



NIPPON
SHOKUBAI

Financial Results Supplementary Material 1Q FY2025

7th August 2025

NIPPON SHOKUBAI CO., LTD.
(4114 TSE Prime Market)

Agenda

I. 1Q - FY2025 Results

References

Abbreviations	
AA	Acrylic acid
AES	Acrylates
SAP	Superabsorbent polymers
EO	Ethylene oxide

Summary

(JPY Billion)

1Q FY2025 Results [YoY: Decrease in revenue and profit]

Revenue	101.2	(-3.8)
Operating Profit	4.3	(-0.9)
Operating Profit + Equity-method investment profit ^{*1}	5.5	(-0.3)
Profit before tax	6.3	(-0.1)
Profit^{*2}	4.4	(-0.2)

Despite an overall year-on-year decline in revenue and profit, the Solutions segment demonstrated solid performance, achieving growth in both revenue and profit.

- Increased in volume of Solutions products such as electronics materials
- Increased temporary cost due to long-term maintenance at the U.S. affiliate
- Increased in SG&A costs, and decrease in inventory valuation gains
- Improvement in equity-method investment profit

1H FY2025 Forecasts [YoY: Decrease in revenue and profit]

Revenue	200.0	(-6.9)
Operating Profit	8.5	(-2.0)
Operating Profit + Equity-method investment profit ^{*1}	9.9	(-2.3)
Profit before tax	10.5	(-1.9)
Profit^{*2}	7.5	(-1.4)

- No change from the figures announced on May 13

*1: Equity-method investment profit = Share of profit of investments accounted for using equity method

*2: Profit = Profit Attributable to Owners of Parent

I . 1Q - FY2025 Results

Consolidated Financial Summary

(JPY billion)	FY2024	FY2025	Difference	Difference (%)
	1Q	1Q		
	Actual	Actual		
Revenue	105.1	101.2	- 3.8	-3.7%
Operating Profit	5.2	4.3	-0.9	-17.2%
(Operating Profit to Revenue)	4.9%	4.2%	-0.7p	-
Equity-method investment ^{*1}	0.7	1.2	+0.6	+84.4%
Operating Profit + Equity-method investment profit	5.9	5.5	-0.3	-5.6%
Profit Before Tax	6.4	6.3	-0.1	-2.1%
Profit^{*2}	4.6	4.4	-0.2	-4.2%
ROE	4.8%	4.7%	▲0.1p	-
ROA	4.7%	4.7%	0.0p	-
ROIC^{*3}	3.9%	3.7%	▲0.2p	-
Domestic Naphtha Price (JPY/kL)	79,000	66,300	-12,700	-16.1%
FX Rate (1 USD)	156 JPY	145 JPY	-11 JPY	-7.2%
FX Rate (1 EUR)	168 JPY	164 JPY	-4 JPY	-2.4%

*1: Equity-method investment profit= Share of profit of investments accounted for using equity method

*2: Profit = Profit Attributable to Owners of Parent

*3: ROIC = (After-Tax Operating Profit + Share of profit of investments accounted for using equity method) / (Interest-Bearing Debt + Shareholders' Equity)

