

"Performance" Through Chemistry

# Material for Financial Results Presentation For the Six Months Ended September 30, 2025

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 4, 2025. Actual results may differ significantly from such projections due to risks and uncertainties relating to changes in the global economy, state of competition, foreign currency exchange rates, trends in raw material costs and other factors.

### <Inquiries about IR>

Corporate Governance Dept.  
Corporate Planning Division  
Sanyo Chemical Industries, Ltd.

E-mail: [pr-group@sanyo-chemical.group](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:

Kyoto, Tokyo, Nagoya, Hiroshima, Fukuoka

Domestic Factories:

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

Number of Employees (Consolidated Basis):

1,669 (as of September 30, 2025)

Line of Business:

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

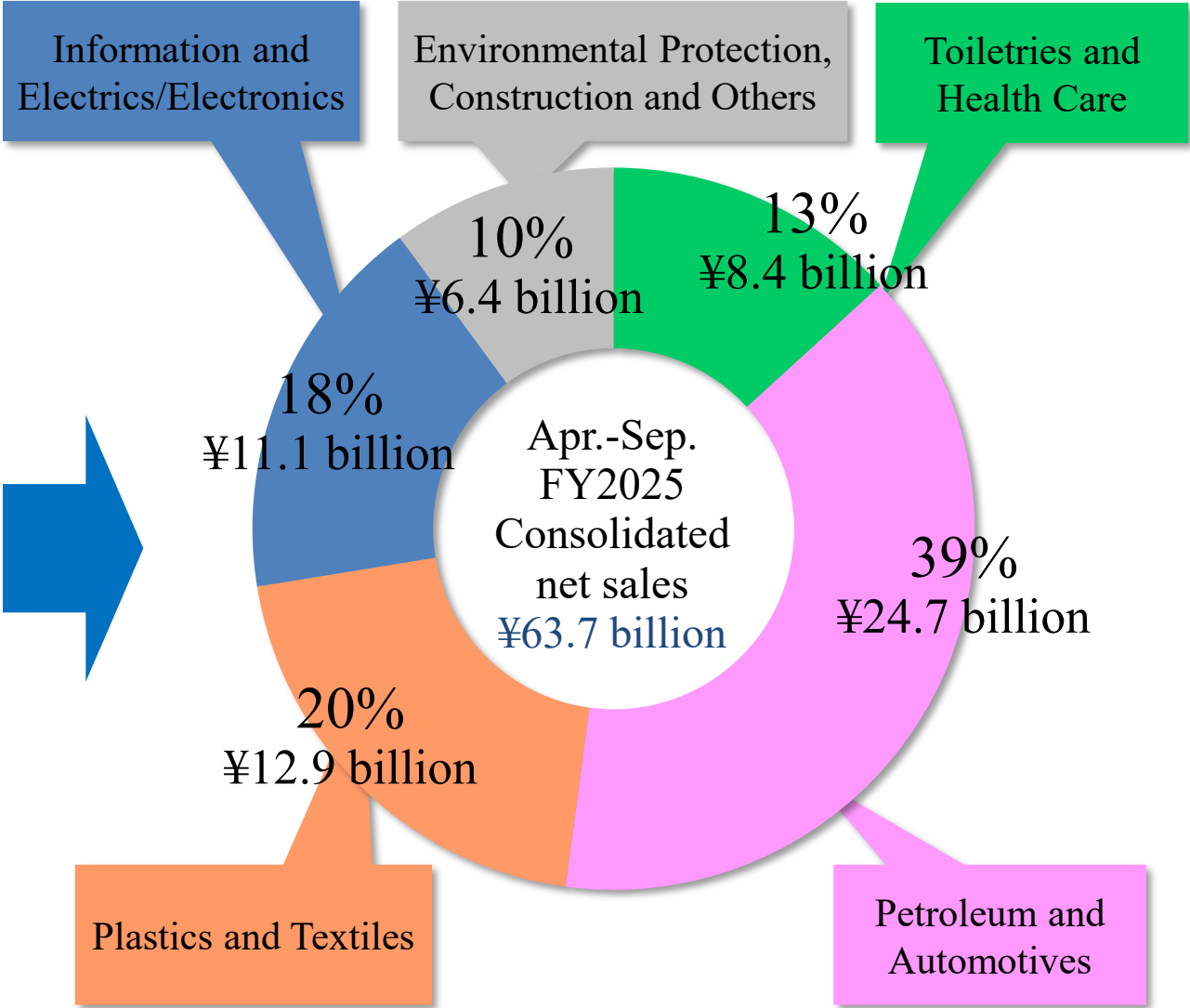
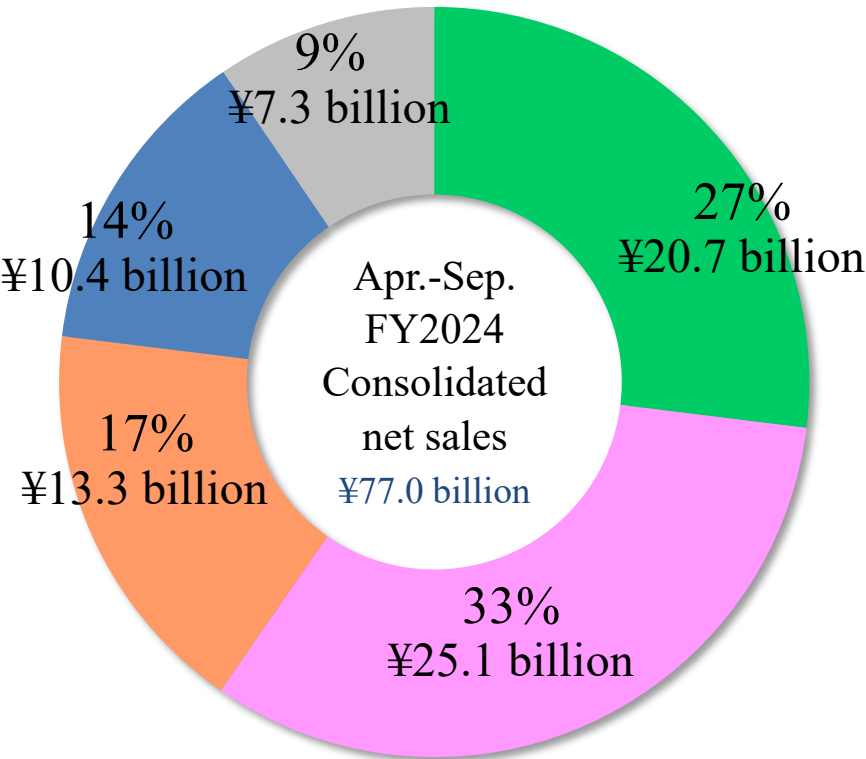
# Earnings for Apr.-Sep. FY2025

(Billions of yen)

Consolidated	Apr.-Sep. FY2024	Apr.-Sep. FY2025	Year-on-Year Change	
			Amount	Ratio (%)
Net sales	77.03	63.77	(13.25)	(17.2)
Operating profit	4.45	4.29	(0.16)	(3.7)
Ordinary profit	4.99	5.03	0.03	0.8
Profit attributable to owners of parent	0.94	10.41*	9.47	1007.9
Comprehensive income	(0.54)	14.88	15.43	-

\* As announced on August 1, 2025 in the "Notice Regarding Recognition of Deferred Tax Assets and Revision of Consolidated Earnings Forecasts for the Second Quarter and Full Year of the Fiscal Year Ending March 2026," we have recorded tax expenses (income) of 8.0 billion yen, including deferred tax assets, corporate taxes, and adjustments for corporate taxes.

# Consolidated Net Sales by Segment

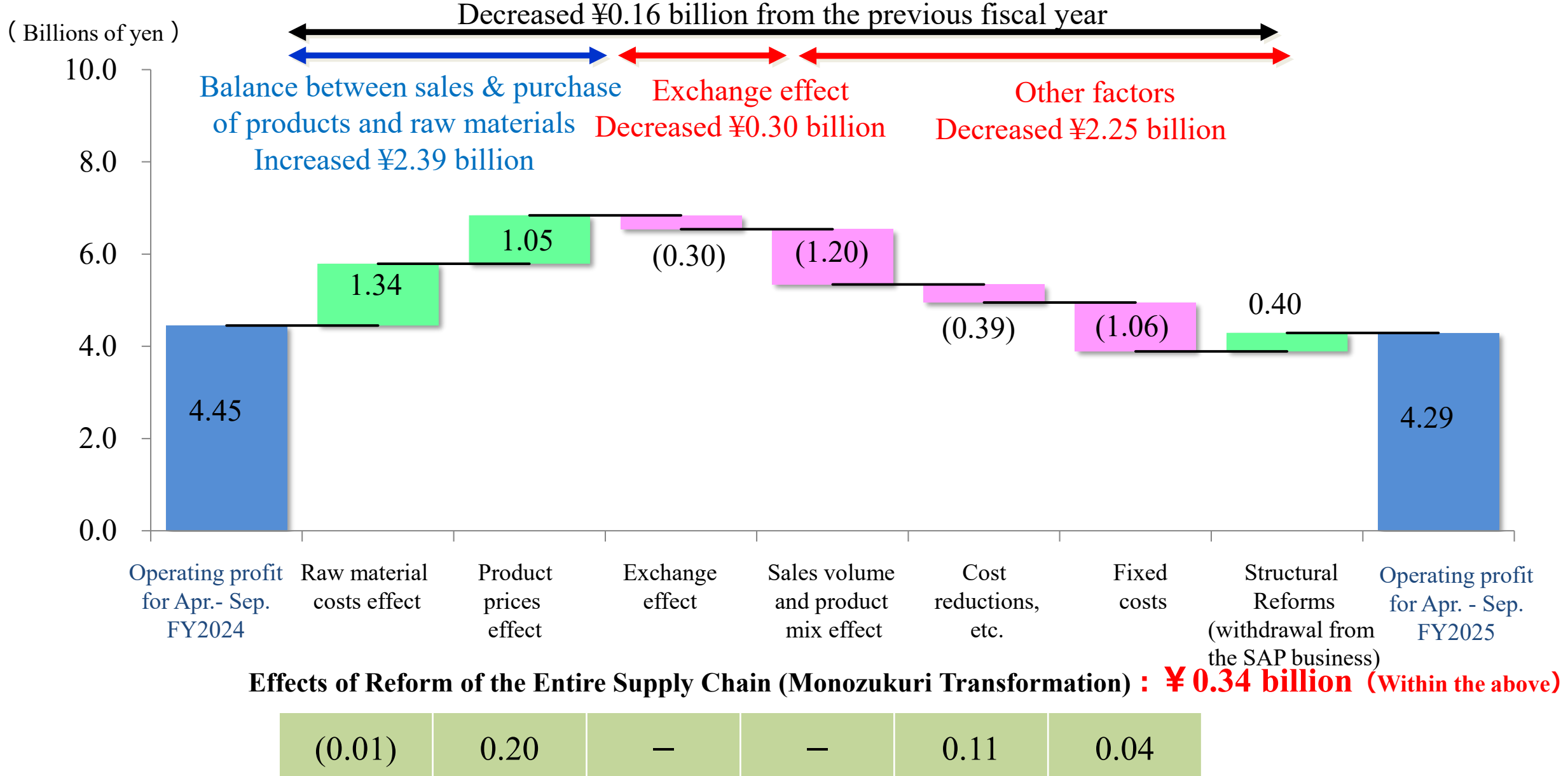


# Consolidated Earnings by Segment

(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	20.72	8.46	(12.26)	0.25	(0.12)	(0.38)
Toiletries	7.04	6.20	(0.83)			
Health Care	13.68	2.25	(11.43)			
Petroleum and Automotives	25.11	24.70	(0.41)	2.11	2.89	0.77
Plastics and Textiles	13.38	12.97	(0.40)	1.42	1.02	(0.40)
Plastics	9.58	9.27	(0.31)			
Textiles	3.79	3.70	(0.09)			
Information and Electrics/Electronics	10.48	11.16	0.68	1.20	1.36	0.15
Information	5.41	5.55	0.14			
Electrics/Electronics	5.06	5.60	0.54			
Environmental Protection, Construction and Others	7.31	6.46	(0.85)	(0.00)	(0.18)	(0.17)
Research and development expenses for new businesses				(0.54)	(0.67)	(0.13)
Total	77.03	63.77	(13.25)	4.45	4.29	(0.16)

