

FY 2024

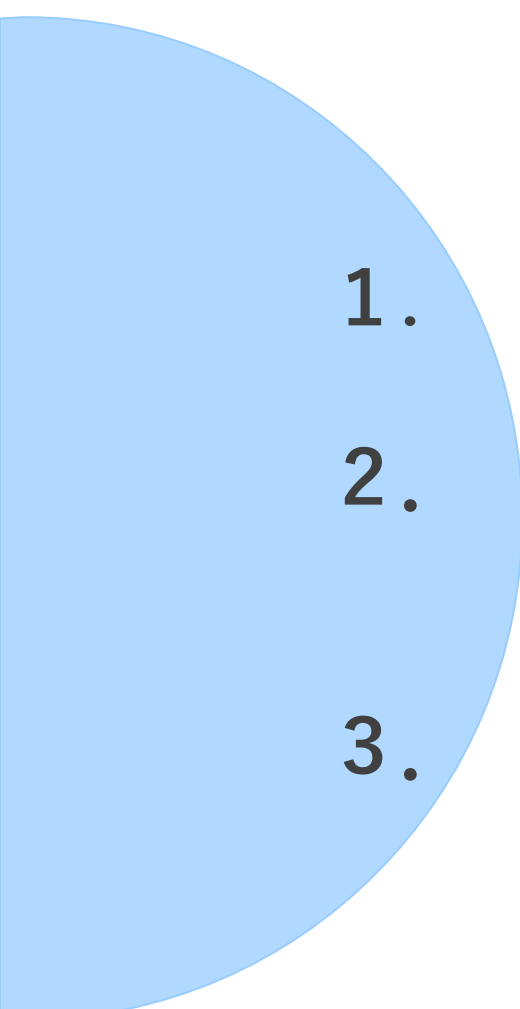
Consolidated Financial Results for FY2024

(April 1, 2024 - March 31, 2025)

May 15, 2025

HODOGAYA CHEMICAL CO., LTD. (TSE : 4112)

FY
2024

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1. Segment Details
 2. Overview of Consolidated Financial Results for FY2024
 3. FY2025 Earnings and Dividend Forecast

1. Segment Details

**2. Overview of Consolidated
Financial Results for FY2024**

3. FY2025 Earnings and Dividend Forecast

Functional Colorants

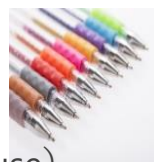
OLED etc

- Emitting and Transport Materials
- Capping layer Materials
- Bio Materials (Oligonucleotide Synthesis)
- Imaging Materials for copier toner
- Dyes for color filters
- Perovskite Solar Cell Materials
- Semiconductor Materials (Resist Materials)



Colorants

- Aluminum coloring dyes
- Stationery dyes
- Dyes for hair color treatment
- Natural dyes (for food and industrial use)



Specialty Polymers

Specialty Polymers

- Urethane Materials (PTG, BIO-PTG, PTG-SOFTENA etc)
- Phosgene derivatives Specialty Chemicals (Intermediates for Pharmaceutical, Functional polymers& electronics)



Construction

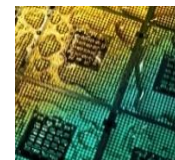
- Adhesives
- Release agents
- Waterproof Materials for civil engineering & Construction (Urethane based)
- Waterproofing & leak-plugging work



Basic Chemicals

Peroxide Business

- Hydrogen peroxide
- Sodium percarbonate
- Peracetic Acid (disinfectant agents, food additives)
- Industrial Chemicals



Agro-Science

Agro-chemicals

- Herbicides
- Pesticides
- Fungicides
- Agricultural Materials (Oxygen Supply Materials)