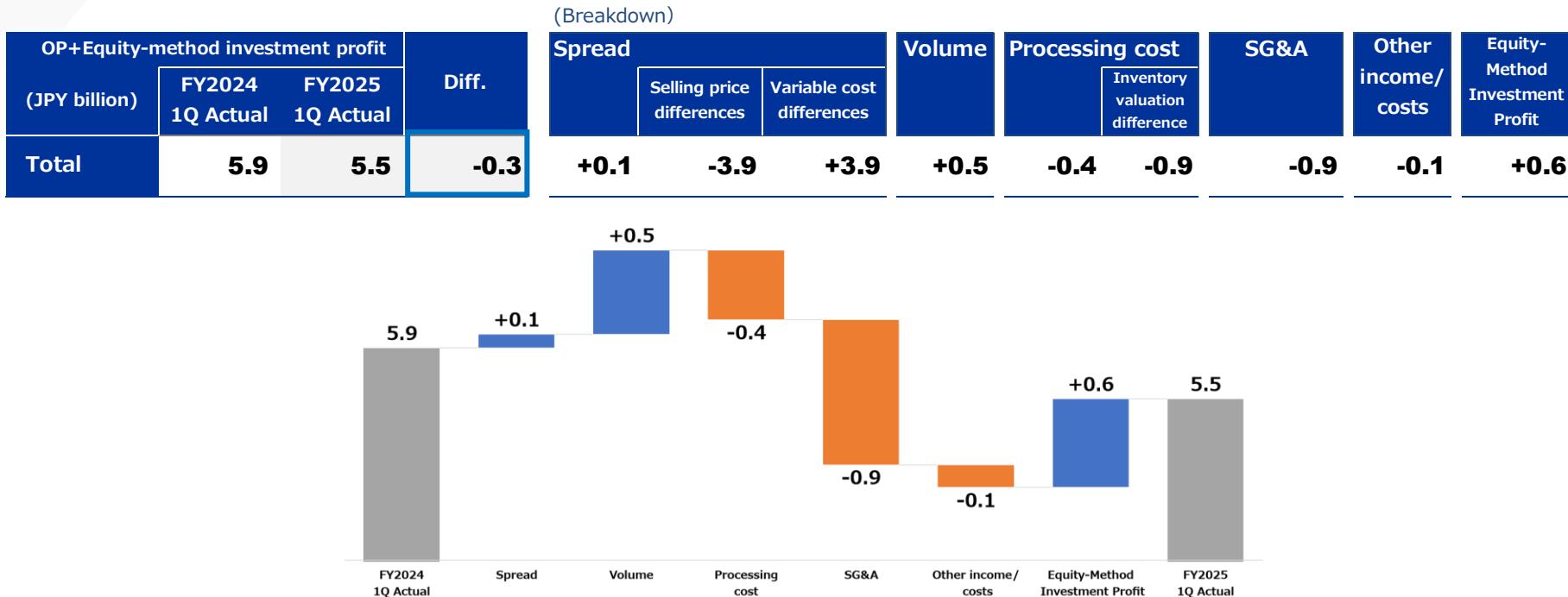
Segment Revenue & OP+ Equity-Method Investment Profit

Business Domain (JPY billion)	FY2024	FY2025	Difference	Difference (%)
	1Q	1Q		
	Actual	Actual		
AA · SAP	59.1	54.3	- 4.8	-8.1%
EO and others	17.3	15.5	- 1.8	-10.6%
Materials Business	76.4	69.8	- 6.6	-8.7%
Specialty Chemicals	12.4	12.2	- 0.1	-1.2%
Electronics	5.3	6.5	+1.3	+23.9%
Others*	11.0	12.7	+1.7	+15.0%
Solutions Business	28.7	31.4	+2.8	+9.6%
Total Revenue	105.1	101.2	- 3.8	-3.7%
Materials Business	5.1	3.1	- 2.0	-39.9%
Solutions Business	0.7	2.4	+1.7	+248.4%
Eliminations and corporate profit (loss)	0.1	0.1	+0.0	+31.0%
Total OP + Equity-method investment profit	5.9	5.5	- 0.3	-5.6%

*Includes: Construction, Energy (Batteries, Hydrogen), Environmental catalysts, Household, Health & Medical etc.