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



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

(Billions of yen)

	Apr.-Sep. FY2024	Apr.-Sep. FY2025	Change amount
Operating profit	4.45	4.29	(0.16)
Share of profit (loss) of entities accounted for using equity method	0.46	(0.05)	(0.51)
Foreign exchange gains (loss)	(0.44)	0.10	0.54
Other non-operating income (loss)	0.51	0.68	0.16
Ordinary profit	4.99	5.03	0.03
Gain on sale of investment securities	(0.00)	(0.11)	(0.10)
Impairment losses on non-current assets	(0.30)	-	0.30
Loss on retirement of non-current assets	(0.30)	(0.69)	(0.38)
Restructuring charges	(2.15)	(0.22)	1.92
Profit before income taxes	2.21	3.99	1.78
Income taxes	(0.92)	6.79	7.71
Profit attributable to non-controlling interests	(0.35)	(0.37)	(0.02)
Profit attributable to owners of parent	0.94	10.41	9.47

# Consolidated Balance Sheet

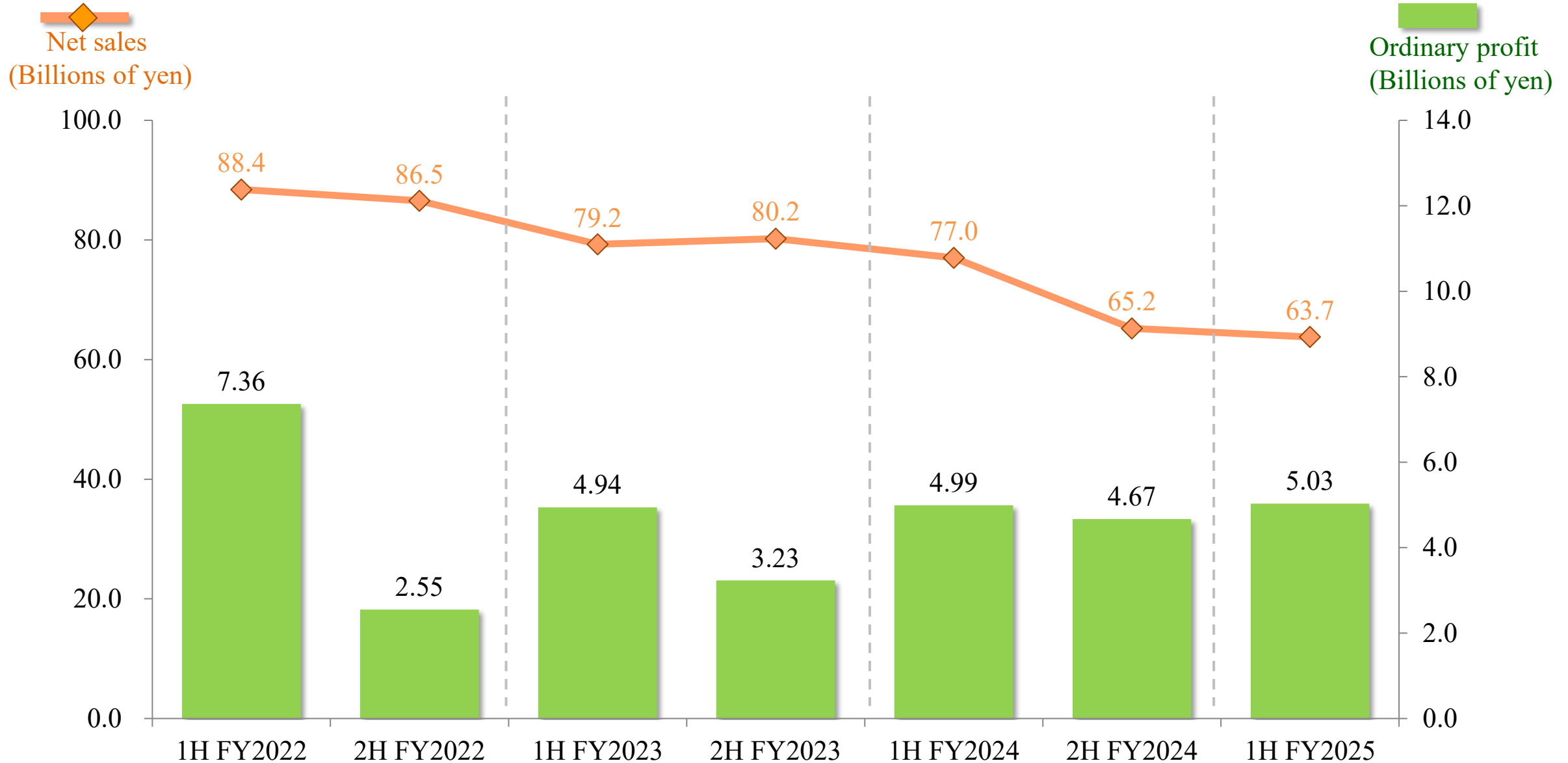
(Billions of yen)

	March 31, 2025	September 30, 2025	Change amount	Main factors for changes
Current assets	84.9	87.9	3.0	Cash and deposits: 4.0, Notes and accounts receivable – trade, Electronically recorded monetary claims – operating: (0.5), Merchandise and finished goods: (0.9)
Non-current assets	91.4	98.1	6.7	property, plant and equipment:(8.4), Investment securities:4.7, Deferred tax assets:3.5
Total assets	176.3	186.1	9.7	
Current liabilities	30.3	30.9	0.6	Accounts payable – trade, Electronically recorded obligations - operating: 0.7, Accounts payable-other:(0.6)
Non-current liabilities	7.7	3.9	(3.7)	Deferred tax liabilities (2.8) , Allowance for business restructuring: (0.8)
Total liabilities	38.0	34.9	(3.1)	
Shareholders' equity	120.6	129.3	8.6	Retain earning: 8.6
Other comprehensive income	14.7	18.8	4.1	Valuation difference on available-for-sale securities: 3.5
Non-controlling interests	2.9	3.0	0.1	
Total net assets	138.3	151.2	12.9	
Total liabilities and net assets	176.3	186.1	9.7	

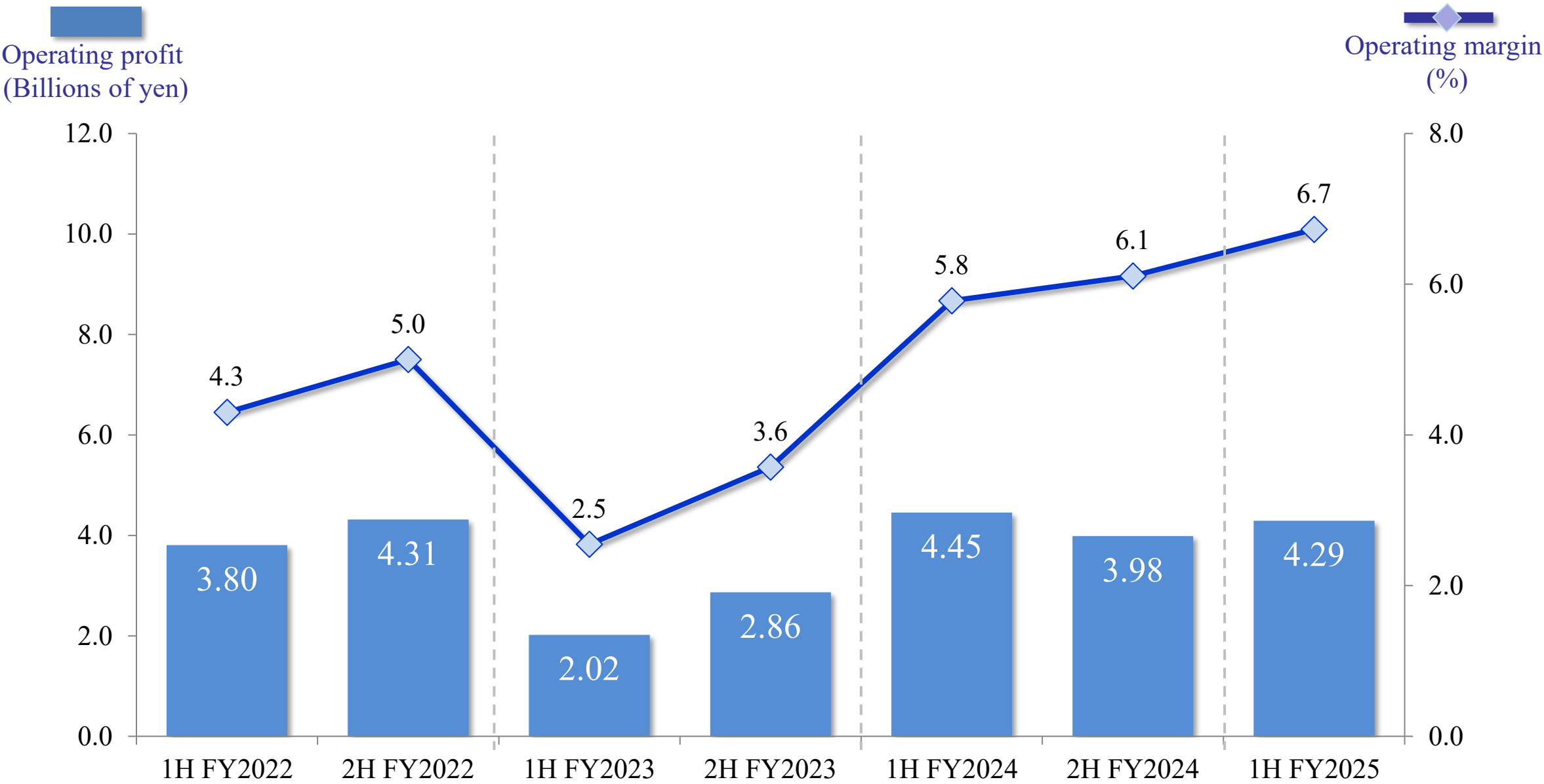
# Consolidated Statements of Cash Flows

	Apr.-Sep. FY2024	Apr.-Sep. FY2025	Change Amount	Special notes	(Billions of yen)
Cash flows from operating activities	4.90	9.19	4.28		
Profit before income taxes	2.21	3.99	1.78		
Depreciation	5.11	4.59	(0.52)		
Loss on retirement of non-current assets	0.30	0.69	0.38		
Share of loss (profit) of entities accounted for using equity method	(0.46)	0.05	0.51		
Business restructuring expenses	2.15	0.22	(1.92)		
Decrease (increase) in operating capital	2.71	1.78	(0.93)		
Payment for business restructuring	(3.66)	(0.89)	2.77		
Income taxes	(1.22)	(0.75)	0.47		
Other, net	(2.25)	(0.51)	2.03		
Cash flows from investing activities	(3.47)	(2.90)	0.57	Purchase of non-current assets 1H FY2024: (3.87), 1H FY2025: (3.10)	
Free cash flows	1.43	6.28	4.85		
Cash flows from financing activities	(6.77)	(2.39)	4.38	Loans and Repayment 1H FY2024: (4.60), 1H FY2025: (0.24)	
Effect of exchange rate change on cash and cash equivalents	(0.11)	0.12	0.24		
Net increase (decrease) in cash and cash equivalents	(5.46)	4.01	9.48		
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	0.36	(0.36)		
Cash and cash equivalents at beginning of period	27.18	24.01	(3.17)		
Cash and cash equivalents at end of period	21.72	28.39	6.67		

