

Material for Financial Results Presentation For the Six Months Ended September 30, 2024

Akinori Higuchi, President & CEO
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 November 11, 2024. 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):
1,880 (as of September 30, 2024)

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

Earnings for Apr.-Sep. FY2024

(Billions of yen)

Consolidated	Apr.-Sep. FY2023	Apr.-Sep. FY2024	Year-on-Year Change	
			Amount	Ratio (%)
Net sales	79.27	77.03	(2.24)	(2.8)
Operating profit	2.02	4.45	2.43	120.5
Ordinary profit	4.94	4.99	0.04	0.9
Profit attributable to owners of parent	4.39	0.94*	(3.45)	(78.6)
Comprehensive income	6.61	(0.54)	(7.16)	-

*Posted an extraordinary loss of approximately 2.5 billion yen as structural reform expenses

Revision of Earnings Forecast (September 27, 2024)

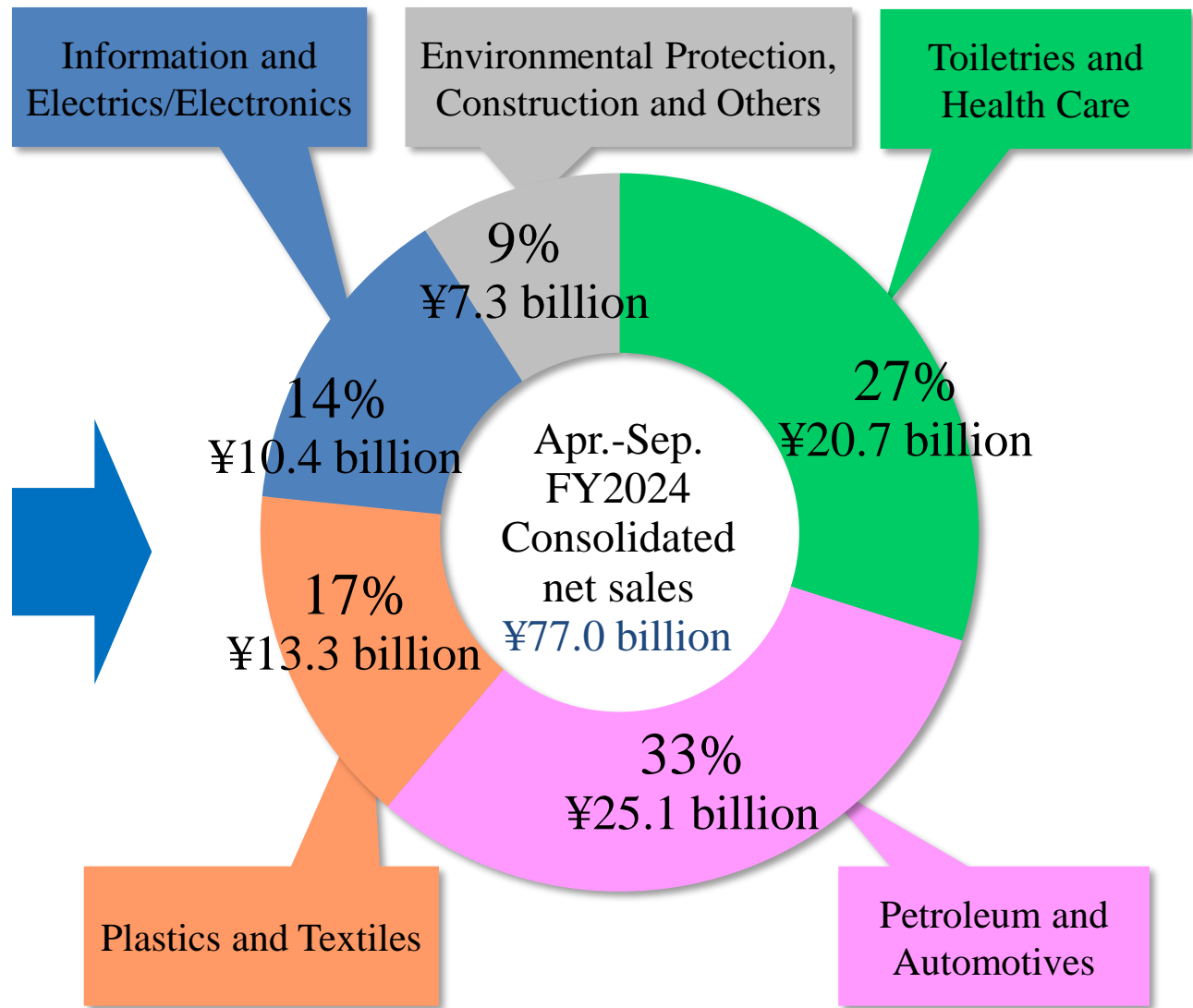
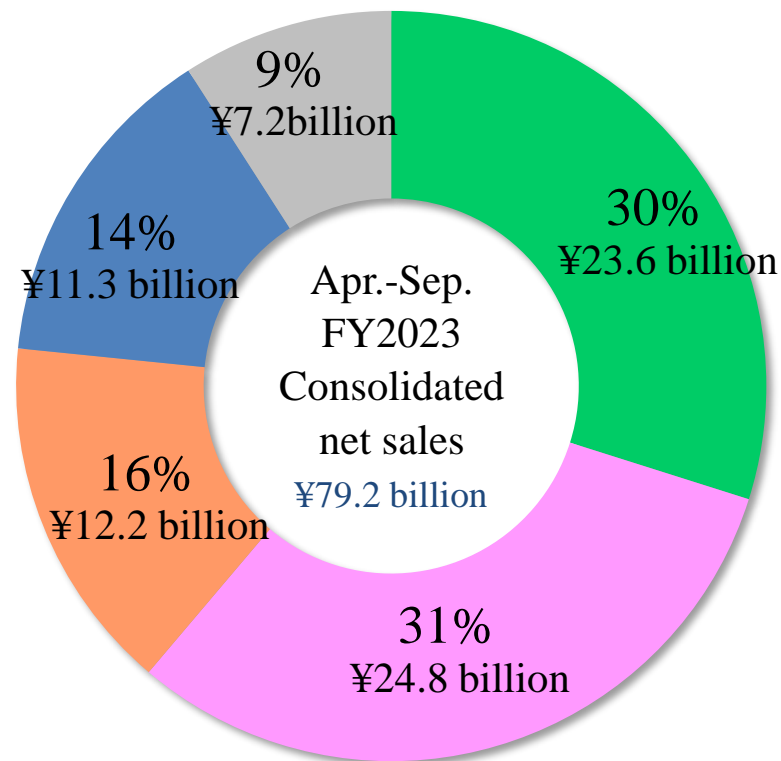
The Company's forecast for the second quarter and the full year has been revised upward for the following reasons:

- Although the automobile industry is in a slump due to the impact of the automobile fraud issue and other factors, the Company's automotive-related industries are on a recovery trend.
- Extraordinary loss for the full year is about 1 billion yen less than expected.

(Billions of yen)

Consolidated	Initial forecast (full year)	Revised forecast (full year)	increase and decrease
Net sales	145.0	145.0	0.0
Operating profit	8.0	9.0	1.0
Ordinary profit	9.5	10.0	0.5
Profit attributable to owners of parent	2.5	4.0	1.5
Basic earnings per share	113.20yen	181.11yen	

Consolidated Net Sales by Segment

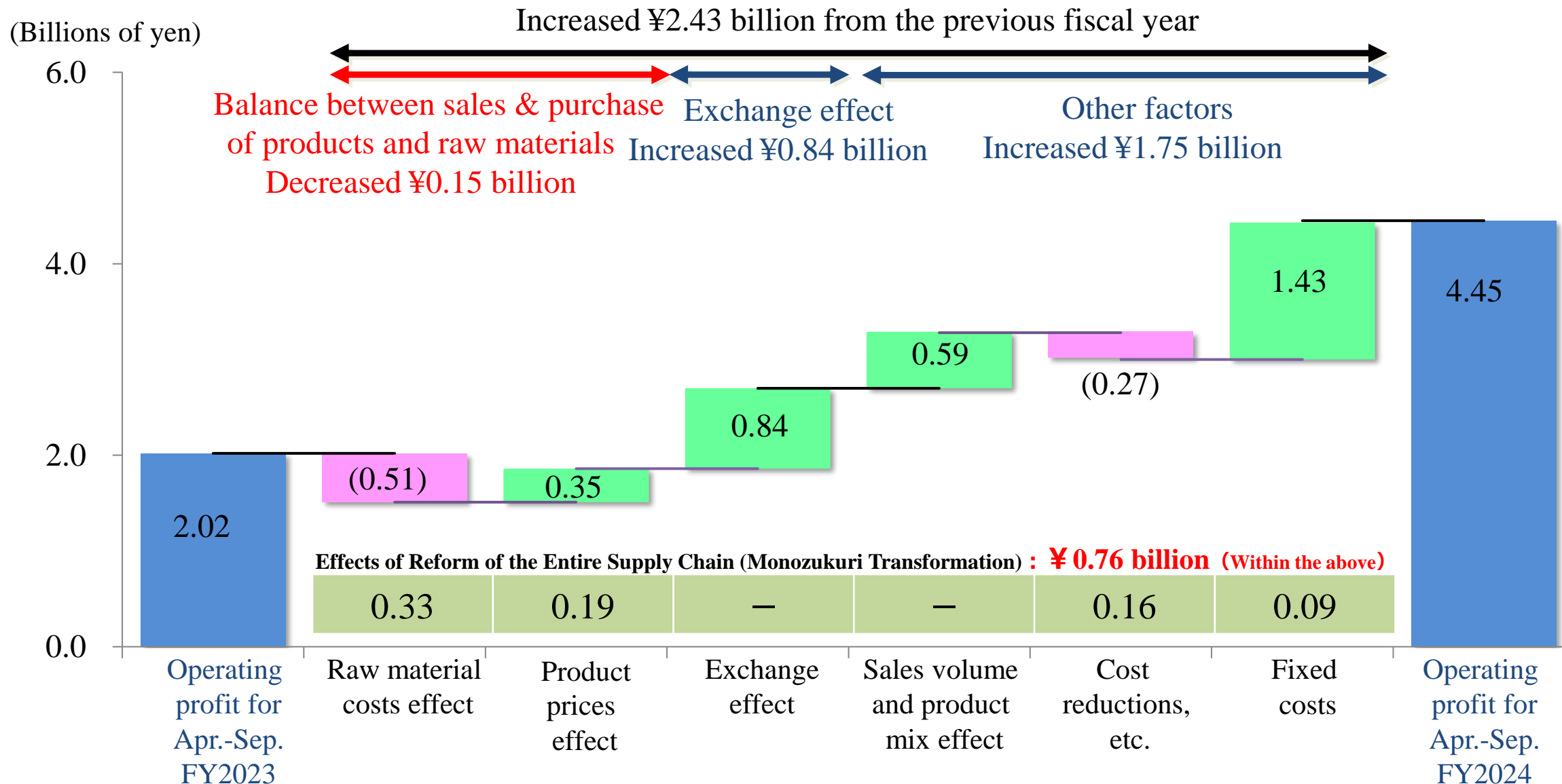


Consolidated Earnings by Segment

(Billions of yen)

Segment	Net sales			Operating profit		
	Apr.-Sep. FY2023	Apr.-Sep. FY2024	Change amount	Apr.-Sep. FY2023	Apr.-Sep. FY2024	Change amount
Toiletries and Health Care	23.68	20.72	(2.95)	(0.97)	0.25	1.22
Toiletries	6.37	7.04	0.66			
Health Care	17.30	13.68	(3.62)			
Petroleum and Automotives	24.81	25.11	0.29	1.07	2.11	1.03
Plastics and Textiles	12.22	13.38	1.16	1.13	1.42	0.28
Plastics	8.49	9.58	1.08			
Textiles	3.72	3.79	0.07			
Information and Electrics/Electronics	11.33	10.48	(0.85)	1.10	1.20	0.10
Information	7.05	5.41	(1.64)			
Electrics/Electronics	4.28	5.06	0.78			
Environmental Protection, Construction and Others	7.21	7.31	0.10	0.33	(0.00)	(0.34)
Research and development expenses for new businesses				(0.66)	(0.54)	0.11
Total	79.27	77.03	(2.24)	2.02	4.45	2.43

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



Year-on-Year Change in Consolidated Profit by Factor

(Billions of yen)

