Translation

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

Summary of Consolidated Financial Results for the Year Ended March 31, 2025 (Japanese GAAP)

May 14, 2025

Company name: ADEKA CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 4401
URL: https://www.adeka.co.jp/en/
Representative: HIDETAKA SHIROZUME PRESIDENT & CHIEF EXECUTIVE OFFICER, REPRESENTATIVE DIRECTOR
Inquiries: NAGATOSHI KIKUCHI GENERAL MANAGER, LEGAL AFFAIRS & PUBLICITY DEPARTMENT
Telephone: +81-3-4455-2803

Scheduled date of annual general meeting of shareholders: June 20, 2025
Scheduled date to commence dividend payments: June 23, 2025
Scheduled date to file annual securities report: June 18, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	407,145	1.8	41,010	15.8	39,346	10.0	25,019	8.9
March 31, 2024	399,770	(0.9)	35,428	9.4	35,763	9.8	22,977	37.0

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 25,360 million [(35.2)%]
Fiscal year ended March 31, 2024: ¥ 39,160 million [52.1%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	245.55	-	8.6	7.2	10.1
March 31, 2024	224.87	-	8.4	6.9	8.9

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ 619 million
Fiscal year ended March 31, 2024: ¥ 537 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2025	543,118	351,776	54.6	2,916.30
March 31, 2024	543,057	339,682	52.5	2,791.92

(Reference) Equity: As of March 31, 2025: ¥ 296,690 million
As of March 31, 2024: ¥ 285,143 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2025	46,235	(12,553)	(22,288)	107,768
March 31, 2024	41,954	(23,069)	(4,559)	96,901

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2024	-	40.00	-	50.00	90.00	9,230	40.0	3.4
March 31, 2025	-	48.00	-	52.00	100.00	10,225	40.7	3.5
Fiscal year ending March 31, 2026 (Forecast)	-	52.00	-	52.00	104.00		40.1	

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2025	207,000	6.1	18,300	0.0	18,300	8.5	12,100	5.3	118.94
Full year	441,000	8.3	43,000	4.9	43,000	9.3	26,400	5.5	259.50

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None
4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):
March 31, 2025: 103,768,142 shares
March 31, 2024: 103,768,142 shares

2) Number of treasury shares at the end of the period:
March 31, 2025: 2,032,620 shares
March 31, 2024: 1,636,449 shares

3) Average number of shares outstanding during the period:
Fiscal Year ended March 31, 2025: 101,891,229 shares
Fiscal Year ended March 31, 2024: 102,182,836 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	161,051	4.8	15,452	18.3	25,817	9.9	21,482	13.9
March 31, 2024	153,631	0.2	13,066	35.8	23,484	27.4	18,856	48.0

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	209.96	-
March 31, 2024	183.77	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2025	294,863	208,854	70.8	2,044.29
March 31, 2024	286,282	198,694	69.4	1,937.36

(Reference) Equity: As of March 31, 2025: ¥ 208,854 million
As of March 31, 2024: ¥ 198,694 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2025, the global economy faced uncertainty due to the slowdown in the Chinese economy and tensions in the Middle East, but gradually recovered, supported by slowing inflation and policy interest rate cuts in Europe and the United States, as well as a recovery in consumer spending.

Under these circumstances, financial results for the fiscal year under review were as follows.

Net sales, operating profit, ordinary profit, and profit attributable to owners of parent all reached record highs for the full year.

Consolidated Operating Results (100 million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Change	Change (%)
Net sales	**4,071**	**3,997**	**73**	**1.8**
Chemicals	2,184	2,041	142	7.0
Polymer Additives	*1,054*	*1,004*	*49*	*4.9*
Electronic Materials	*419*	*390*	*29*	*7.6*
Environmental Materials	*710*	*646*	*63*	*9.9*
Food Products	825	840	(14)	(1.8)
Life Science	999	1,030	(30)	(3.0)
Others	62	86	(23)	(27.7)
Operating profit (loss)	**410**	**354**	**55**	**15.8**
Chemicals	280	236	43	18.3
Polymer Additives	*108*	*79*	*28*	*36.2*
Electronic Materials	*100*	*97*	*2*	*2.2*
Environmental Materials	*71*	*59*	*12*	*20.7*
Food Products	43	41	2	6.8
Life Science	77	59	18	31.5
Others	8	17	(8)	(52.0)
Ordinary profit	**393**	**357**	**35**	**10.0**
Profit attributable to owners of parent	**250**	**229**	**20**	**8.9**

(Notes) Amounts of less than 100 million yen are rounded down. Percentage changes are rounded to the first decimal place.

