net increase (decrease) in cash and cash equivalents	(3,964)	6,447
Cash and cash equivalents at beginning of period	29,647	22,738
Increase in cash and cash equivalents from newly consolidated subsidiary	–	17
Cash and cash equivalents at end of period	25,683	29,202

#### (4) Notes to Consolidated Financial Statements

##### (Notes on Assumption of Going Concern)

Not applicable.

##### (Notes on Significant Changes in Shareholders' Equity)

The Company made a stock payment of 4,600 shares to the eligible party on April 25, 2024 based on the trust agreement of the Board Benefit Trust (BBT) resolved by the Board of Director's meeting on July 30, 2019. As a result, treasury shares decreased by 22 million yen during the third quarter of current consolidated fiscal year. Also, the Company repurchased 2,005,300 treasury shares based on the resolution of Board of Directors' meeting held on May 13, 2024 and May 28, 2024. As a result, treasury shares increased by 9,999 million yen during the third quarter of current consolidated fiscal year.

In addition, the Company canceled 1,000,000 treasury shares on September 9, 2024 based on the resolution of Board of Directors' meeting held on August 27, 2024. As a result, retained earnings and treasury shares decreased by 4,757 million yen during the third quarter of current consolidated fiscal year.

##### (Changes in Accounting Policies)

###### (Application of the Accounting Standard for Current Income Taxes)

The Accounting Standard for Current Income Taxes (ASBJ Statement No.27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard 2022"), etc. have been adopted from the beginning of the first quarter ended June 30, 2024. The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No.28, October 28, 2022; hereinafter referred to as the "Revised Implementation Guidance 2022"). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first quarter ended June 30, 2024. This change in accounting policies was applied retrospectively. Hence, the quarterly consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year have been modified retrospectively. As a result, deferred tax liabilities decreased by 49 million yen and retained earnings increased by 49 million yen in the consolidated balance sheets for the fiscal year ended March 31, 2024.

## (Segment Information)

### 1. Information Regarding Sales, Income (Loss) of Reportable Segments

#### 1) For the Nine Months Ended December 31, 2023 (From April 01, 2023 to December 31, 2023)

(Million yen)

	Chemicals	Performance Materials	Agricultural Chemicals	Healthcare	Trading	Others	Total	Adjustment (Note 2)	Consolidated Total
Net Sales									
Sales to outside customers (Note 1)	18,285	49,646	38,118	4,782	57,708	7,316	175,857	(20,523)	155,334
Intersegment Sales	9,262	12,291	10,339	57	19,353	11,014	62,317	(62,317)	—
Total Sales	27,547	61,937	48,458	4,839	77,062	18,330	238,175	(82,840)	155,334
Segment Income or Loss (Operating Income or Loss)	283	17,414	14,509	2,277	2,841	(43)	37,283	(3,847)	33,436

#### Notes:

1 Sales to outside customers in reportable segments are calculated on a gross basis, including sales that are agent transactions.

A reconciliation of gross sales to net sales as agent transactions is made in the Adjustment section.

2 Adjustments are follows.

(1) (20,523) million yen adjustment in sales to outside customers includes (20,540) million yen in the elimination of agent transactions, and 17 million yen sales not attributable to any reporting segment.

(2) (3,847) million yen adjustment in segment income includes 254 million yen in intersegment eliminations, 19 million yen sales not attributable to any reporting segment, and (4,121) million yen corporate expenses not attributable to any reportable segment. The corporate expenses are mainly group administrative expenses which do not belong to any segment.

#### 2) For the Nine Months Ended December 31, 2024 (From April 01, 2024 to December 31, 2024)

(Million yen)

	Chemicals	Performance Materials	Agricultural Chemicals	Healthcare	Trading	Others	Total	Adjustment (Note 2)	Consolidated Total
Net Sales									
Sales to outside customers (Note 1)	18,669	55,088	42,390	4,332	66,586	7,137	194,206	(19,374)	174,832
Intersegment Sales	9,433	19,105	11,398	92	20,474	13,726	74,231	(74,231)	—
Total Sales	28,103	74,194	53,789	4,425	87,061	20,863	268,437	(93,605)	174,832
Segment Income or Loss (Operating Income or Loss)	66	22,264	17,904	1,618	3,149	134	45,137	(4,057)	41,080

#### Notes:

1 Sales to outside customers in reportable segments are calculated on a gross basis, including sales that are agent transactions.

A reconciliation of gross sales to net sales as agent transactions is made in the Adjustment section.

2 Adjustments are follows.

(1) (19,374) million yen adjustment in sales to outside customers includes (19,593) million yen in the elimination of agent transactions, and 219 million yen sales not attributable to any reporting segment.

(2) (4,057) million yen adjustment in segment income includes (326) million yen in intersegment eliminations, 220 million yen sales not attributable to any reporting segment, and (3,951) million yen corporate expenses not attributable to any reportable segment. The corporate expenses are mainly group administrative expenses which do not belong to any segment.