

# Material for Financial Results Presentation For the Fiscal Year Ended March 31, 2021

Takao Ando, President & CEO  
Sanyo Chemical Industries, Ltd.

**Sanyo**  
**Chemical**

Securities code: 4471

<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 May 20, 2021. 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>

Public Relations Dept.  
Corporate Planning Division  
Sanyo Chemical Industries, Ltd.

E-mail: [pr-group@sanyo-chemical.group](mailto: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, Osaka, Nagoya, Hiroshima, Fukuoka

Domestic Factories:

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

Number of Employees (Consolidated Basis):

2,096 (as of March 31, 2021)

Line of Business:

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

## **Sanyo Chemical** Sanyo Chemical Group

- Consolidated Subsidiaries: 12 Companies
- Entities Accounted for Using the Equity Method: 5 Companies

### Domestic (6 Companies)

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

- San-Apro Ltd.
- San-Petrochemicals Co., Ltd.
- APB Corporation

### Overseas (8 Companies)



- Sanyo Kasei (Nantong) Co., Ltd.
- San-Dia Polymers (Nantong) Co., Ltd.
- SANYO CHEMICAL (SHANGHAI) TRADING CO., LTD.



- Sanyo Kasei (Thailand) Ltd.



- SANAM Corporation
- Sanyo Chemical Texas Industries, LLC
- Sunrise Chemical LLC



- SDP GLOBAL (MALAYSIA) SDN. BHD.

### Logistics and Service Subsidiaries (3 Companies)

- Sanyo Chemical Logistics Co., Ltd.
- Sanliving Ltd.

- Shiohama Chemicals  
Warehouse Co., Ltd.

### Other Subsidiaries and Affiliates:

Sanyo Kasei Korea, Ltd.  
SANYO KASEI (TAIWAN) LTD.  
San Nopco (Korea) Limited

Sanyo Chemical Manufacturing Korea, Ltd.  
San Nopco (Shanghai) Trading Co., Ltd.  
DaXiang International Trading (SHANGHAI) Co., Ltd.

# Domestic Production Bases



Kyoto Factory, Head Office and Research Laboratory  
(Higashiyama-ku, Kyoto, Approx. 26,000 m<sup>2</sup>)



Kashima Factory  
(Kamisu-shi, Ibaraki, Approx. 130,000 m<sup>2</sup>)



Nagoya Factory  
(Tokai-shi, Aichi, Approx. 100,000 m<sup>2</sup>)



Kinuura Factory  
(Handa-shi, Aichi, Approx. 140,000 m<sup>2</sup>)



San Chemical Co., Ltd., Kawasaki Factory  
(Kawasaki-shi, Kanagawa, Approx. 11,000 m<sup>2</sup>)

# Overseas Production Bases



Sanyo Kasei (Nantong) Co., Ltd.



San-Dia Polymers (Nantong) Co., Ltd.



Sanyo Chemical Manufacturing Korea, Ltd.



SDP GLOBAL (MALAYSIA) SDN. BHD.



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 Kasei (Thailand) Ltd.



SANYO KASEI (TAIWAN) LTD.

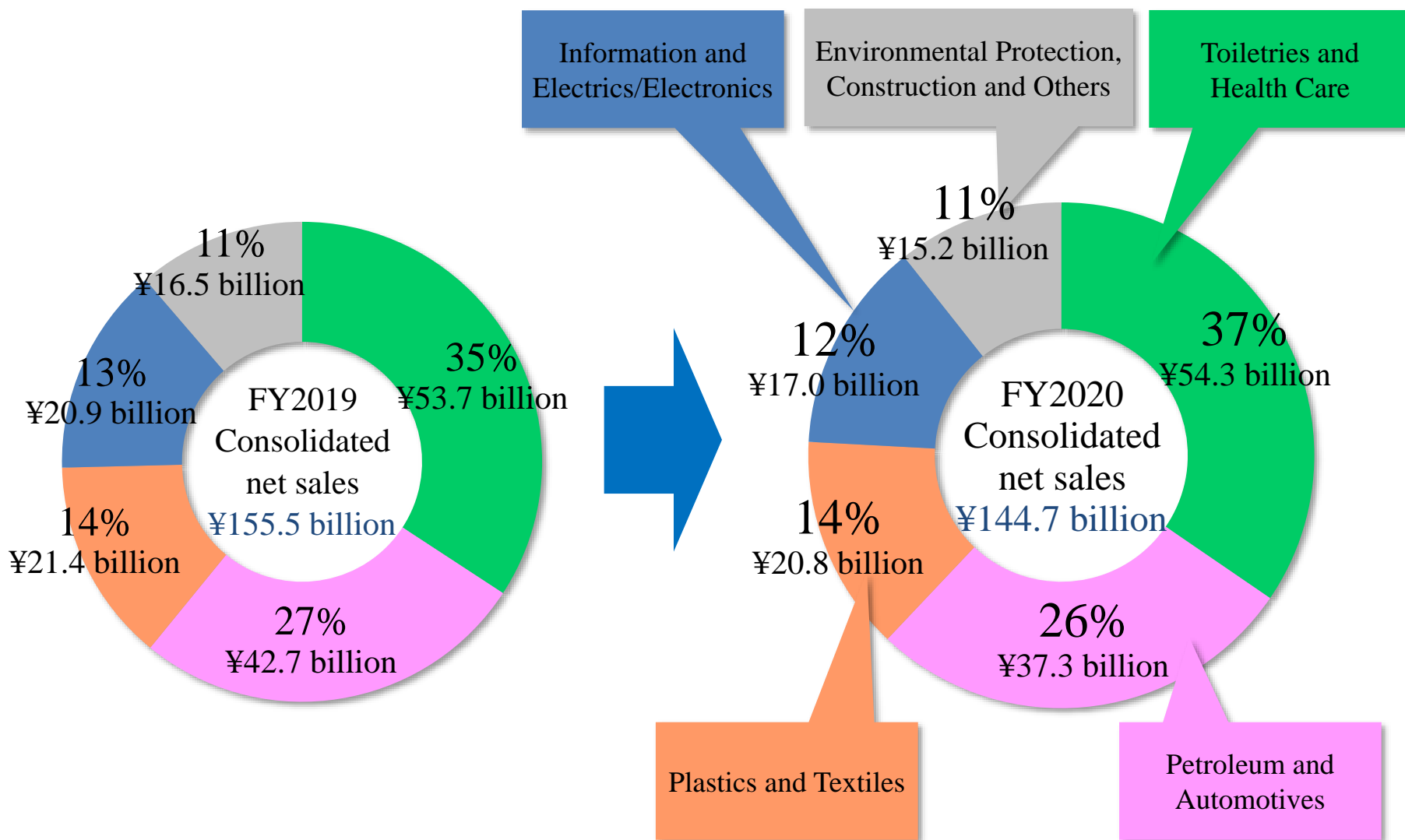


SANAM Corporation

# 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	Polyester Beads (PEB) Used as a Core Component of Polymerization Toners, Toner Binder
	Electrics/Electronics	Electrolytes for Aluminum Electrolytic Capacitors, Electrolytes for Electric Double-Layer 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

# Consolidated Net Sales by Segment

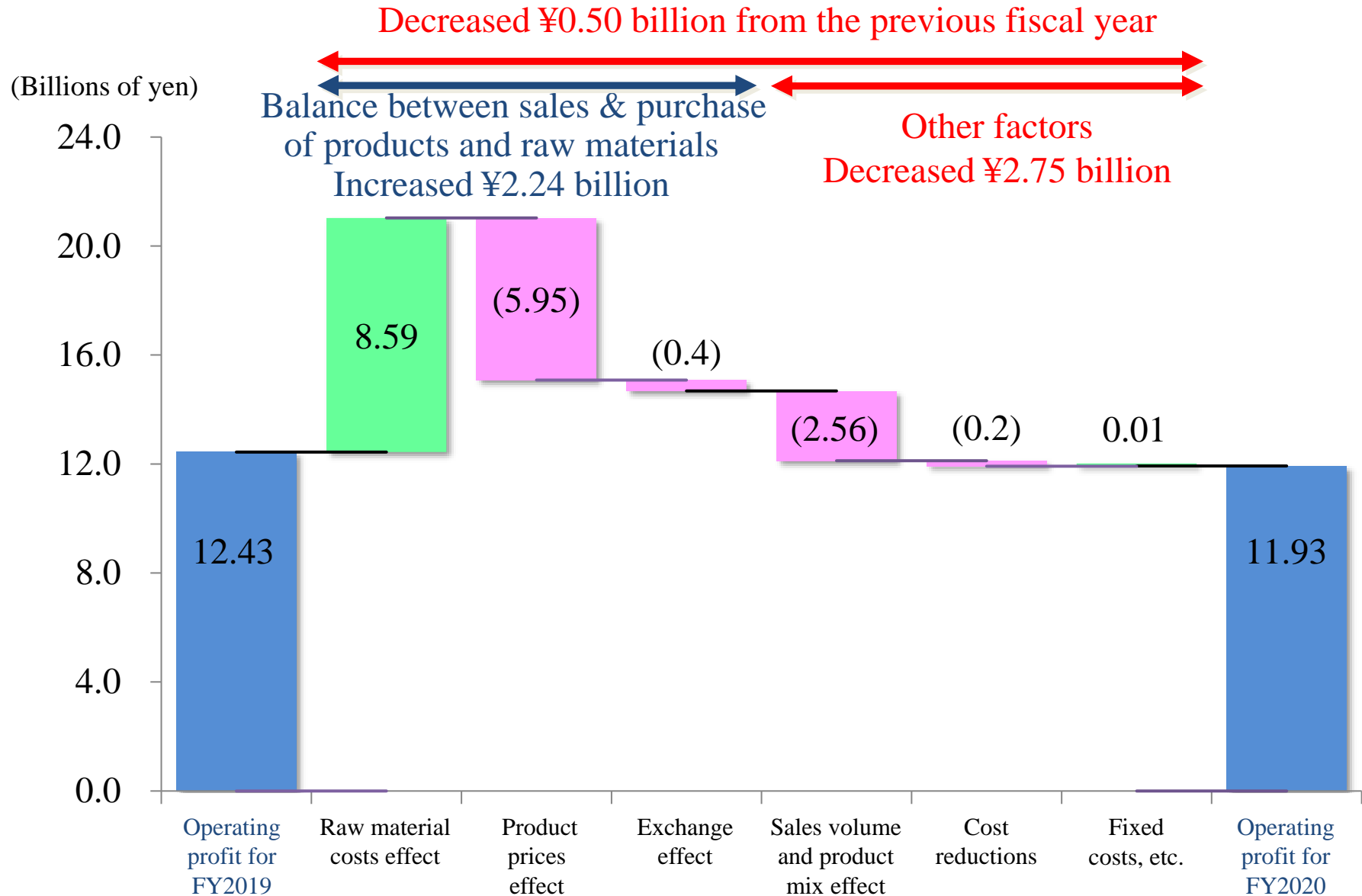


# Earnings for the Apr.-Mar. period of FY2020

(Billions of yen)

Consolidated	Apr.-Mar. FY2019	Apr.-Mar. FY2020	Year-on-Year Change	
			Amount	Ratio (%)
Net sales	155.50	144.75	(10.74)	(7)
Operating profit	12.43	11.93	(0.50)	(4)
Ordinary profit	12.70	11.99	(0.70)	(6)
Profit attributable to owners of parent	7.66	7.28	(0.38)	(5)
Comprehensive income	2.17	15.27	13.09	601

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



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

(Billions of yen)

	Apr.-Mar. FY2019	Apr.-Mar. FY2020	Change amount
Operating profit	12.43	11.93	(0.50)
Share of profit of entities accounted for using equity method	0.23	(0.96)	(1.19)
Foreign exchange gains (losses)	(0.47)	0.60	1.08
Other non-operating income (loss)	0.50	0.42	(0.08)
Ordinary profit	12.70	11.99	(0.70)
Gain (loss) on sales of non-current assets, loss on retirement of non-current assets	(1.18)	(1.59)	(0.40)
Gain on change in equity	—	1.44	1.44
Loss on cancellation of integration	—	(0.83)	(0.83)
Other extraordinary income (loss)	(0.51)	(0.37)	0.13
Profit before income taxes	11.00	10.63	(0.37)
Income taxes	(3.25)	(2.89)	0.35
Profit attributable to non-controlling interests	(0.08)	(0.45)	(0.37)
Profit attributable to owners of parent	7.66	7.28	(0.38)