An overview by reportable segment is as described below.

We have changed the names of the sub-segments of the Chemicals Business following the reorganization effective July 1, 2024. The name of former Electronics and IT Materials was changed to Electronic Materials, and that of former Functional Chemicals, to Environmental Materials. In addition, Battery Materials, which had been working on corporate research, was incorporated into Environmental Materials.

(Chemicals Business) Increased sales and profit

Overviews of the Polymer Additives, Electronic Materials, and Environmental Materials that comprise the Chemicals Business are as follows.

1) Polymer Additives: Increased sales and profit

Resin production in the market remained at a low level, but improved year on year, with sales of flame retardants for home appliance enclosures and one-pack granule additives recovering. Sales of antioxidants for engineering plastics used in automotive applications were strong.

○ Major contributors

Net sales	Strong	- Flame retardants (home appliance enclosures) - Antioxidants (engineering plastics)
	Steady	- One-pack granule additives (plastic products in general)
Operating profit	Positive	- Prices - Sales volume - Foreign exchange
	Negative	- Fixed costs

2) Electronic Materials: Increased sales and profit

Among products for semiconductors, sales of high-k materials for advanced DRAM, photoacid generators for advanced photo resists, and peripheral materials were strong, amid a continued growth of demand related to generative AI. Among display products, sales of black matrix resists were strong due to sales expansion in China and Taiwan.

○ Major contributors

Net sales	Strong	- High-k materials (advanced DRAM) - Black matrix resists (displays)
	Steady	- Photoacid generators and peripheral materials (advanced photo resists)
	Weak	- Etching materials (displays)
Operating profit	Positive	- Sales volume - Foreign exchange
	Negative	- Prices - Fixed costs

3) Environmental Materials: Increased sales and profit

Among products used for automobiles, sales of lubricant additives for engine oils for hybrid vehicles and motorcycles in Southeast Asia, as well as special epoxy resins used in automotive parts, were strong. Sales of reactive emulsifiers used in architectural coatings remained solid in India and China.

○ Major contributors

Net sales	Strong	- Lubricant additives (engine oils for automobiles) - Special epoxy resins (electronic devices, automobiles) - Reactive emulsifiers (architectural coatings)
Operating profit	Positive	- Sales volume - Foreign exchange
	Negative	- Fixed costs - Prices

(Food Products Business) Decreased sales and increased profit

Sales decreased due to the impact of reorganization of subsidiaries and sluggish sales in China. Meanwhile, sales of functional fats and oils remained strong in Southeast Asia. Sales of the ***Marvelous series*** of functional margarine, and the ***Deli-PLANTS series*** of plant-based foods were favorable mainly in Japan.

○ Major contributors

Net sales	Strong	- Fats and oils for kneading, ***Marvelous series*** of functional margarines, etc. (breads) - ***Deli-PLANTS series*** of plant-based foods (breads, cafes, etc.)
Operating profit	Positive	- Prices - Sales volume
	Negative	- Fixed costs

(Life Science Business) Decreased sales and increased profit

Sales of agrochemicals were weak in India due to the impact of unfavorable weather conditions. Meanwhile, in terms of profit and loss, profitability improved as a result of the fall in raw material prices in Brazil. Among pharmaceuticals, sales of the topical antifungal agent ***Luliconazole*** were weak due to a decline in domestic demand for nail tinea.

○ Major contributors

Net sales	Weak	- India: Agrochemicals in general - Japan: Topical antifungal agent ***Luliconazole*** for nail tinea
	Strong	- North America: Herbicides, Europe: Acaricides
	Steady	- Brazil: Fungicides, etc.
Operating profit	Positive	- Prices - Sales volume - Foreign exchange
	Negative	- Fixed costs

[Outlook for the fiscal year ending March 31, 2026]

The global economy is expected to remain resilient despite low growth in the fiscal year ending March 31, 2026. However, there are many uncertainties about the future due to concerns about matters such as supply chain disruptions caused by the U.S. tariff policy and the resurgence of inflation. Reciprocal tariffs and volatility in the financial and capital markets have the potential to affect the global economy and our business, but trends are uncertain.