	Apr.-Sep. FY2023	Apr.-Sep. FY2024	Change amount
Operating profit	2.02	4.45	2.43
Share of profit (loss) of entities accounted for using equity method	(0.11)	0.46	0.57
Foreign exchange gains (loss)	2.32	(0.44)	(2.77)
Other non-operating income (loss)	0.71	0.51	(0.19)
Ordinary profit	4.94	4.99	0.04
Gain on sale of investment securities	2.03	(0.00)	(2.02)
Impairment losses on non-current assets	—	(0.30)	(0.30)
Loss on retirement of non-current assets	(0.42)	(0.30)	0.11
Restructuring charges	—	(2.15)	(2.15)
Profit before income taxes	6.55	2.21	(4.33)
Income taxes	(1.91)	(0.92)	0.99
Profit attributable to non-controlling interests	(0.23)	(0.35)	(0.11)
Profit attributable to owners of parent	4.39	0.94	(3.45)

Consolidated Balance Sheet

(Billions of yen)

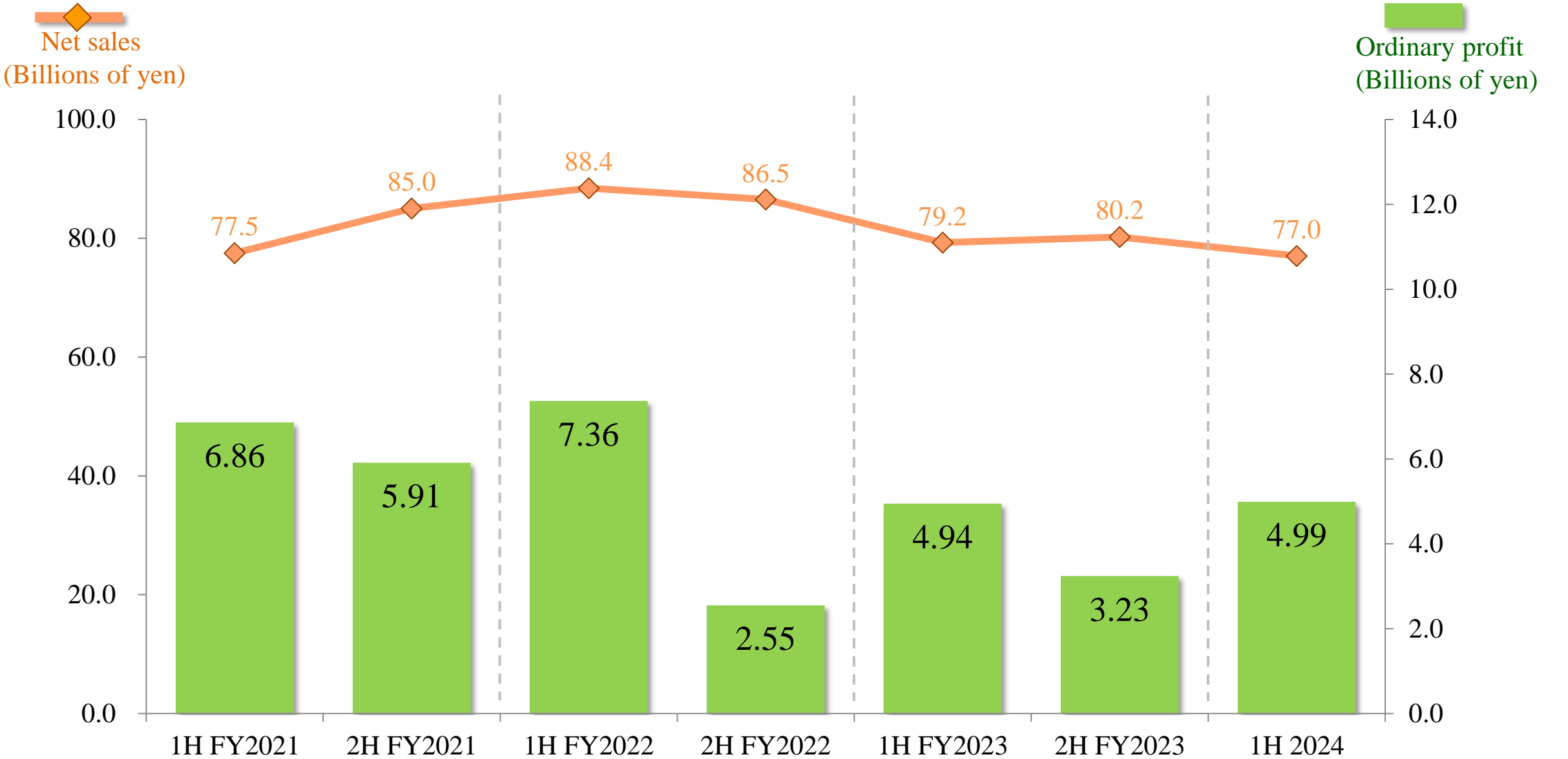
	March 31, 2024	September 30, 2024	Change amount	Main factors for changes
Current assets	105.9	92.6	(13.2)	Cash and deposits: (5.4), Notes and accounts receivable – trade, Electronically recorded monetary claims – operating: (6.5), Merchandise and finished goods: (0.9)
Non-current assets	99.8	94.4	(5.4)	property, plant and equipment:(3.4)
Total assets	205.8	187.1	(18.7)	
Current liabilities	53.5	38.3	(15.1)	Accounts payable – trade, Electronically recorded obligations - operating: (5.3), Accrued expenses: (4.3), Arrears(4.9)
Non-current liabilities	10.7	9.6	(1.0)	Allowance for business restructuring: (1.2)
Total liabilities	64.2	47.9	(16.2)	
Shareholders' equity	120.1	119.3	(0.7)	Profit: 0.9, Cash dividends paid: (1.8)
Other comprehensive income	18.9	17.0	(1.8)	Foreign currency translation adjustment: (1.7)
Non-controlling interests	2.5	2.7	0.2	
Total net assets	141.5	139.1	(2.4)	
Total liabilities and net assets	205.8	187.1	(18.7)	

Consolidated Statements of Cash Flows

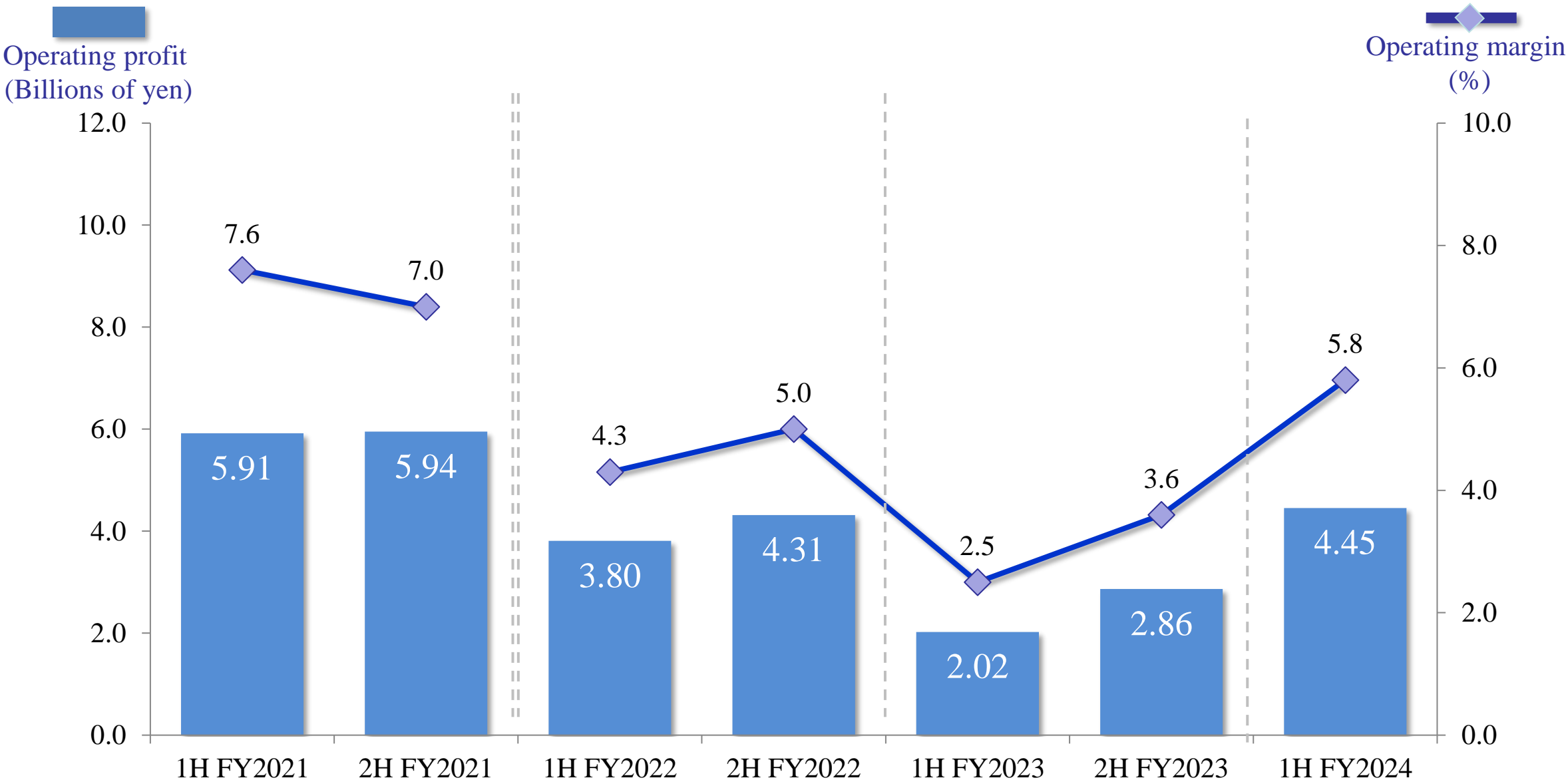
	Apr.-Sep. FY2023	Apr.-Sep. FY2024	Change Amount	Special notes
Cash flows from operating activities	10.05	4.90	(5.15)	
Profit before income taxes	6.55	2.21	(4.33)	
Depreciation	5.40	5.11	(0.28)	
Share of loss (profit) of entities accounted for using equity method	0.11	(0.46)	(0.57)	
Gain on sale of investment securities	(2.03)	-	(2.03)	
Decrease (increase) in operating capital	4.53	2.71	(1.82)	
Payment for business restructuring	-	(3.66)	(3.66)	
Income taxes	(1.29)	(1.22)	0.07	
Other, net	(3.22)	0.22	3.44	
Cash flows from investing activities	(3.22)	(3.47)	(0.25)	Purchase of non-current assets 1H FY2023: (3.63), 1H FY2024: (5.91)
Free cash flows	6.83	1.43	(5.40)	
Cash flows from financing activities	(2.69)	(6.77)	(4.07)	Loans and Repayment 1H FY2023: (0.54), 1H FY2024: (4.60)
Effect of exchange rate change on cash and cash equivalents	0.56	(0.11)	(0.68)	
Net increase (decrease) in cash and cash equivalents	4.69	(5.46)	(10.16)	
Cash and cash equivalents at beginning of period	17.04	27.18	10.14	
Cash and cash equivalents at end of period	21.73	21.72	(0.01)	

(Billions of yen)

Trends in Consolidated Earnings (Half Period)



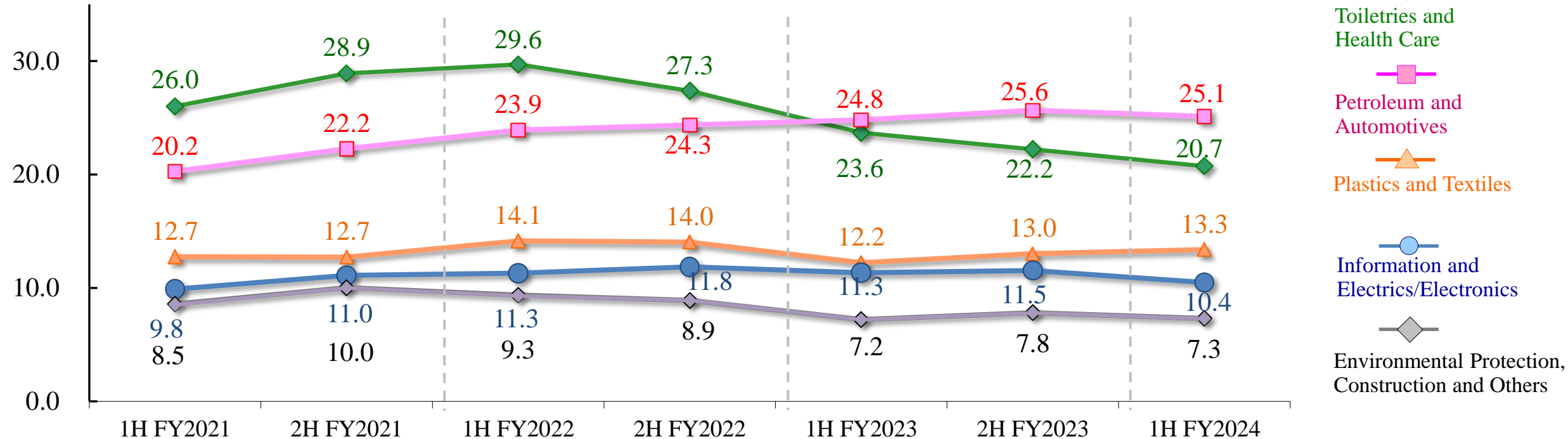
Trends in Consolidated Operating Profit and Operating Margin (Half Period)



