

# Consolidated Financial Results for the Three Months Ended June 30, 2025 (JPGAAP)



August 8 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, Head of Finance and Accounting Department Tel. +81 3 4463 8401

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 Three Months Ended June 30, 2025 (From April 01, 2025 to June 30, 2025)

(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	%
Three months ended June 30, 2025	69,871	19.1	18,097	25.4	18,139	13.2	13,892	19.9
Three months ended June 30, 2024	58,688	6.8	14,426	(3.8)	16,029	(6.0)	11,590	(5.3)

(Note) Comprehensive income: Three months ended June 30, 2025 : 16,500 million yen, 25.1%

Three months ended June 30, 2024 : 13,194 million yen, (10.4%)

	Basic earnings per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2025	102.20	—
Three months ended June 30, 2024	83.78	—

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	334,500	235,556	69.4
As of March 31, 2025	330,763	236,180	70.5

(Reference) Shareholders' equity: As of June 30, 2025 : 232,200 million yen

As of March 31, 2025 : 233,291 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, 2025	—	70.00	—	104.00	174.00
Year ending March 31, 2026	—				
Year ending March 31, 2026(Outlook)		70.00	—	106.00	176.00

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

## 3. Outlook of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (From April 01, 2025 to March 31, 2026)

(% 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
Six months ending September 30, 2025	121,900	3.1	28,300	(0.2)	27,100	(3.0)	20,600	0.4	152.52
Year ending March 31, 2026	262,200	4.3	57,600	1.3	57,300	(1.2)	43,100	0.1	319.43

(Note) Revision of the latest released outlook of financial results: None

#### 4. Notes

(1) Changes in significant consolidated subsidiaries

(Changes in specified subsidiaries involving changes in scope of consolidation) : None

(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 : None

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

3. Changes in accounting estimates : None

4. Restatements : None

(4) Number of shares outstanding (common shares)

1. Number of shares outstanding (including treasury shares)

As of June 30, 2025 : 136,800,000 shares

As of March 31, 2025 : 136,800,000 shares

2. Number of treasury shares

As of June 30, 2025 : 1,199,177 shares

As of March 31, 2025 : 517,787 shares

3. Average number of shares outstanding

As of June 30, 2025 : 135,927,758 shares

As of June 30, 2024 : 138,352,172 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 135,300 shares.

In addition, the average number of shares held by the Trust during the period was 135,983 shares.

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

\* Review of quarterly consolidated financial statements by certified public accountants or auditing corporation: None

\* 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.

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# 1. Qualitative Information on Quarterly Results

## (1) Business Performance

During the first quarter of the current fiscal year (April 01, 2025 to June 30, 2025), the domestic economy showed only a moderate recovery because of inflation and uncertainty surrounding US economic policy, while inbound demand expanded and the income environment improved. Under these circumstances, in the Chemicals Segment, sales of both Basic Chemicals and Fine Chemicals increased. In the Performance Materials Segment, sales of Semiconductor Materials were strong and sales of Display Materials and Inorganic Materials increased. In the Agricultural Chemicals Segment, sales of both agrochemicals and active ingredients for veterinary pharmaceuticals increased. In the Healthcare Segment, sales increased.

As a result, both sales and each income exceeded the same period of previous fiscal year and the outlook announced in May.

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

	1Q FY2024 (Actual)	1Q FY2025 (Actual)	Year-on-year Change	1Q FY2025 (Outlook) (Note)	Change from Outlook
Sales	58,688	69,871	+11,182	65,000	+4,871
Operating income	14,426	18,097	+3,670	17,100	+997
Ordinary income	16,029	18,139	+2,109	16,500	+1,639
Net income attributable to owners of parent	11,590	13,892	+2,301	12,200	+1,692

(Note) The outlook is described on page 10 of the FY2024 Presentation Materials (announced on May 15, 2025).

Explanations by segments are as below.

### The Chemicals Segment

In Basic Chemicals, sales of high purity sulfuric acid (agent used for cleaning semiconductor), urea and AdBlue®\* (high-grade urea solution) increased. In Fine Chemicals, sales of environmental related products (sterilizing and disinfecting agents for pools and septic tanks, etc.) and "FINEOXOCOL" (cosmetics, etc.) increased.

As a result, sales of this segment were 9,338 million yen (an increase of 446 million yen from the same period of the previous fiscal year) and operating income was 709 million yen (an increase of 25 million yen). Compared to the outlook (Note), sales were below 0.1 billion yen and operating income was below 0.1 billion yen.

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

(Note) The outlook is described on page 19 of the FY2024 Presentation Materials (announced on May 15, 2025).