The Group expects that demand in the automotive, semiconductor, food, and agriculture, and other sectors, which are the primary targets of the Group, will continue to recover gradually against the backdrop of a recovery in consumer spending, advances in and widespread adoption of digital technology, and demand for a stable supply of delicious, safe, and reliable food.

Under these circumstances, as the Group enters the second year of its Mid-Term Management Plan, ***ADX 2026***, it will continue to implement measures to strengthen its earning power, promote sustainability initiatives, and build a resilient supply chain capable of responding to changes in the external environment, as outlined in its basic strategy, with the aim of achieving the co-creation of social value and profits.

The following table shows the forecast for the next fiscal year and outlook by reportable segment.

The impact of the U.S. tariff policy on our business has not been factored into the consolidated forecast because it is difficult to calculate reasonably at this time.

(Reference) Forex Assumptions and Sensitivities

Assumptions of the beginning of the FY ending March 2026	
USD	150.00
EUR	157.00

Impact on operating profit of the yen appreciating per one yen
Approx. (0.1) bn yen
Approx. (0.03) bn yen

Consolidated forecast for the fiscal year ending March 31, 2026 (100 million yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Fiscal year ending March 31, 2026	4,410	430	430	264
Fiscal year ended March 31, 2025	4,071	410	393	250
Change (%)	8.3%	4.9%	9.3%	5.5%

Outlook by reportable segment

Business	YoY change in net sales / operating profit	Contributing factors
Chemical Products	Up / Up	
Polymer Additives	Up / Up	Sale of new clarifying agents to be launched on a full-scale basis. Sales of flame retardants for home appliances, nucleating agents for automobiles, and light stabilizers to expand. Competitiveness to be strengthened through cost reductions.
Semiconductor Materials	Up / Down	Sales of materials for photo resists and high-k materials to expand. The impact of lower sales prices for some materials for memories to continue. Fixed costs to increase due to aggressive investment.
Environmental Materials	Up / Up	Sales for products for automobile applications to be steady. Sales of reactive emulsifiers for architectural coatings and photo (light) curing resin for optical film to expand. Sales of cosmetic ingredients to recover.
Food Products	Up / Slightly up	Sales of high-performance products such as fats and oils for kneading and sales of plant-based foods in Japan and overseas to expand. Sales in China to recover. Sales prices to be optimized.
Life Science	Up / Down	Expansion of agricultural chemicals into the domestic fruit and vegetable markets to be accelerated. Sales in India to recover and sales in Europe to expand. Fixed costs due to enhanced research and development to increase.

(Notes) 1. We have changed the name of a sub-segment of the Chemicals Business “Electronic Materials” to “Semiconductor Materials” following the reorganization effective April 1, 2025, in line with organizational changes. The sales and operating profit figures for Semiconductor Materials in the outlook by reportable segment have been restated to reflect the product classification for Semiconductor Materials and compared with those for the previous period.

2. The statements on forecasts in this document, including earnings forecasts and other forward-looking statements, contain projections based on assumptions, outlooks, and plans related to the future as of the date of this document’s release.
Please note that actual results may differ from these figures due to risks and uncertainties associated with economic conditions surrounding the Group's business, market trends, exchange rate fluctuations, and other factors.

(2) Overview of Financial Position for the Fiscal Year under Review

1) Assets, Liabilities and Net Assets

Consolidated Financial Position (100 million yen)

	March 31, 2025	March 31, 2024	Change	Change (%)
Total assets	5,431	5,430	0	0.0
Total liabilities	1,913	2,033	(120)	(5.9)
Total net assets	3,517	3,396	120	3.6

(Notes) Amounts of less than 100 million yen are rounded down. Percentage changes are rounded to the first decimal place.

○ Major contributors

- Total assets: An increase in cash and deposits, a decrease in notes and accounts receivable - trade, and contract assets
- Total liabilities: A decrease in short-term borrowings
- Total net assets: An increase in retained earnings

2) Cash flows

Consolidated Cash Flows (100 million yen)

	March 31, 2025	March 31, 2024	Change	Change (%)
Cash flows from operating activities	462	419	42	10.2
Cash flows from investing activities	(125)	(230)	105	(45.6)
Cash flows from financing activities	(222)	(45)	(177)	388.8

(Notes) Amounts of less than 100 million yen are rounded down. Percentage changes are rounded to the first decimal place.