* Due to a change in the treatment of an account, figures for 2H FY2021 and before are shown before reclassification, while figures for 1H FY2022 and after are shown after reclassification. 13

Trends in Consolidated Net Sales by Segment (Half Period)

(Billions of yen)

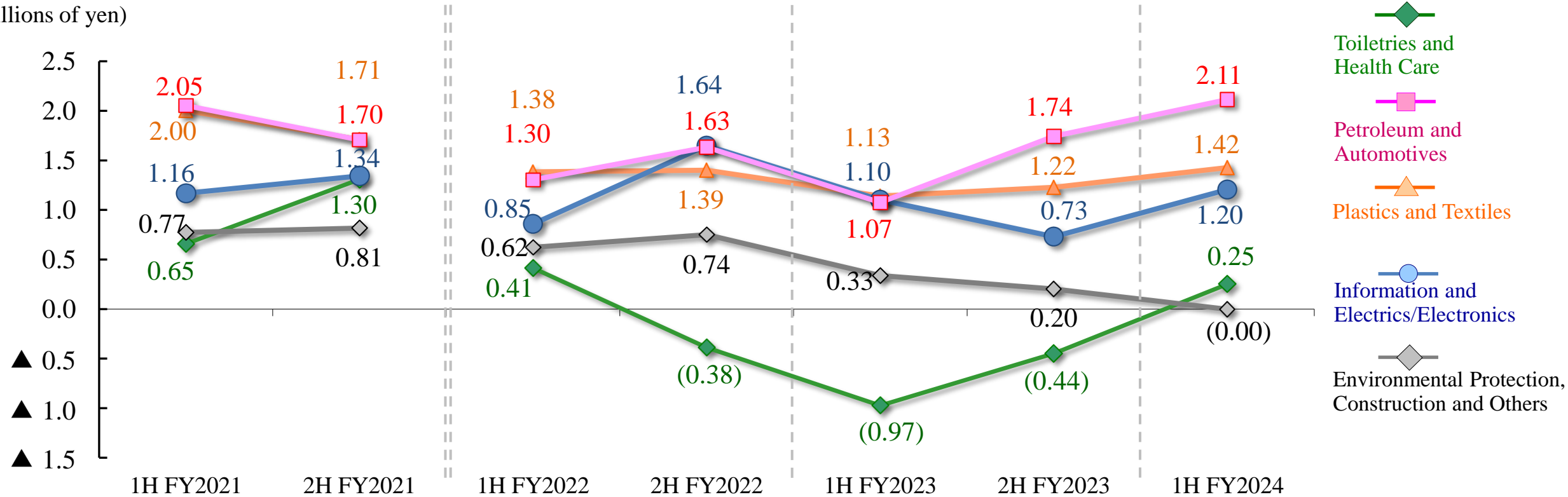


Main factors for changes in 1H FY2024 earnings (compared with the same period of the previous fiscal year)

- Toiletries and Health Care** : 【 Toiletries 】 Sales increased due to the recovery of PEG market. 【 Health Care 】 Sales decreased significantly due to withdrawal from SAP business.
- Petroleum and Automotives** : Sales of lubricating oil additives increased due to recovery in demand. Sales of raw materials for polyurethane foams remained flat due to influx of inexpensive products from overseas. Sales of polyurethane beads for automobile interior upholstery materials were sluggish in overseas markets,
- Plastics and Textiles** : 【 Plastics 】 Sales of permanent antistatic agents increased due to recovery in demand for semiconductors and electronic components, and sales of paint coating agents were also strong. 【 Textiles 】 Sales remained flat due to sluggish sales of synthetic leather, despite a significant increase in demand for oils used in the manufacture of tire cord yarns and other products and a recovery trend in sales of agents for carbon fibers.
- Information and Electrics/Electronics** : 【 Information 】 Demand for toner binders showed a recovery trend, but sales of polymerization toner materials were sluggish due to withdrawal from production business in China, resulting in a large decrease in sales. 【 Electrics/Electronics 】 Sales of electrolytes for aluminum electrolytic capacitors were flat, but sales of related materials increased due to the recovery of the semiconductor market, resulting in higher sales.
- Environmental Protection, Construction and Others** : 【 Environmental Protection 】 Sales of cationic monomers for polymer flocculants were weak due to sluggish market conditions. 【 Construction 】 Sales of cement additives were sluggish, but sales of raw materials for building sealants were strong.

Trends in Consolidated Operating Profit by Segment (Half Period)

(Billions of yen)



* Due to a change in the treatment of an account, figures for 2H FY2021 and before are shown before reclassification, while figures for 1H FY2022 and after are shown after reclassification.

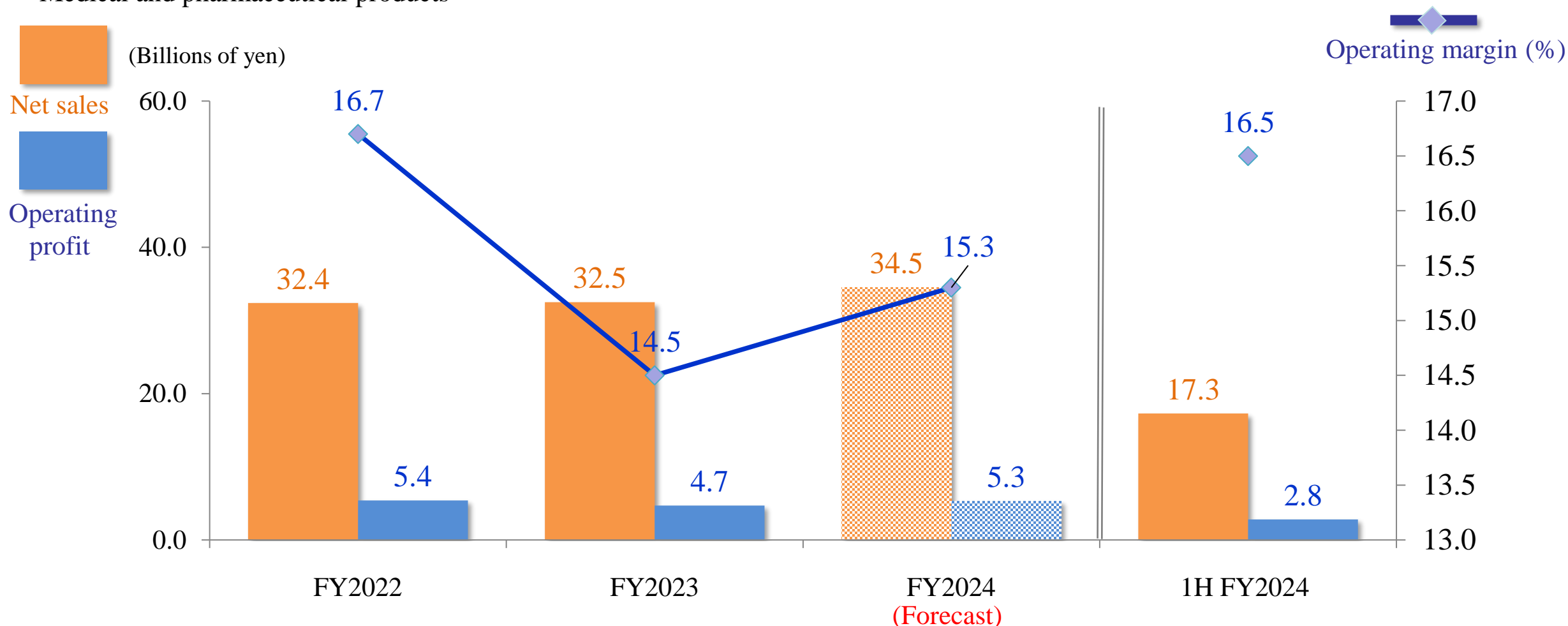
Research and development expenses for new businesses (Billions of yen)

FY2021		FY2022		FY2023		FY2024
1H	2H	1H	2H	1H	2H	1H
(0.73)	(0.93)	(0.77)	(0.72)	(0.66)	(0.58)	(0.54)

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

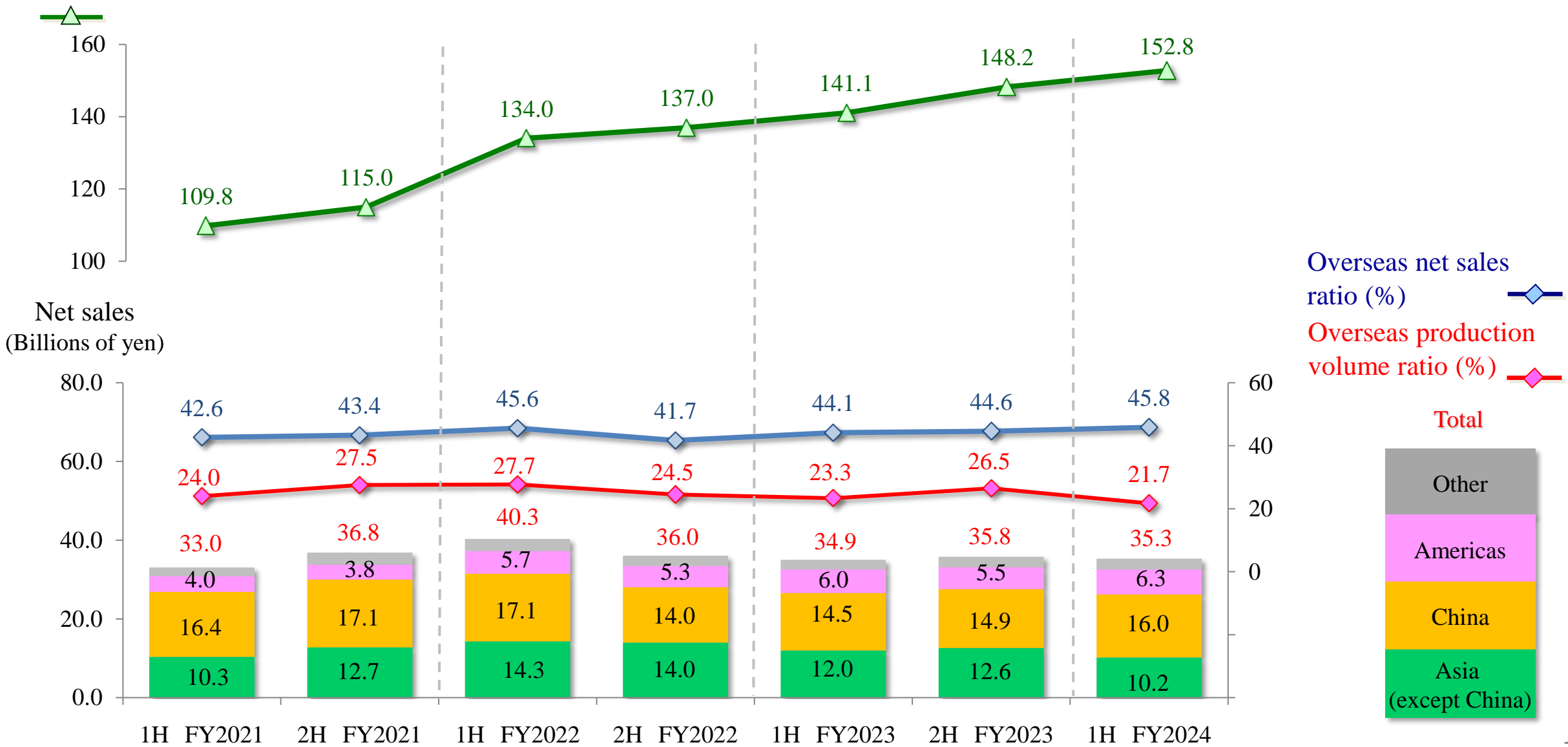


Status of High-value-added products category

Products	Topics
Chemicals for special fibers	Carbon fiber agents are recovering as demand for windmill blades. New facilities have already started operation in October 2024. (Initially scheduled for April 2025). Eventually, capacity will be increased by approximately 50% from production capacity.
Chemicals for special electronic parts	While demand for non-automotive capacitors is weak, demand for automotive capacitors is on a recovery trend, and earnings are flat. The company plans to increase capacity by about 30% in order to respond to the rapid increase in demand for capacitors, such as the shift to electric vehicles and the expansion of EVs, etc. The company plans to start operation in April 2026.
Lubricant additives	While the automotive-related industry is in a slump, the Company is doing well in line with increased demand. Aiming to further develop overseas markets with newly developed products.
Permanent antistatic agents	Favorable due to recovery in demand related to semiconductors and electronic components.
Medical and pharmaceutical products	Strong performance in the first half of the year due to increased demand for colonoscopy applications.