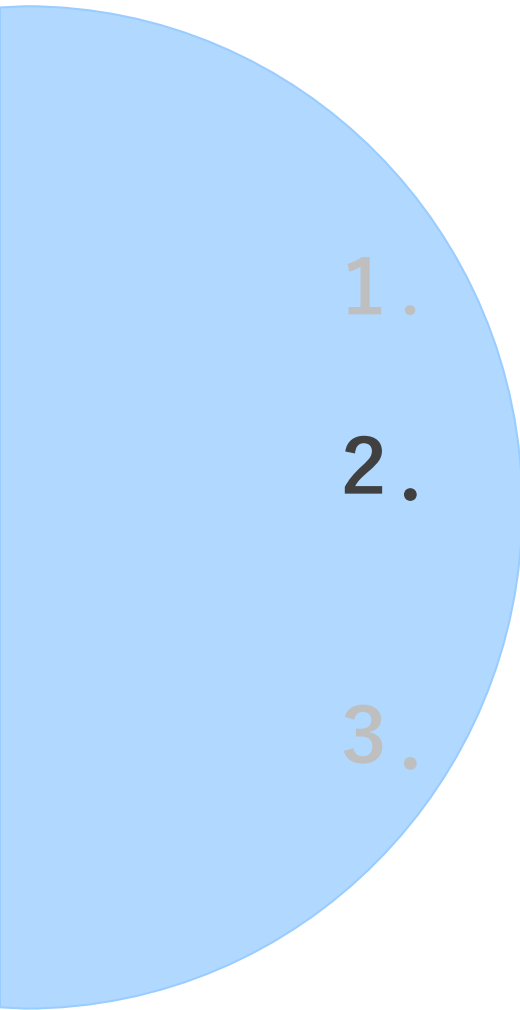


Logistics

Logistics

- Warehousing (hazardous substances & Chemicals/general goods)
Branch: Yokohama, Koriyama, Nanyo
- Consigned freight forwarding
- ISO tank container storage services



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Overview (Consolidated)

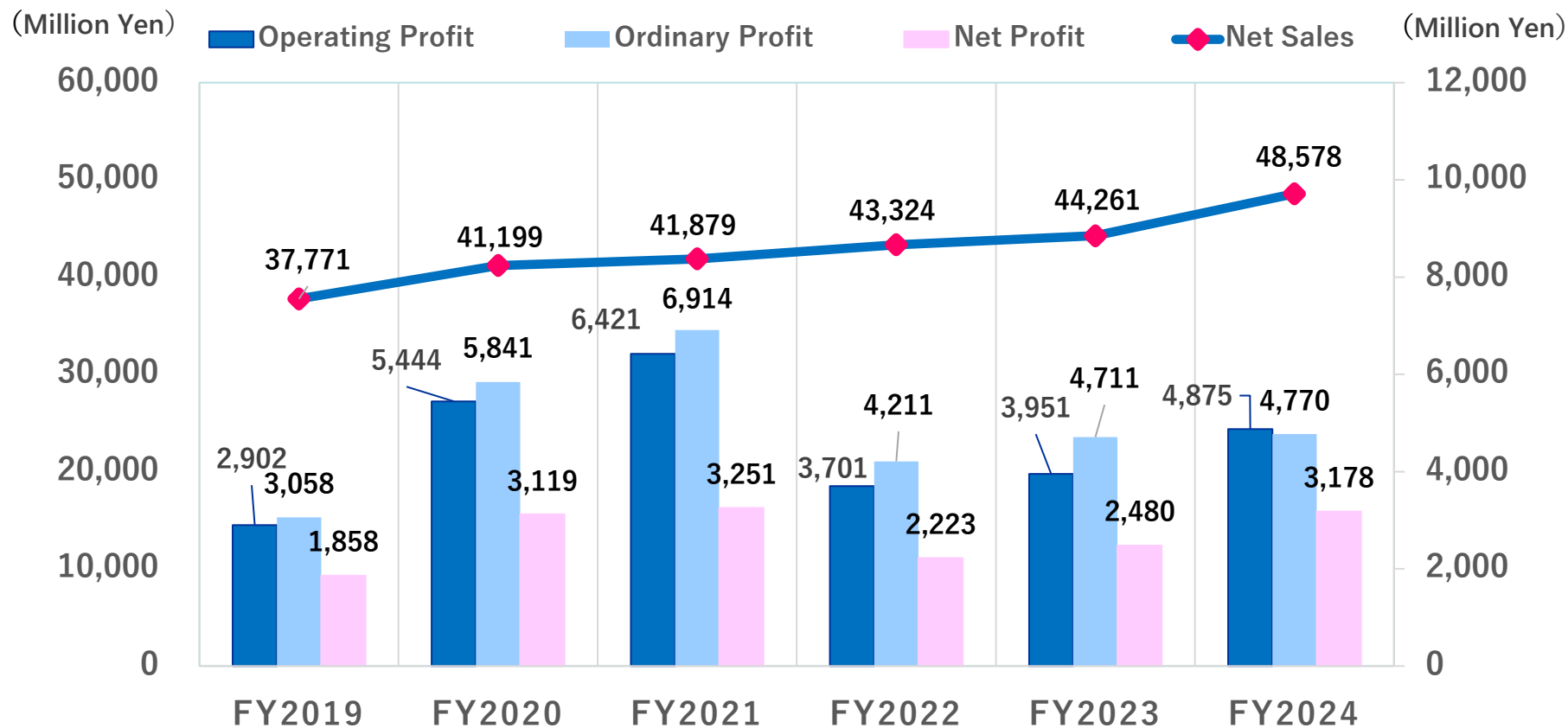
P/L (Million Yen)	FY2023 (%)		FY2024 (%)		Change		FY2024 Forecast <13. Nov>	Rate (%)
						(%pt)		
Net Sales	44,261	—	48,578	—	+ 4,316	+ 9.8	50,000	97.2
Operating Profit	3,951	8.9	4,875	10.0	+ 924	+ 23.4	5,500	88.6
Ordinary Profit	4,711	10.6	4,770	9.8	+ 59	+ 1.3	5,500	86.7
Profit attributable to owners of parent	2,480	5.6	3,178	6.5	+ 698	+ 28.1	3,300	96.3
Earnings per share	156.32 Yen	—	200.04 Yen	—	—	—	207.95 Yen	—