# Consolidated Balance Sheet

(Billions of yen)

	March 31, 2020	March 31, 2021	Change amount	Main factors for changes
Current assets	85.8	89.3	3.5	Cash and deposits: 5.6, Notes and accounts receivable - trade, Electronically recorded monetary claims - operating: (1.0)
Non-current assets	93.0	106.3	13.3	Investment securities: 9.0
Total assets	178.8	195.7	16.8	
Current liabilities	42.7	46.2	3.4	Short-term borrowings: 1.0, Accrued expenses: 1.2
Non-current liabilities	6.0	6.5	0.5	Long-term borrowings: (1.4), Deferred tax liabilities: 1.9
Total liabilities	48.7	52.7	3.9	
Shareholders' equity	121.4	127.1	5.6	Capital surplus: 1.9, Profit: 7.2, Cash dividends paid: (3.0)
Other comprehensive income	6.1	13.3	7.2	Valuation difference on available-for-sale securities: 4.9, Foreign currency translation adjustment: 1.3
Non-controlling interests	2.4	2.4	0.0	
Total net assets	130.0	142.9	12.8	
Total liabilities and net assets	178.8	195.7	16.8	

# Consolidated Statements of Cash Flows

(Billions of yen)

	Apr.-Mar.		Change amount	Special notes
	FY2019	FY2020		
Cash flows from operating activities	<b>17.2</b>	<b>22.3</b>	<b>5.0</b>	
Profit before income taxes	11.0	10.6	(0.3)	
Depreciation	9.1	9.6	0.5	
Impairment loss	—	0.3	0.3	
Share of loss (profit) of entities accounted for using equity method	(0.2)	0.9	1.1	
Decrease (increase) in operating capital	0.0	3.0	2.9	
Income taxes	(5.3)	(2.3)	2.9	
Other, net	2.5	0.0	(2.5)	
Cash flows from investing activities	<b>(13.0)</b>	<b>(12.4)</b>	<b>0.5</b>	Purchase of non-current assets FY2019: (8.1), FY2020: (7.6)
Free cash flows	<b>4.2</b>	<b>9.8</b>	<b>5.5</b>	
Cash flows from financing activities	<b>(5.1)</b>	<b>(4.1)</b>	<b>1.0</b>	Loans and Repayment FY2019: (2.2), FY2020: (0.5)
Effect of exchange rate change on cash and cash equivalents	<b>(0.1)</b>	<b>0.5</b>	<b>0.6</b>	
Net increase (decrease) in cash and cash equivalents	<b>(1.1)</b>	<b>6.1</b>	<b>7.3</b>	
Cash and cash equivalents at beginning of period	<b>19.1</b>	<b>18.0</b>	<b>(1.1)</b>	
Increase (decrease) in cash and cash equivalents resulting from changes in the fiscal year-end of consolidated subsidiaries	—	<b>(0.6)</b>	<b>(0.6)</b>	
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	<b>0.1</b>	<b>0.1</b>	
Cash and cash equivalents at end of period	<b>18.0</b>	<b>23.6</b>	<b>5.6</b>	

# Earnings Forecast for FY2021

<Assumptions for below forecasts>

Price of naphtha produced in Japan: 46 thousand yen/kl, Exchange rate: 108 yen/U.S. dollar

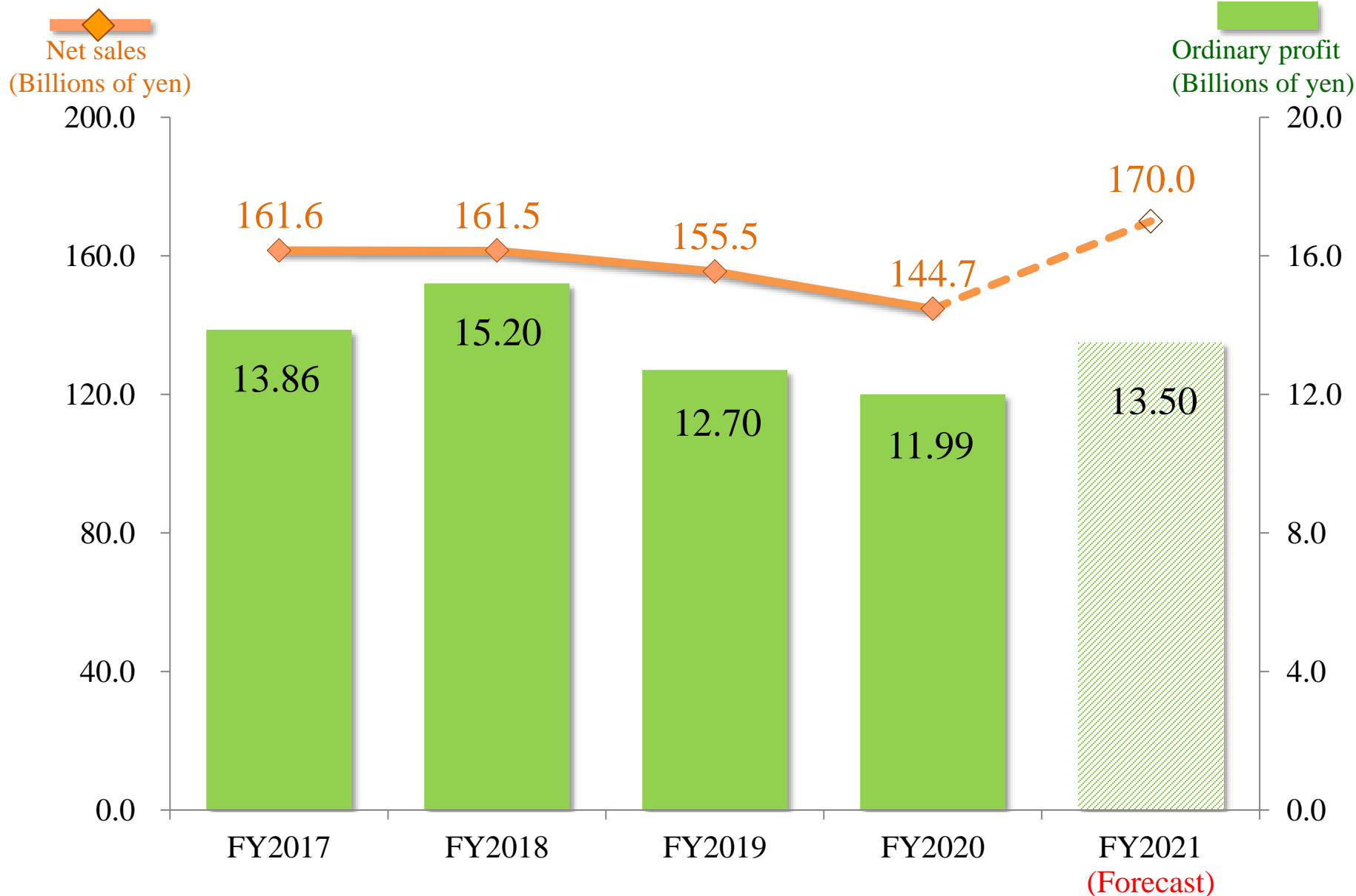
(Billions of yen)

Consolidated	Full year			Second quarter (Apr.-Sep.)		
	FY2021 Forecast	FY2020 Result	Change Rate (%)	FY2021 Forecast	FY2020 Result	Change Rate (%)
Net sales	170.00	144.75	17	82.00	65.93	24
Operating profit	13.50	11.93	13	6.00	4.59	30
Ordinary profit	13.50	11.99	13	6.00	4.37	37
Profit attributable to owners of parent	9.00	7.28	24	4.00	2.33	72
ROE	6.4	5.4	+ 1.0pt			

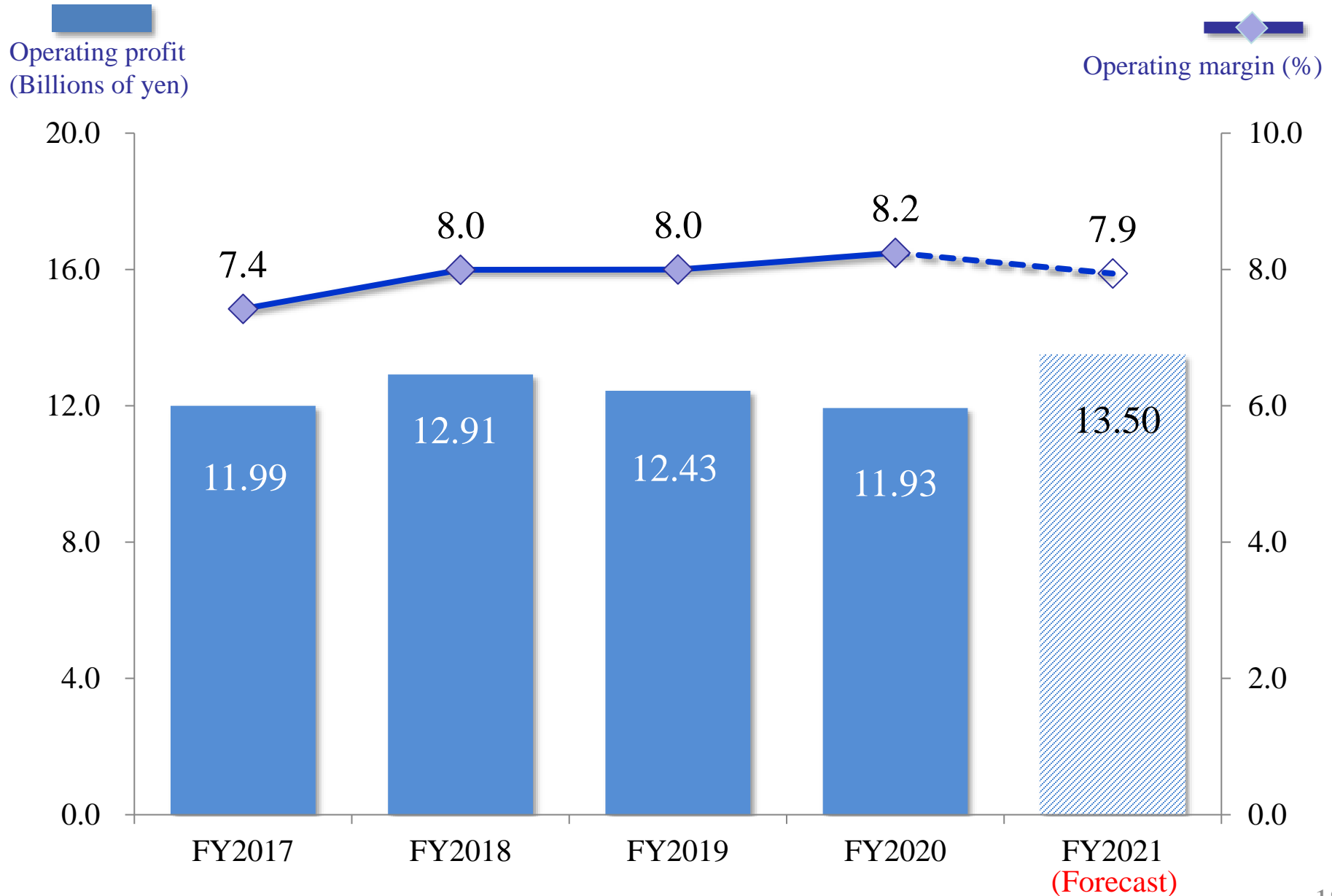
# Key Management Indicators

	Unit	FY2019	FY2020	Year-on-Year Change
Total assets	Billions of yen	178.8	195.7	16.8
Return on assets	%	6.8	6.4	(0.4)pt
Equity	Billions of yen	127.6	140.4	12.8
Equity ratio	%	71.4	71.8	+0.4pt
Return on equity	%	6.0	5.4	(0.6)pt
Interest-bearing debt	Billions of yen	9.6	9.2	(3.0)
Debt/equity ratio	Times	0.08	0.07	(0.01)pt