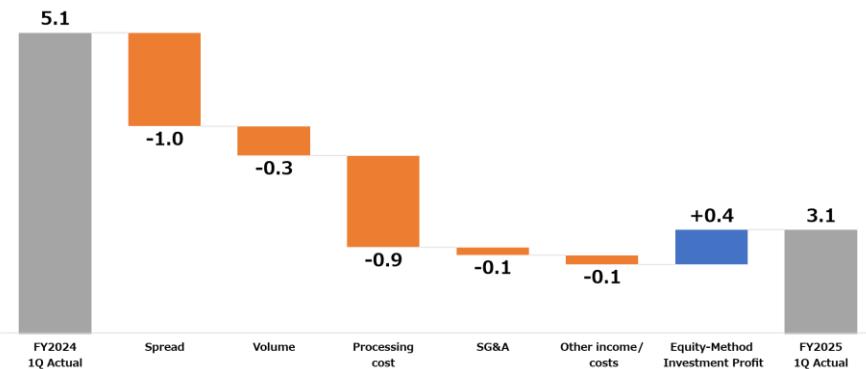
Analysis of Changes in OP+ Equity-Method Investment Profit (Total)

- Sales volume increased for Solutions products, including electronics materials.
- Profit declined due to higher SG&A expenses, processing costs, and other factors, despite the increase in volume and improvement in equity-method investment profits.



Analysis of Changes in OP+ Equity-Method Investment Profit (Materials)

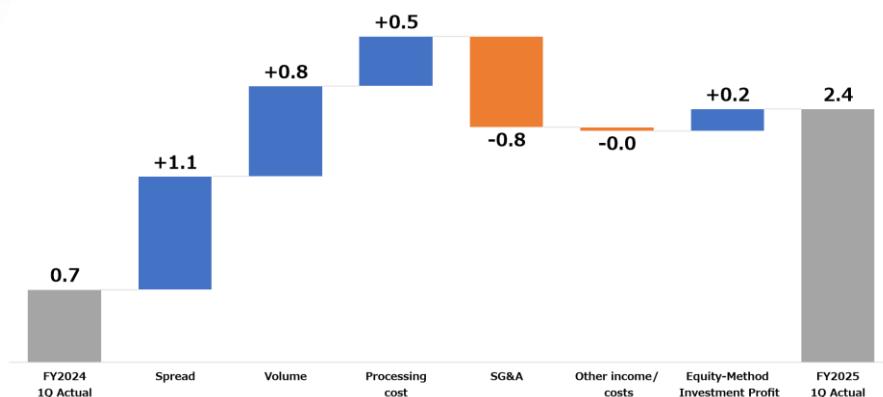
OP+Equity-method investment profit (JPY billion)				(Breakdown)								
	FY2024 1Q Actual		FY2025 1Q Actual	Diff.	Spread		Volume	Processing cost		SG&A	Other income/ costs	Equity- Method Investment Profit
	Selling price differences	Variable cost differences			Inventory valuation difference			Inventory valuation difference				
Materials	5.1	3.1	-2.0	-1.0	-4.6	+3.7	-0.3	-0.9	-0.7	-0.1	-0.1	+0.4



Spread	<p>➤ SAP Temporary cost increase due to long-term maintenance at the U.S. affiliate</p> <p>➤ Special Esters Continued impact from yen appreciation and sluggish overseas market conditions</p>
Volume	<p>➤ Special Esters Decreased in volume due to sluggish demand and aggressive low-priced competition from Chinese products.</p>
Processing cost, SG&A, Other income and costs	<p>➤ Processing and other costs Decrease in inventory valuation gains and increase in fixed manufacturing costs</p> <p>➤ Equity-method investment profit Spread widened due to lower raw material prices</p>

Analysis of Changes in OP+ Equity-Method Investment Profit (Solutions)

OP+Equity-method investment profit (JPY billion)			Diff.	(Breakdown)		Volume	Processing cost	SG&A	Other income/ costs	Equity- Method Investment Profit		
	FY2024 1Q Actual	FY2025 1Q Actual		Spread	Selling price differences							
Solutions	0.7	2.4	+1.7	+1.1	+0.8	+0.3	+0.8	+0.5	-0.2	-0.8	-0.0	+0.2