(Note) The Company has conducted a stock split with an effective date of April 1, 2025 at the ratio of two shares for every one common share. Net income per share are calculated based on the assumption that the stock split occurred at the beginning of the previous fiscal year..

Average Exchange Rate for the Period	FY2023	FY2024
USD / JPY	145.31	152.60
KRW / JPY	0.1099	0.1092

	FY2023	FY2024
ROE	5.5%	6.6%

- Net sales **increased** by 4,316 million yen despite a decline in basic chemicals, driven by growth in functional colorants, specialty polymers, agro-science, and logistics, as well as the impact of yen depreciation.
- Operating profit **increased** by 924 million yen due to the rise in net sales.
- Ordinary profit **increased** by 59 million yen compared to the previous fiscal year due to factors such as the recording of foreign exchange losses resulting from the appreciation of the yen.
- Profit attributable to owners of the parent **increased** by 698 million yen due to gains on the sale of investment securities and a decrease in corporate taxes and other expenses.



- The equity ratio has risen to the 60% range.
- Implementing growth investment to expand applications of OLED materials, etc.
- Promoting business strengthening through selection and concentration, through capital investment to enhance production capacity.

(Million Yen)	March 31,2023	March 31, 2024	March 31, 2025	Change
Total Asset	72,051	81,157	79,858	△1,298
Total Net Asset	49,897	57,443	58,530	+ 1,086
Equity Ratio	59.5%	58.8%	60.9%	+ 2.0%
Interest-bearing debt	10,521	9,387	8,501	△885

(Million Yen)	FY2023	FY2024	FY2025	Change
Operating Cash Flow	1,058	8,343	5,669	△2,674
Investing Cash Flow	△7,036	△3,950	△6,548	△2,598
Financing Cash Flow	2,288	△2,067	△1,882	+ 184
Cash and Cash Equivalents	6,708	10,664	7,602	△3,061

Net Sales by Segment

Segment (Million Yen)	FY2023	FY2024	Change
Functional Colorants	21,238	25,141	+ 3,902
Specialty Polymers	8,341	8,450	+ 108
Basic Chemicals	7,846	7,515	△331
Agro-Science	4,940	5,510	+ 570
Logistics	1,704	1,780	+ 76
Others	189	180	△9
Total	44,261	48,578	+4,316

[Functional Colorant Segment]

In the OLED materials business, despite a decline in demand for smartphones in the third quarter, sales increased significantly from the previous year due to an increase in demand, including for tablets, through the first half of the year. Demand for dyes for aluminum coloring continued to increase significantly, especially for smartphones and other general-purpose products, and overall sales of the dye materials business increased significantly. In the imaging materials business, demand for materials for printers recovered mainly overseas, resulting in a significant increase in sales from the previous year. As a result, net sales in this segment increased 3,902 million yen (up 18.4%) year-on-year to 25,141 million yen.

[Specialty Polymer Segment]

In the specialty polymer business, although sales of some products increased, sales decreased due to the continued impact of market downturn in urethane materials. In the specialty chemicals business, sales decreased due to a decline in demand for other applications, despite a recovery in demand for release materials and pharmaceuticals applications, mainly overseas. On the other hand, in the building materials business, sales increased due to firm sales of new products and orders for urethane waterproofing work for parking lots of large commercial facilities. As a result, net sales in this segment increased 108 million yen (up 1.3%) year on year to 8,450 million yen.

[Basic Chemicals Segment]

Sales of hydrogen peroxide were at the same level as the previous year due to a delayed recovery in demand for semiconductor applications, despite an increase in sales for pulp and paper applications. Sales of sodium percarbonate for bleaching agent decreased due to production adjustments at major customers in the first half of the fiscal year. As a result, sales in this segment decreased 331 million yen (-4.2%) year-on-year to 7,515 million yen.