# Trends in Consolidated Earnings



# Trends in Consolidated Operating Profit and Operating Margin



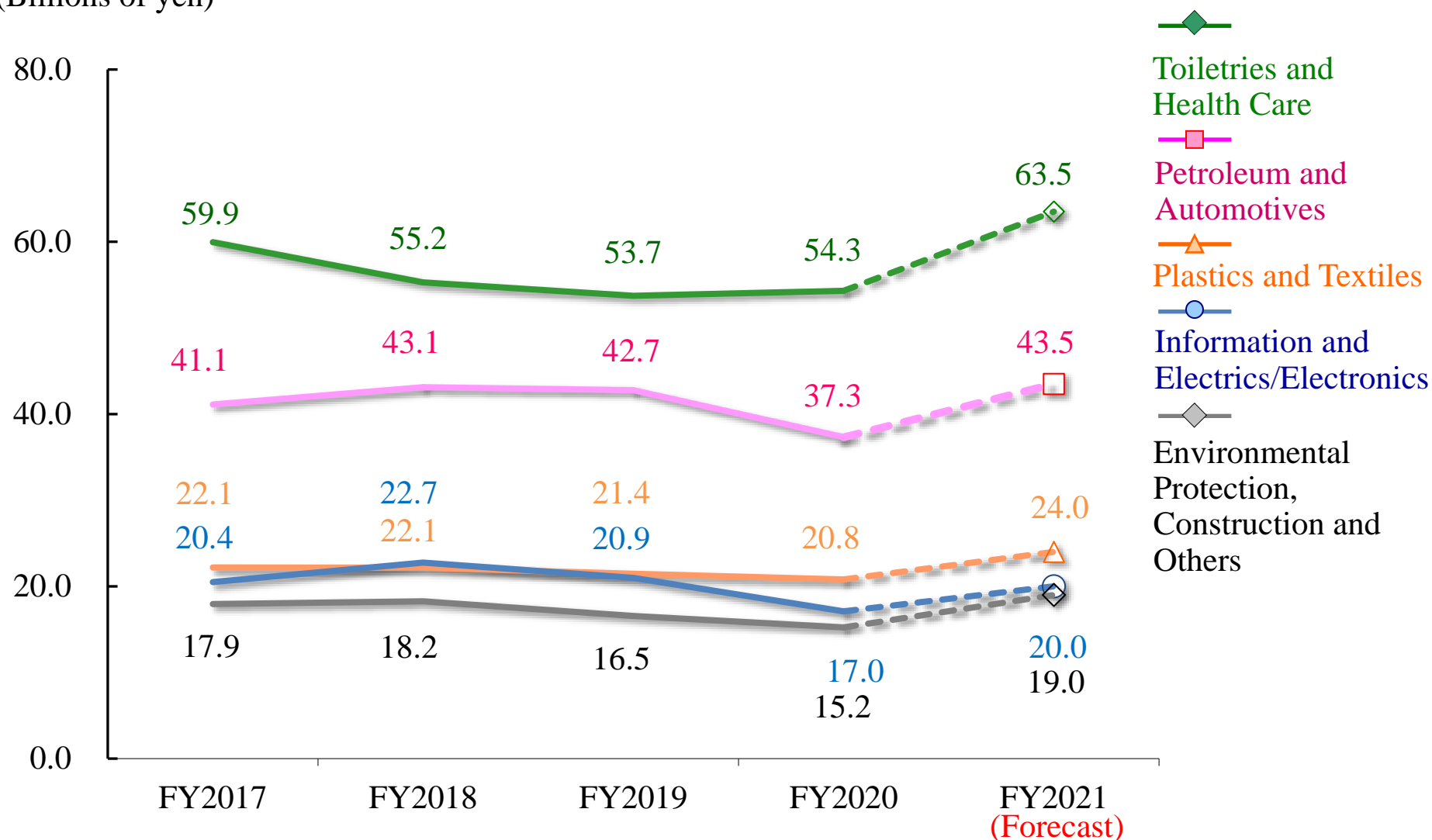
# Consolidated Earnings by Segment

(Billions of yen)

Segment	Net sales			Operating profit		
	Apr.-Mar. FY2019	Apr.-Mar. FY2020	Change amount	Apr.-Mar. FY2019	Apr.-Mar. FY2020	Change amount
Toiletries and Health Care	53.72	54.30	0.57	1.59	3.19	1.60
Toiletries	13.35	12.97	(0.38)			
Health Care	40.37	41.33	0.95			
Petroleum and Automotives	42.77	37.31	(5.45)	3.74	3.36	(0.37)
Plastics and Textiles	21.45	20.80	(0.65)	3.00	2.70	(0.29)
Plastics	15.49	15.38	(0.10)			
Textiles	5.96	5.41	(0.54)			
Information and Electrics/Electronics	20.98	17.09	(3.88)	2.93	1.43	(1.49)
Information	13.94	9.37	(4.56)			
Electrics/Electronics	7.04	7.72	0.67			
Environmental Protection, Construction and Others	16.56	15.23	(1.32)	1.16	1.22	0.06
Total	155.50	144.75	(10.74)	12.43	11.93	(0.5)

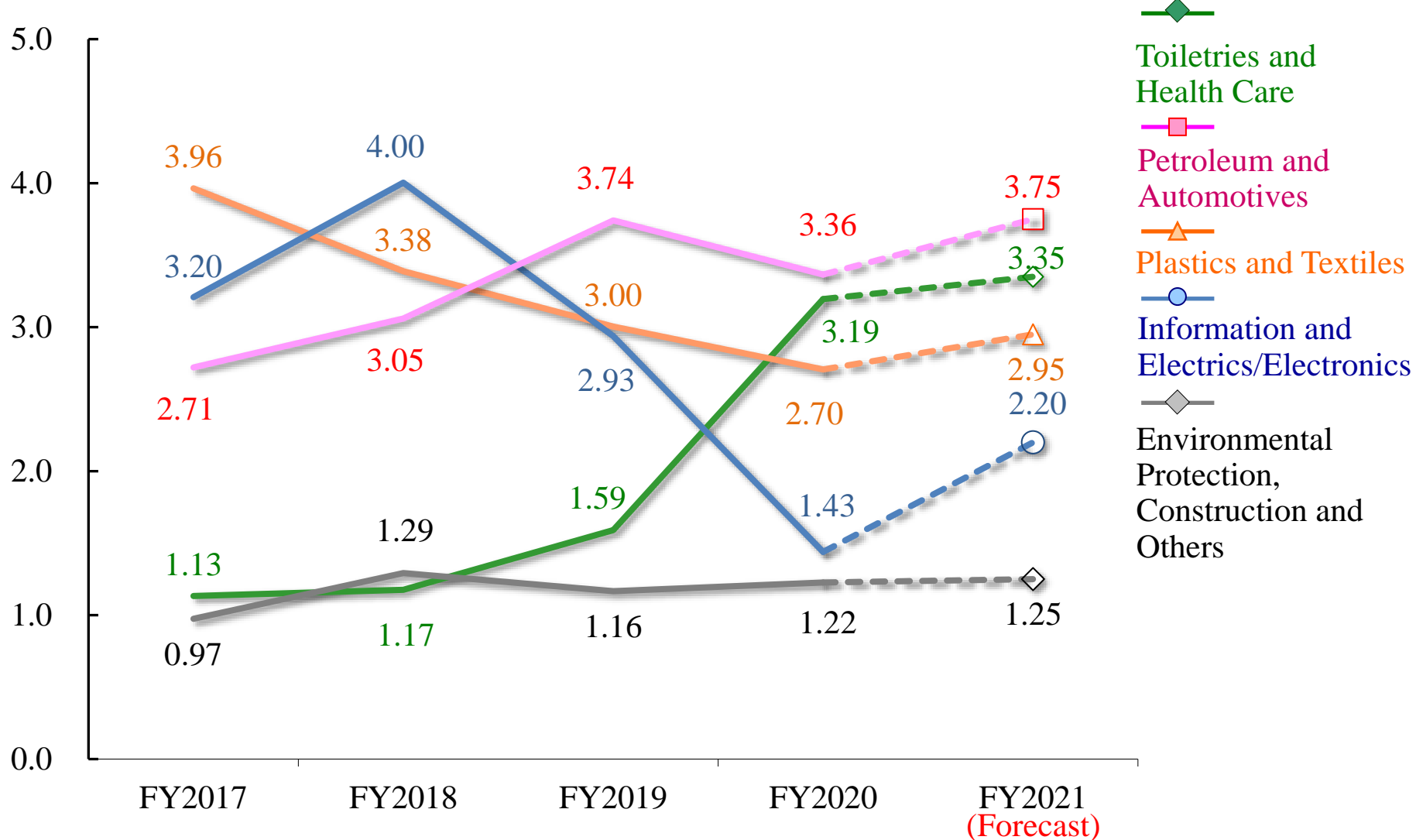
# Trends in Consolidated Net Sales by Segment

(Billions of yen)



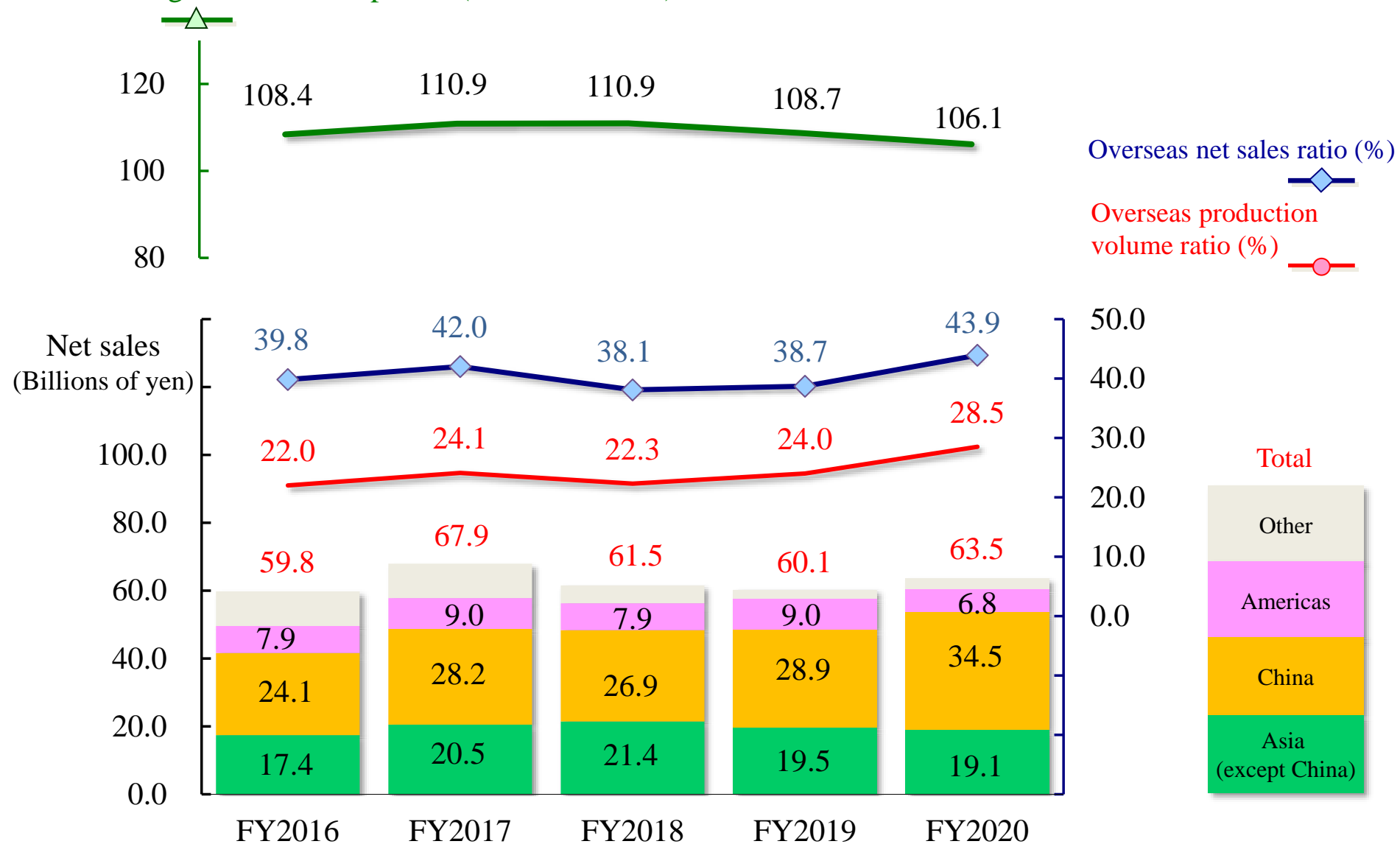
# Trends in Consolidated Operating Profit by Segment