○ Major contributors

- Cash flows from operating activities: An increase in proceeds from changes in trade receivables and contract assets
- Cash flows from investing activities: A decrease in purchase of property, plant and equipment
- Cash flows from financing activities: An increase in repayments of short-term borrowings

The balance of cash and cash equivalents at the end of the fiscal year under review increased by 10,867 million yen (up 11.2% year on year) to 107,768 million yen due to the effect of exchange rate change on cash and cash equivalents, as well as the above factors.

(Reference) Changes in cash flow-related indicators

	Fiscal Year ended March 31, 2021	Fiscal Year ended March 31, 2022	Fiscal Year ended March 31, 2023	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025
Equity ratio (%)	52.1	52.6	52.2	52.5	54.6
Equity ratio based on market value (%)	51.3	58.6	46.3	60.6	50.4
Cash flow to interest-bearing debt ratio (years)	1.6	2.8	4.0	1.9	1.5
Interest coverage ratio	40.4	26.4	8.3	13.0	10.9

(Notes)
Equity ratio: Equity/ Total assets
Equity ratio based on market value: Market capitalization/ Total assets
Cash flow to interest-bearing debt ratio: Interest-bearing debt/Operating cash flow
Interest coverage ratio: Operating cash flows/Interest payments

1. All indicators are calculated based on consolidated financial figures.
2. Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the total number of shares issued and outstanding at the end of the fiscal year.
   Operating cash flow is the cash flow from operating activities shown in the consolidated statements of cash flows. Interest-bearing debt covers all liabilities on the consolidated balance sheets for which interest is paid. Interest payments are based on the amount of interest paid in the consolidated statements of cash flows.
3. Effective from the fiscal year ended March 31, 2023, income and expenses of certain overseas subsidiaries are translated into yen at the spot exchange rate prevailing at the balance sheet date of the overseas subsidiaries. As a result, cash flow-related indicators for the fiscal year ended March 31, 2022 have been retroactively adjusted.

(3) Basic Policy on Profit Distribution and Dividends for the Fiscal Year under Review and Next Fiscal Year

We recognize that the return of profits to shareholders is one of the most important management issues.

In our Mid-Term Management Plan, ***ADX 2026***, we have set a goal of achieving a dividend payout ratio of 40% or more, based on the concept of maintaining stable dividends while comprehensively considering appropriate returns. Retained earnings will be used to invest in growth areas including, among others, Semiconductor Materials Business, reinforce management foundation, and make investments that contribute to the environment toward achieving carbon neutrality.

Taking into consideration the consolidated business performance and financial position for the fiscal year under review, we plan to pay a year-end dividend of 52 yen per share for the fiscal year under review by increasing 3 yen per share from the initial forecast (announced on Nov. 12, 2024) of 49 yen per share. Combined with the interim dividend of 48 yen per share already paid, the annual dividend will be 100 yen per share (90 yen per share for the previous fiscal year).

For the next fiscal year, we plan to pay an annual dividend of 104 yen per share (including the interim dividend of 52 yen per share).

2. Basic Policy on Selection of Accounting Standards

For the time being, the Group has decided to adopt Japanese GAAP. The Group will consider the application of IFRS (International Financial Reporting Standards), taking into account various circumstances.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	98,429	110,117
Notes and accounts receivable - trade, and contract assets	116,937	110,057
Securities	5,498	5,493
Merchandise and finished goods	64,236	61,507
Work in process	8,464	8,427
Raw materials and supplies	41,919	43,431
Other	12,490	12,231
Allowance for doubtful accounts	(1,378)	(1,375)
Total current assets	346,598	349,889
Non-current assets		
Property, plant and equipment		
Buildings and structures	102,724	100,832
Accumulated depreciation	(62,590)	(62,379)
Buildings and structures, net	40,134	38,452
Machinery, equipment and vehicles	198,596	193,139
Accumulated depreciation	(162,912)	(158,634)
Machinery, equipment and vehicles, net	35,684	34,504
Land	31,467	29,882
Leased assets	1,683	1,765
Accumulated depreciation	(1,147)	(1,275)
Leased assets, net	536	489
Construction in progress	10,595	14,334
Other	44,114	44,094
Accumulated depreciation	(35,693)	(35,892)
Other, net	8,421	8,201
Total property, plant and equipment	126,840	125,866
Intangible assets		
Technical assets	4,476	3,481
Customer-related assets	2,328	2,168
Software	6,147	5,845
Leased assets	13	10
Other	3,532	3,140
Total intangible assets	16,497	14,645
Investments and other assets		
Investment securities	42,013	42,803
Long-term loans receivable	1,023	1,108
Retirement benefit asset	3,452	2,440
Deferred tax assets	2,760	2,258
Other	4,281	4,796
Allowance for doubtful accounts	(411)	(690)
Total investments and other assets	53,119	52,716
Total non-current assets	196,458	193,228
Total assets	543,057	543,118