Spread	<ul style="list-style-type: none"> ➤ Specialty Chemicals Spread widened for various amines and surfactants ➤ Electronics Differences in product mix for display-related materials
Volume	<ul style="list-style-type: none"> ➤ Electronics Expanded sales of display-related materials in China
Processing cost, SG&A, Other income and costs	<ul style="list-style-type: none"> ➤ SG&A Increased in R&D costs related to new business initiatives

By Business Domain: OP, OP+ Equity-Method Investment Profit

Business Domain (JPY billion)	Operating Profit +Equity-method investment				Operating Profit				Analysis comment on Operating Profit
	FY2024 1Q Actual	FY2025 1Q Actual	Difference	Difference (%)	FY2024 1Q Actual	FY2025 1Q Actual	Difference	Difference (%)	
AA・SAP	4.0	2.1	▲ 1.9	▲47.5%	4.0	2.1	▲ 1.9	▲47.5%	Narrowed the spread due to scheduled maintenance at U.S. affiliate
EO and others	1.1	1.0	▲ 0.1	▲12.9%	0.7	0.2	▲ 0.5	▲68.1%	Narrowed the spread and decreased volume in Special esters
Materials	5.1	3.1	▲ 2.0	▲39.9%	4.7	2.3	▲ 2.4	▲50.7%	
Specialty Chemicals	1.0	1.3	+0.3	+27.0%	1.0	1.3	0.3	+27.0%	Spread expansion in various types of Amines and Surfactants
Electronics	0.8	1.4	+0.6	+77.5%	0.8	1.4	0.6	+77.5%	Increased in volume and product mix differences
Others	▲ 1.1	▲ 0.3	+0.8	+75.3%	▲ 1.4	▲ 0.8	0.6	+44.3%	Impact of inventory valuation differences and increased in volume
Solutions	0.7	2.4	+1.7	+248.4%	0.4	1.9	1.5	+391.0%	
Eliminations and corporate profit (loss)	0.1	0.1	+0.0	+31.0%	0.1	0.1	0.0	+31.0%	
Total	5.9	5.5	▲ 0.3	▲5.6%	5.2	4.3	▲ 0.9	▲17.2%	

Consolidated Statement of Financial Position

(JPY billion)	Mar.31, 2025	Jun.30, 2025	Diff.
Cash and cash equivalents	54.6	43.5	- 11.1
Trade receivables	96.5	95.1	- 1.4
Inventories	84.3	83.3	- 1.0
Others	20.1	17.2	- 2.9
Current assets	255.5	239.1	- 16.4
Property, plant and equipment	194.2	199.6	+5.3
Intangible assets	4.5	4.4	- 0.1
Good Will	-	5.2	+5.2
Equity-method investment	30.0	28.0	- 2.0
Others	59.4	58.5	- 0.9
Non-current assets	288.2	295.6	+7.4
Total Assets	543.7	534.7	- 9.0

	Mar.31, 2025	Jun.30, 2025	Diff.
Trade payables	54.8	52.9	- 2.0
Borrowings	41.4	43.0	+1.6
Others	54.9	53.6	- 1.3
Liabilities	151.1	149.5	- 1.7
Share capital	25.0	25.0	-
Treasury shares	-7.3	-7.3	- 0.0
Retained earnings	308.8	303.5	- 5.3
Others	56.5	55.3	- 1.2
Non-controlling interests	9.5	8.7	- 0.8
Equity	392.5	385.2	- 7.3
Liabilities and equity	543.7	534.7	- 9.0
D/E ratio (times)	0.12	0.13	
Interest-bearing loans	46.6	48.0	