(Billions of yen)



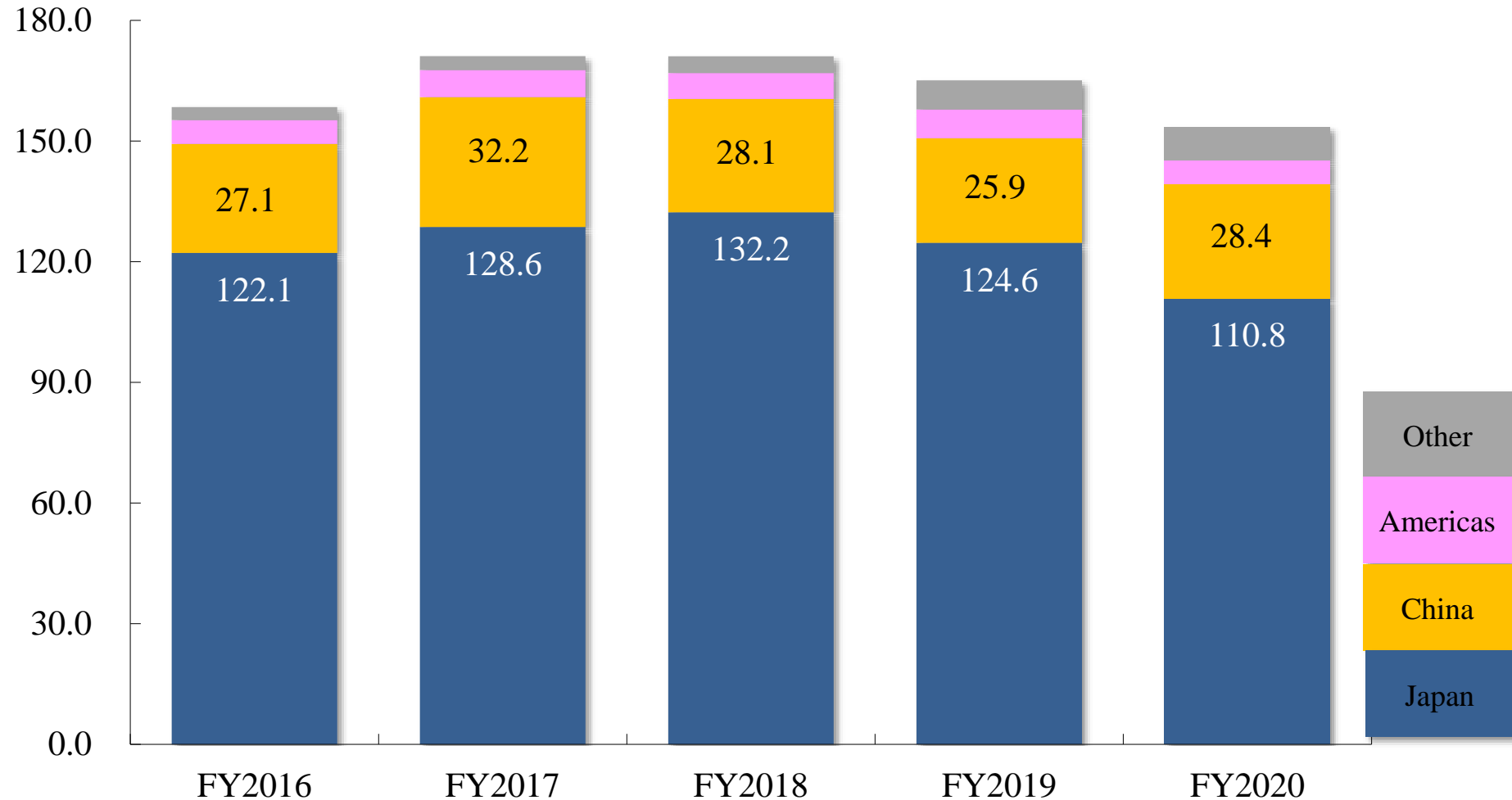
# Trends in Overseas Net Sales

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



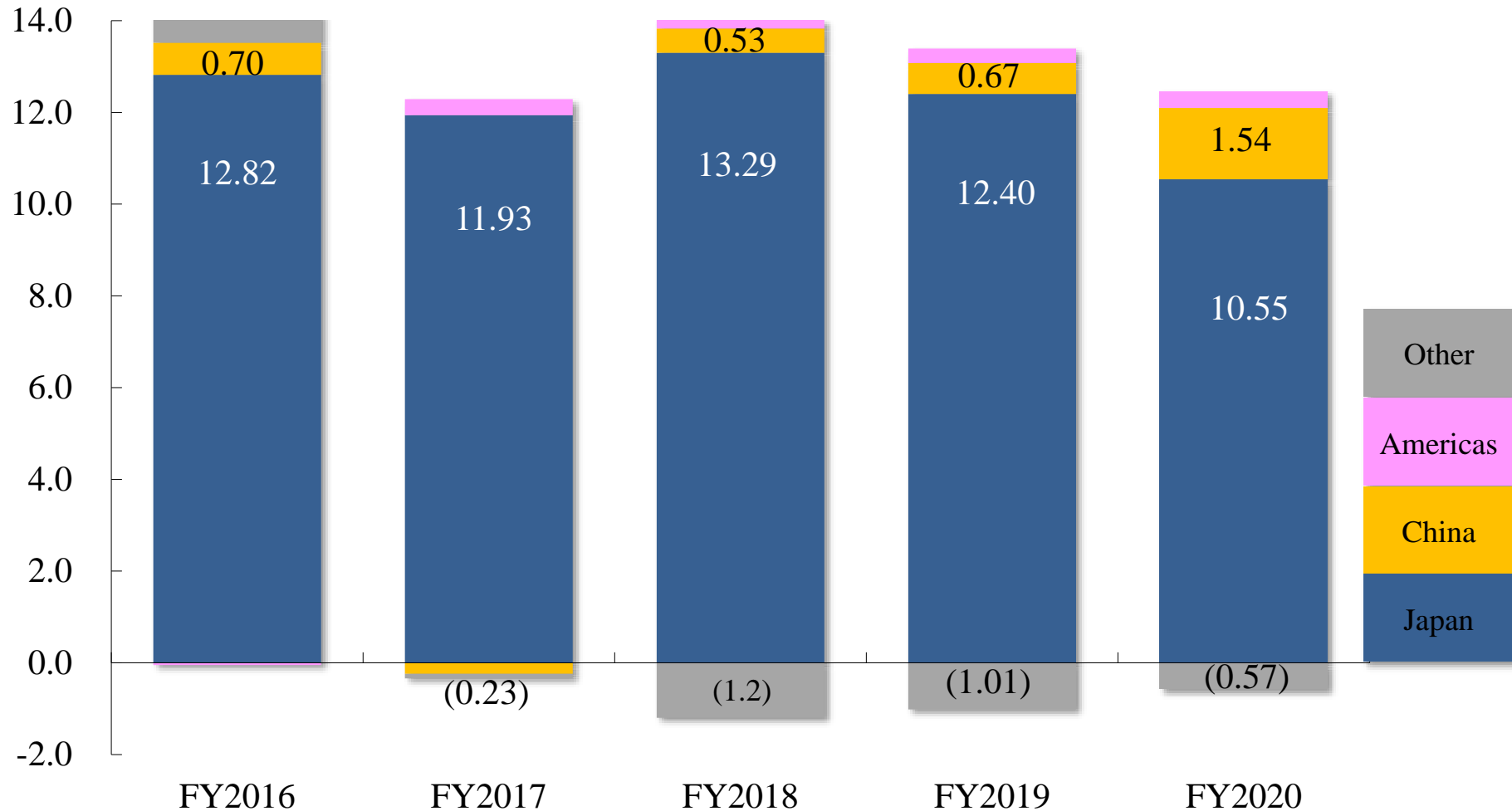
# Trends in Consolidated Net Sales by Geographic Segments (Simple Addition)

(Billions of yen)

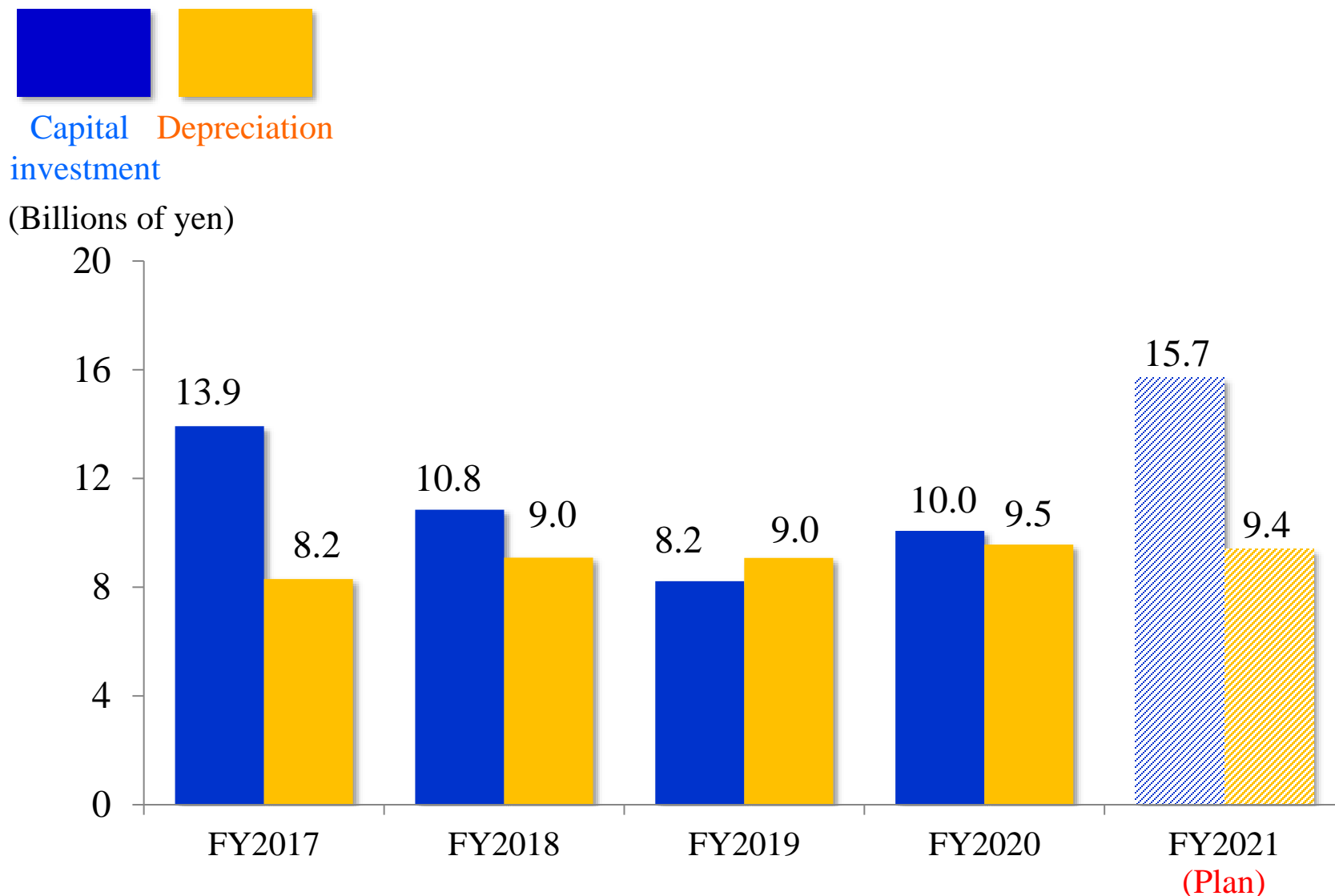


# Trends in Consolidated Operating Profit by Geographic Segment (Simple Addition)

(Billions of yen)