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	64,903	60,212
Short-term borrowings	26,780	18,549
Current portion of long-term borrowings	11,885	7,226
Lease liabilities	245	242
Income taxes payable	4,827	4,888
Provision for bonuses	3,587	3,848
Provision for bonuses for directors (and other officers)	126	126
Provision for environmental measures	-	809
Other	22,071	26,341
Total current liabilities	134,427	122,244
Non-current liabilities		
Bonds payable	14,381	11,505
Long-term borrowings	22,283	26,142
Lease liabilities	461	373
Deferred tax liabilities	3,157	2,327
Deferred tax liabilities for land revaluation	3,013	3,103
Provision for retirement benefits for directors (and other officers)	71	84
Provision for environmental measures	-	927
Provision for share awards	134	349
Retirement benefit liability	20,526	19,361
Other	4,916	4,922
Total non-current liabilities	68,947	69,097
Total liabilities	203,374	191,341
Net assets		
Shareholders' equity		
Share capital	23,048	23,048
Capital surplus	20,181	20,348
Retained earnings	213,125	228,109
Treasury shares	(3,375)	(4,667)
Total shareholders' equity	252,979	266,838
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,665	12,249
Revaluation reserve for land	3,330	3,240
Foreign currency translation adjustment	17,147	14,010
Remeasurements of defined benefit plans	20	351
Total accumulated other comprehensive income	32,163	29,852
Non-controlling interests	54,539	55,085
Total net assets	339,682	351,776
Total liabilities and net assets	543,057	543,118

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	399,770	407,145
Cost of sales	295,079	292,279
Gross profit	104,691	114,865
Selling, general and administrative expenses	69,262	73,855
Operating profit	35,428	41,010
Non-operating income		
Interest income	2,201	2,172
Dividend income	975	1,076
Share of profit of entities accounted for using equity method	537	619
Gain on valuation of derivatives	-	1,395
Foreign exchange gains	2,000	-
Other	807	1,073
Total non-operating income	6,522	6,336
Non-operating expenses		
Interest expenses	3,723	3,445
Loss on valuation of derivatives	1,318	-
Foreign exchange losses	-	3,715
Other	1,144	839
Total non-operating expenses	6,187	8,000
Ordinary profit	35,763	39,346
Extraordinary income		
Gain on sale of non-current assets	56	1,423
Gain on sale of investment securities	610	199
Gain on sale of investments in capital of subsidiaries and associates	-	1,572
Total extraordinary income	666	3,195
Extraordinary losses		
Loss on abandonment of non-current assets	665	1,194
Impairment losses	-	72
Loss on valuation of investment securities	66	22
Loss on sale of shares of subsidiaries and associates	-	43
Loss on valuation of shares of subsidiaries and associates	15	-
Environmental expenses	-	1,984
Other	-	310
Total extraordinary losses	748	3,627
Profit before income taxes	35,682	38,914
Income taxes - current	8,934	11,015
Income taxes - deferred	437	(617)
Total income taxes	9,371	10,397
Profit	26,310	28,516
Profit attributable to non-controlling interests	3,333	3,496
Profit attributable to owners of parent	22,977	25,019

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	26,310	28,516
Other comprehensive income		
Valuation difference on available-for-sale securities	3,676	(49)
Revaluation reserve for land	-	(89)
Foreign currency translation adjustment	8,239	(3,587)
Remeasurements of defined benefit plans, net of tax	230	(108)
Share of other comprehensive income of entities accounted for using equity method	703	679
Total other comprehensive income	12,850	(3,155)
Comprehensive income	39,160	25,360
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	32,905	22,708
Comprehensive income attributable to non-controlling interests	6,255	2,652