### The Performance Materials Segment

In Display Materials, sales of "SUNEVER" (LCD alignment coating) increased. In Semiconductor Materials, sales of antireflective coating for semiconductors (ARC®\*) and multi-layer process materials (OptiStack®\*) increased. In Inorganic Materials, sales of "SNOWTEX" for polishing electronic materials and hard coating increased.

As a result, sales of this segment were 25,858 million yen (an increase of 2,377 million yen) and operating income was 8,201 million yen (an increase of 1,081 million yen). Compared to the outlook (Note), sales were above 0.2 billion yen and operating income was below 0.1 billion yen.

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

(Note) The outlook is described on page 19 of the FY2024 Presentation Materials (announced on May 15, 2025).

### **The Agricultural Chemicals Segment**

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

As a result, sales of this segment were 26,589 million yen (an increase of 6,232 million yen) and operating income was 8,648 million yen (an increase of 1,657 million yen). Compared to the outlook (Note), sales were above 3.4 billion yen and operating income was above 1.0 billion yen.

(Note) The outlook is described on page 19 of the FY2024 Presentation Materials (announced on May 15, 2025).

### **The Healthcare Segment**

Sales of "LIVALO" (anti-cholesterol drug) increased in the overseas market. Sales of "Custom Chemicals"(solution proposal business and joint development business) decreased.

As a result, sales of this segment were 1,575 million yen (an increase of 108 million yen) and operating income was 494 million yen (a decrease of 124 million yen). Compared to the outlook (Note), sales were above 0.1 billion yen and operating income was above 0.1 billion yen.

(Note) The outlook is described on page 19 of the FY2024 Presentation Materials (announced on May 15, 2025).

### **Trading**

Sales of this segment were 29,982 million yen (an increase of 2,477 million yen) and operating income was 1,087 million yen (an increase of 92 million yen). Compared to the outlook (Note), sales were above 1.7 billion yen and operating income was above 0.3 billion yen.

(Note) The outlook is described on page 63 and 64 of the FY2024 Presentation Materials (announced on May 15, 2025).

### **Others**

Sales of this segment were 7,904 million yen (an increase of 1,564 million yen) and operating income was 487 million yen (an increase of 375 million yen).

## (2) Financial Position

### (Position of Assets, Liabilities and Net Assets)

Total assets as of June 30, 2025 was 334,500 million yen (an increase of 3,736 million yen from March 31, 2025). It is mainly due to increase of cash and deposits and construction in progress.

Also, total liabilities as of June 30, 2025 was 98,943 million yen (an increase of 4,361 million yen). It is mainly due to the increase of short-term loans payable and commercial papers.

Net assets as of June 30, 2025 was 235,556 million yen (a decrease of 624 million yen).

As a result of these factors, equity ratio was 69.4% (a decrease of 1.1% from March 31, 2025).

### (Position of Cash Flows)

Deducting income taxes paid from income before income taxes and non-controlling interests, depreciation and gain and loss on working capital, net cash provided by operating activities for the three months ended June 30, 2025 was 16,335 million yen (15,347 million yen for the same period of the previous year).

Due to the investment on plant and equipment, net cash used in investing activities for the three months ended June 30, 2025 was 3,313 million yen (2,770 million yen for the same period of the previous year).

Due to payment for dividends, net cash used in financing activities for the three months ended June 30, 2025 was 7,669 million yen (1,669 million yen for the same period of the previous year).

Cash and cash equivalents at the end of this period increased 6,090 million yen from March 31, 2025 after adjusting for the 738 million yen effect of exchange rate. As a result, the balance stood at 33,545 million yen (33,774 million yen for the same period of the previous year).

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

There is no change in the outlook of consolidated business results for the first half and full year ending March 31, 2026 from the statement announced on May 15, 2025.

## (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 II launched from April 2025, the company aims to realize dividend payout ratio to be 55% or more and total payout ratio to be 75% or more after FY2025.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	27,454	33,545
Notes and accounts receivable - trade, and contract assets	89,131	90,514
Merchandise and finished goods	57,505	55,703
Work in process	19	188
Raw materials and supplies	22,624	22,482
Accounts receivable - other	2,146	1,404
Short-term loans receivable	2,257	690
Other	9,277	7,064
Allowance for doubtful accounts	(64)	(59)
Total current assets	210,352	211,533
Non-current assets		
Property, plant and equipment		
Buildings and structures	89,171	89,528
Accumulated depreciation and impairment loss	(55,383)	(55,952)
Buildings and structures, net	33,788	33,576
Machinery, equipment and vehicles	176,436	177,472
Accumulated depreciation and impairment loss	(155,323)	(157,091)
Machinery, equipment and vehicles, net	21,113	20,381
Tools, furniture and fixtures	45,732	45,983
Accumulated depreciation and impairment loss	(41,561)	(41,893)
Tools, furniture and fixtures, net	4,170	4,089
Land	8,867	8,863
Leased assets	123	124
Accumulated depreciation	(10)	(9)
Leased assets, net	113	114
Construction in progress	4,370	6,800
Total property, plant and equipment	72,424	73,825
Intangible assets		
Software	3,511	3,475
Other	9,951	9,593
Total intangible assets	13,463	13,068
Investments and other assets		
Investment securities	24,353	26,005
Long-term loans receivable	133	127
Deferred tax assets	567	563
Net defined benefit asset	4,782	4,766
Other	4,742	4,665
Allowance for doubtful accounts	(56)	(56)
Total investments and other assets	34,523	36,072
Total non-current assets	120,411	122,966
Total assets	330,763	334,500