# Trends in Consolidated Earnings (Half Period)

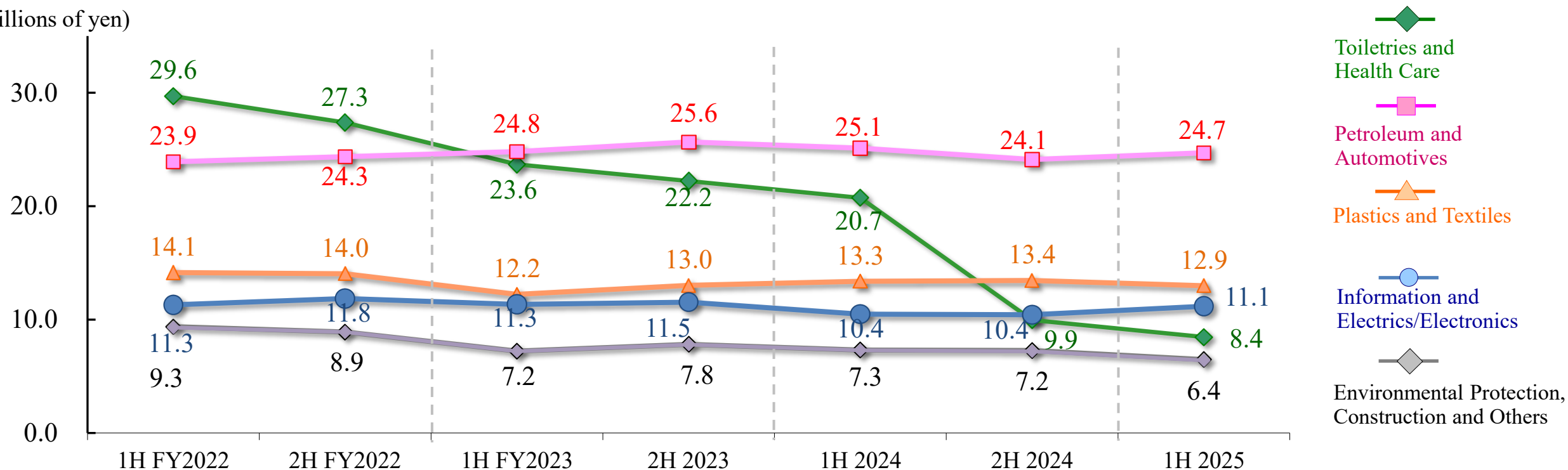


# Trends in Consolidated Operating Profit and Operating Margin (Half Period)



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

(Billions of yen)



## Main factors for changes in 1H FY2025 earnings (compared with the same period of the previous fiscal year)

**Toiletries and Health Care:** Sales decreased significantly due to withdrawal from the SAP business.

**Petroleum and Automotives:** **[Petroleum]** Although demand for lubricant additives remained firm, sales were flat due to a temporary increase in demand in the same period of the previous year.

**[Automotives]** Sales of raw materials for polyurethane foam declined both domestically and internationally due to intensified competition from low-priced overseas products, resulting in a tougher business environment.

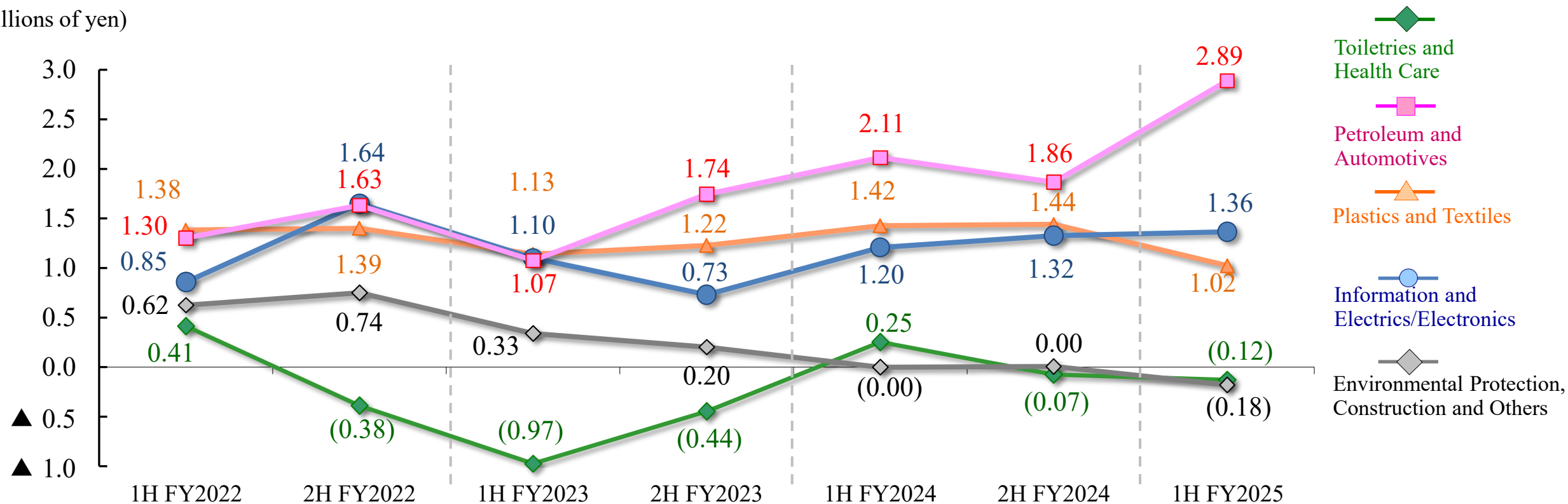
**Plastics and Textiles:** **[Plastics]** Although demand for permanent antistatic agents recovered and remained firm, sales decreased due to sluggish performance of agents for paints and coatings. **[Textiles]** While demand for urethane resins for synthetic leather and elastic fibers recovered, sales decreased due to sluggish demand for agents for carbon fibers used in wind turbines.

**Information and Electrics/Electronics:** **[Information]** Sales of materials for polymerized toner were sluggish due to withdrawal from production in China, but demand for toner binders showed signs of recovery, resulting in flat sales. **[Electronics]** Sales of electrolytes for aluminum electrolytic capacitors were sluggish due to delayed recovery in the EV market, but sales increased as materials for the advanced semiconductor market performed well.

**Environmental Protection, Construction and Others:** Although cationic monomers for polymer flocculants showed signs of recovery, sales remained sluggish due to weak demand for heavy metal immobilization agents.

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

(Billions of yen)



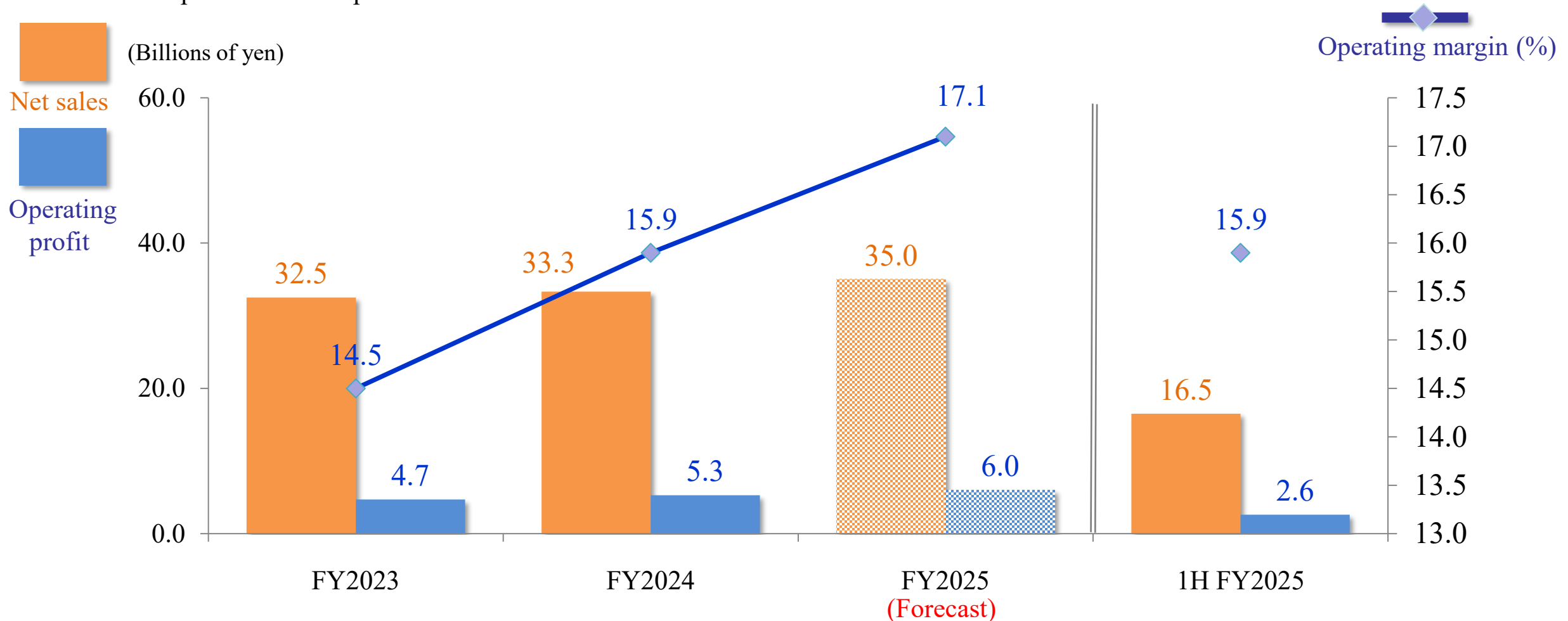
Research and development expenses for new businesses (Billions of yen)

FY2022		FY2023		FY2024		FY2025
1H	2H	1H	2H	1H	2H	1H
(0.77)	(0.72)	(0.66)	(0.58)	(0.54)	(0.57)	(0.67)