(3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2024

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,048	20,126	197,843	(2,304)	238,713
Changes during period					
Dividends of surplus			(7,707)		(7,707)
Profit attributable to owners of parent			22,977		22,977
Purchase of treasury shares				(1,238)	(1,238)
Disposal of treasury shares		6		138	144
Increase by merger			11		11
Increase by share exchanges		9		28	37
Change in treasury shares arising from change in equity in entities accounted for using equity method				2	2
Change in ownership interest of parent due to transactions with non-controlling interests		39			39
Net changes in items other than shareholders' equity					-
Total changes during period	-	54	15,282	(1,070)	14,265
Balance at end of period	23,048	20,181	213,125	(3,375)	252,979

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,800	3,330	11,362	(257)	22,236	50,759	311,709
Changes during period							
Dividends of surplus					-		(7,707)
Profit attributable to owners of parent					-		22,977
Purchase of treasury shares					-		(1,238)
Disposal of treasury shares					-		144
Increase by merger					-		11
Increase by share exchanges					-		37
Change in treasury shares arising from change in equity in entities accounted for using equity method					-		2
Change in ownership interest of parent due to transactions with non-controlling interests					-		39
Net changes in items other than shareholders' equity	3,865	-	5,784	277	9,927	3,779	13,707
Total changes during period	3,865	-	5,784	277	9,927	3,779	27,973
Balance at end of period	11,665	3,330	17,147	20	32,163	54,539	339,682

For the fiscal year ended March 31, 2025

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,048	20,181	213,125	(3,375)	252,979
Changes during period					
Dividends of surplus			(10,035)		(10,035)
Profit attributable to owners of parent			25,019		25,019
Purchase of treasury shares				(1,771)	(1,771)
Disposal of treasury shares		116		479	595
Increase by merger					-
Increase by share exchanges					-
Change in treasury shares arising from change in equity in entities accounted for using equity method					-
Change in ownership interest of parent due to transactions with non-controlling interests		50			50
Net changes in items other than shareholders' equity					-
Total changes during period	-	166	14,984	(1,292)	13,858
Balance at end of period	23,048	20,348	228,109	(4,667)	266,838

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,665	3,330	17,147	20	32,163	54,539	339,682
Changes during period							
Dividends of surplus					-		(10,035)
Profit attributable to owners of parent					-		25,019
Purchase of treasury shares					-		(1,771)
Disposal of treasury shares					-		595
Increase by merger					-		-
Increase by share exchanges					-		-
Change in treasury shares arising from change in equity in entities accounted for using equity method					-		-
Change in ownership interest of parent due to transactions with non-controlling interests					-		50
Net changes in items other than shareholders' equity	583	(89)	(3,136)	331	(2,311)	546	(1,764)
Total changes during period	583	(89)	(3,136)	331	(2,311)	546	12,094
Balance at end of period	12,249	3,240	14,010	351	29,852	55,085	351,776

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	35,682	38,914
Depreciation	17,065	17,555
Impairment losses	-	72
Gain on sales of investments in capital of subsidiaries and associates	-	(1,572)
Share of loss (profit) of entities accounted for using equity method	(537)	(619)
Increase (decrease) in retirement benefit liability	107	(271)
Increase (decrease) in provision for environmental measures	(18)	1,736
Interest and dividend income	(3,177)	(3,248)
Interest expenses	3,723	3,445
Foreign exchange losses (gains)	(1,346)	1,185
Loss (gain) on sale of non-current assets	(56)	(1,423)
Loss on abandonment of non-current assets	665	1,194
Decrease (increase) in accounts receivable - trade, and contract assets	(12,063)	3,953
Decrease (increase) in inventories	7,790	(1,952)
Increase (decrease) in trade payables	(934)	(2,815)
Other, net	2,127	371
Subtotal	49,028	56,525
Interest and dividends received	3,682	3,736
Interest paid	(3,236)	(4,224)
Income taxes paid	(7,775)	(10,983)
Income taxes refund	256	1,181
Net cash provided by (used in) operating activities	41,954	46,235
Cash flows from investing activities		
Purchase of securities	(17,996)	(17,986)
Proceeds from sale and redemption of securities	17,997	17,992
Purchase of property, plant and equipment	(19,471)	(14,046)
Proceeds from sale of property, plant and equipment	90	2,643
Purchase of intangible assets	(2,280)	(2,181)
Purchase of investment securities	(389)	(21)
Proceeds from sale of investment securities	1,233	485
Purchase of shares of subsidiaries and associates	(2,637)	(45)
Proceeds from sales of investments in affiliated companies	-	1,795
Long-term loan advances	(302)	(225)
Other, net	688	(962)
Net cash provided by (used in) investing activities	(23,069)	(12,553)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,339	(7,505)
Proceeds from long-term borrowings	13,175	11,560
Repayments of long-term borrowings	(7,613)	(12,120)
Proceeds from issuance of bonds	10,000	1,619
Redemption of bonds	(10,100)	(1,768)
Dividends paid	(7,700)	(10,032)
Dividends paid to non-controlling interests	(2,517)	(2,068)
Other, net	(2,143)	(1,973)
Net cash provided by (used in) financing activities	(4,559)	(22,288)
Effect of exchange rate change on cash and cash equivalents	2,993	(1,384)
Net increase (decrease) in cash and cash equivalents	17,319	10,009
Cash and cash equivalents at beginning of period	79,537	96,901
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	857
Increase in cash and cash equivalents resulting from merger	44	-
Cash and cash equivalents at end of period	96,901	107,768