Trends in Overseas Net Sales (Half Period)

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

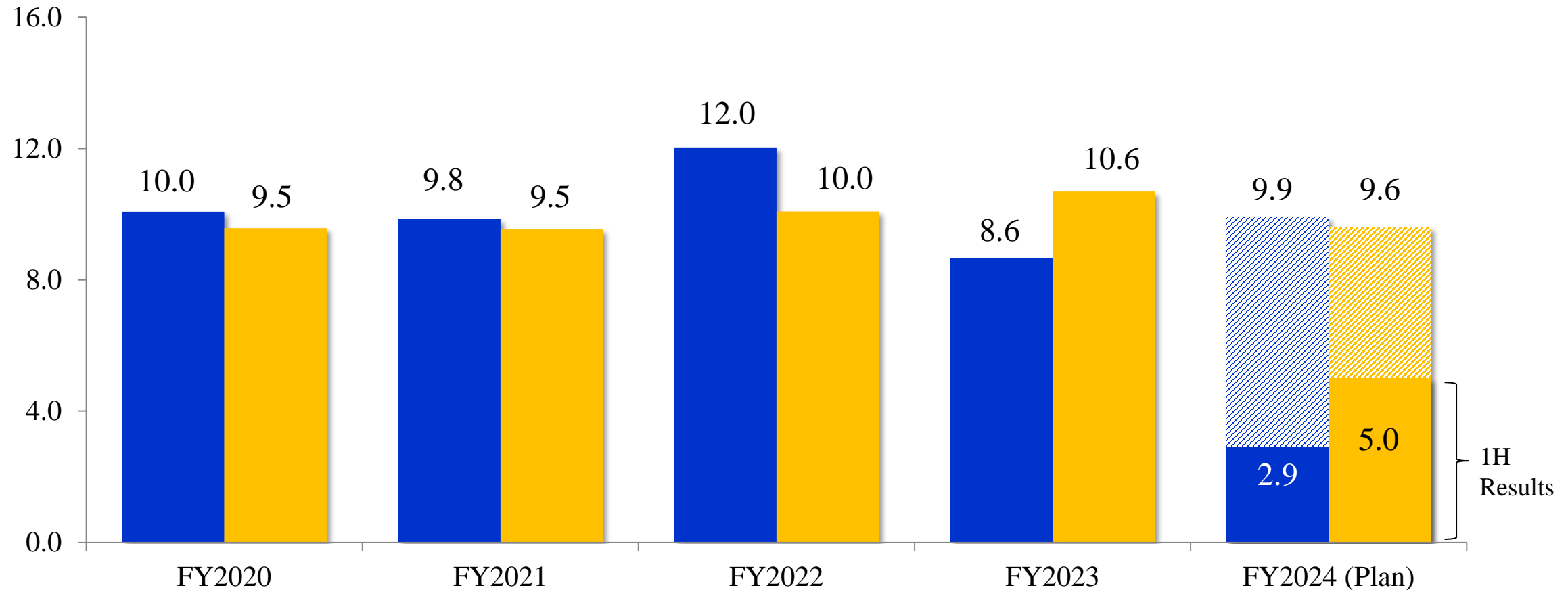


Capital Investment and Depreciation (Consolidated)

Capital
investment

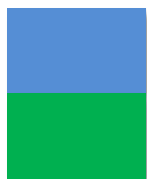
Depreciation

(Billions of yen)



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

Total



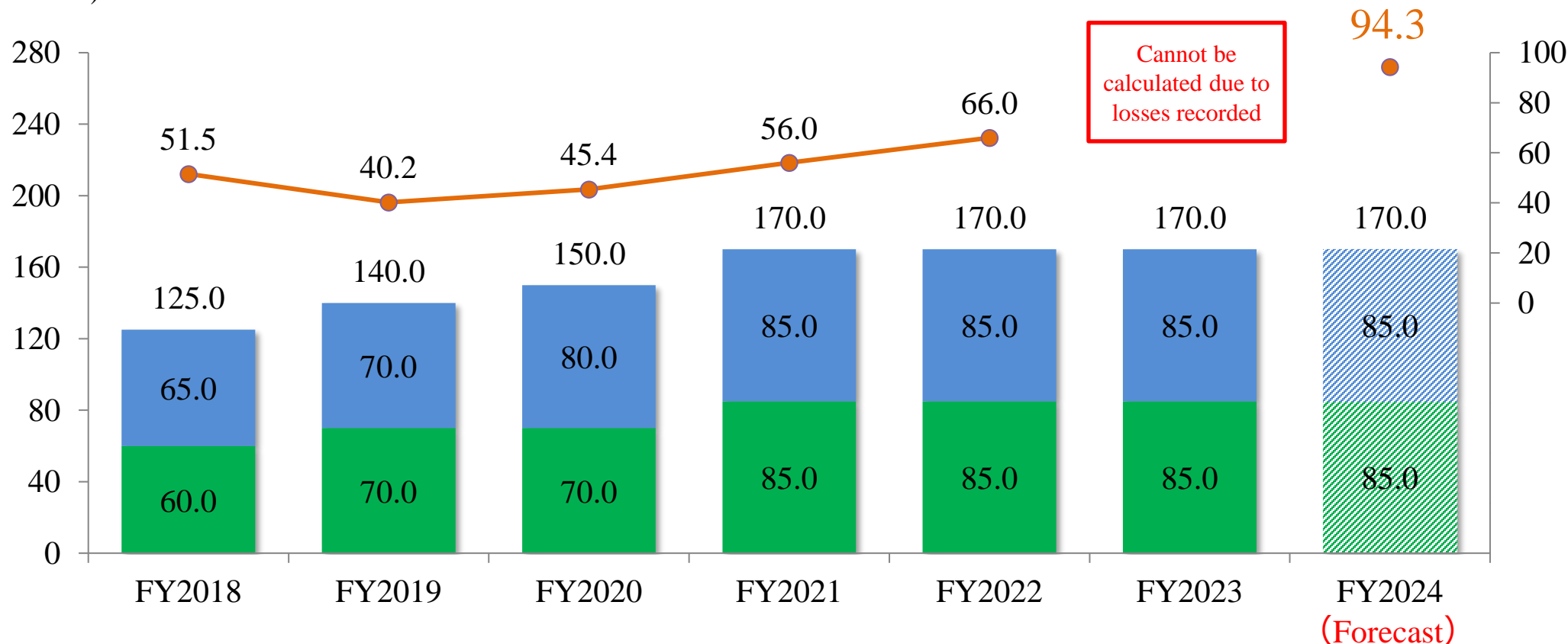
Year-end

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

Dividend (Yen/Share)



TOPICS

Lubricant additives “ACLUBE”

◆ Features of ACLUBE

When added to gear oil or engine oil, following effects can be obtained

- ☑ Prevention of seizure
- ☑ Keep low viscosity at low temperature
- Leads to fuel saving (contributes to decarbonization)

Products that are environmentally friendly and contribute to mobility innovation

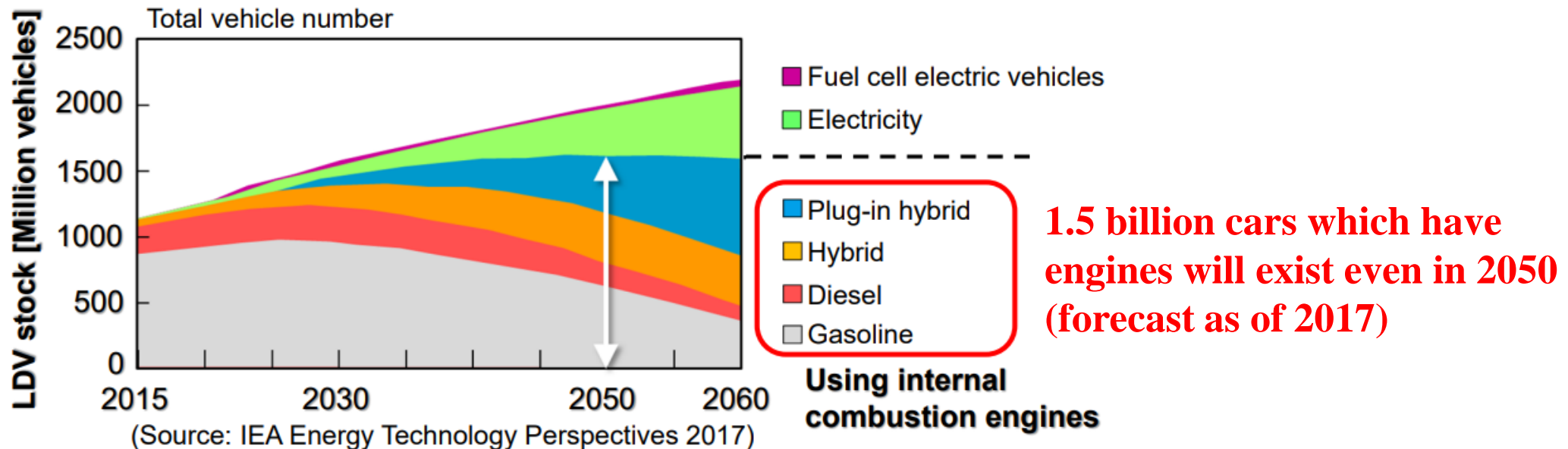


◆ The strength of “ACLUBE”.

- ☑ Sixty years since its development. High reliability and accumulated expertise
- ☑ Higher performance polymethacrylate (PMA)-based viscosity index improver (VII) compared to general-purpose type olefin copolymer (OCP)-based viscosity index improver (VII).

Market

- Even in 2050, 80% of the world's vehicle will be equipped with engines
- Engine-only vehicle will decline, but hybrid and plug-in hybrid vehicles will increase
- Trend of increasing demand due to greater use of ACLUBE compared to engine cars

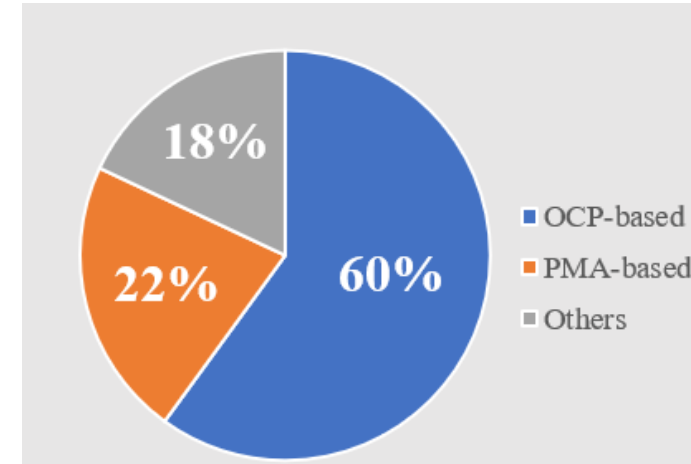
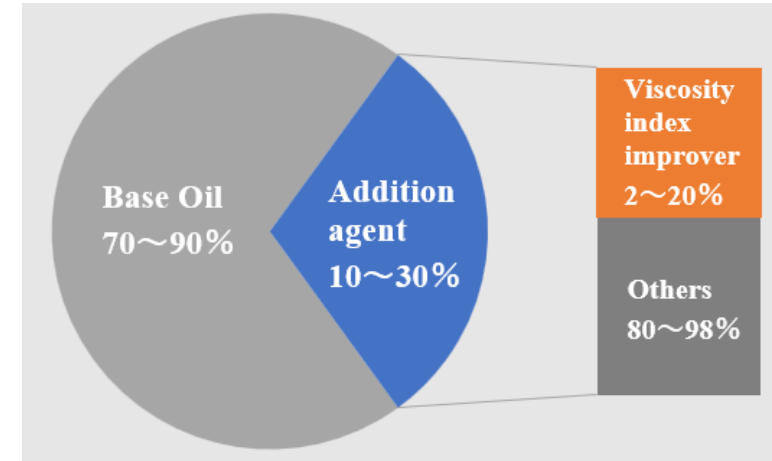


- Domestic new vehicle sales in FY2023: 4,779,086 units (up 14% from FY2022)
(Japan Automobile Manufacturers Association, Inc.)