# 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.

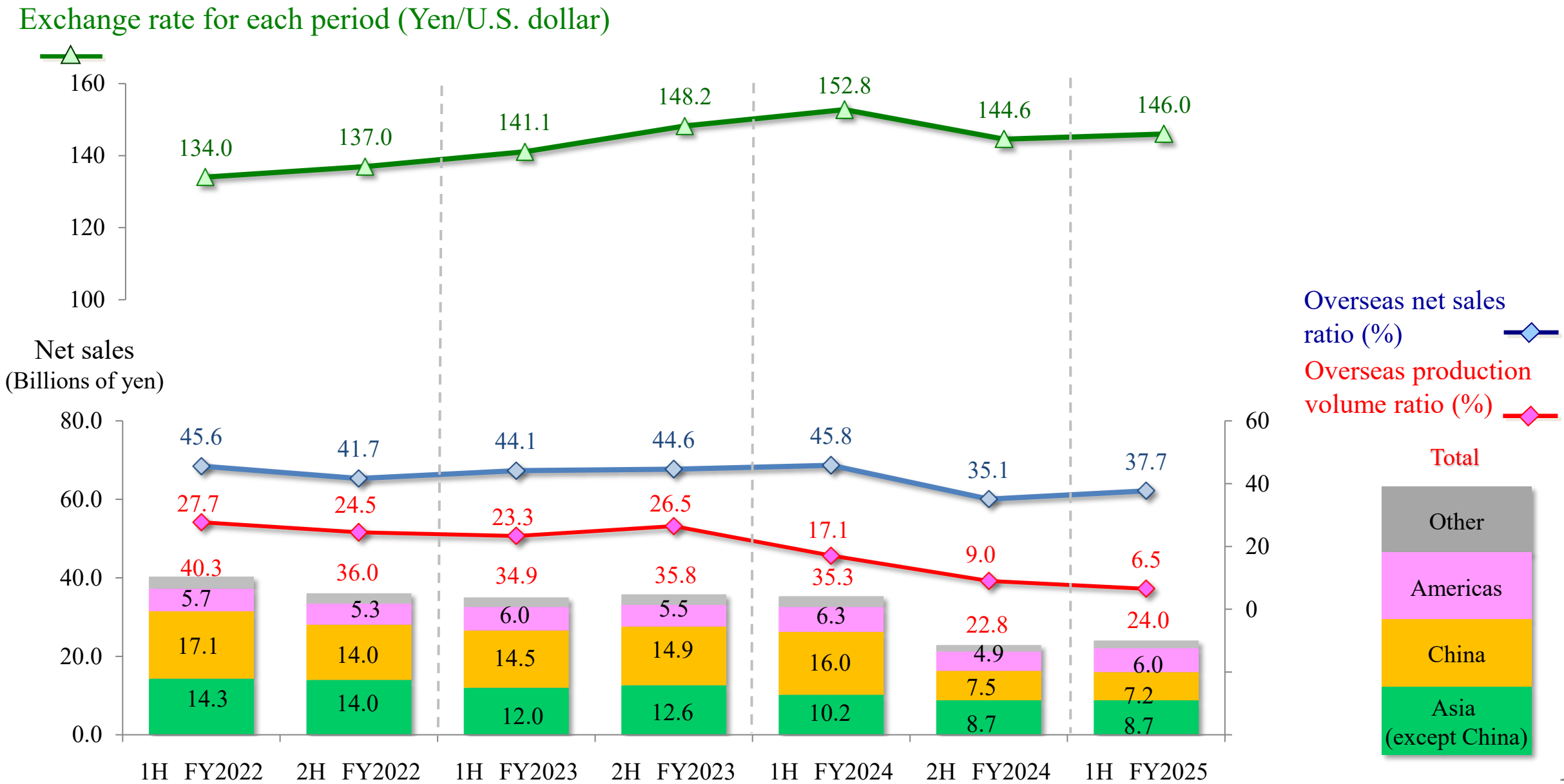
High-value-added products category: Chemicals for Special fibers and electronics, Lubricant additives, Permanent antistatic agents, Medical and pharmaceutical products



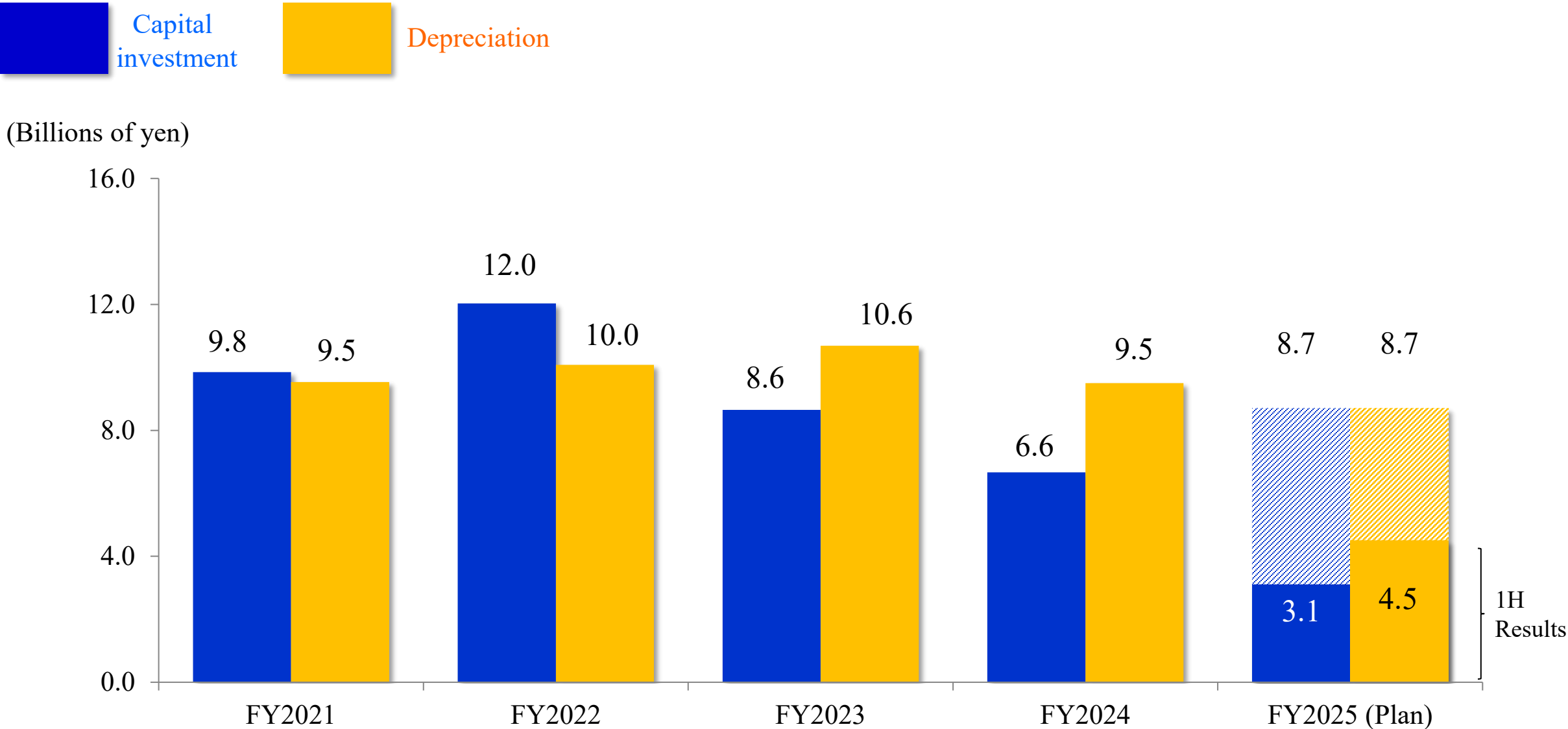
# Status of High-value-added products category

Products	Topics
Chemicals for special fibers	Sales of Chemicals for special fibers used in overseas wind turbines were sluggish.
Chemicals for special electronic parts	Non-automotive applications for AI performed well, but automotive applications, such as electrolytes for aluminum electrolytic capacitors, were sluggish due to the delayed recovery of the EV market.
Lubricant additives	Although segment sales were flat due to a temporary increase in demand in the same period of the previous year, demand for lubricant additives remained firm.
Permanent antistatic agents	Demand remained firm due to a recovery in demand related to semiconductors and electronic components.
Medical and pharmaceutical products	Applications for colonoscopy were sluggish due to intensified overseas competition.

# Trends in Overseas Net Sales (Half Period)

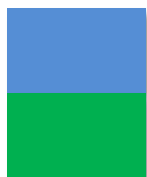


# Capital Investment and Depreciation (Consolidated)



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

Total



Year-end

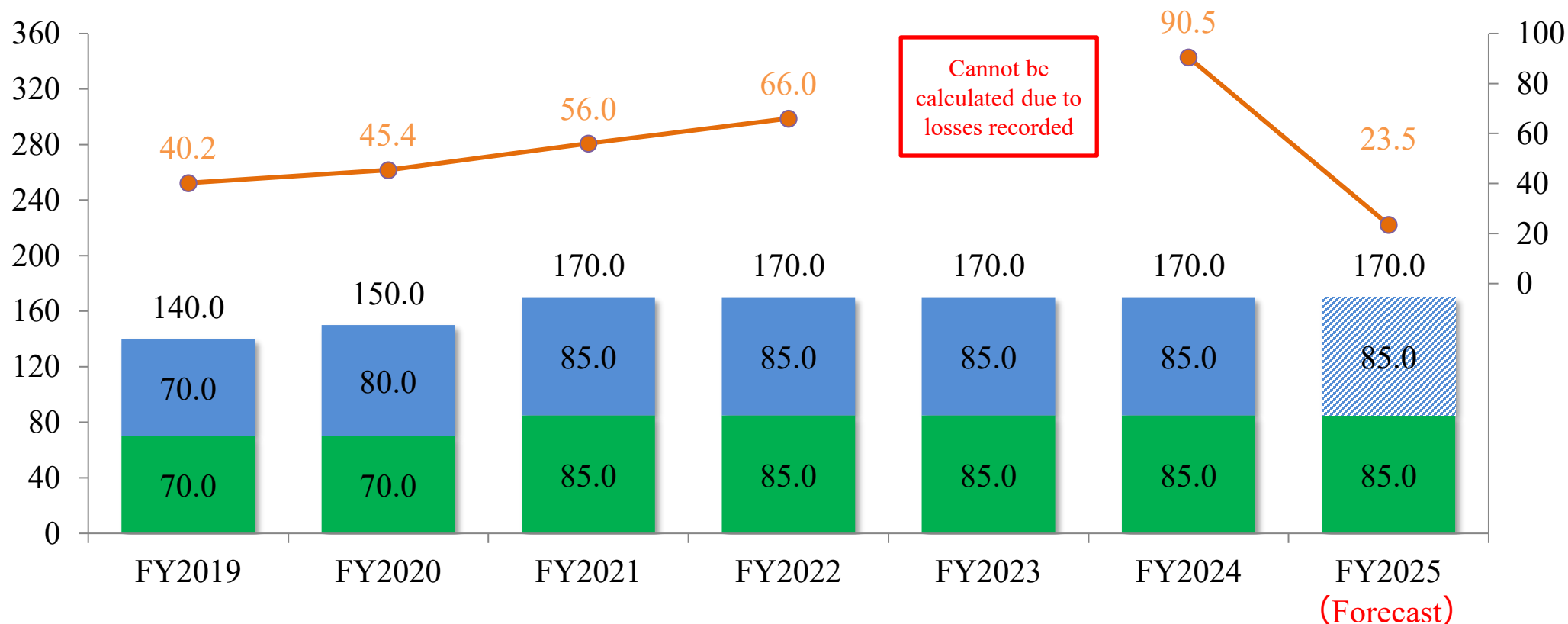
Interim

## <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

Dividend (Yen/Share)

Dividend  
payout ratio  
(%)



# TOPICS

## PFAS-Free Gallium-Based Photoacid Generator

### ◆ Features

Achieving both environmental compatibility and high performance

- ☑ High UV curability, transparency, and low corrosiveness
- ☑ PFAS-free\* and not classified as toxic or hazardous substances (Sb-free)

**By supporting reduced environmental impact and enhanced product performance, we contribute to a sustainable society.**

Comparison of Resin Transparency

Using Conventional  
Acid Generator

Using Sunapro Acid  
Generator



<After Heating (200°C, 10 min)>

※OECD Definition

## Electrolyte for Aluminum Electrolytic Capacitors "SANELEC"

### ◆ Features

The following effects can be achieved by using it as an electrolyte:

- ☑ High ionic conductivity over a wide temperature range
- ☑ Excellent long-term stability at high temperatures → **Longer lifespan**

**Highly reliable products**



### ◆ Market for Aluminum Electrolytic Capacitors

The market for aluminum electrolytic capacitors is on an upward trend. The global demand for aluminum electrolytic capacitors is expected to continue growing, driven by the increasing demand for AI data centers.

