

Takasago International Corporation

# **Supplemental Information**

## **Financial Results for FY2025 2Q**

November 13, 2025

# Business Overview for FY2025 2Q

## 【FY2025 2Q】 Business Environment

- The prices of major raw materials remained stable at levels roughly in line with the initial assumptions
- Stable sales of beverage flavor in Japan. For overseas, the shipments of beverage flavor and fabric-care fragrance remained solid in Southeast Asia and China
- Fine Chemical is enhancing its quality management system in collaboration with major clients, resulting in the postponement of shipments of pharmaceutical intermediates overseas
- Overall shipments decreased in our US subsidiary because delivery backlog was cleared in the previous year
- Fragrance shipments decreased in our French subsidiary due to delivery adjustments upon new ERP system implementation

## 【FY2025 2Q】 Business performance

[In JPY billion]	FY2024 2Q	FY2025 2Q	FY2025 Full year Plan	Year-on-year change %	Full year Plan Progress	Increase/Decrease factors
Net Sales	113.6	114.5	230.0	+0.8%	+49.8%	<ul style="list-style-type: none"> <li>• Japan: Increase in flavor shipments for beverages</li> <li>• Asia: Increase of the shipment for beverage flavor and fabric-care fragrance in Southeast Asia and China</li> <li>• Americas: Flavor, fragrance and fine chemical shipments decreased in our US subsidiary</li> </ul>
Operating Profit	8.0	6.2	12.5	(22.4%)	+49.7%	<ul style="list-style-type: none"> <li>• Operating profit of Japan dropped due to the decrease of pharmaceutical intermediate shipments to our US subsidiary</li> <li>• Sales decrease in our US subsidiary contributed to the fall of operating profit</li> </ul>
Ordinary Profit	6.9	6.7	13.0	(2.4%)	+51.8%	<ul style="list-style-type: none"> <li>• Exchange gains and losses on receivables and payables improved from FY2025 2Q</li> </ul>
Net Income attributable to owners of parent	4.9	5.4	11.7	+10.2%	+46.1%	<ul style="list-style-type: none"> <li>• Increase in Gain on sale of investment securities</li> </ul>
Average exchange rates USD	152	149	150	(2.4%)	-	
Average exchange rates EUR	165	162	160	(1.5%)	-	

# Financial Results for FY2025 2Q

[In JPY billion]	FY2024 2Q	FY2025 2Q	FY26 Full- year-Plan May	Year-on- year change %	Full-year Plan Progress
Net Sales	113.6	114.5	230.0	+0.8%	+49.8%
Gross Profit	39.1	37.6	77.7	(3.9%)	+48.4%
Gross Margin	34.4%	32.8%	33.8%	(1.6P)	-
SG&A	31.1	31.4	65.2	+0.8%	+48.1%
SG&A ratio	27.4%	27.4%	28.3%	+0.0P	-
Operating Profit	8.0	6.2	12.5	(22.4%)	+49.7%
Operating Profit Margin	7.0%	5.4%	5.4%	(1.6P)	-
Ordinary Profit	6.9	6.7	13.0	(2.4%)	+51.8%
Ordinary Profit Margin	6.1%	5.9%	5.7%	(0.2P)	-
Net Income attributable to owners of parent	4.9	5.4	11.7	+10.2%	+46.1%
Net Profit Margin	4.3%	4.7%	5.1%	+0.4P	—
Average exchange rates USD	152	149	150	(2.4%)	-
Average exchange rates EUR	165	162	160	(1.5%)	-

## Increase/Decrease factors

### Net Sales

- JPY114.5 billion(up 0.8% year-on-year)
  - Japan: Increase in flavor shipments for beverages
  - Asia: Increase of the shipment for beverage flavor and fabric-care fragrance in Southeast Asia and China
  - Americas: Flavor, fragrance and fine chemical shipments decreased in our US subsidiary