◆ Market size

- Viscosity Index Improver accounts for approx. 20% of lubricants
- Increased demand for high-performance PMA-based (ACLUBE)
- The projected global market size of PMA-based viscosity index improvers in 2024 is approximately \$1.42 billion
(2018 Transparency Market Research, All Rights Reserve)
- Sanyo Chemical has the largest market share in Japan and the second largest market share in overseas.

General Lubricant Composition



Share of Viscosity Index Improvers for Lubricants by Type in 2015
(OYR Chemical & Material Research Center, Feb 2017)

PMA-based viscosity index improver are gaining market share due to their superior fuel efficiency compared to OCP-based products

◆Future Development

【Automotive applications】

Gasoline vehicles:

Fuel-efficient engine oil standards are becoming stricter year by year, and demand for products compliant with the new standards continues.

→ To gain demand from China, India, and other major automobile-producing countries with ACLUBE, developed for new standards*.

Diesel vehicles:

Development of diesel engine oil applications for heavy-duty vehicles

EV vehicles (electric vehicles):

New anti-wear agent for e-Axle under development

【Non-automotive applications】

Development of Aircraft Lubricant Applications

Development of Marine Lubricant Applications



- * ◆ 2025 Japan Society of Automotive Engineers of Japan Standard GLV-2
International Lubricants Standardization and Approval Committee Standards GF-7
- ◆ 2028 International Lubricants Standardization and Approval Committee Standards GF-8

Aiming to expand sales by capturing new demand and developing new applications

Functional Proteins “Silk-Elastin”

Artificial protein produced by genetic recombination technology. First in Japan and one of the world’s few medical devices using genetically engineered proteins.

Wound Healing Materials

Number of diabetic patients in Japan: more than 3 million people
⇒The number of patients with severe disease (foot amputation): 10,000 people/year

Marketability

Market size
Japan 9 billion yen
U.S. 90 billion yen

Meniscus Regeneration Materials

Osteoarthritis of the knee: 30 million people
(Number of people with symptoms: 10 million)

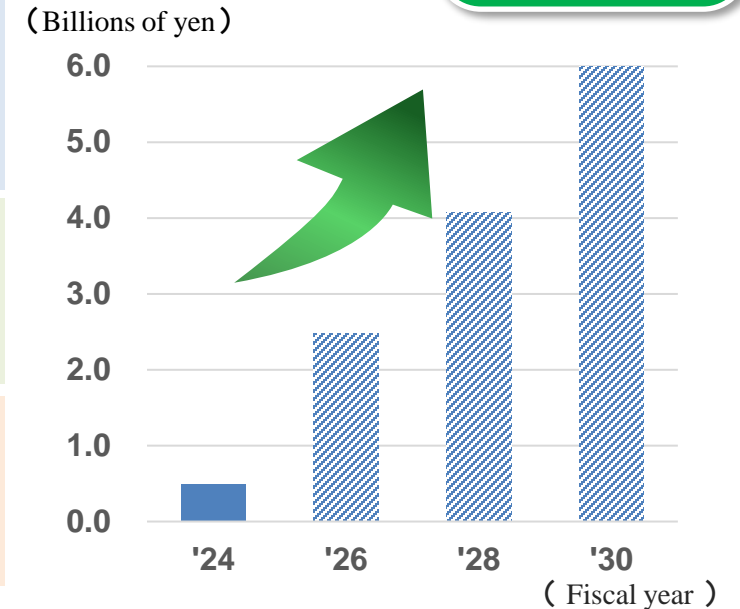
Market size
Japan 12 billion yen
U.S. 127 billion yen

Pulmonary Leak Embolization Materials

Lung cancer resection Target patients: 70,000/year

Market size
Japan 1.4 billion yen
U.S. 25 billion yen

Forecast



**Aiming to generate
6 billion yen in operating
income in Japan and the
U.S. by 2030**

USE	Non clinical study	Physician-initiated clinical trial	Corporate clinical trial	Obtained regulatory approval	Application for insurance reimbursement
Wound Healing Materials					
Meniscus Regeneration Materials					
Pulmonary Leak Embolization Materials					

Wound Healing Materials

Collaborative Research Partner: Department of Plastic and Reconstructive Surgery,
Kyoto University Graduate School of Medicine

Chronic wounds (e.g., diabetic foot ulcers) and acute wounds (e.g., burns) account for more than 120,000 cases in Japan, increasing with the aging of the population, including refractory cases.

High healing effect was obtained for wounds that could not be expected to heal with conventional treatment.

	Silk-Elastin	Conventional method 1	Conventional method 2
Acute wound	100%	60%	32%
Chronic wound	90%	34%	—



Before applying
Silk-Elastin



14 days after applied
Silk-Elastin

We conclude license agreement with KAKEN
PHARMACEUTICAL CO., LTD. for exclusive
distribution rights in Japan



Joint press conference to be held on October 7



- ◇ Accumulating treatment results for market launch in wound-healing materials in FY2025.
- ◇ Conducts corporate clinical trials in FY2025 for meniscus regeneration materials, which has a large market size.
- ◇ We will also target the U.S. market in the future

**2030, Developing into a
Pillar of Our Business**



Withdrawal from SAP business (March 25, 2024)

【Background】

Commoditization of SAP: Because the technology level of new entrants has improved,
Differentiation by quality is becoming difficult.

Rapid deterioration of business environment: Inexpensive Chinese SAP flowed into Asian and Japanese market




Decision to transfer SDN's equity to Jiangtian Chemical (September 27, 2024)

Signed an equity transfer agreement to sell all of the shares of San-Dia Polymers (Nantong) Co., Ltd. [SDN] to Nantong Jiangtian Chemical Co., Ltd.

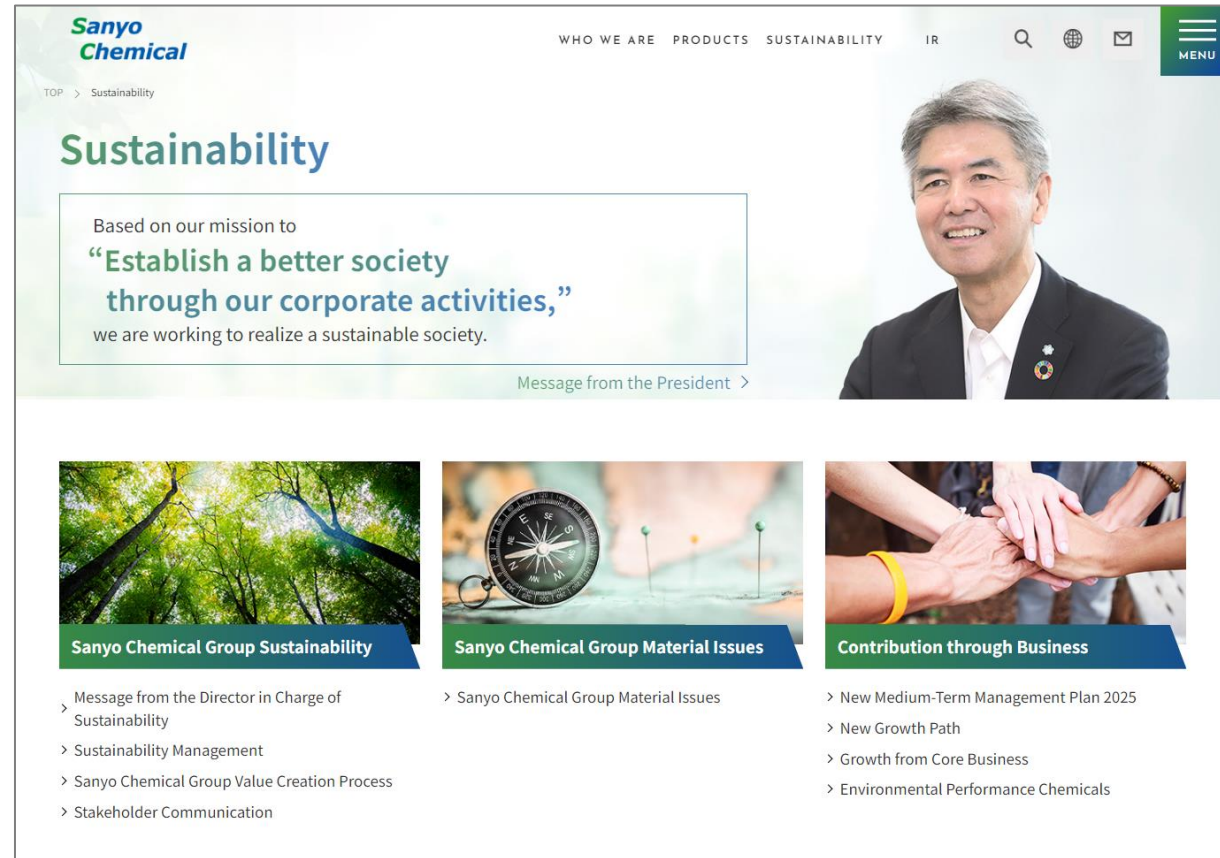
Merger with SDP Global (April 1, 2025)

Dissolution by absorption-type merger in consideration of improving the management efficiency of our group

◆SAP Business Companies Today

-  SDP GLOBAL (MALAYSIA) SDN. BHD. [SDPM]: Production has been stopped
-  San-Dia Polymers (Nantong) Co., Ltd. [SDN] : Transfer of equity is scheduled to take place in this December
-  SDP Global Co., Ltd. : Scheduled for absorption merger in April 2025

Toward Proactive Information Disclosure



The Integrated Report is available in the Report Library on the Sustainability page
<https://www.sanyo-chemical.co.jp/eng/sustainability/library/>

We will strive to enhance dialogue with our stakeholders.

Reference

Sanyo
Chemical

Sanyo Chemical Group

- Consolidated Subsidiaries
- Entities Accounted for Using the Equity Method

Domestic

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

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)



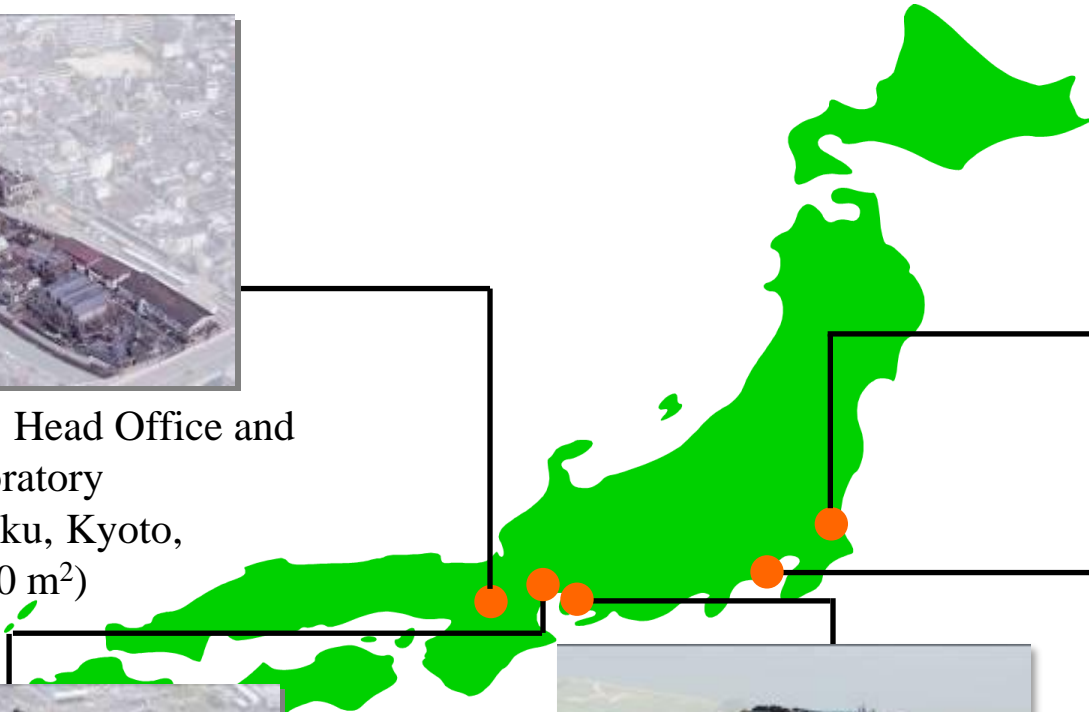
Nagoya Factory
(Tokai-shi, Aichi, Approx. 100,000 m²)



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 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



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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



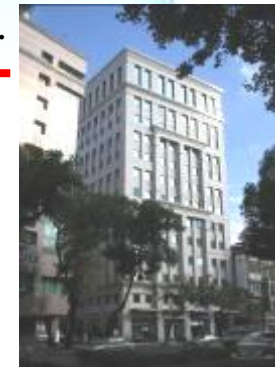
Sanyo Chemical America Inc.