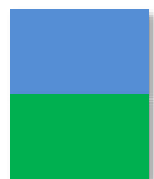


# Capital Investment and Depreciation (Consolidated)



# Trends in Dividend per Share and Dividend Payout Ratio (Consolidated)

Total



Year-end

Interim

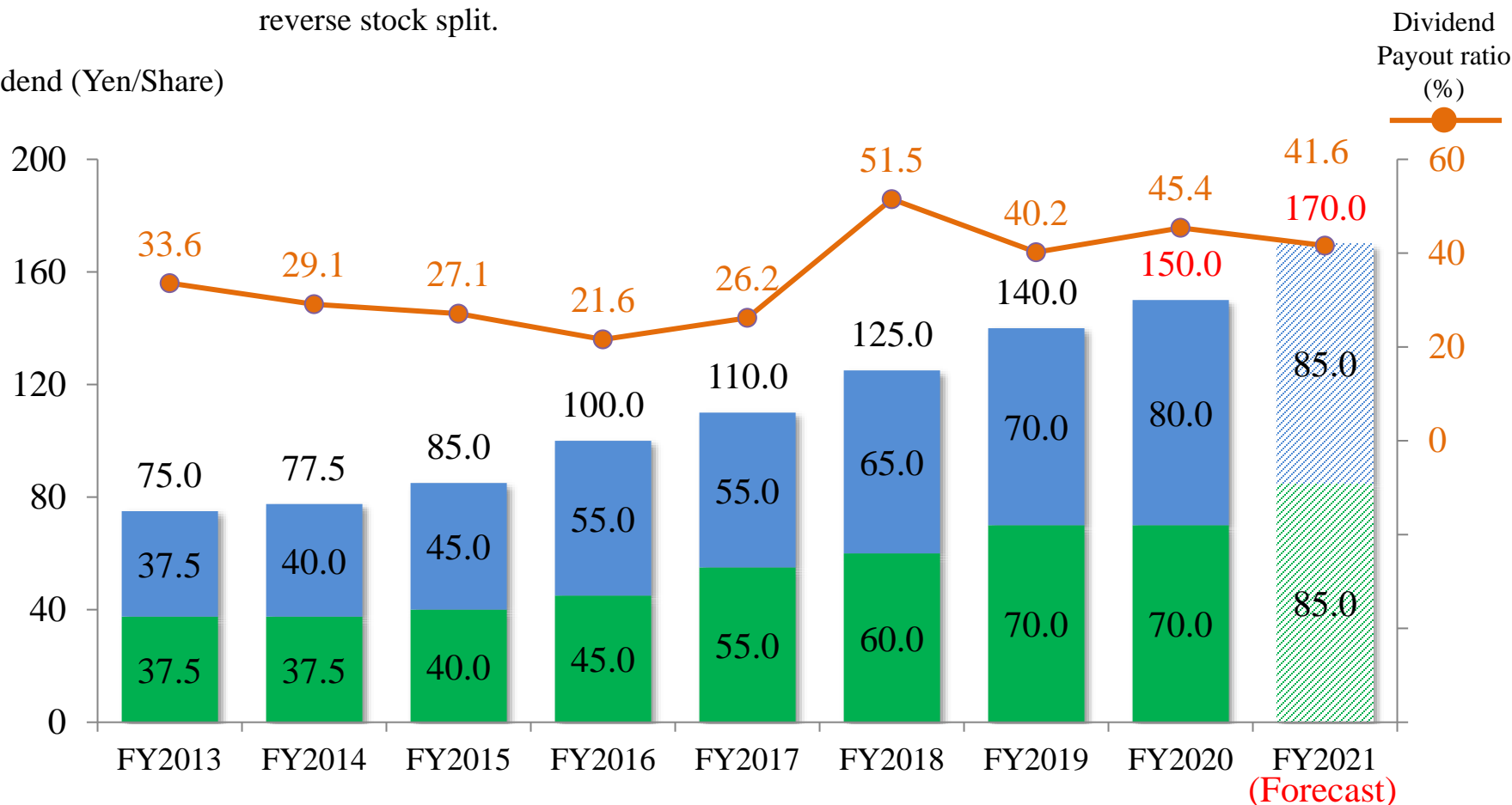
## <Principles of dividend payment>

**We aim to improve our dividend payout in the medium- to long-term, targeting a consolidated payout ratio of 30% or higher**

Sanyo Chemical conducted a reverse stock split of common stock at a ratio of one share for every five shares on October 1, 2016.

The figures below for dividends per share are converted after Sanyo Chemical conducted the reverse stock split.

Dividend (Yen/Share)



## The Tenth Medium-Term Management Plan

# New Sanyo for 2027

**KAERU**

New Sanyo for 2027

Committed to Change

### FY2027 Vision of Sanyo Chemical

Realize “growth into a unique, global, and highly profitable company, where all employees are proud of themselves, find meaning in their work, and contribute to society.”

- ◇ **Shift to high-value-added products**
- ◇ **Accelerate business from the customer perspective**
- ◇ **Eliminate “Waste, Impracticality and Inconsistency”**
- ◇ **Encourage flexible and diverse work styles and approaches**
- ◇ **Create an open corporate climate**

# New Sanyo for 2027

Period : FY2018-FY2020  
Slogan : "KAERU"

Change ourselves for next 3 years  
to realize our vision

FY2027 (Vision) (Consolidated, billion yen)	
Net sales	250 billion
Operating profit	35 billion
Operating profit ratio	14%
ROE	12%

FY2020 (Goal) (Consolidated, billion yen)	
Net sales	180 billion
Operating profit	18 billion
Operating profit ratio	10%
ROE	10%



【Guiding Principles】 A unique global company that contributes to society  
through performance chemicals that play an active  
role in various surfaces.



Becoming a company where all employees are proud of themselves and find meaning in their work

## Respecting diversity and relaxing regulations

Accelerate health management

Work style reform (flexible and diverse)

Diversity and inclusion

Encourage understanding of advancing women and LGBTQ

Sanyo  
Chemical's  
wealth

Employee's pride  
and meaning in  
work



2021  
健康経営優良法人  
Health and productivity  
ホワイト500



work with Pride



Becoming a company where all employees are proud of themselves and find meaning in their work

## LEVERAGING STRENGTH IN SURFACE CONTROL TECHNOLOGY TO DELIVER SOLUTIONS

### Development of all polymer batteries

Opened APB Corporation's Fukui Center Takefu Plant (May 25) and building toward beginning mass production in October.

### Biotechnology & Medical Division

Silk-elastin:

A physician-initiated clinical trial for use as a wound healing material was completed (Kyoto University), and company clinical trials are being prepared.

A collaboration with Hiroshima University on a meniscus injury therapeutic agent is underway.

Adoption for Acceleration Transformative Research for Medical Innovation (ACT-M)

Surgical hemostatic sealants:

CE marking was obtained for Hydrofit, a non-bio-derived hemostatic sealant.

This was acquired in the New Medical Devices and Specially Controlled Medical Device (Class IV) categories (in which the obtaining of CE marking for Japanese medical devices is extremely rare).

Our presence in the Japanese medical device industry has risen.

Becoming a company where all employees are proud of themselves and find meaning in their work

## LEVERAGING STRENGTH IN SURFACE CONTROL TECHNOLOGY TO DELIVER SOLUTIONS

### Alliances and open innovation

Delta-Fly Pharma, Inc.:

We are integrating molecular technologies to develop new cancer treatments with fewer side effects.

TBM Co., Ltd.:

We are integrating surface control technologies to support LIMEX business expansion. (reduce environmental burden)

tiem factory Inc.:

We are advancing the commercialization of SUFA, an excellent heat insulating material.

Pharma Foods International Co., Ltd.:

We are enhancing corporate value by accelerating development of cosmetics, pharmaceuticals, etc.

### Accelerating globalization

Lubricant additives (Korea):

Operations are scheduled to begin June in 2021.

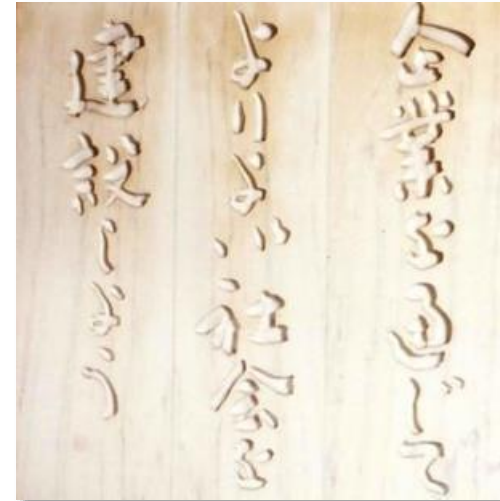
Permanent antistatic agents (Thailand):

Operations are scheduled to begin April in 2022.

Facility related to surfactants (Thailand):

Operations are scheduled to begin July in 2023.

## FY2021 IS A YEAR FOR FORMULATING OUR NEXT MEDIUM-TERM MANAGEMENT PLAN



### Company Motto

Let us contribute to building a better society through our corporate activities.

We will grow into a unique, global company, where all employees are proud of themselves and find meaning in their work, and strive to realize a sustainable society alongside continuous growth as a company.

**Become a company that excites each and every employee**

In order to create a positive cycle of social and economic value toward realizing a sustainable society:

## **Establish a Sustainable Management Committee**

**Advance sustainable management that aims to pursue Sanyo Chemical's unique strengths and enhance corporate value in the medium- to long-term**

At the same time, in order to further accelerate the speeding up of management judgement and decision making:

## **Implement organizational reform (integrated management of operations and research organizations)**

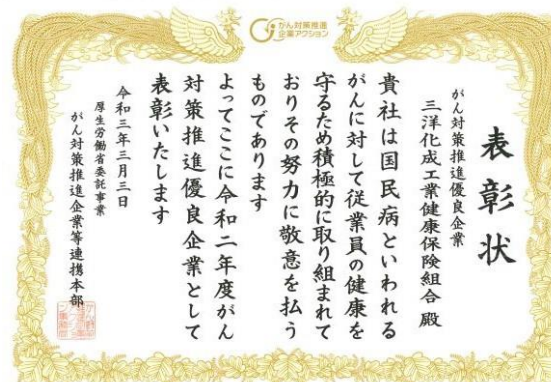
**Form a structure of 7 business divisions and corporate strategy divisions (5 divisions)**

**Encourage the delegation of authority to the general manager of each division within a structure under the direct control of the president and vice president**

## Health Management Declaration

The mental and physical health of our employees is the company's greatest asset.

Sanyo Chemical Group will actively support health promoting initiatives to realize enriching corporate activities and we will respect the diversity of our employees so that each individual can find self-fulfillment by demonstrating their independence and creativity. In this way, we will contribute to society through corporate development.