### Operating Profit

- JPY6.2 billion(down 22.4% year-on-year)
  - Operating profit of Japan dropped due to the decrease of pharmaceutical intermediate shipments to our US subsidiary (for EMEA and US end-customers)
  - Sales decrease in our US subsidiary contributed to the fall of operating profit

### Ordinary Profit

- JPY6.7 billion(down 2.4% year-on-year)
  - Exchange gains and losses on receivables and payables improved from FY2025 2Q

### Net Income

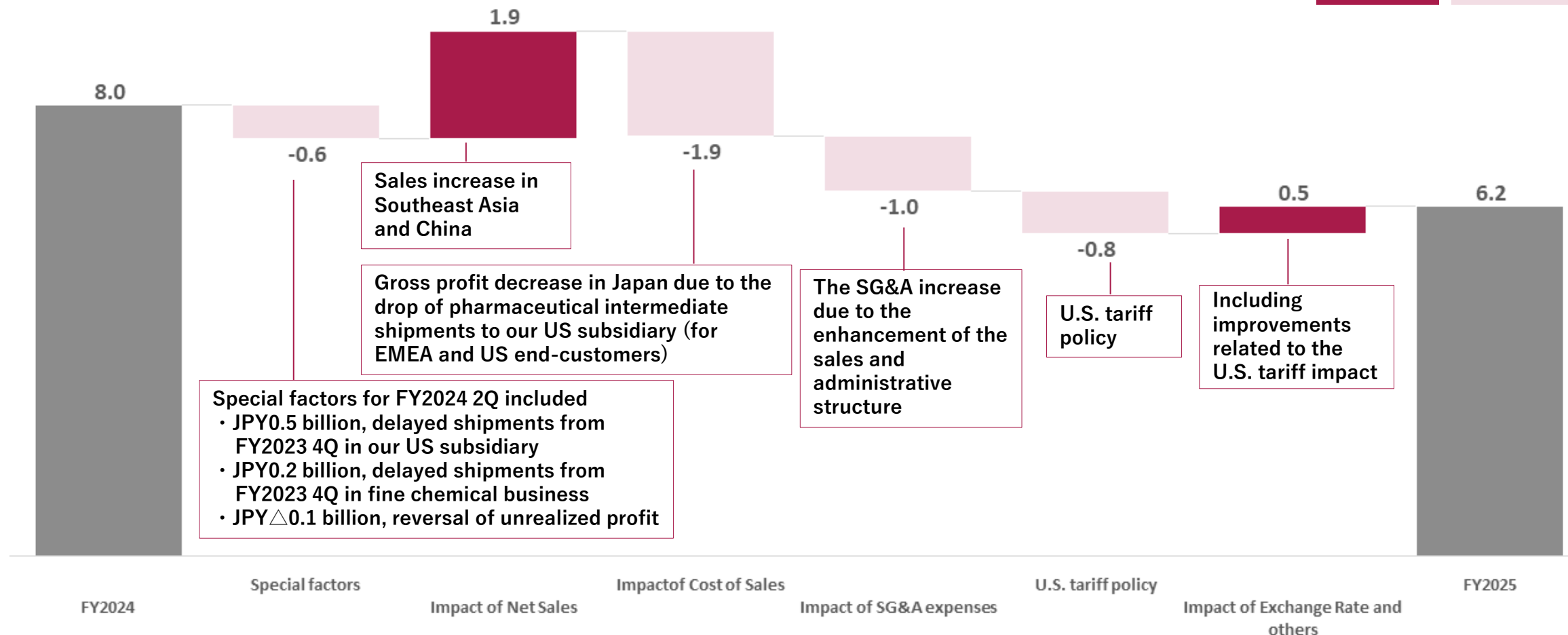
- JPY5.4 billion(up 10.2% year-on-year)
  - Increase in Gain on sale of investment securities

# Analysis of Change in Operating Profit in 2Q

[In JPY billion]