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,877	19,546
Short-term loans payable	19,987	26,539
Commercial papers	8,996	11,995
Current portion of long-term loans payable	514	514
Income taxes payable	9,957	3,425
Provision for bonuses	2,576	848
Provision for loss on business of subsidiaries and affiliates	213	12
Other	17,096	18,999
Total current liabilities	79,218	81,881
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	977	770
Deferred tax liabilities	1,063	2,801
Provision for share-based remuneration for directors (and other officers)	264	258
Net defined benefit liability	542	611
Other	2,515	2,621
Total non-current liabilities	15,363	17,062
Total liabilities	94,582	98,943
Net assets		
Shareholders' equity		
Capital stock	18,942	18,942
Capital surplus	13,613	13,613
Retained earnings	192,928	192,632
Treasury shares	(2,590)	(5,422)
Total shareholders' equity	222,893	219,766
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,035	8,069
Foreign currency translation adjustment	1,788	2,843
Remeasurements of defined benefit plans	1,573	1,520
Total accumulated other comprehensive income	10,397	12,433
Non-controlling interests	2,889	3,356
Total net assets	236,180	235,556
Total liabilities and net assets	330,763	334,500



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

### - Consolidated Statements of Income

(Million yen)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2025
Net sales	58,688	69,871
Cost of sales	29,740	35,773
Gross profit	28,947	34,097
Selling, general and administrative expenses	14,521	16,000
Operating income	14,426	18,097
Non-operating income		
Interest income	62	38
Dividend income	229	604
Equity in earnings of affiliates	134	226
Foreign exchange gains	1,271	—
Other	298	227
Total non-operating income	1,996	1,098
Non-operating expenses		
Interest expenses	182	138
Loss on disposal of non-current assets	122	127
Bond issuance costs	51	0
Plant stop losses	5	—
Foreign exchange losses	—	671
Other	32	118
Total non-operating expenses	394	1,056
Ordinary income	16,029	18,139
Extraordinary income	—	—
Extraordinary losses	—	—
Income before income taxes and non-controlling interests	16,029	18,139
Income taxes - current	3,701	2,621
Income taxes - deferred	648	1,306
Total income taxes	4,349	3,928
Net income	11,679	14,211
Net income attributable to non-controlling interests	89	319
Net income attributable to owners of parent	11,590	13,892

- Consolidated Statements of Comprehensive Income

(Million yen)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2025
Net income	11,679	14,211
Other comprehensive income		
Valuation difference on available-for-sale securities	226	1,033
Foreign currency translation adjustment	1,324	1,307
Remeasurements of defined benefit plans, net of tax	(35)	(52)
Share of other comprehensive income of entities accounted for using equity method	(0)	0
Total other comprehensive income	1,514	2,288
Comprehensive income	13,194	16,500
(Comprehensive income attributable to)		
Owners of parent	12,961	15,928
Non-controlling interests	233	572