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on changes in accounting policies)

(Application of the accounting standard for current income taxes, etc.)

The Company has adopted the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard 2022"), etc. since the beginning of the fiscal year under review.

The amendment to categories in which current income taxes should be recorded (taxation on other comprehensive income) follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso to (2) of paragraph 65-2 of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "Revised Guidance 2022"). These changes in accounting policies have no impact on these consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies are deferred for tax purposes, the Company has applied the Revised Guidance 2022 since the beginning of the fiscal year under review. This change in accounting policies has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared reflecting the retrospective application. This change in accounting policies has no impact on the consolidated financial statements for the previous fiscal year.

(Changes in presentation)

(Consolidated Balance Sheet)

"Provision for share awards" included in "Other" under "Non-current liabilities" in the previous fiscal year is presented as a separate account in the fiscal year under review due to its increased financial materiality. Consolidated financial statements for the previous fiscal year have been reclassified in order to reflect this change in presentation.

As a result, in the consolidated balance sheet for the previous fiscal year, 5,051 million yen presented as "Other" under "Non-current liabilities" is reclassified as "Provision for share awards" of 134 million yen and "Other" of 4,916 million yen.

(Consolidated Statements of Cash Flows)

"Income taxes refund" included in "Income taxes paid" under "Cash flows from operating activities" in the previous fiscal year is presented as a separate account in the fiscal year under review due to its increased financial materiality. Consolidated financial statements for the previous fiscal year have been reclassified in order to reflect this change in presentation.

As a result, in the consolidated statements of cash flows for the previous fiscal year, (7,519) million yen presented as "Income taxes paid" under "Cash flows from operating activities" is reclassified as "Income taxes paid" of (7,775) million yen and "Income taxes refund" of 256 million yen.

(Segment information, etc.)

a. Segment information

1. Summary of reportable segments

(1) Method of determining reportable segments

The Group's reportable segments are the segments for which discrete financial information is available and which are subject to periodic review by the Company's Board of Directors to determine the allocation of management resources and evaluate their performance.

The Group formulates comprehensive domestic and overseas strategies and conducts business activities in the "Chemicals Business," "Food Products Business," and "Life Science Business" segments, which are classified by products and services.

Accordingly, the Group has three reportable segments: "Chemicals Business," "Food Products Business," and "Life Science Business."

(2) Type of products and services belonging to each reportable segment

The major products in each reportable segment are as follows.

Segment name	Major products and services
Chemicals Business	additives for polyolefins, stabilizers and plasticizers for PVC, flame retardants, high purity semiconductor materials, photoacid generators, electronic circuit board etching equipment and agents, photo curing resins, photo initiators, imaging materials, epoxy resins, polyurethanes, water-borne resins, surfactants, lubricant additives, kitchen detergent, cosmetic ingredients, propylene glycols, hydrogen peroxide and derivatives, water-swelling sealing materials, battery materials, etc.
Food Products Business	margarines, shortenings, fats and oils for chocolate, frying and cooking fats and oils, plant-based foods, whipping cream, kneading cream, fillings, mayonnaise dressing, functional foods, etc.
Life Science Business	agrochemicals, pharmaceuticals, quasi-drugs, veterinary drugs, wood chemicals, medical materials, etc.

2. Calculation of net sales, profit or loss, assets, and other items by reportable segment

The accounting methods used for the reported business segments are generally the same as those used in the preparation of the consolidated financial statements.

Profits of reportable segments are based on operating profit.

Intersegment revenues and transfers are based on prevailing market prices.