Increased profit

Decreased profit



# Regional segment

[In JPY billion]		FY24 2Q	FY25 2Q	FY25 FCST May	Change from May	Change % from May	Increase/Decrease factors
Japan	Net sales	37.2	40.2	73.8	+3.1	+54.5%	<ul style="list-style-type: none"> <li>• Increase in flavor shipments for beverages</li> <li>• Operating profit of Japan dropped due to the decrease of pharmaceutical intermediate shipments to our US subsidiary</li> </ul>
	Operating Profit	4.0	0.9	2.5	(3.1)	+33.6%	
Americas	Net sales	33.6	28.9	65.1	(4.6)	+44.4%	<ul style="list-style-type: none"> <li>• Sales decreased due to the drop of pharmaceutical intermediate shipments in our US subsidiary (for EMEA and US end-customers)</li> <li>• Flavor and fragrance shipments decreased in our US subsidiary</li> </ul>
	Operating Profit	1.9	1.1	3.0	(0.8)	+36.8%	
EMEA	Net sales	19.6	20.5	40.0	+0.8	+51.1%	<ul style="list-style-type: none"> <li>• Stable performance in flavor and aroma ingredients</li> <li>• Fragrance shipments decreased in our French subsidiary due to delivery adjustments upon new ERP system implementation</li> </ul>
	Operating Profit	1.3	1.0	1.7	(0.3)	+59.9%	
Asia-Pacific	Net sales	23.2	24.9	51.1	+1.6	+48.7%	<ul style="list-style-type: none"> <li>• Increase of beverages flavor and fabric-care fragrance in Southeast Asia and China</li> </ul>
	Operating Profit	1.9	3.2	5.3	+1.3	+60.4%	
Adjustment amount	Net sales	-	-	-	-	-	<ul style="list-style-type: none"> <li>• In the previous fiscal period, the elimination of unrealized profit increased due to a rise in product inventory at the U.S. subsidiary related to intersegment transactions.</li> </ul>
	Operating Profit	(1.0)	0.1	0.0	+1.1	+0.0%	
Total	Net sales	113.6	114.5	230.0	+0.9	+49.8%	
	Operating Profit	8.0	6.2	12.5	(1.8)	+49.7%	