## Surgical Sealant "AQUABRID"

### ◆ Features

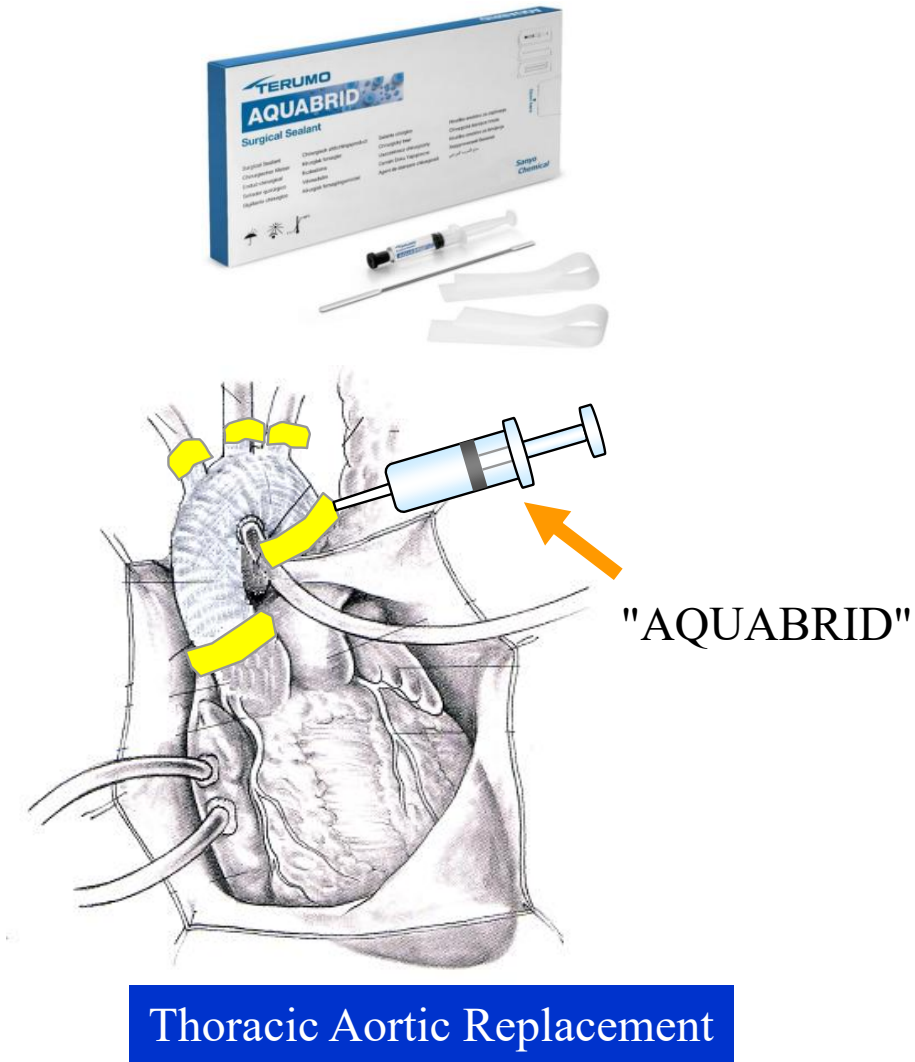
- Suitable for cardiovascular surgery (applicable to all vessels except cerebral vessels)
- Designed for safety and ease of use
- Achieves hemostasis under wet conditions through urethane-based reaction
- Composed of non-biological ingredients

### ◆ Long Track Record

- Over 10 years of use in Japan
- Available in Europe since 2019 with MDD/MDR certification

### ◆ Further Global Expansion

- Aiming to enter the US market by obtaining FDA approval

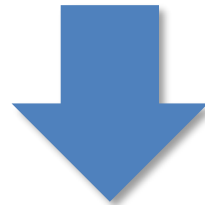


# Reform of the Entire Supply Chain

Reform of the Entire Supply Chain	(billion yen)
Incremental target for the medium-term plan period(compared to FY2022)	3.00
Actual result in FY2022 vs. FY2025 forecast	3.80
Difference from FY2025 plan target	(0.80)

An improvement effect of approximately 3.4 billion yen was achieved by the first half of FY2025.

Compared to the three-year plan, an additional 0.8 billion yen is expected, and reforms in soft aspects have produced certain results.



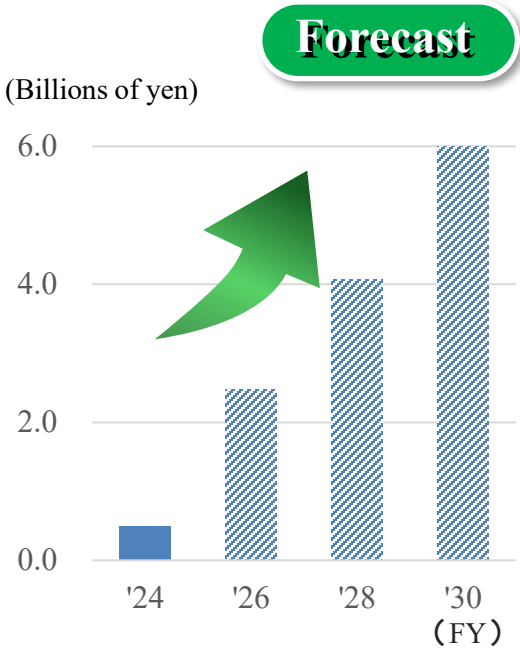
Going forward, we will integrate production facilities (hardware) and improve fixed production costs by consolidating and automating reaction equipment.

# New Business

## Silk-Elastin

- Reimbursement for wound healing applications is scheduled within this fiscal year.
- For meniscus regeneration applications, industry initiated clinical trial began in October 2025, with patient dosing starting in December.
- For other applications, basic research is being conducted by collaborative research partners such as universities.

Application	Joint Research Partner	Overview	Form	Concept/Research	Non-clinical	Clinical	Regulatory Approval	Market Launch (Fiscal Year)	Our Estimated Maximum Market Size
Wound Healing Materials	Kyoto University	Heals chronic wounds and refractory skin defects, preventing severe complications	Sponge					FY2025 (Japan), FY2026 (US)	9 billion yen (Japan), 90 billion yen (US)
Meniscus Regeneration Materials	Hiroshima University	Biomimetic material that promotes tissue regeneration of the meniscus, which has poor blood flow and is difficult to regenerate	Aqueous Solution					FY2028 (Japan), FY2028 (US)	10 billion yen (Japan), 100 billion yen (US)
Muscle Regeneration Materials	Hiroshima University	Regenerates muscle tears such as sprains, enabling early return to society and sports	Aqueous Solution					—	2 billion yen (Japan), 6 billion yen (US)
Pulmonary Leak Embolization Materials	Fukuoka University	Embolizes air leaks associated with lung resection for lung cancer, etc., using SE, and promotes tissue regeneration	Sponge					—	1 billion yen (Japan), 3 billion yen (US)



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

## Smell Sensor “FlavoTone”

- Started a demonstration experiment to improve cleaning efficiency of JR East station restrooms (Trial operation underway at five additional stations since November)
- PoC planning underway in response to requests from other railway companies



Desktop unit

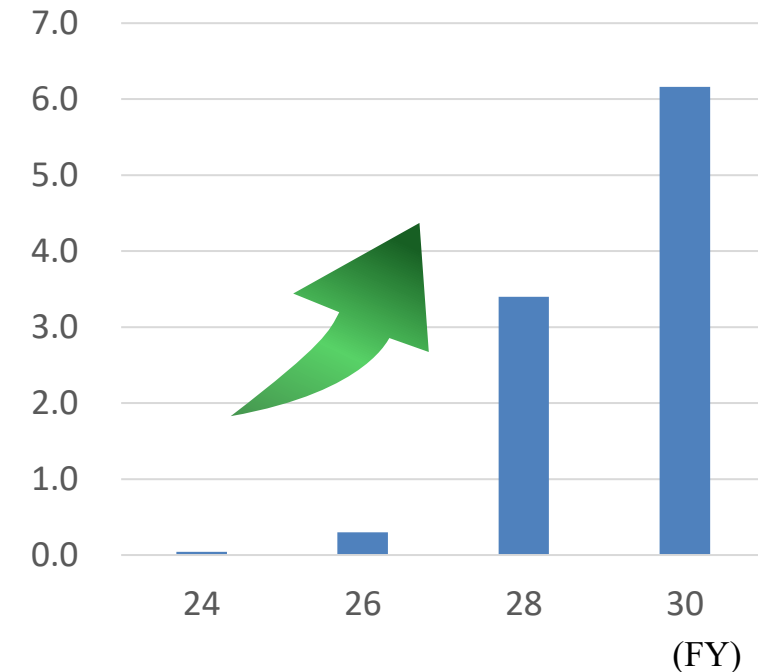


Compact unit

Market size

Forecast

(Billions of yen)



## Smell identification demonstration test

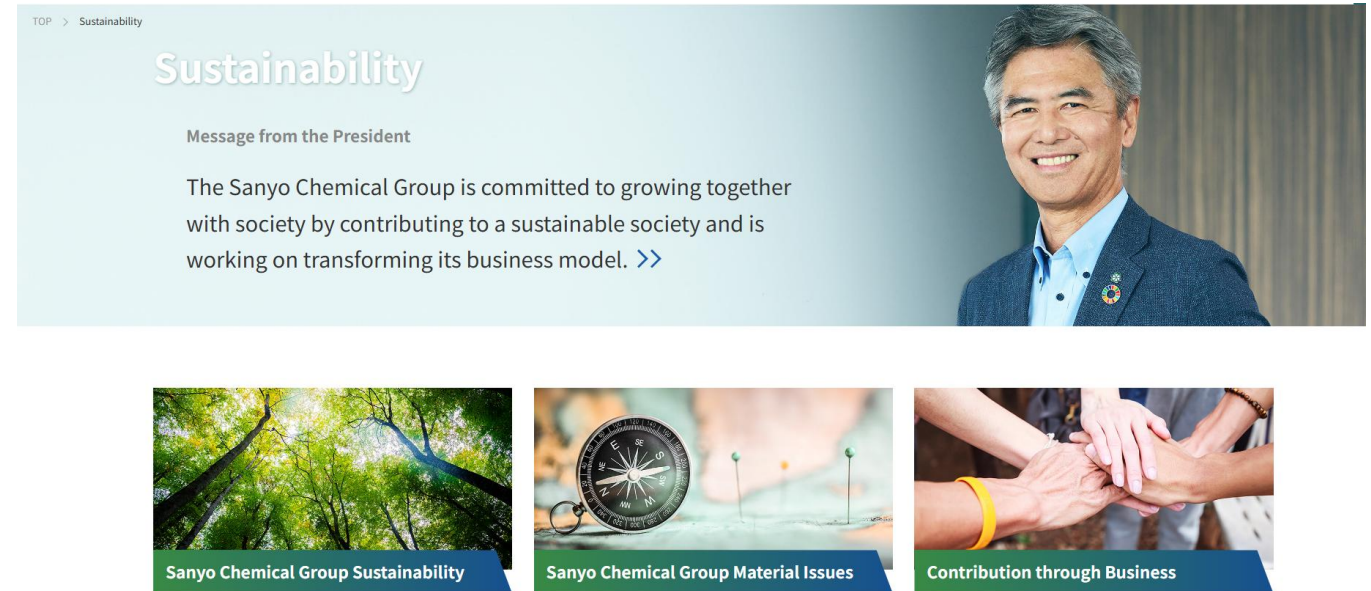
Enables real-time remote monitoring of restroom hygiene and contributes to providing high-quality cleaning services with less effort.