Consolidated Cash Flows

(JPY billion)	FY2024	FY2025	Difference
	1Q Actual	1Q Actual	
Cash flows from operating activities	16.4	14.8	-1.7
Profit (loss) before tax	6.4	6.3	-0.1
Depreciation and amortization	7.9	7.8	-0.1
Changes in trade receivables/payables and inventories	-0.4	1.4	+1.9
Others	2.5	-0.7	-3.3
Cash flows from investing activities	-4.8	-17.1	-12.3
Free cash flows	11.7	-2.3	-14.0
Cash flows from financing activities	-8.4	-8.1	+0.3
Changes in borrowings	-3.8	2.0	+5.8
Purchase of treasury shares	-0.0	-0.0	+0.0
Dividends paid	-3.5	-9.1	-5.6
Others	-1.2	-1.0	+0.1
Cash and cash equivalents at end of period	60.0	43.5	-16.5

Consolidated Key Indicators

(JPY billion)	FY2024 1Q	FY2024 Full	FY2025 1Q	FY2025 Full (E)
Capex	4.2	37.8	12.0	56.5
Depreciation and amortization	7.9	31.6	7.8	31.0
R&D cost	4.1	15.7	4.1	16.9
EBITDA	14.7	56.1	14.3	52.5
Interest-bearing loans	43.0	46.6	48.0	72.9
Total equity attributable to owners of parent	393.5	383.0	376.5	371.3
Total assets	556.6	543.7	534.7	570.0
D/E (x)	0.11	0.12	0.13	0.20
Shareholder's Equity Ratio(%)	70.7	70.5	70.4	65.1
Operating profit to Revenue(%)	4.9	4.7	4.2	4.2
ROA(%)	4.7	4.3	4.7	3.6
ROE(%)	4.8	4.5	4.7	4.0
ROIC (%)	3.9	4.3	3.7	3.5

References

FY2025 Consolidated Financial Summary

(JPY billion)	FY2024	FY2025	Difference (%)	
	Full	Full	Difference	Difference (%)
	Actual	Forecast		
Revenue	409.3	405.0	- 4.3	-1.1%
Operating Profit	19.1	17.0	-2.1	-10.8%
(Operating Profit to Revenue)	4.7%	4.2%	-0.5p	-
Equity-method investment ^{*1}	4.0	2.3	-1.7	-42.7%
Operating Profit + Equity-method investment profit	23.1	19.3	-3.8	-16.4%
Profit Before Tax	23.2	20.0	-3.2	-13.8%
Profit^{*2}	17.4	15.0	-2.4	-13.8%
ROE	4.5%	4.0%	▲0.5p	-
ROA	4.3%	3.6%	▲0.7p	-
ROIC^{*3}	4.3%	3.5%	▲0.8p	-
Domestic Naphtha Price (JPY/kL)	75,600	60,000	-15,600	-20.6%
FX Rate (1 USD)	153 JPY	140 JPY	-13 JPY	-8.3%
FX Rate (1 EUR)	164 JPY	160 JPY	-4 JPY	-2.3%

*1: Equity-method investment profit= Share of profit of investments accounted for using equity method