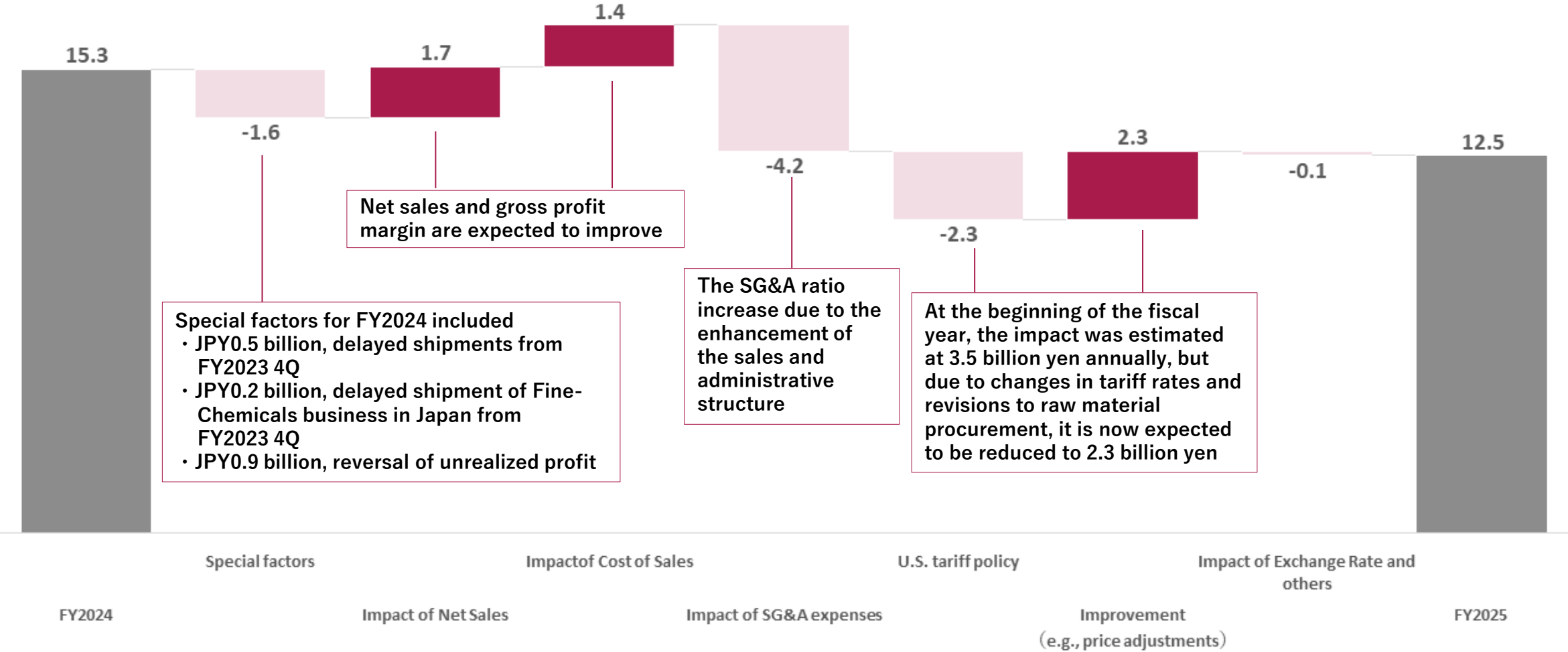
# Business segment

[In JPY billion]		FY24 2Q	FY25 2Q	FY25 FCST May	Change from May	Change % from May	Increase/Decrease factors
Flavor	Net sales	60.7	63.4	123.3	+2.7	+51.4%	<ul style="list-style-type: none"> <li>Increase for beverages in Japan, Southeast Asia and China</li> </ul>
	Operating Profit	3.0	4.3	6.4	+1.3	+66.0%	
Fragrance	Net sales	36.4	36.3	75.9	(0.1)	+47.8%	<ul style="list-style-type: none"> <li>Decrease of shipment in our US subsidiary</li> <li>Decrease of shipment in our French subsidiary due to delivery adjustments upon new ERP system implementation</li> </ul>
	Operating Profit	0.6	0.6	1.1	(0.0)	+57.3%	
Aroma Ingredients	Net sales	8.0	8.2	15.0	+0.1	+54.4%	<ul style="list-style-type: none"> <li>Increase of shipment for Menthol and some other products due to extremely hot summer</li> </ul>
	Operating Profit	1.4	1.4	1.7	(0.0)	+79.4%	
Fine Chemicals	Net sales	7.7	5.9	14.4	(1.8)	+41.2%	<ul style="list-style-type: none"> <li>Fine Chemical is enhancing its quality management system in collaboration with major clients, resulting in the postponement of shipments of pharmaceutical intermediates overseas</li> </ul>
	Operating Profit	2.4	(0.6)	2.2	(3.0)	(27.9%)	
Others	Net sales	0.7	0.7	1.4	(0.0)	+48.9%	<ul style="list-style-type: none"> <li>Other revenue consists of lease revenue related to the other real estate business.</li> </ul>
	Operating Profit	0.6	0.6	1.1	(0.0)	+52.5%	
Total	Net sales	113.6	114.5	230.0	+0.9	+49.8%	
	Operating Profit	8.0	6.2	12.5	(1.8)	+49.7%	

# Analysis of Change in Operating Profit in FY2025

[In JPY billion]

Increased profit  
Decreased profit



# Thank you for your kind attention

## ※Disclaimer:

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