# Toward Proactive Information Disclosure



Integrated Report 2025



Sustainability site

Available on our corporate website

<https://www.sanyo-chemical.co.jp/sustainability/library/>

We aim to enhance dialogue with all our stakeholders.

# Reference

# 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	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

**Sanyo  
Chemical**

**Sanyo Chemical Group**

- Consolidated Subsidiaries
- Entities Accounted for Using the Equity Method

Domestic

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

Overseas



● SANYO CHEMICAL (SHANGHAI) TRADING CO., LTD.



● Sanyo Kasei Korea, Ltd.



● SANYO KASEI (TAIWAN) LTD.



● Sanyo Kasei (Thailand) Ltd.



● Sanyo Chemical America Incorporated

● Sanyo Chemical Texas Industries, LLC

○ Sunrise Chemical LLC

○ Shiohama Chemicals Warehouse Co., Ltd.

Logistics and Service  
Subsidiaries

Other Subsidiaries and Affiliates:

San Nopco (Shanghai) Trading Co., Ltd.

DaXiang International Trading (Shanghai) Co., Ltd.

Sanyo Chemical Manufacturing Korea, Ltd.

San Nopco (Korea) Limited

# 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>)



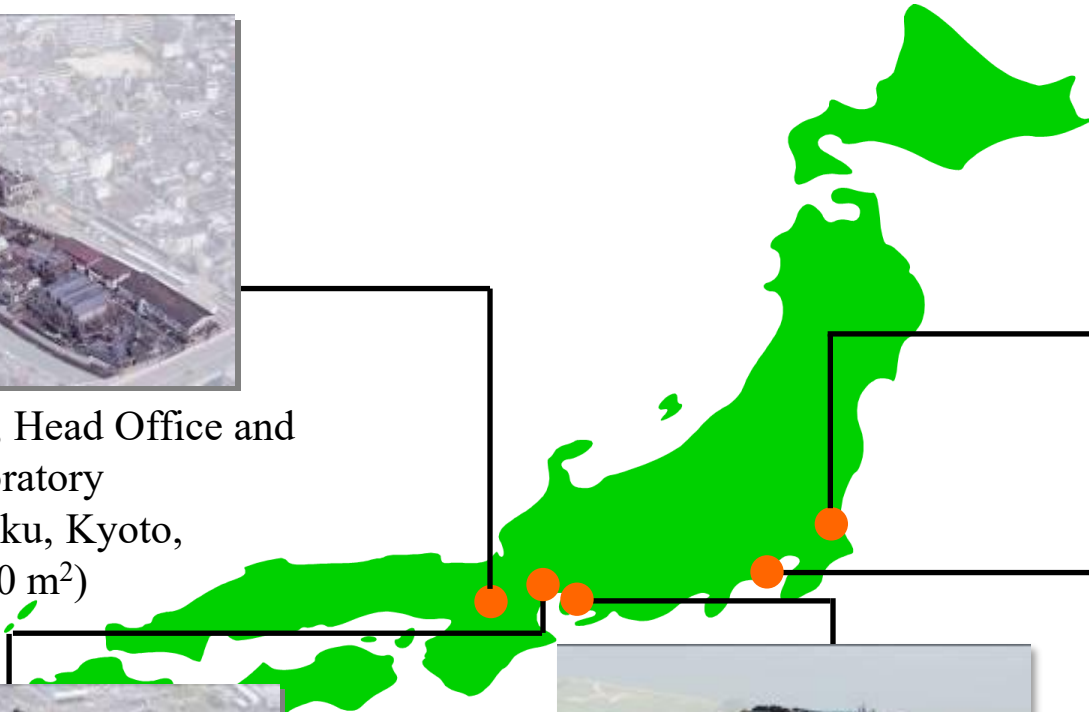
Nagoya Factory  
(Tokai-shi, Aichi, Approx. 100,000 m<sup>2</sup>)



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



San Chemical Co., Ltd., Kawasaki Factory  
(Kawasaki-shi, Kanagawa, Approx. 13,000 m<sup>2</sup>)



# Overseas Production Bases



Sanyo Chemical Manufacturing Korea, Ltd.



Sanyo Kasei (Thailand) Ltd.



Sanyo Chemical Texas Industries, LLC

# Overseas Sales Offices

 SANYO CHEMICAL (SHANGHAI) TRADING CO., LTD.

San Nopco (Shanghai) Trading Co., Ltd.

DaXiang International Trading (Shanghai) Co., Ltd.



Sanyo Kasei Korea, Ltd.

San Nopco (Korea) Limited



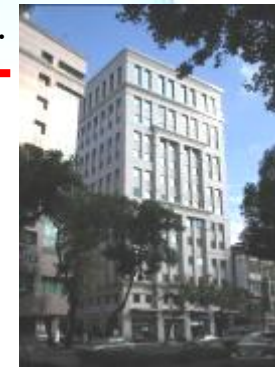
Sanyo Chemical America Inc.



SANYO KASEI (TAIWAN) LTD.



Sanyo Kasei (Thailand) Ltd.



# Domestic Consolidated Subsidiaries

Company Name	Abbr.	Share of Voting Rights	Line of Business
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.

# Overseas Consolidated Subsidiaries

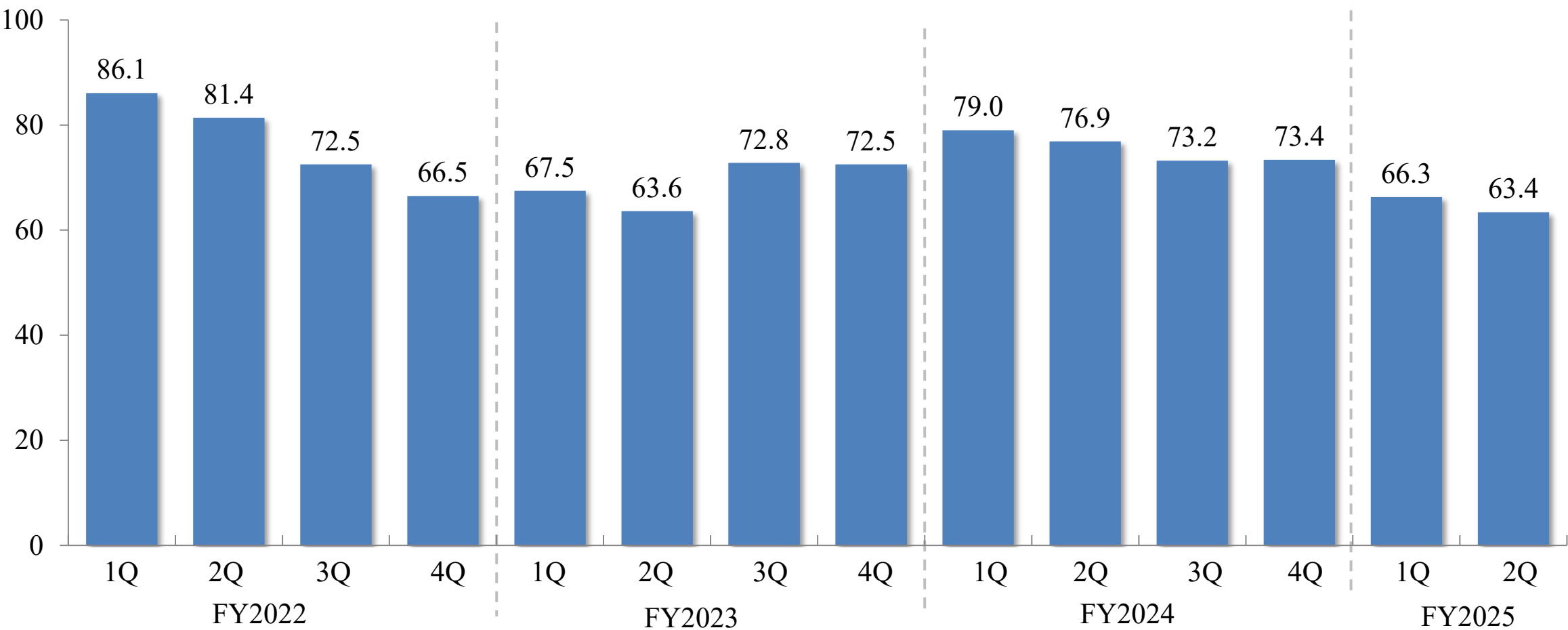
Company Name	Country of incorporation	Abbr.	Share of Voting Rights		Line of Business
SANYO CHEMICAL (SHANGHAI) TRADING CO., LTD.	China	SCST	Sanyo Chemical Industries, Ltd.	100%	Sales of surfactants, polyurethane resins, etc.
Sanyo Kasei (Thailand) Ltd.	Thailand	SKT	Sanyo Chemical Industries, Ltd. VIV Interchem Co. Ltd., Toyota Tsusho Corporation, etc.	79% 21%	Manufacture and sales of surfactants, polyurethane resins, etc.
SANYO KASEI(TAIWAN) LTD.	Taiwan	STW	Sanyo Chemical Industries, Ltd.	100%	Import/export trade and sales-related operations
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
Sanyo Kasei Korea, Ltd.	Korea	SKK	Sanyo Chemical Industries, Ltd.	100%	Sales of lubricant additives, surfactants, etc.

# 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)

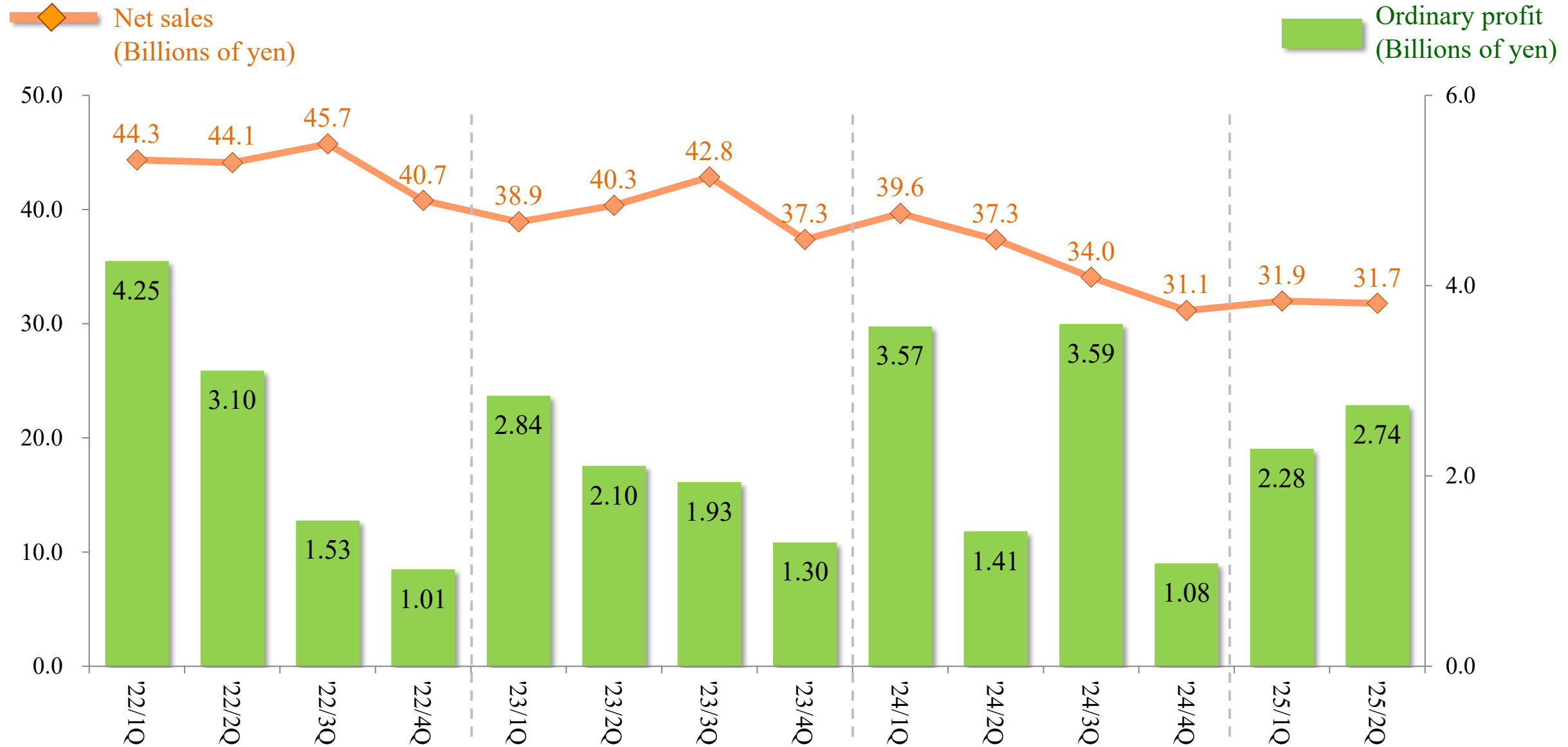


(Source: Trade Statistics of Japan)