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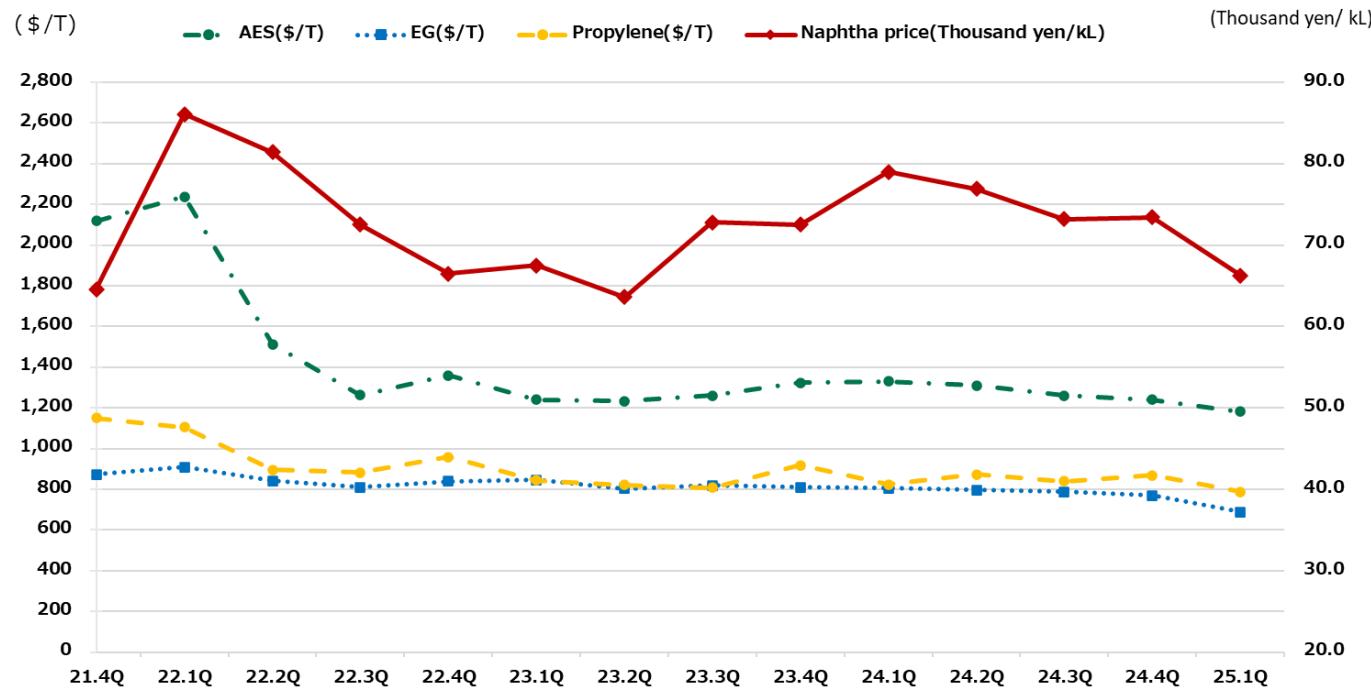
*3: ROIC = (After-Tax Operating Profit + Share of profit of investments accounted for using equity method) / (Interest-Bearing Debt + Shareholders' Equity)

By Business Domain: OP+ Equity-Method Investment Profit (Trend in 1H-2H)

Business Domain (JPY billion)	FY2024			FY2025 (E)		
	1H	2H	FULL	1H	2H	FULL
AA · SAP	6.1	3.4	9.5	3.9	4.2	8.1
EO and others	3.0	3.4	6.4	2.8	1.5	4.3
Materials	9.1	6.8	15.9	6.7	5.7	12.4
Specialty Chemicals	2.5	2.7	5.3	2.6	2.5	5.1
Electronics	1.5	2.2	3.6	1.7	2.1	3.8
Others	-1.2	-1.5	-2.8	-1.5	-1.2	-2.7
Solutions	2.7	3.4	6.1	2.8	3.4	6.2
Eliminations and corporate profit (loss)	0.3	0.7	1.0	0.4	0.3	0.7
Total	12.2	10.9	23.1	9.9	9.4	19.3

Market Conditions

Overseas market conditions for products, propylene price and domestic naphtha price.



Foreign Exchange Rate and Overseas Revenue

■ Foreign Exchange Rate

	FY21.4Q	FY22.1Q	FY22.2Q	FY22.3Q	FY22.4Q	FY23.1Q	FY23.2Q	FY23.3Q	FY23.4Q	FY24.1Q	FY24.2Q	FY24.3Q	FY24.4Q	FY25.1Q
JPY per 1 USD	116	130	138	141	132	137	145	148	149	156	150	152	153	145
JPY per 1 EUR	130	138	139	144	142	150	157	159	161	168	164	163	161	164