Recognized by the Ministry of Health, Labour and Welfare as an Excellent Company for Promoting Cancer Control in FY2020

# Progress on the All Polymer Batteries

## Acquired UN38.3 certification for transportation testing



The large size all polymer batteries that gained certification this time  
(3 kWh, approx. 15 kg, approx. 400 mm × 400 mm × 50 mm)

We are targeting stationary applications for all polymer batteries and clearing UN38.3 testing **makes it possible to transport all polymer batteries by air for stationary applications overseas.**

Following the acquisition of this certification, APB will **advance the development of battery systems for stationary and mobile applications.**

Prüfbericht - Produkte Test Report - Products		TÜVRheinland®	
Prüfbericht-Nr.: Test report no.:	60411024 001	Auftrags-Nr.: Order no.:	150228795
Kunden-Referenz-Nr.: Client reference no.:	N/A	Auftragsdatum: Order date:	2020.08.26
Auftraggeber: Client:	APB Corporation 3F PMO Kanda Manseibashi 1-3-9, Kanda Sudacho Chiyoda-ku, Tokyo 101-0041, Japan		
Prüfgegenstand: Test item:	All Polymer Battery		
Bezeichnung / Typ-Nr.: Identification / Type no.:	APB-001		
Auftrags-Inhalt: Order content:	Safety test (for transportation)		
Prüfgrundlage: Test specification:	ST/SGIAC 10/11/Rev.7 2019 Manual of Tests and Criteria Seventh revised edition - Part 3 - 38.3 Lithium Batteries Clause 38.3.4.1 T1 Altitude - 38.3.4.5 T5 External short circuit, 38.3.4.7 T7 Overcharge		
Wareneingangsdatum: Date of sample receipt:	2020.10.14, 2020.10.23, 2020.11.10		
Prüfmuster-Nr.: Test sample no.:	See TABLE 38.3.4.1 - 38.3.4.5, 38.3.4.7		
Prüfzeitraum: Testing period:	2020.10.16 - 2020.12.14		
Ort der Prüfung: Place of testing:	See Page 2		
Prüflaboratorium: Testing laboratory:	See Page 2		
Prüfergebnis: Test result:	Pass		
geprüft von: tested by: Y. Yao	genehmigt von: authorized by: Y. Yamanaka		
Datum: Date:	2020.12.24		
Stellung / Position:	Project Engineer		
Sonstiges / Other:	This report is a statement of test results.		
Zustand des Prüfgegenstandes bei Anlieferung: Condition of the test item at delivery:		Prüfmuster vollständig und unbeschädigt Test item complete and undamaged	
<small>* Legend: 1 = sehr gut 2 = gut 3 = befriedigend 4 = ausreichend 5 = mangelhaft Passes = entspricht o.g. Prüfgrundlage(n) Fails = entspricht nicht o.g. Prüfgrundlage(n) Not = nicht anwendbar Not = nicht getestet * Legend: 1 = very good 2 = good 3 = satisfactory 4 = sufficient 5 = poor Passes = passed a.m. test specification(s) Fails = failed a.m. test specification(s) Not = not applicable Not = not tested</small>			
<small>Dieser Prüfbericht bezieht sich nur auf das o.g. Prüfmuster und darf ohne Genehmigung der Prüfstelle nicht auszugswise vervielfältigt werden. Dieser Bericht berechtigt nicht zur Verwendung eines Prüfzeichens. This test report only relates to the a.m. test sample. Without permission of the test center this test report is not permitted to be replicated in extracts. This test report does not entitle to carry any test mark.</small>			
<small>TÜV Rheinland Japan Ltd., 1-3-14 Fukuzemimachi, Higashi-Nishi-ku, Osaka 537-0002 Japan Mail: service@jp.tuv.com Web: www.tuv.com</small>			

# Notice of Changes in President & CEO

A change in Representative Directors will officially be decided upon by resolutions of the Ordinary General Meeting of Shareholders that is scheduled to be held in June 2021 and the subsequent meeting of the Board of Directors as follows.

## <Reasons for the Change>

Although we have created a diverse and inclusive workplace where all employees are proud of themselves and find meaning in their work, under the new management organization, we aim to further improve our corporate value by advancing the stable earning structure and corporate culture we have built up to now.

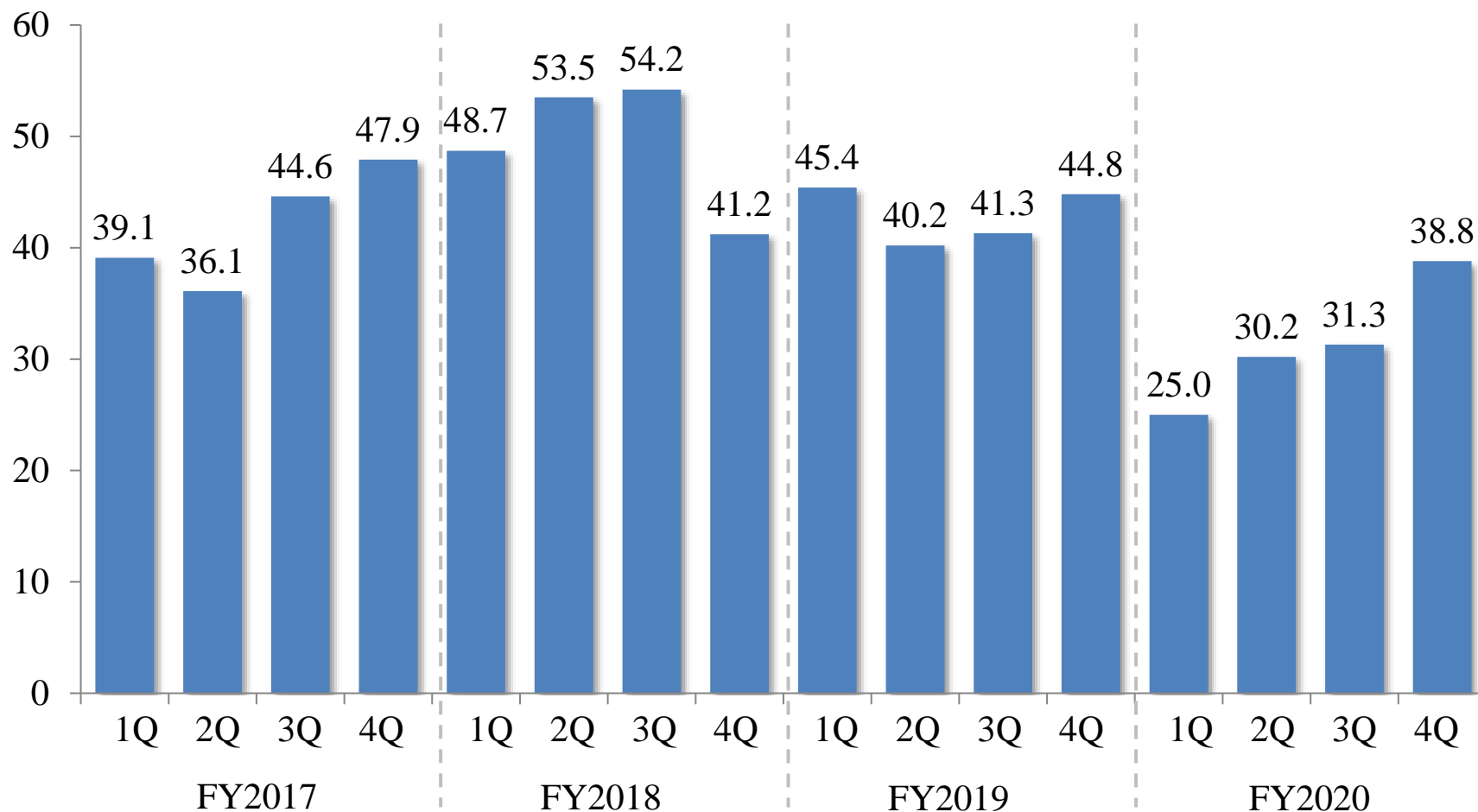
Names	New post	Current post
Takao Ando	Chairman	President and CEO
Akinori Higuchi	President and CEO	Executive Vice President
Kohei Maeda	Executive Vice President	Director Senior Managing Executive Officer

After resigning from the President & CEO, Takao Ando will assume new responsibility as Chairman of Sanyo Chemical Industries, Ltd. and shall not have the authority of representation.

# Reference

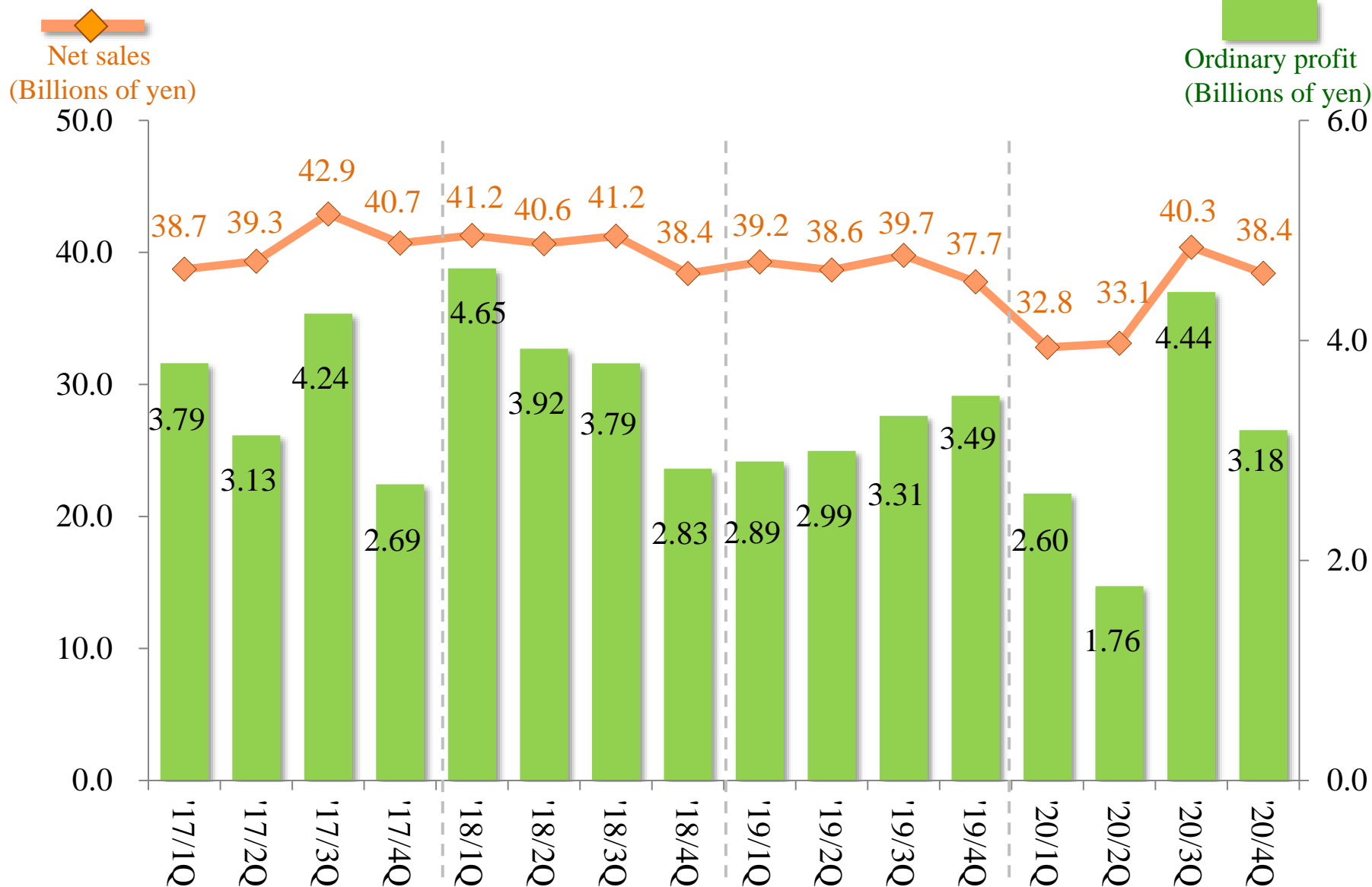
# Trends in Price of Naphtha Produced in Japan

Price of Naphtha  
(Thousands of yen/kl)