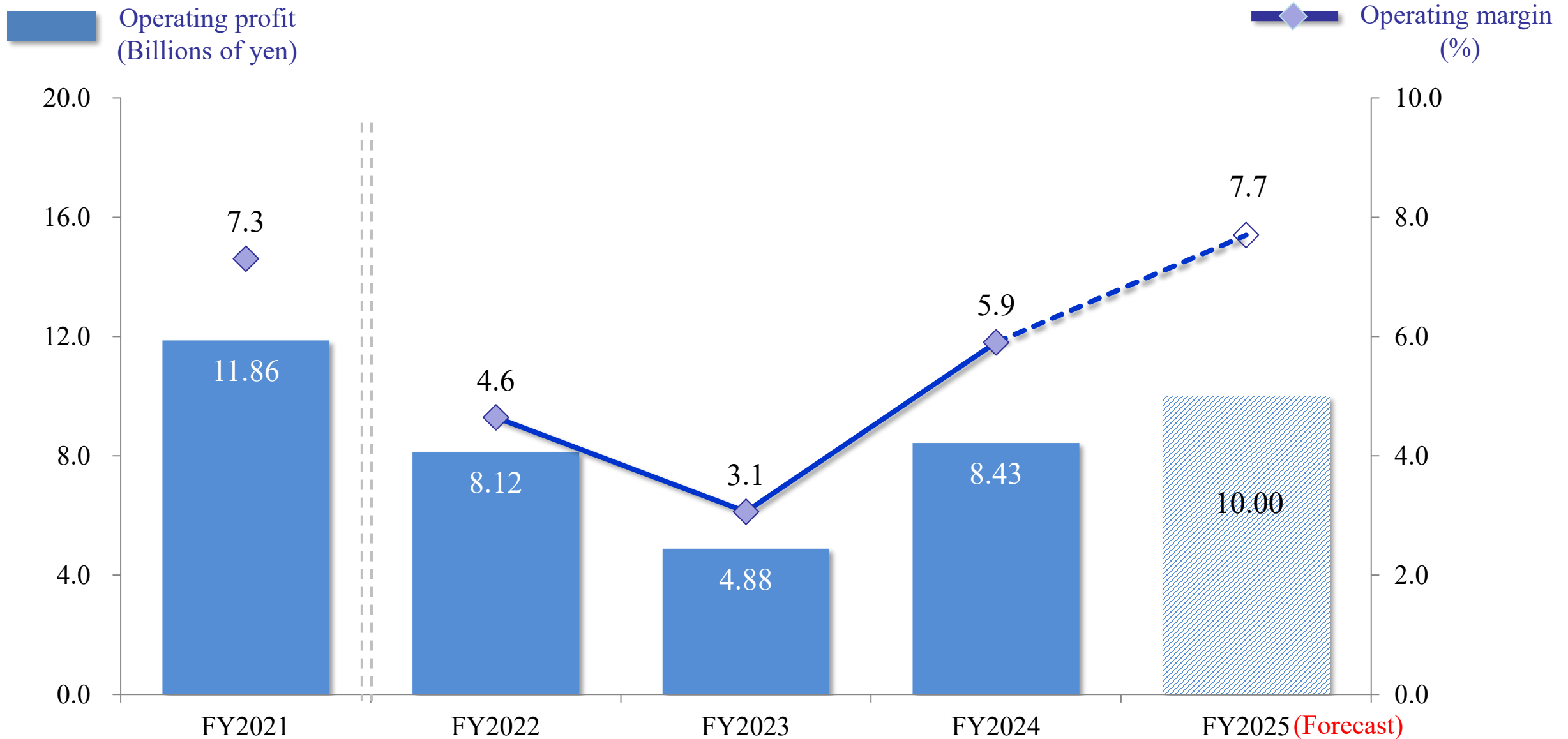
# Trends in Consolidated Earnings



# Trends in Consolidated Earnings (Quarter Period)



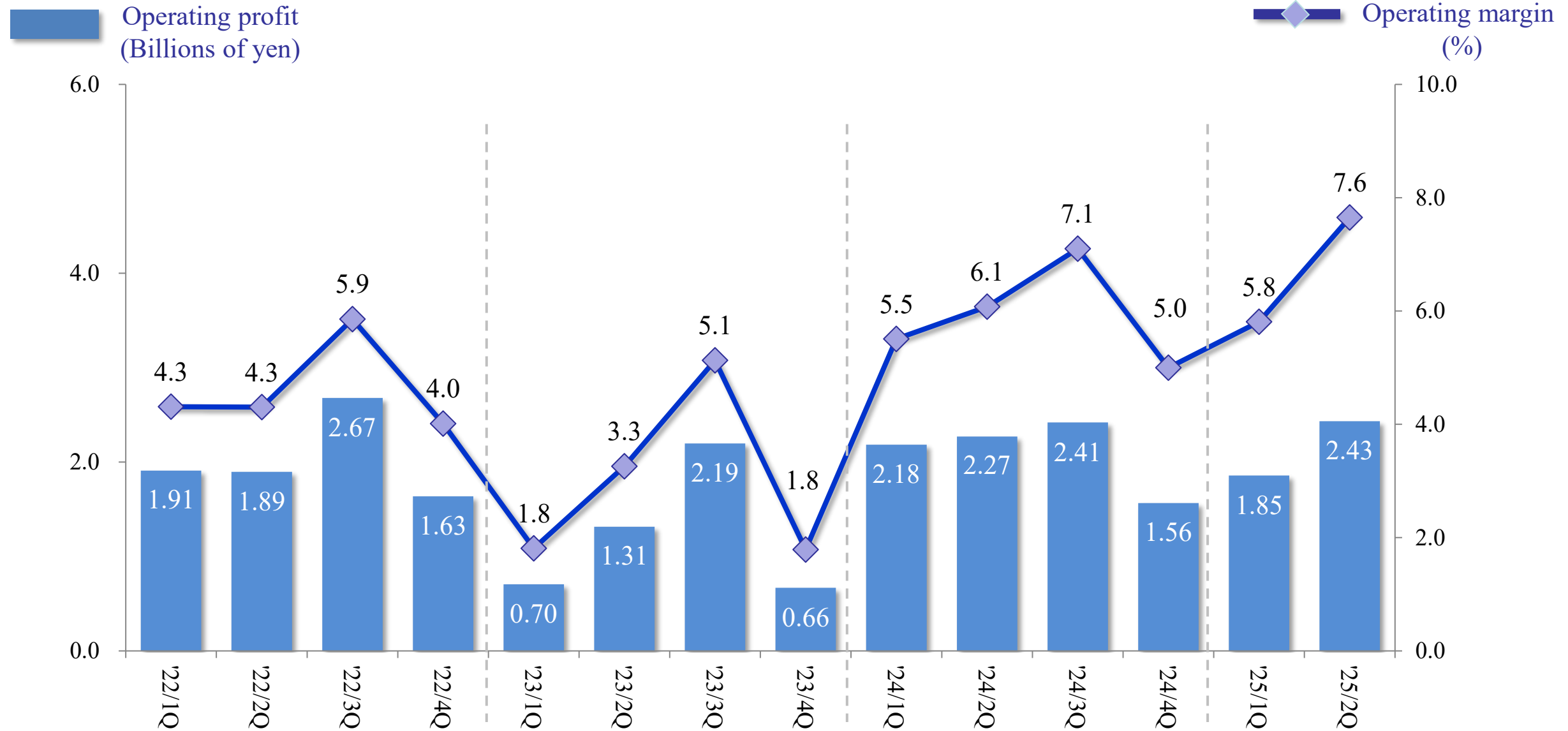
# Trends in Consolidated Operating Profit and Operating Margin



\* 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.

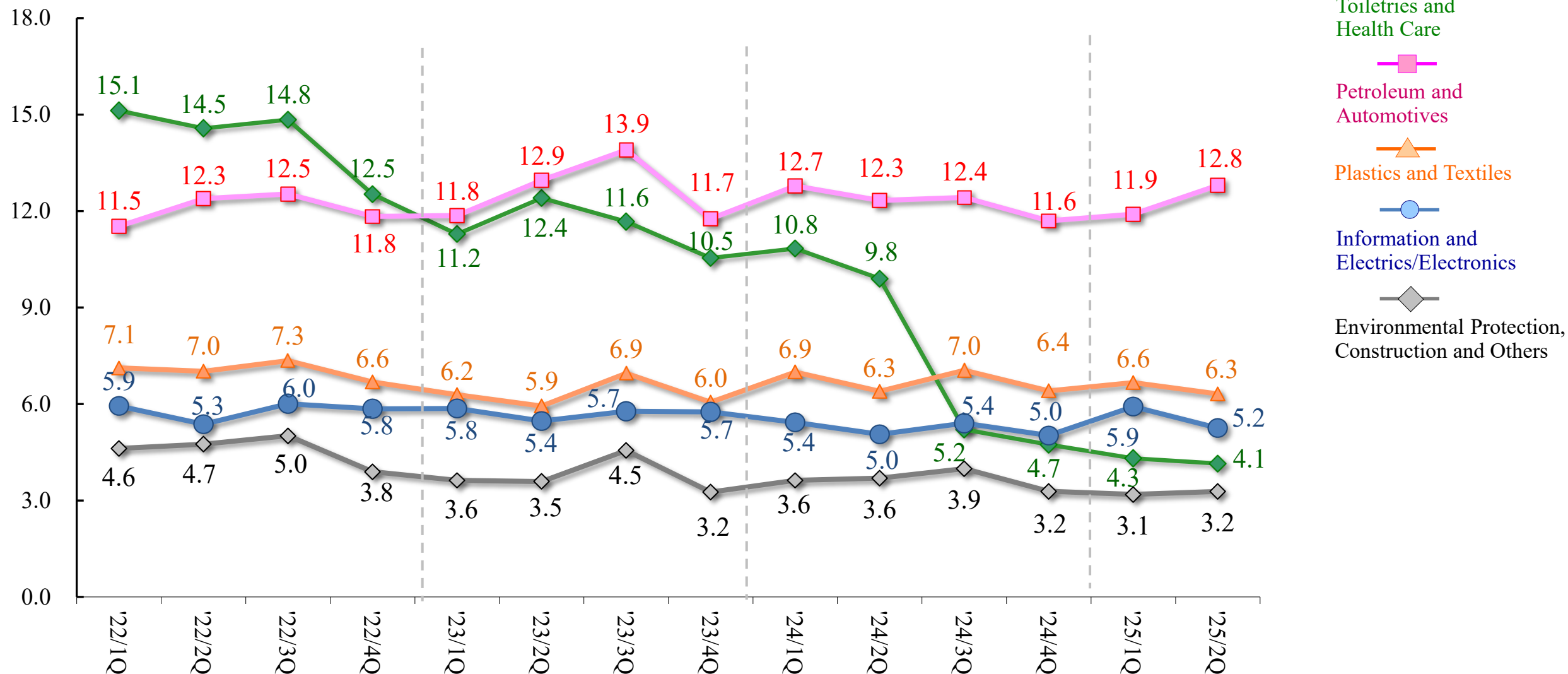
# Trends in Consolidated Operating Profit and Operating Margin (Quarter Period)