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. VIV Interchem Co. Ltd., Toyota Tsusho Corporation, etc.	79% 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.

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

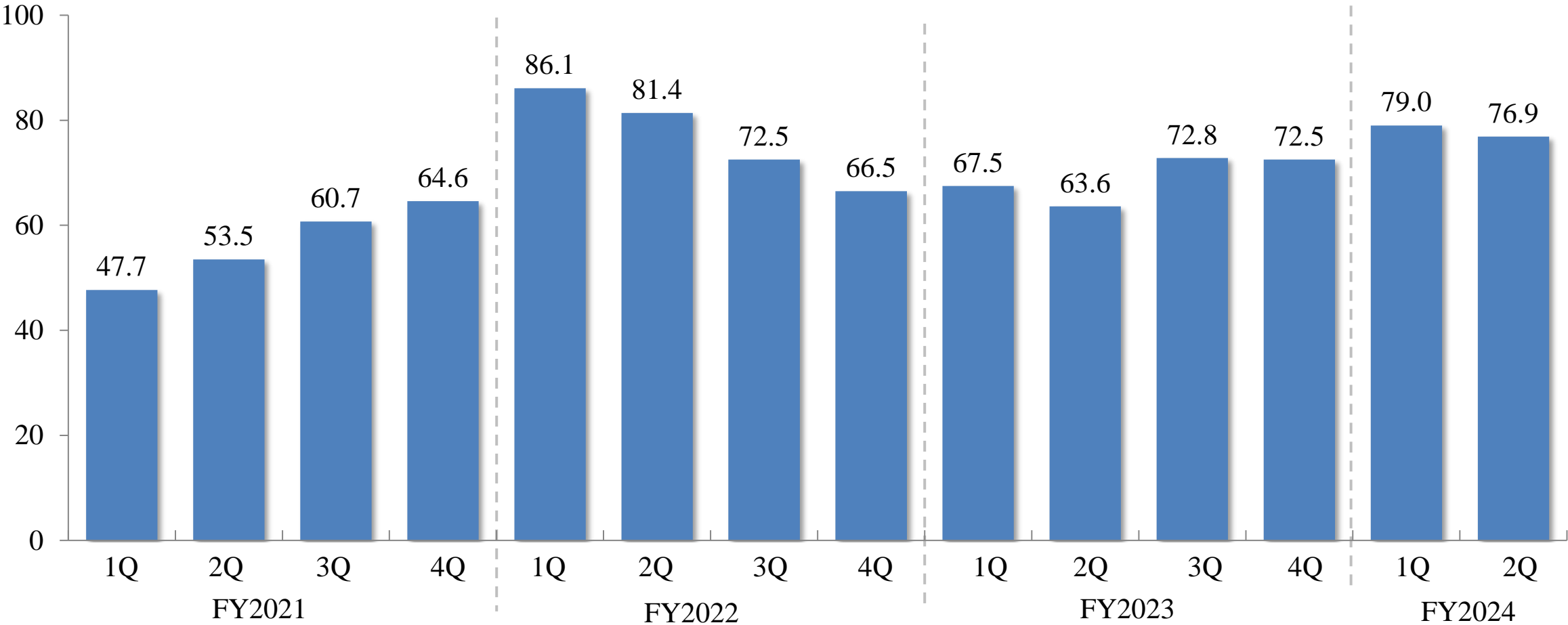
For details of the dissolution and transfer (transfer of equity interest) associated with this business withdrawal, please refer to the timely disclosure material released on 3/25, 9/27 and 11/6 (Japanese only).

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. ENEOS Materials Corporation	50% 50%	Manufacture of raw materials for synthetic rubbers
Sunrise Chemical LLC [USA]	SRC	Sanyo Chemical America Inc. Nippon Chemical Texas Inc.	50% 50%	Manufacture of raw materials for synthetic rubbers
Shiohama Chemicals Warehouse Co., Ltd.	—	Sanyo Chemical Industries, Ltd. ENEOS Materials Corporation	50% 50%	Warehousing

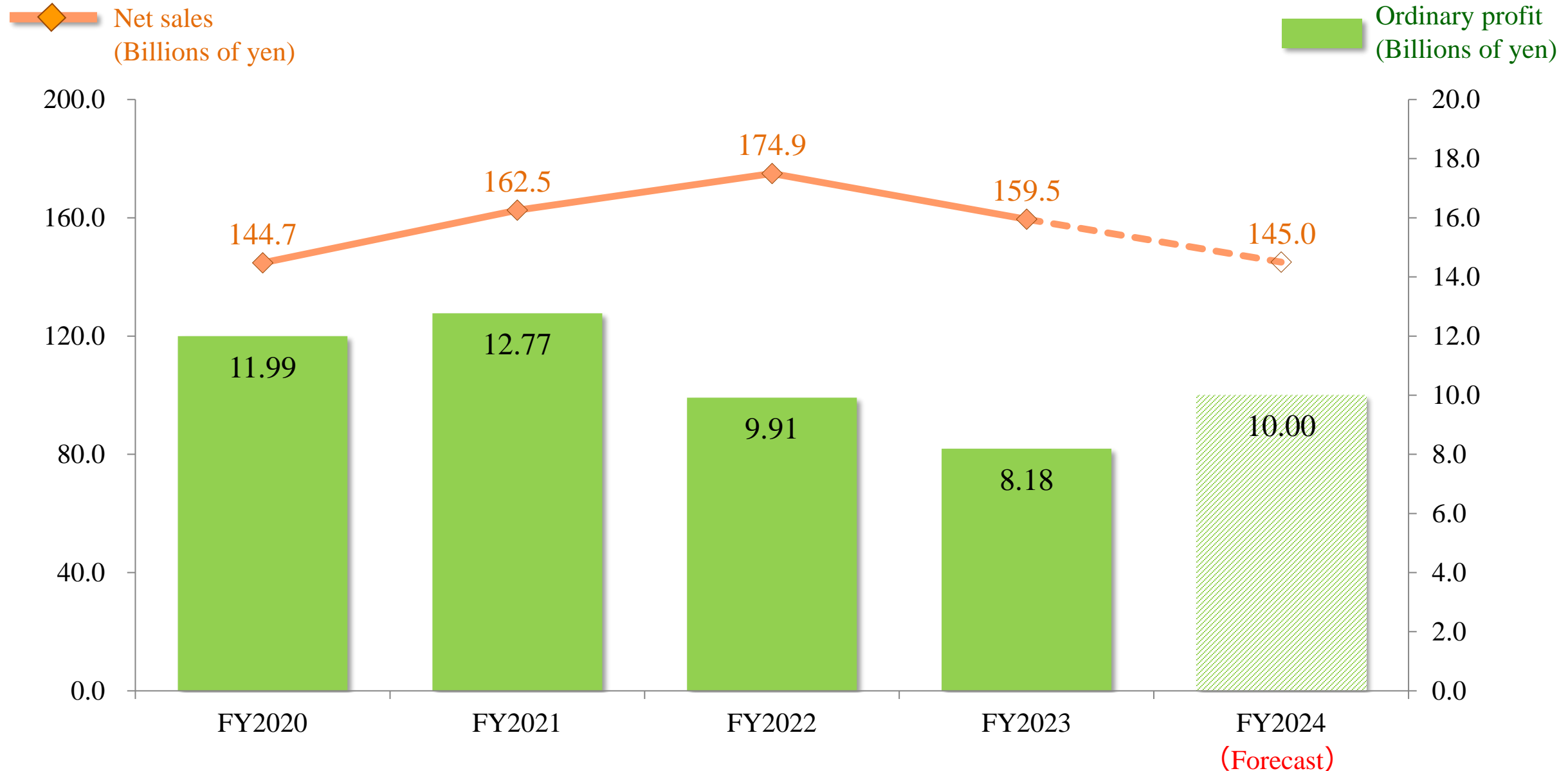
Trends in Price of Naphtha Produced in Japan

Price of Naphtha
(Thousands of yen/kl)

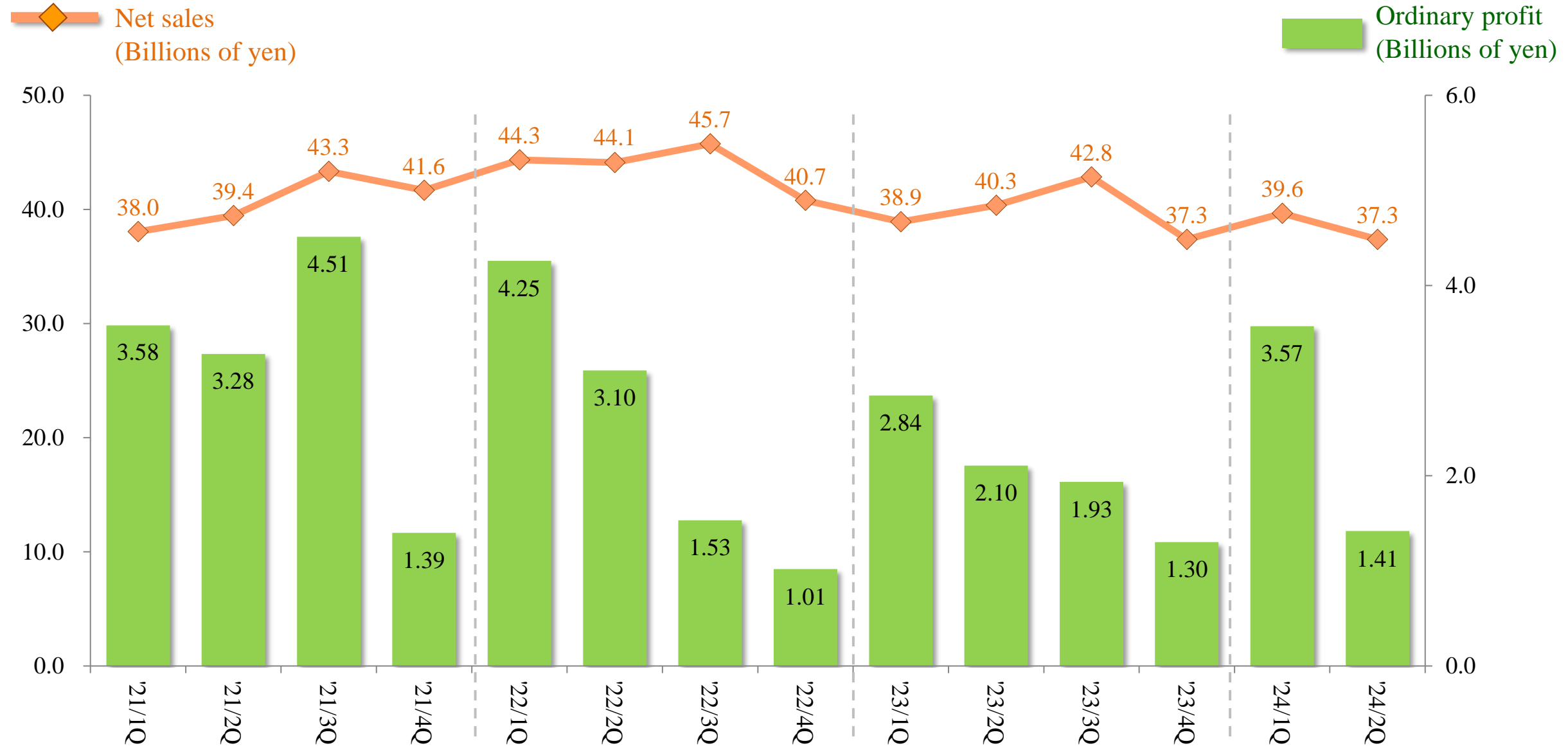


(Source: Trade Statistics of Japan)