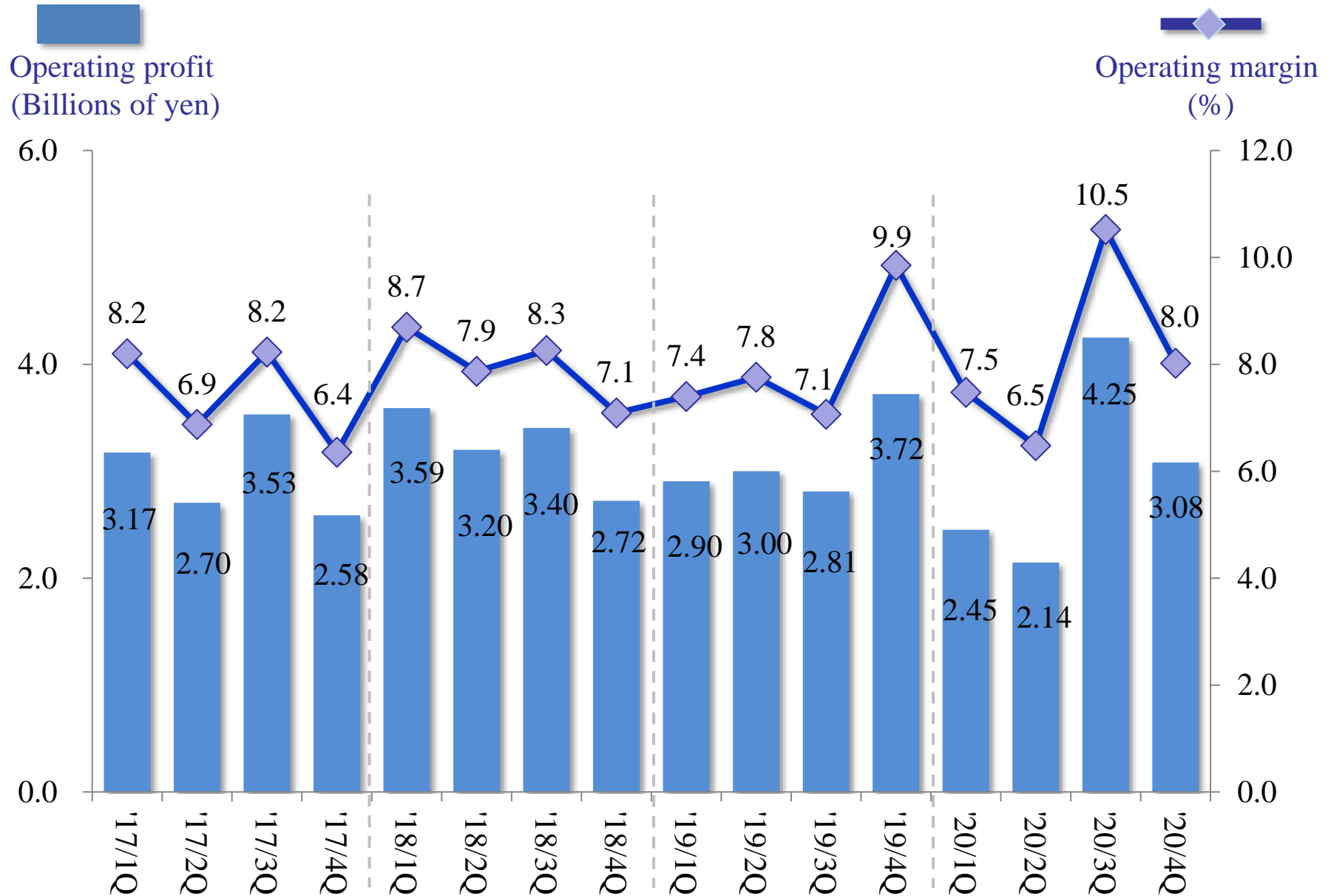


(Researched by Sanyo Chemical)

# Trends in Consolidated Earnings (Quarter Period)

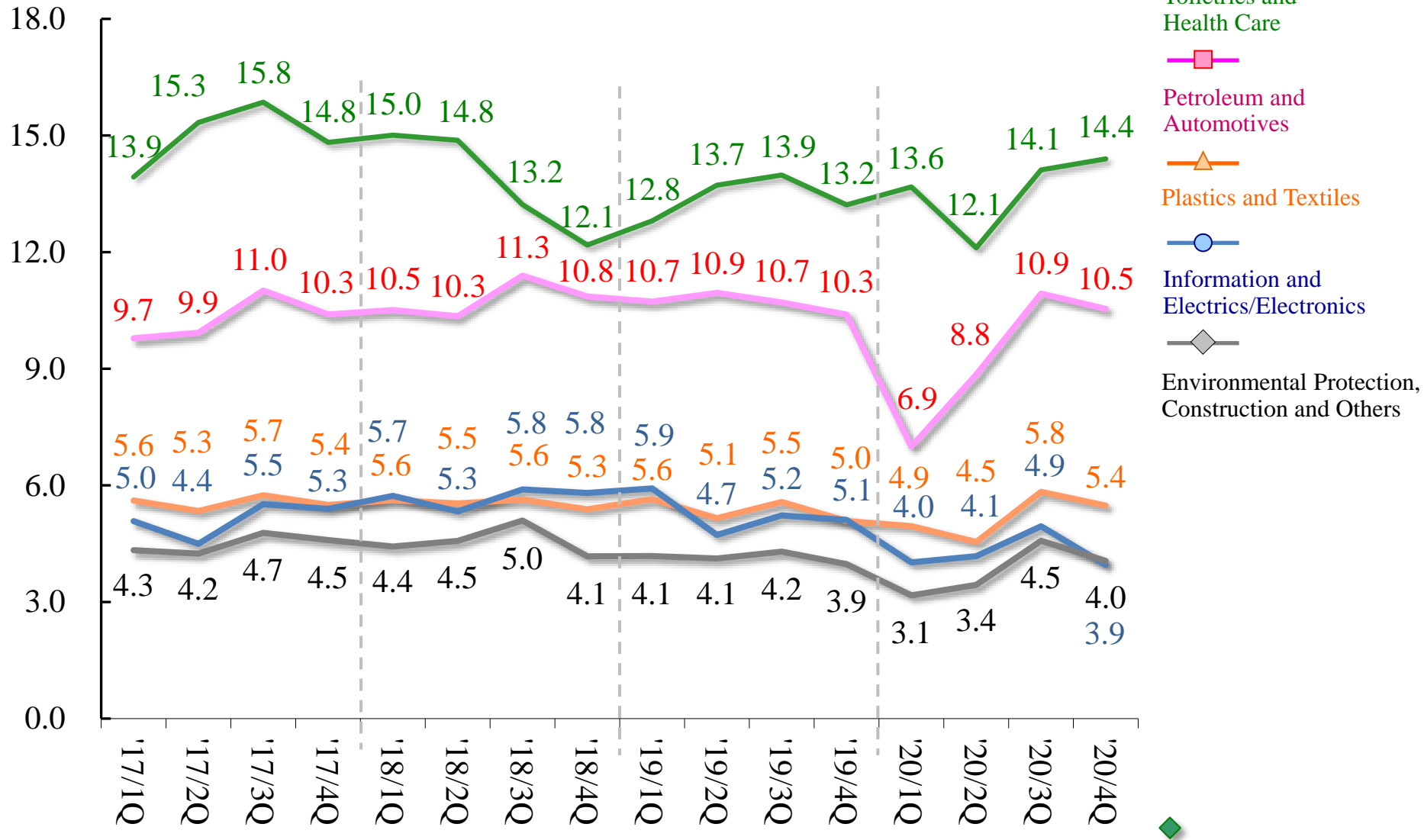


# Trends in Consolidated Operating Profit and Operating Margin (Quarter Period)



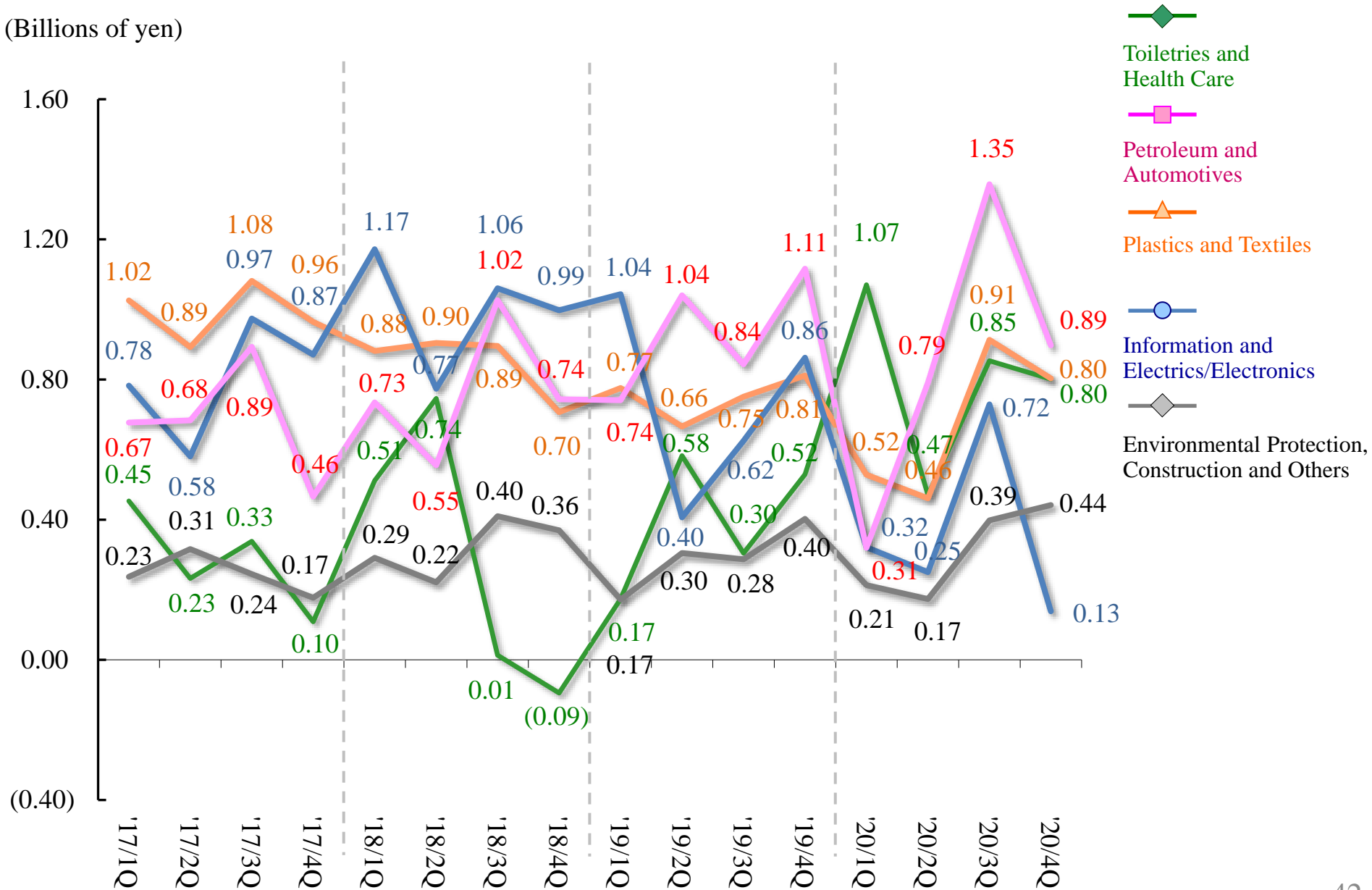
# Trends in Consolidated Net Sales by Segment (Quarter Period)

(Billions of yen)