**Sanyo  
Chemical**



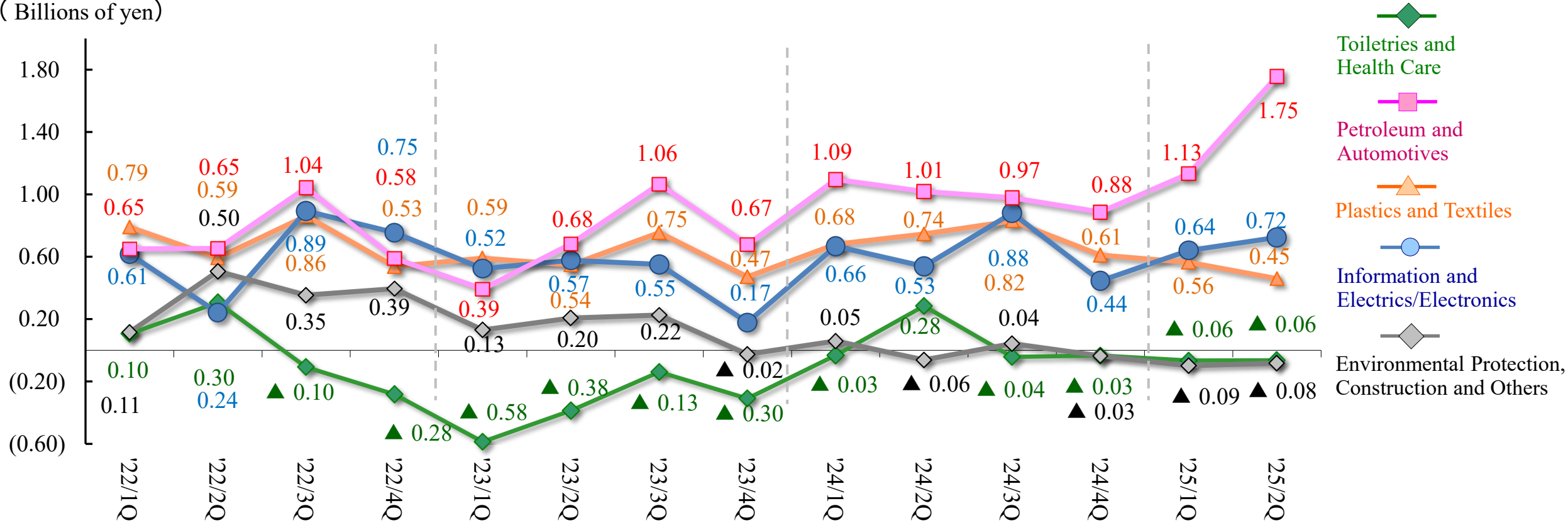
# Trends in Consolidated Net Sales by Segment(Quarter Period)

(Billions of yen)



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

( Billions of yen)

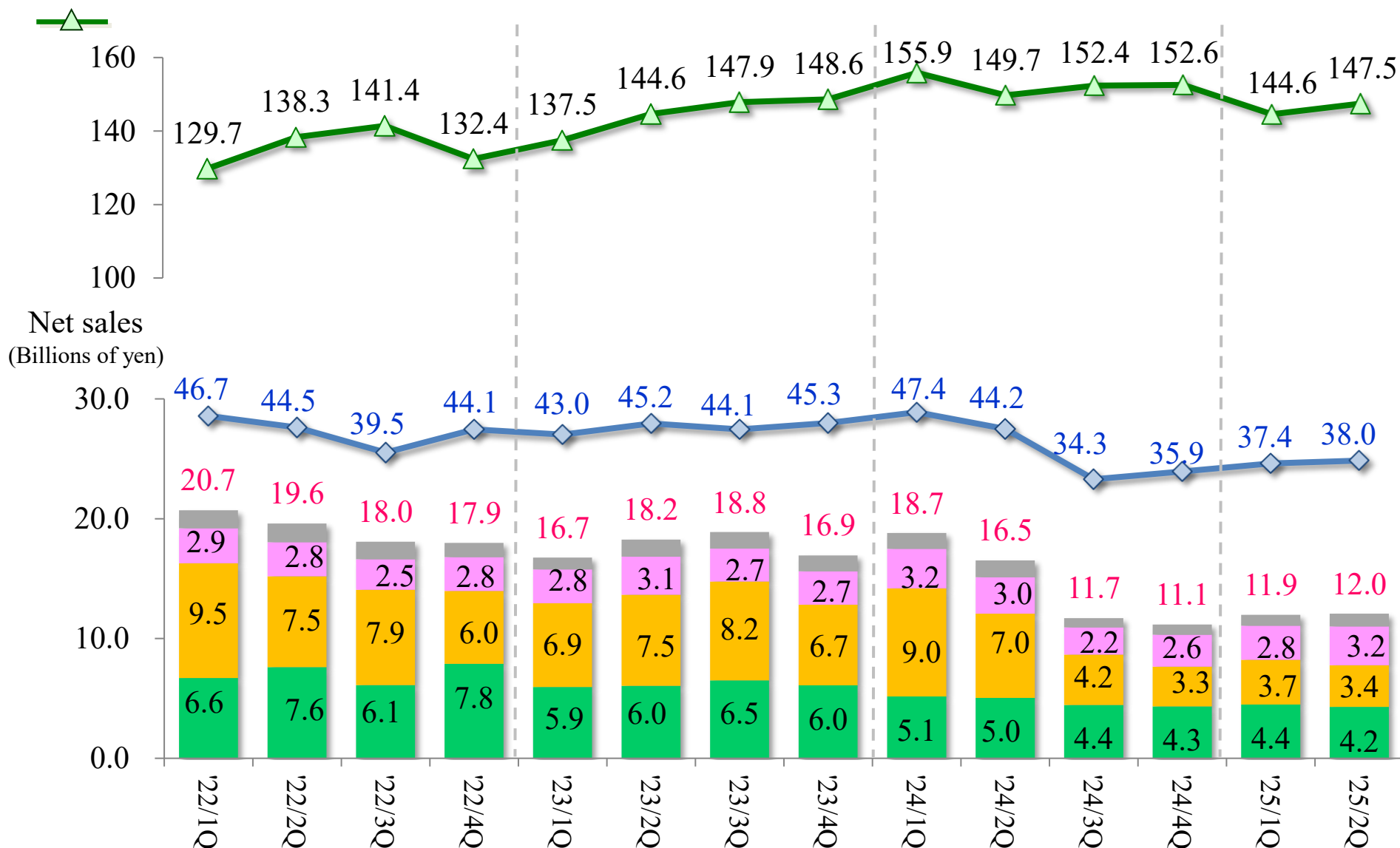


Research and development expenses for new businesses (Billions of yen)

FY2022				FY2023				FY2024				FY2025	
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
(0.37)	(0.40)	(0.36)	(0.35)	(0.34)	(0.31)	(0.26)	(0.32)	(0.28)	(0.25)	(0.27)	(0.30)	(0.31)	(0.36)

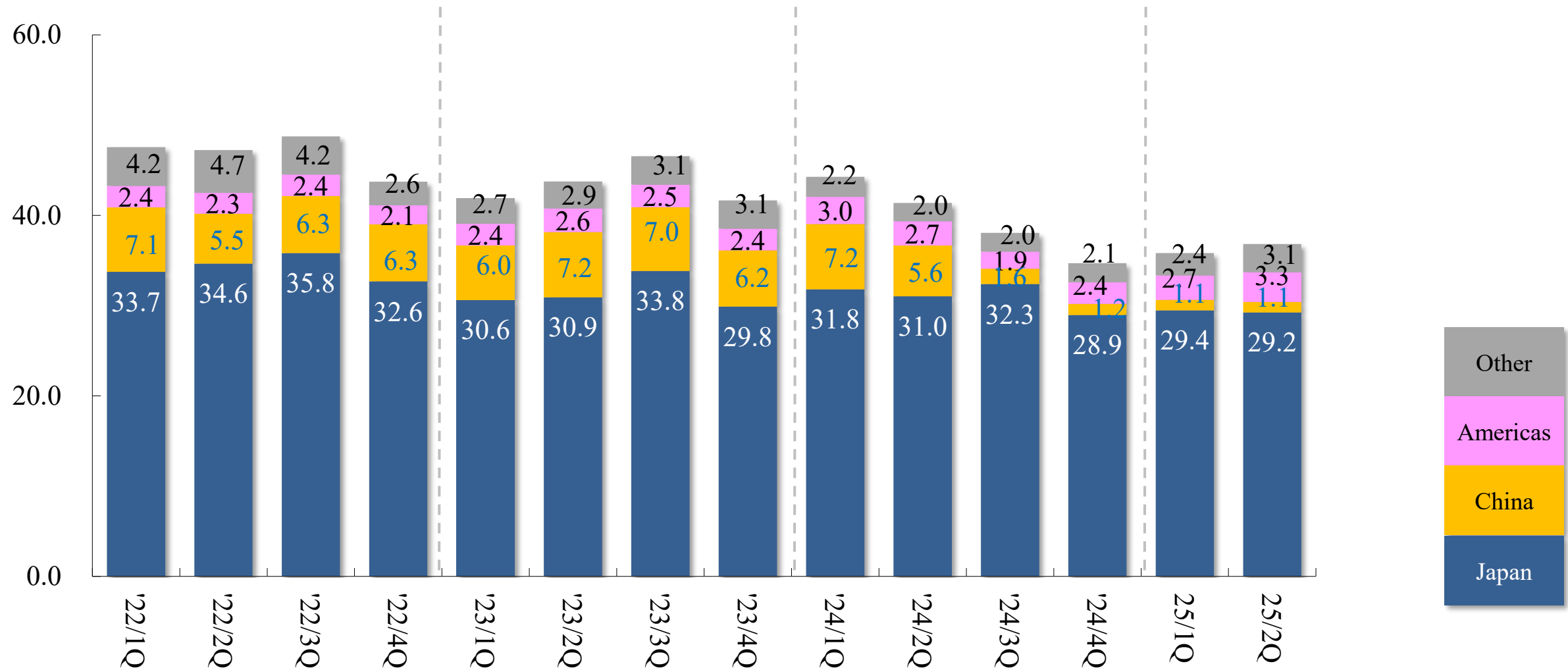
# Trends in Overseas Net Sales (Quarter Period)

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)