### (3) Consolidated Statements of Cash Flows

(Million yen)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2025
Cash flows from operating activities		
Income before income taxes and non-controlling interests	16,029	18,139
Depreciation	3,589	3,297
Amortization of goodwill	9	42
Interest and dividend income	(292)	(643)
Interest expenses	182	138
Loss (gain) on disposal of non-current assets	122	127
Decrease (increase) in notes and accounts receivable - trade	3,456	(997)
Decrease (increase) in inventories	(4,384)	2,055
Increase (decrease) in notes and accounts payable - trade	(1,593)	(599)
Other	2,765	2,625
Subtotal	19,884	24,186
Interest and dividend income received	348	1,224
Interest expenses paid	(176)	(153)
Income taxes paid	(4,709)	(8,920)
Net cash provided by (used in) operating activities	15,347	16,335
Cash flows from investing activities		
Purchase of investment securities	(53)	(15)
Purchase of property, plant and equipment	(2,648)	(4,435)
Payments for retirement of property, plant and equipment	(111)	(100)
Purchase of intangible assets	(593)	(270)
Net decrease (increase) in short-term loans receivable	854	1,546
Purchase of long-term prepaid expenses	(75)	(6)
Other	(142)	(30)
Net cash provided by (used in) investing activities	(2,770)	(3,313)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	6,376	6,689
Net increase (decrease) in commercial papers	—	2,999
Repayments of long-term loans payable	—	(207)
Proceeds from issuance of bonds	10,000	—
Cash dividends paid	(13,043)	(14,187)
Dividends paid to non-controlling interests	—	(105)
Share repurchase	(4,061)	(2,851)
Payments made to trust account for acquisition of treasury shares	(938)	—
Other	(2)	(5)
Net cash provided by (used in) financing activities	(1,669)	(7,669)
Effect of exchange rate change on cash and cash equivalents	111	738
Net increase (decrease) in cash and cash equivalents	11,019	6,090
Cash and cash equivalents at beginning of period	22,738	27,454
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	17	—
Cash and cash equivalents at end of period	33,774	33,545

#### (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 4,100 shares to the eligible party on April 25, 2025 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 19 million yen during the first quarter of current consolidated fiscal year.

In addition, the Company repurchased 685,400 treasury shares based on the resolution of Board of Directors' meeting held on March 6, 2025 and May 15, 2025. As a result, treasury shares increased by 2,850 million yen during the first quarter of current consolidated fiscal year.

##### (Additional information)

###### (Change of fiscal year-end of consolidated subsidiaries)

With respect to our consolidated subsidiary Nippon Polytech Corp. having a fiscal year-end of December 31, we previously used their financial statements as of December 31 to prepare the consolidated financial statements and made necessary consolidation adjustments for significant transactions among consolidated companies that occurred between December 31 and the consolidated fiscal year-end. Effective April 1, 2025, the fiscal year-end of these consolidated subsidiary was changed to March 31 to align with the consolidated fiscal year-end, and we have adopted the method to adjust earnings for the period between January 1, 2025 to March 31, 2025 through the consolidated statements of income, and accordingly the period subject to consolidation for the fiscal year ended March 31, 2026 is 15 months from January 1, 2025 to March 31, 2026.

The impact of this change is minor.

(Segment Information)

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

1) For the Three Months Ended June 30, 2024 (From April 01, 2024 to June 30, 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)	5,901	17,491	16,945	1,411	20,435	2,636	64,822	(6,133)	58,688
Intersegment Sales	2,990	5,989	3,411	55	7,069	3,703	23,218	(23,218)	—
Total Sales	8,892	23,480	20,356	1,466	27,505	6,340	88,040	(29,352)	58,688
Segment Income or Loss (Operating Income or Loss)	684	7,119	6,991	618	994	111	16,520	(2,093)	14,426

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 as follows.
  - (1) (6,133) million yen adjustment in sales to outside customers includes (6,140) million yen in the elimination of agent transactions, and 7 million yen sales not attributable to any reporting segment.
  - (2) (2,093) million yen adjustment in segment income includes (556) million yen in intersegment eliminations, 8 million yen sales not attributable to any reporting segment, and (1,545) 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 Three Months Ended June 30, 2025 (From April 01, 2025 to June 30, 2025)

(Million yen)

	Chemicals	Performance Materials	Agricultural Chemicals	Healthcare	Trading	Others	Total	Adjustment (Note 2)	Consolidated Total
Net Sales									
Sales to outside customers (Note 1)	6,070	18,838	23,384	1,561	22,417	3,839	76,112	(6,241)	69,871
Intersegment Sales	3,267	7,019	3,204	13	7,564	4,064	25,134	(25,134)	—
Total Sales	9,338	25,858	26,589	1,575	29,982	7,904	101,247	(31,376)	69,871
Segment Income or Loss (Operating Income or Loss)	709	8,201	8,648	494	1,087	487	19,628	(1,531)	18,097

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 as follows.
  - (1) (6,241) million yen adjustment in sales to outside customers includes (6,274) million yen in the elimination of agent transactions, and 32 million yen sales not attributable to any reporting segment.
  - (2) (1,531) million yen adjustment in segment income includes (69) million yen in intersegment eliminations, 32 million yen sales not attributable to any reporting segment, and (1,494) 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. Matters related to changes in reporting segments

### (Changes in Method for Calculating Earnings for Reporting Segments)

From the first quarter of the current consolidated fiscal year, the Company has changed the allocation method for certain corporate expenses in order to more accurately reflect the performance of each reportable segment. Furthermore, the segment information for the first quarter of the previous fiscal year has been restated based on the changed allocation method for comparative purposes.