■ Overseas Revenue

(Quarterly YTD: JPY billion)	FY21.4Q	FY22.1Q	FY22.2Q	FY22.3Q	FY22.4Q	FY23.1Q	FY23.2Q	FY23.3Q	FY23.4Q	FY24.1Q	FY24.2Q	FY24.3Q	FY24.4Q	FY25.1Q
Asia	102.6	30.1	58.7	86.2	109.1	22.6	46.7	73.0	99.2	28.1	56.2	83.7	110.5	24.7
Europe	56.9	20.3	39.3	58.7	74.4	17.8	34.3	48.8	64.4	16.9	32.5	48.0	62.8	15.8
North America	34.9	8.3	17.1	26.6	34.9	9.3	18.6	27.9	38.4	10.7	20.0	29.8	39.5	10.2
Other regions	15.8	4.7	9.8	14.1	19.1	5.2	10.2	14.1	17.4	3.4	7.1	10.6	14.9	3.4
Overseas Revenue (Total)	210.2	63.4	124.9	185.6	237.5	54.9	109.9	163.9	219.3	59.2	115.8	172.1	227.7	53.9

Asia	27.8%	27.0%	26.7%	26.5%	26.0%	23.2%	23.9%	25.0%	25.3%	26.7%	27.2%	27.2%	27.0%	24.4%
Europe	15.4%	18.2%	17.9%	18.0%	17.7%	18.3%	17.7%	16.7%	16.4%	16.1%	15.7%	15.5%	15.3%	15.6%
North America	9.4%	7.4%	7.8%	8.2%	8.3%	9.6%	9.6%	9.6%	9.8%	10.2%	9.7%	9.7%	9.7%	10.0%
Other regions	4.3%	4.2%	4.5%	4.3%	4.6%	5.3%	5.3%	4.8%	4.4%	3.3%	3.4%	3.4%	3.6%	3.3%
Ratio of Overseas Revenue	56.9%	56.8%	56.9%	57.0%	56.6%	56.4%	56.5%	56.1%	55.9%	56.3%	56.0%	55.8%	55.6%	53.3%

Business Domain and Main Products

Business Domain		Main Products
Materials	AA · SAP	<ul style="list-style-type: none">● Acrylic acid, Acrylates● Superabsorbent polymer
	EO and others	<ul style="list-style-type: none">● Ethylene oxide● Organic acids <ul style="list-style-type: none">● Ethylene glycol● Acrylic acid special esters● Process catalysts etc.
Specialty Chemicals		<ul style="list-style-type: none">● Various types of amines● Surfactants <ul style="list-style-type: none">● Cross-linking agent for water-based resins <p>(Main subsidiaries: Nippon Nyukazai Co., Ltd. and SINO-JAPAN CHEMICAL CO.,LTD.)</p>
Electronics		<ul style="list-style-type: none">● Resins for optical films● Fine particles <ul style="list-style-type: none">● Resist materials● Dye● Iodine <p>(Main subsidiaries: NIPPOH CHEMICALS CO., LTD.)</p>
Solutions	Construction	<ul style="list-style-type: none">● Cement admixture polymers● Emulsions
	Energy (Batteries and Hydrogen) · Environmental catalysts	<ul style="list-style-type: none">● Electrolytes for LIB^{*1}● Ammonia decomposition catalysts● Waste gas treatment catalysts and Wastewater treatment catalysts
	Household Health & Medical etc.	<ul style="list-style-type: none">● Raw materials for detergents● Oligonucleotide & peptides CDMO^{*2}

*1: LIB: lithium-ion batteries

*2: Abbreviation of Contract Development and Manufacturing Organization

- ◆ Announcement of financial results for the 2Q - FY2025

Friday, November 7th at 13:00 JST

This schedule is subject to change without notice.

This supplementary material (“Material”) is aiming to provide readers referential information, not to persuade investment.

Material contains forward-looking statements and statements of this nature based on reasonable judgments in accordance with information currently available.

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