3. Information on Sales, Profit or Loss, Assets, and Other Items by Reporting Segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Chemicals Business	Food Products Business	Life Science Business	Total				
Net sales								
(1) Net sales to outside customers	204,130	84,012	103,021	391,164	8,606	399,770	–	399,770
(2) Inter-segment net sales or transfers	150	323	11	486	21,568	22,054	(22,054)	–
Total	204,281	84,336	103,033	391,650	30,174	421,825	(22,054)	399,770
Segment profit (loss)	23,699	4,111	5,907	33,717	1,768	35,486	(58)	35,428
Segment assets	249,070	67,776	157,873	474,720	19,037	493,758	49,299	543,057
Other items								
Depreciation (Note 4)	11,438	2,923	2,882	17,244	104	17,348	(283)	17,065
Investments in equity-method affiliates	6,637	–	6,468	13,106	–	13,106	–	13,106
Increase in property, plant and equipment and intangible assets (Note 5)	16,605	1,735	2,110	20,451	485	20,937	(272)	20,664

(Notes) 1. "Others" refers to business segments not included in the reportable segments and includes construction and construction management, logistics, and real estate businesses.

2. The details of the adjustments are as follows
The segment profit adjustment of (58) million yen includes the elimination of inter-segment transactions.
Adjustment of segment assets of 49,299 million yen mainly includes surplus funds under management (cash deposits and marketable securities) as well as long-term investment funds (investment securities) possessed by the Company.

3. Segment profit is adjusted with operating profit in the consolidated statements of income.

4. Depreciation includes amortization of long-term prepaid expenses.

5. Increases in property, plant and equipment and intangible assets include an increase in long-term prepaid expenses.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Chemicals Business	Food Products Business	Life Science Business	Total				
Net sales								
(1) Net sales to outside customers	218,426	82,540	99,954	400,922	6,222	407,145	–	407,145
(2) Inter-segment net sales or transfers	193	139	11	344	17,072	17,417	(17,417)	–
Total	218,620	82,680	99,966	401,267	23,295	424,562	(17,417)	407,145
Segment profit	28,028	4,390	7,770	40,189	714	40,903	107	41,010
Segment assets	247,403	60,604	153,321	461,330	19,110	480,440	62,677	543,118
Other items								
Depreciation (Note 4)	11,686	2,991	3,046	17,725	125	17,850	(295)	17,555
Investments in equity-method affiliates	7,595	–	6,130	13,726	–	13,726	–	13,726
Increase in property, plant and equipment and intangible assets (Note 5)	13,374	2,310	2,872	18,557	334	18,891	(208)	18,683

(Notes) 1. "Others" refers to business segments not included in the reportable segments and includes construction and construction management, logistics, and real estate businesses.
2. The details of the adjustments are as follows
The segment profit adjustment of 107 million yen includes the elimination of inter-segment transactions.
Adjustment of segment assets of 62,677 million yen mainly includes surplus funds under management (cash deposits and marketable securities) as well as long-term investment funds (investment securities) possessed by the Company.
3. Segment profit is adjusted with operating profit in the consolidated statements of income.
4. Depreciation includes amortization of long-term prepaid expenses.
5. Increases in property, plant and equipment and intangible assets include an increase in long-term prepaid expenses.

b. Information on impairment losses on fixed assets by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Not applicable.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) (Million yen)

	Chemicals Business	Food Products Business	Life Science Business	Others	Company-wide/ Elimination	Total
Impairment loss	72	–	–	–	–	72

(Per share information)

	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Net assets per share (yen)	2,791.92	2,916.30
Basic earnings per share (yen)	224.87	245.55
Diluted earnings per share	Not shown because there were no potential shares.	Not shown because there were no potential shares.

(Notes) 1. The basis for calculating basic earnings per share is as follows.

2. The shares of the Company held by Custody Bank of Japan, Ltd. (Trust E Account) as trust property of the employee stock ownership plan (J-ESOP) are included in treasury shares deducted from the number of shares issued at the end of the period for the purpose of calculating net asset value per share. In addition, they are included in treasury shares deducted from the average number of shares during the period for the purpose of calculating basic earnings per share.

	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	22,977	25,019
Amount not attributable to common stockholders (Million yen)	–	–
Profit attributable to owners of the parent for common stock (Million yen)	22,977	25,019
Average number of shares of common stock outstanding during the period (thousand shares)	102,182	101,891

(Significant subsequent events)

Not applicable.