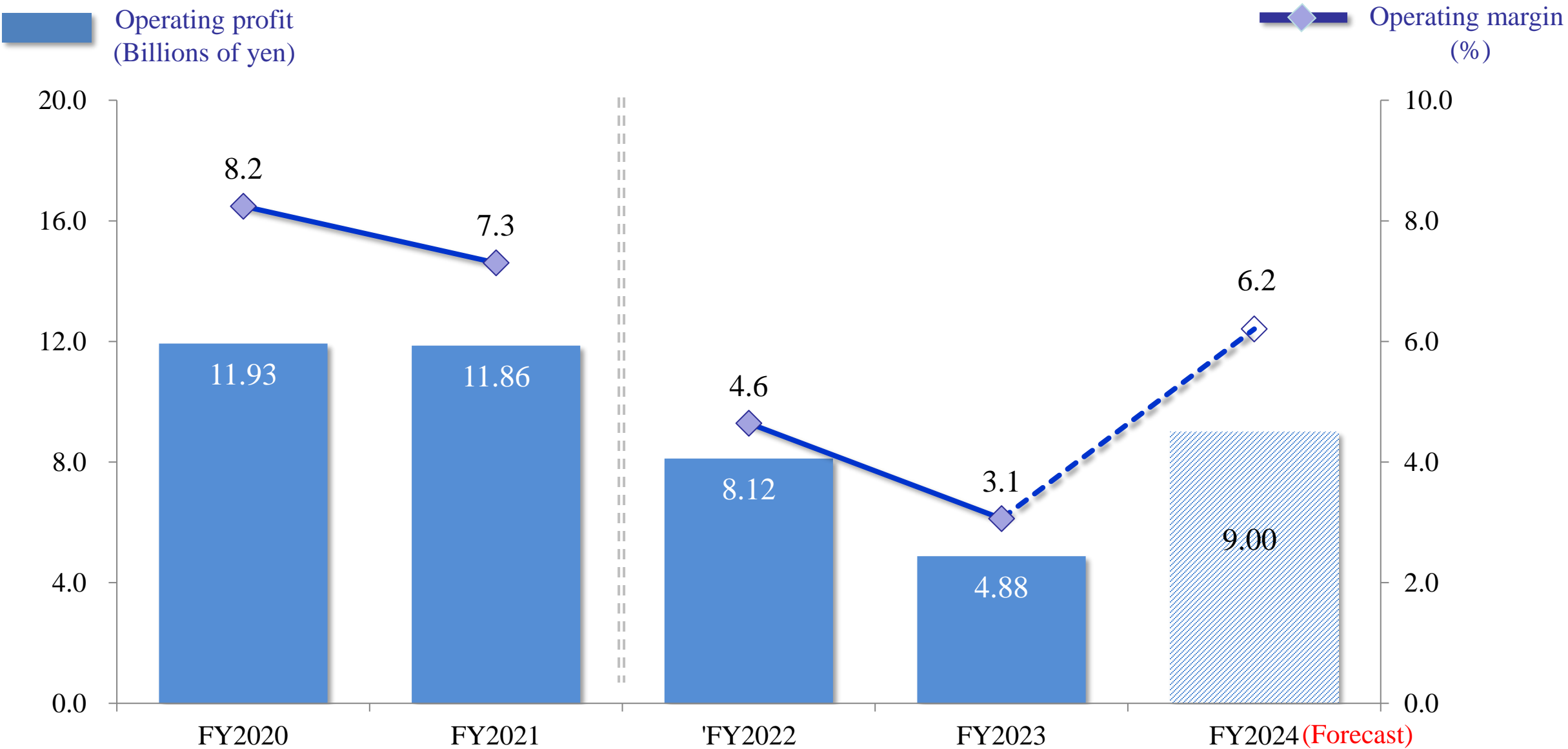
Trends in Consolidated Earnings



Trends in Consolidated Earnings (Quarter Period)

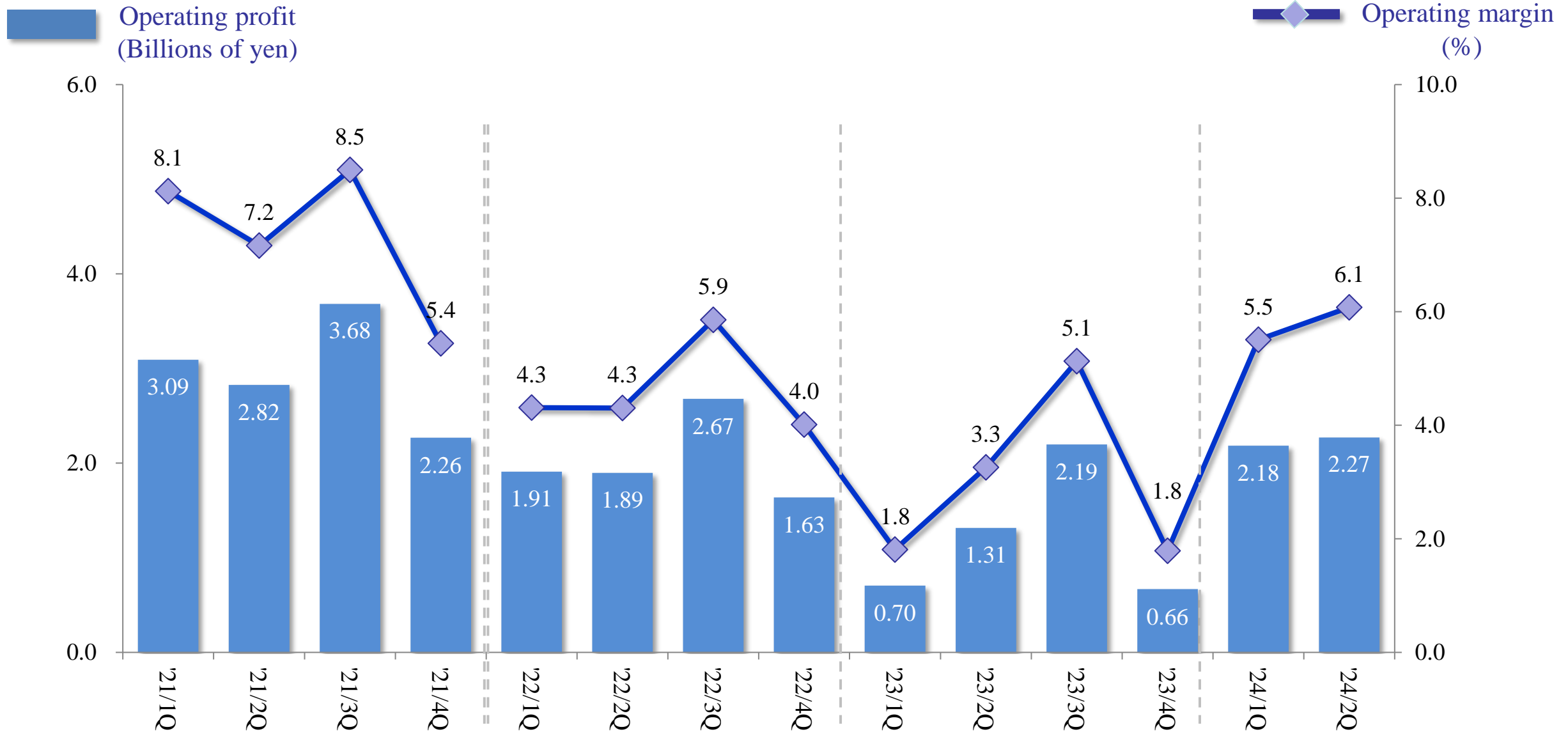


Trends in Consolidated Operating Profit and Operating Margin



* 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.

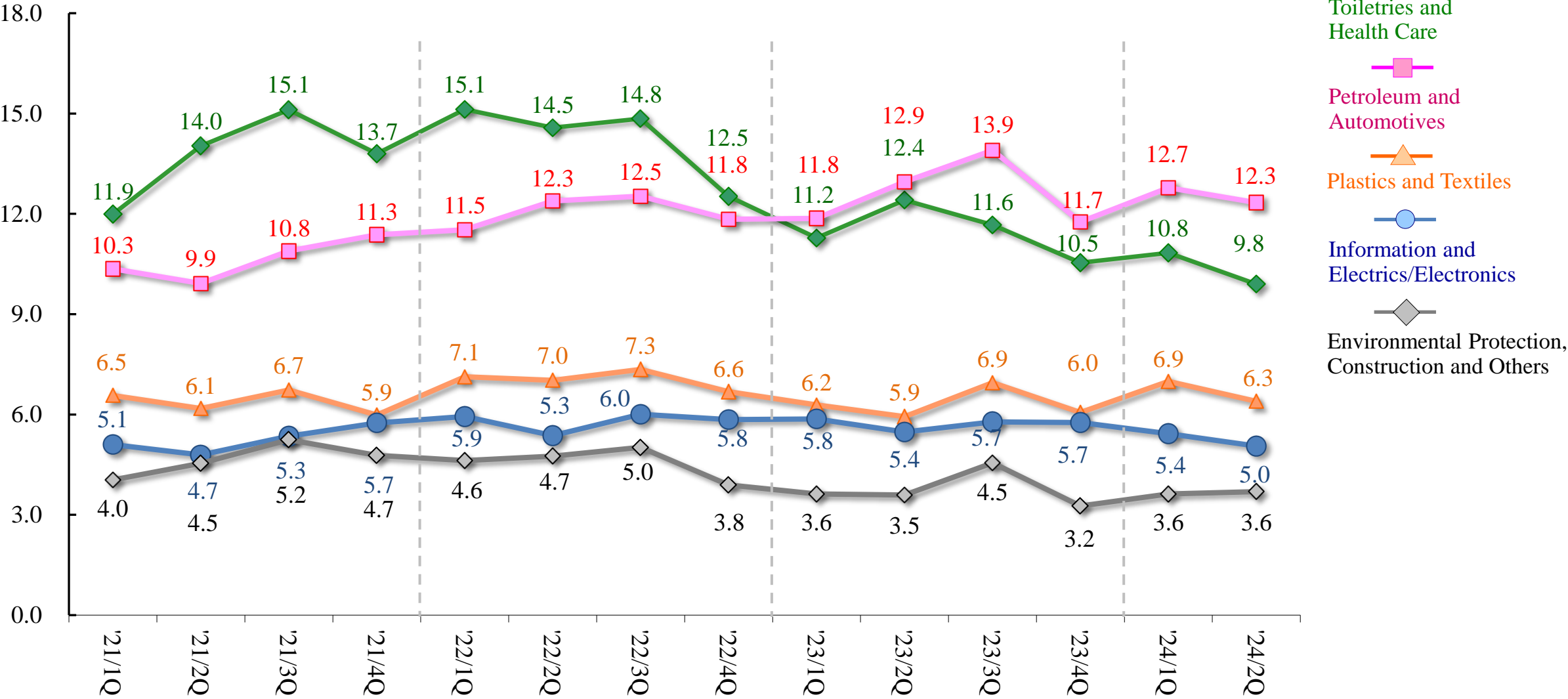
Trends in Consolidated Operating Profit and Operating Margin (Quarter Period)



* 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.