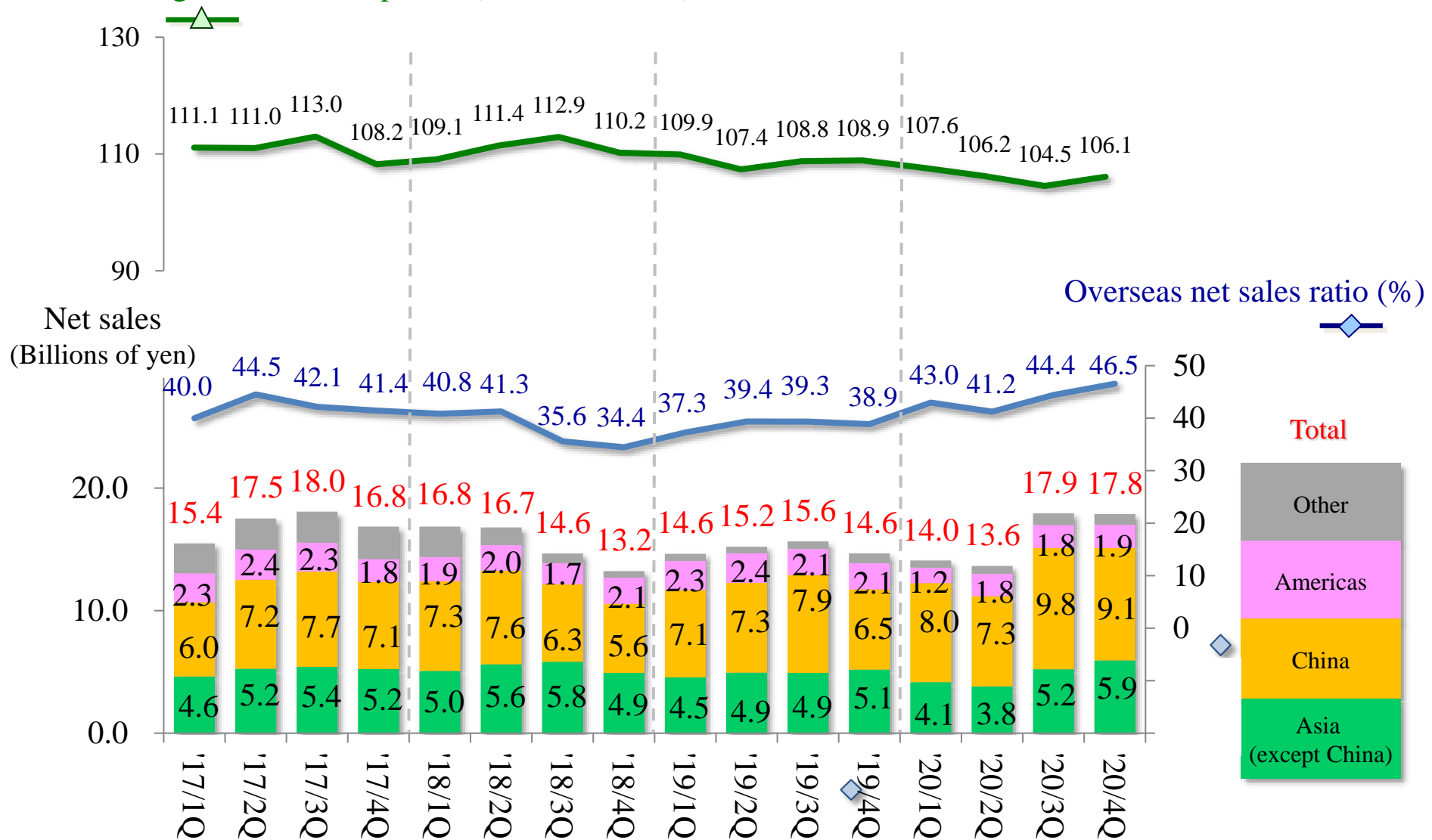
# Trends in Consolidated Operating Profit by Segment (Quarter Period)

(Billions of yen)



# Trends in Overseas Net Sales(Quarter Period)

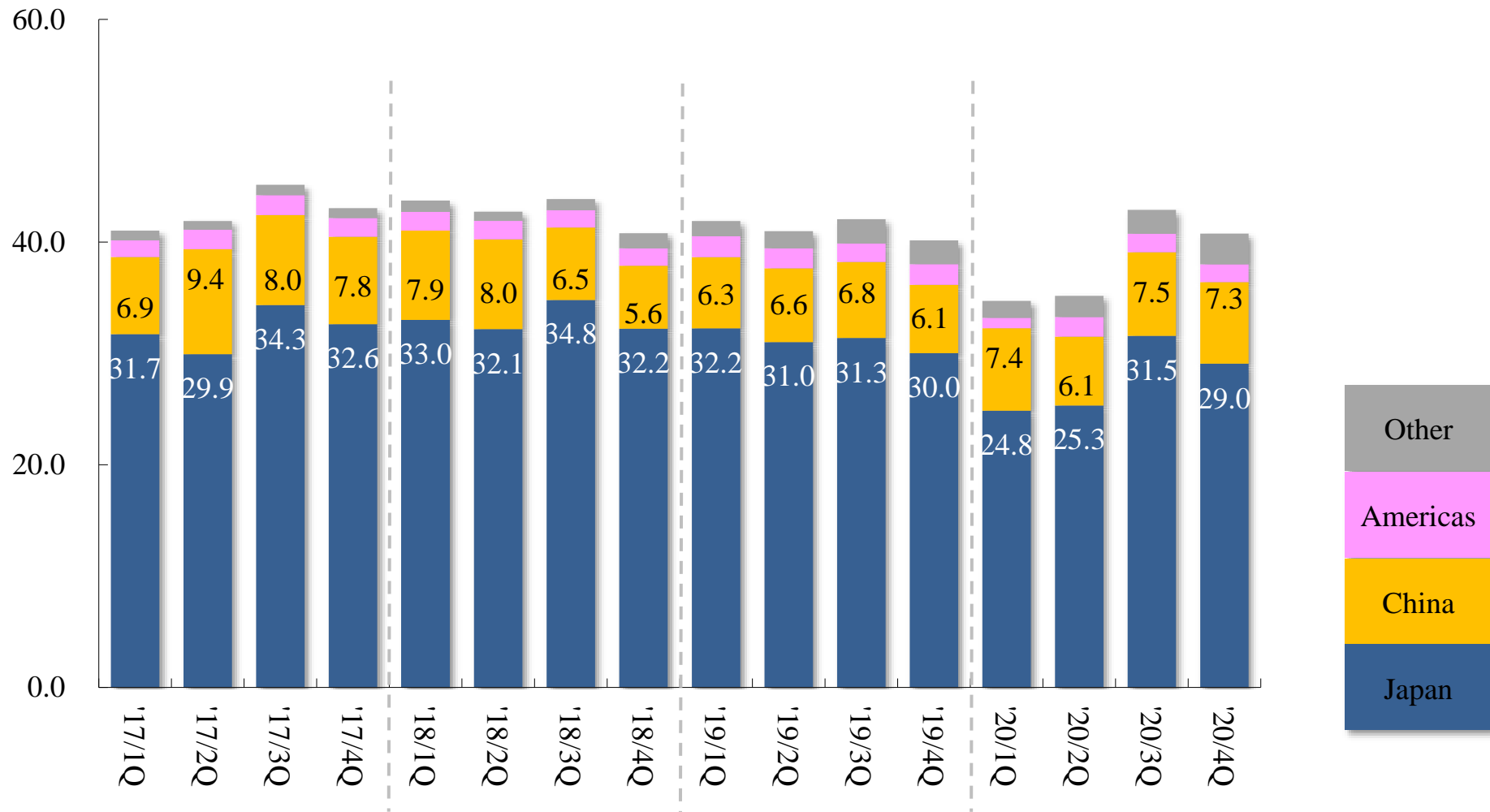
Exchange rate for each period (Yen/U.S. dollar)



# Trends in Consolidated Net Sales by Geographic Segments

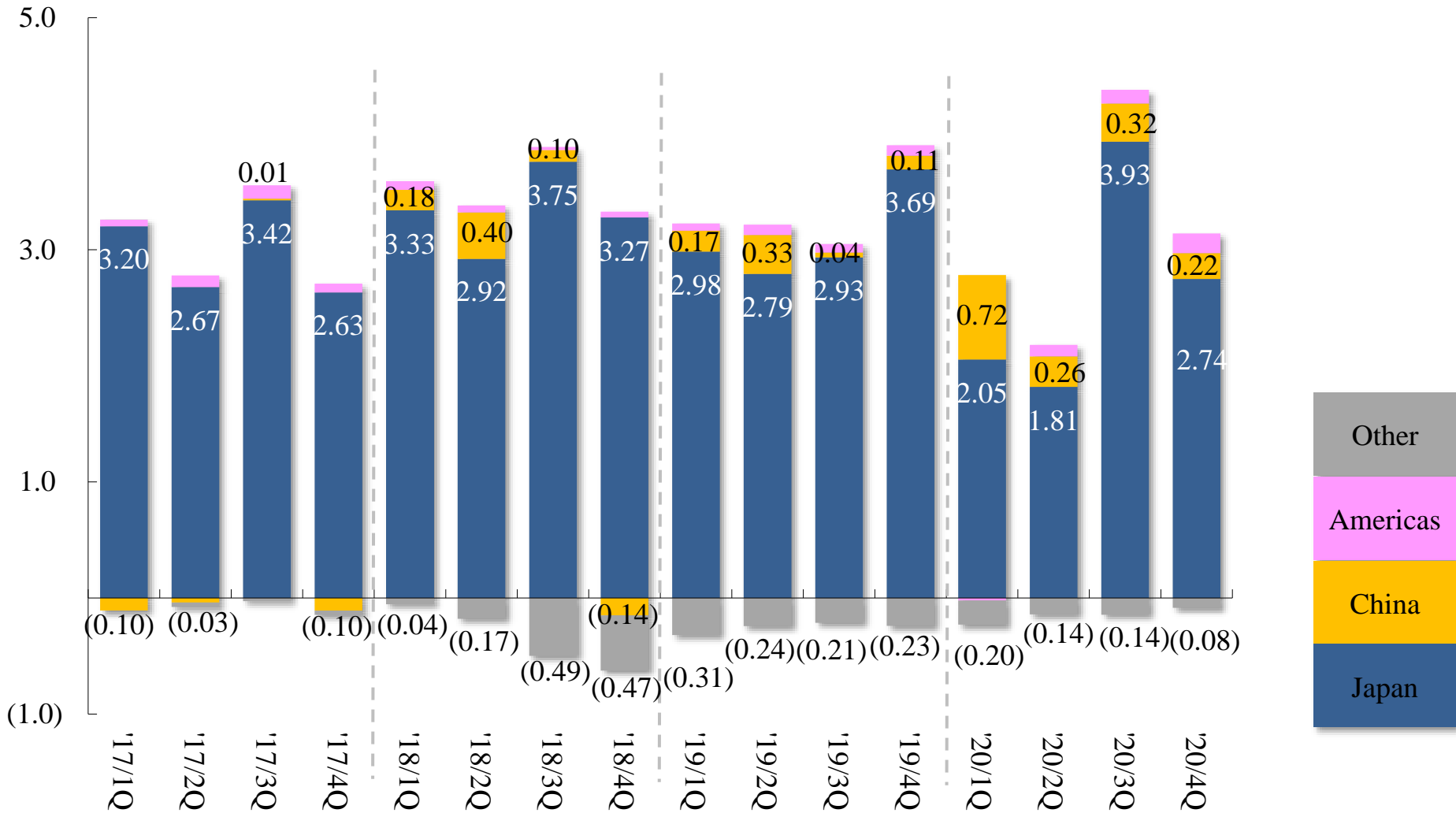
## (Simple Addition)

(Billions of yen)



# Trends in Consolidated Operating Profit by Geographic Segment (Simple Addition)

(Billions of yen)



## Domestic Consolidated Subsidiaries (5 Companies)

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

# Overseas Consolidated Subsidiaries (7 Companies)

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.
SANAM Corporation	USA	SANAM	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	SANAM Corporation 100%	Manufacture of polyurethane beads
SDP GLOBAL (MALAYSIA) SDN. BHD.	Malaysia	SDPM	SDP Global Co., Ltd. 100%	Manufacture and sales of superabsorbent polymers

# Entities Accounted for Using the Equity Method (5 Companies)

Company Name	Abbr.	Share of Voting Rights		Line of Business
San-Petrochemicals Co., Ltd.	SPCC	Sanyo Chemical Industries, Ltd. ENEOS Corporation	50% 50%	Manufacture of raw materials for synthetic rubbers
Sunrise Chemical LLC [USA]	SRC	SANAM Corporation Nippon Chemical Texas Inc.	50% 50%	Manufacture of raw materials for synthetic rubbers
APB Corporation	APB	Sanyo Chemical JFE Chemical Corporation Others	44% 16% 40%	Research, development, manufacture and sales of All Polymer Battery
Shiohama Chemicals Warehouse Co., Ltd.	—	Sanyo Chemical Industries, Ltd. ENEOS Corporation	50% 50%	Warehousing
Sanliving Ltd.	SL	Sanyo Chemical Industries, Ltd.	100%	Real estate, insurance agency