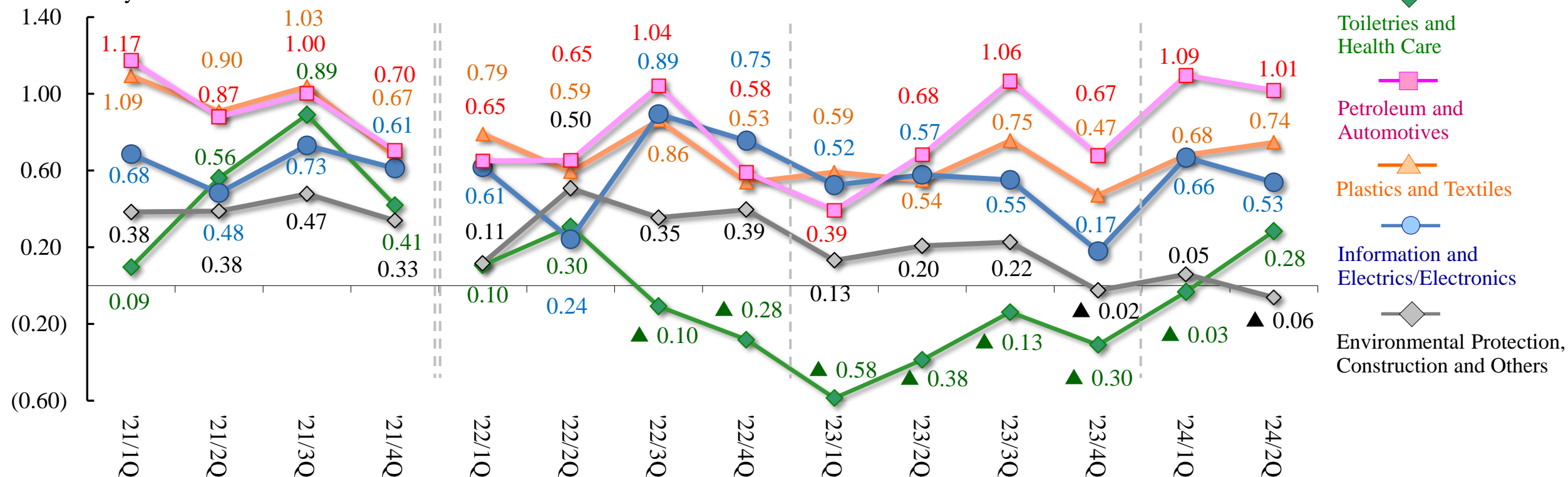
Trends in Consolidated Net Sales by Segment(Quarter Period)

(Billions of yen)



Trends in Consolidated Operating Profit by Segment (Quarter Period)

(Billions of yen)



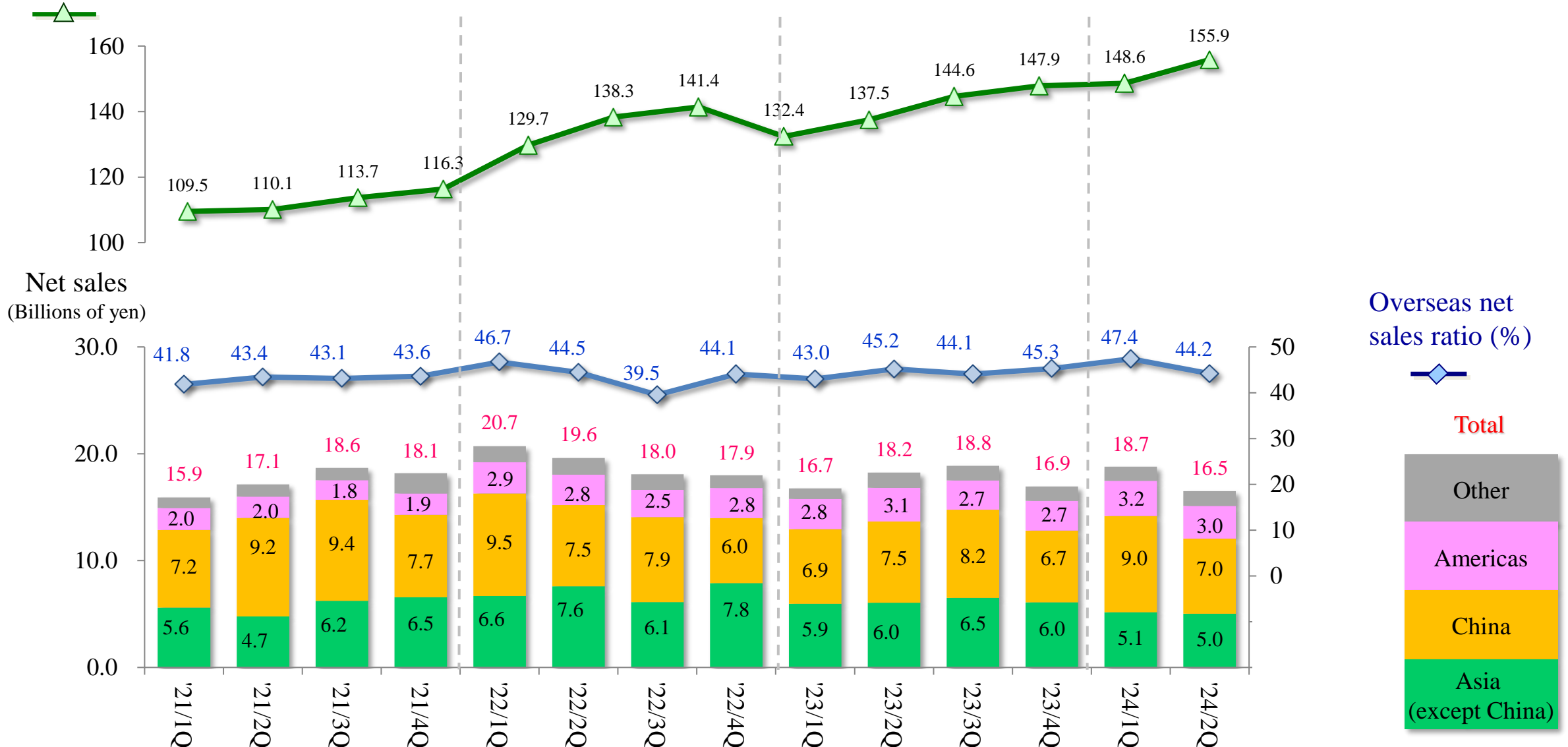
* Due to a change in the treatment of an account, figures for '21/4Q and before are shown before reclassification, while figures for '22/1Q and after are shown after reclassification.

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
(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)

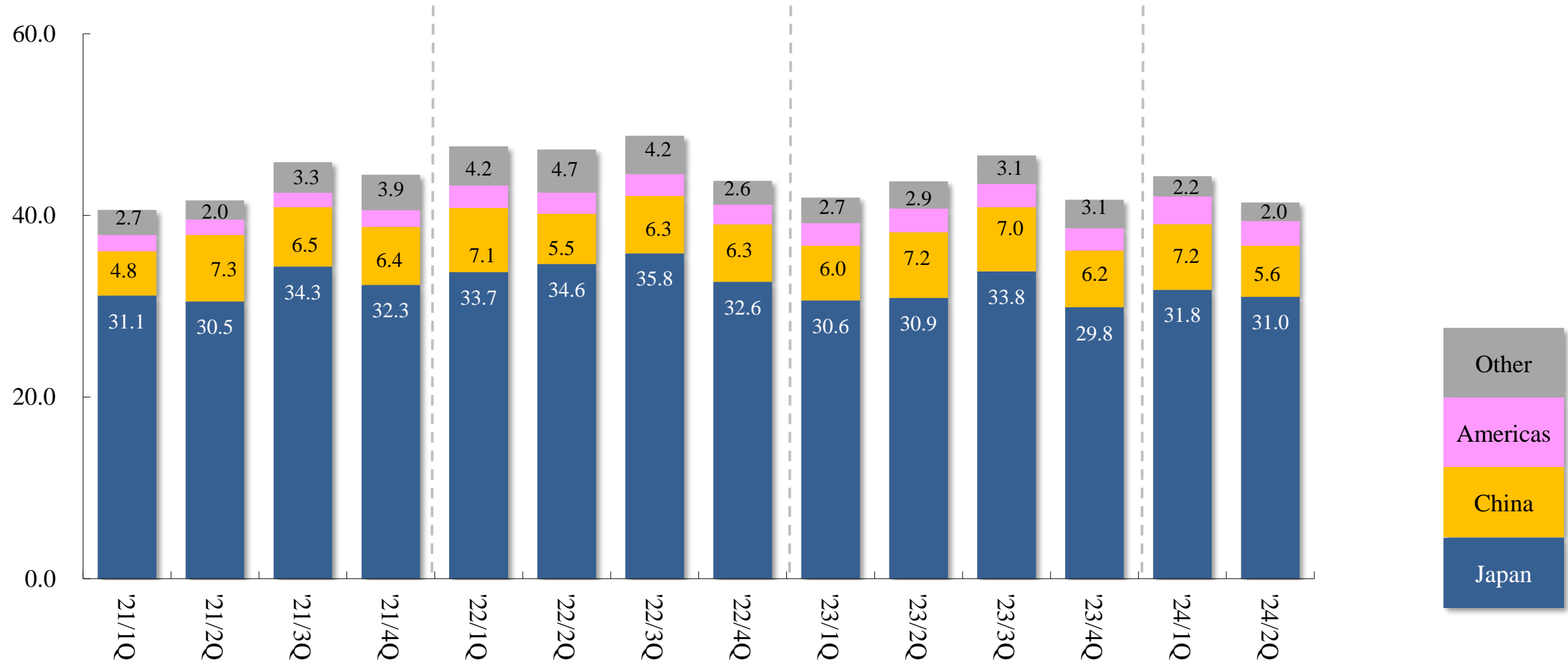
Trends in Overseas Net Sales (Quarter Period)

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



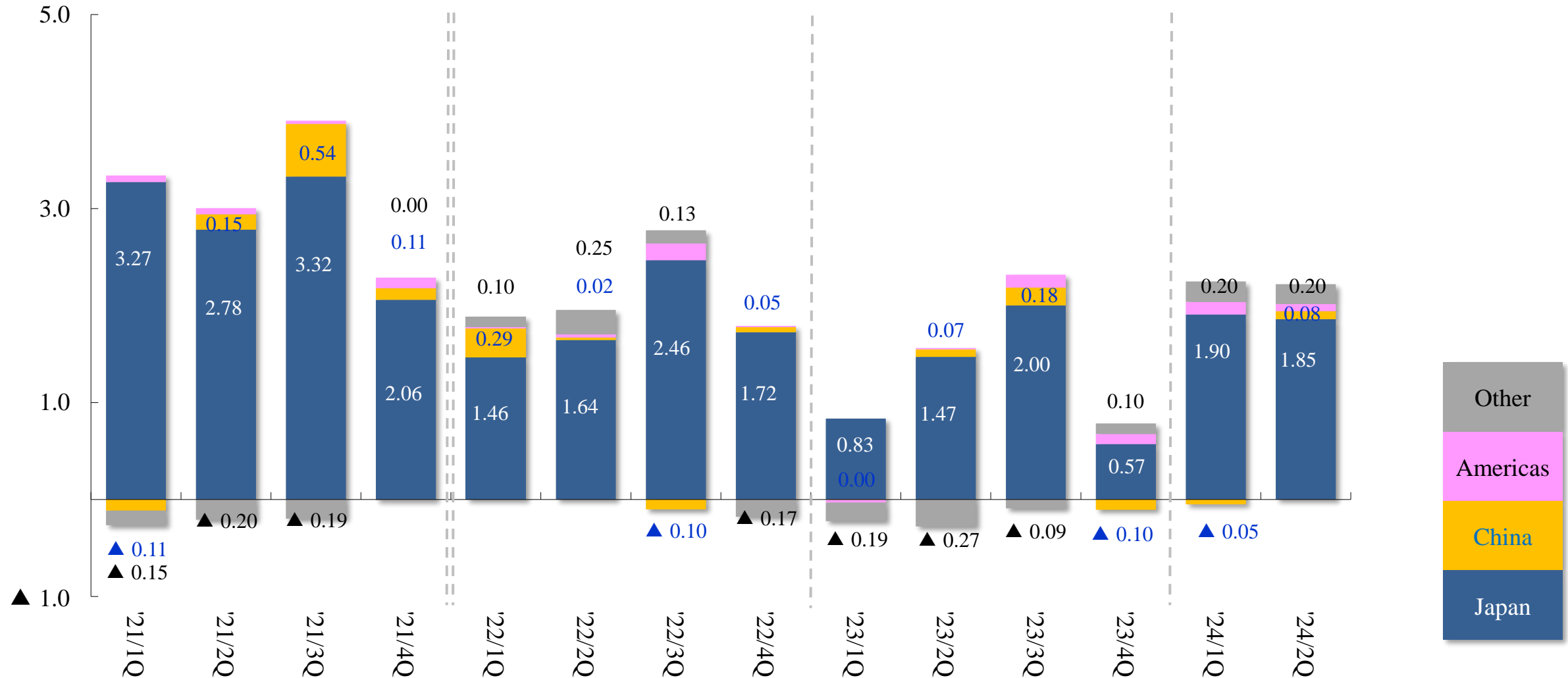
Trends in Consolidated Net Sales by Geographic Segments (Simple Addition)

(Billions of yen)



Trends in Consolidated Operating Profit by Geographic Segment (Simple Addition) **Sanyo Chemical**

(Billions of yen)



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