[Agro-Science Segment]

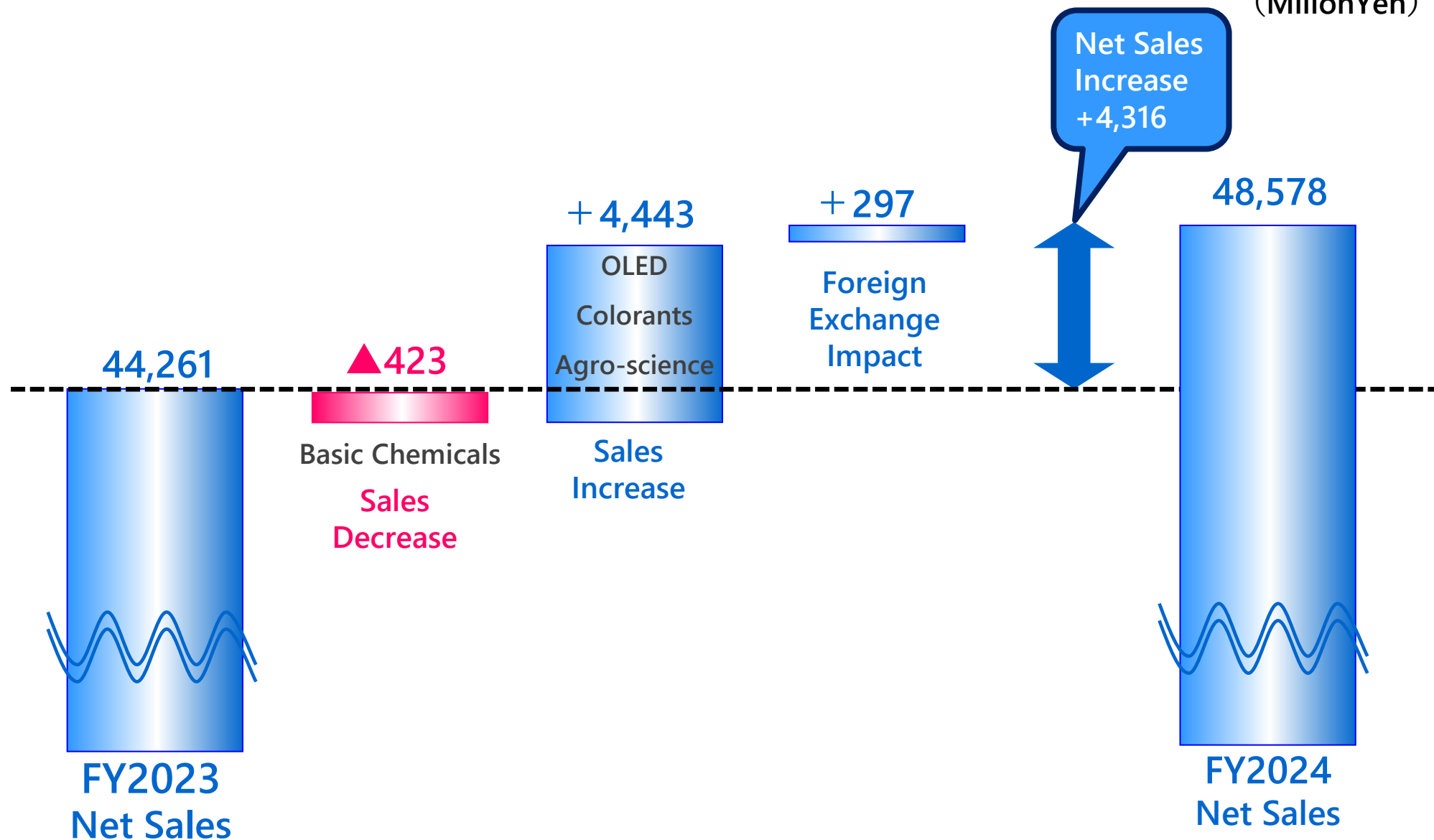
Sales of herbicides increased significantly due to strong demand for use in railroads and home and garden applications, as well as a recovery in demand for use in golf courses. As a result, net sales in this segment increased 570 million yen (11.5%) year-on-year to 5,510 million yen.

[Logistics-Related Segment]

Sales increased due to steady cargo movement of exports, etc. and increased handling in the domestic hazardous material storage business. As a result, net sales in this segment increased 76 million yen (up 4.5%) year on year to 1,780 million yen.

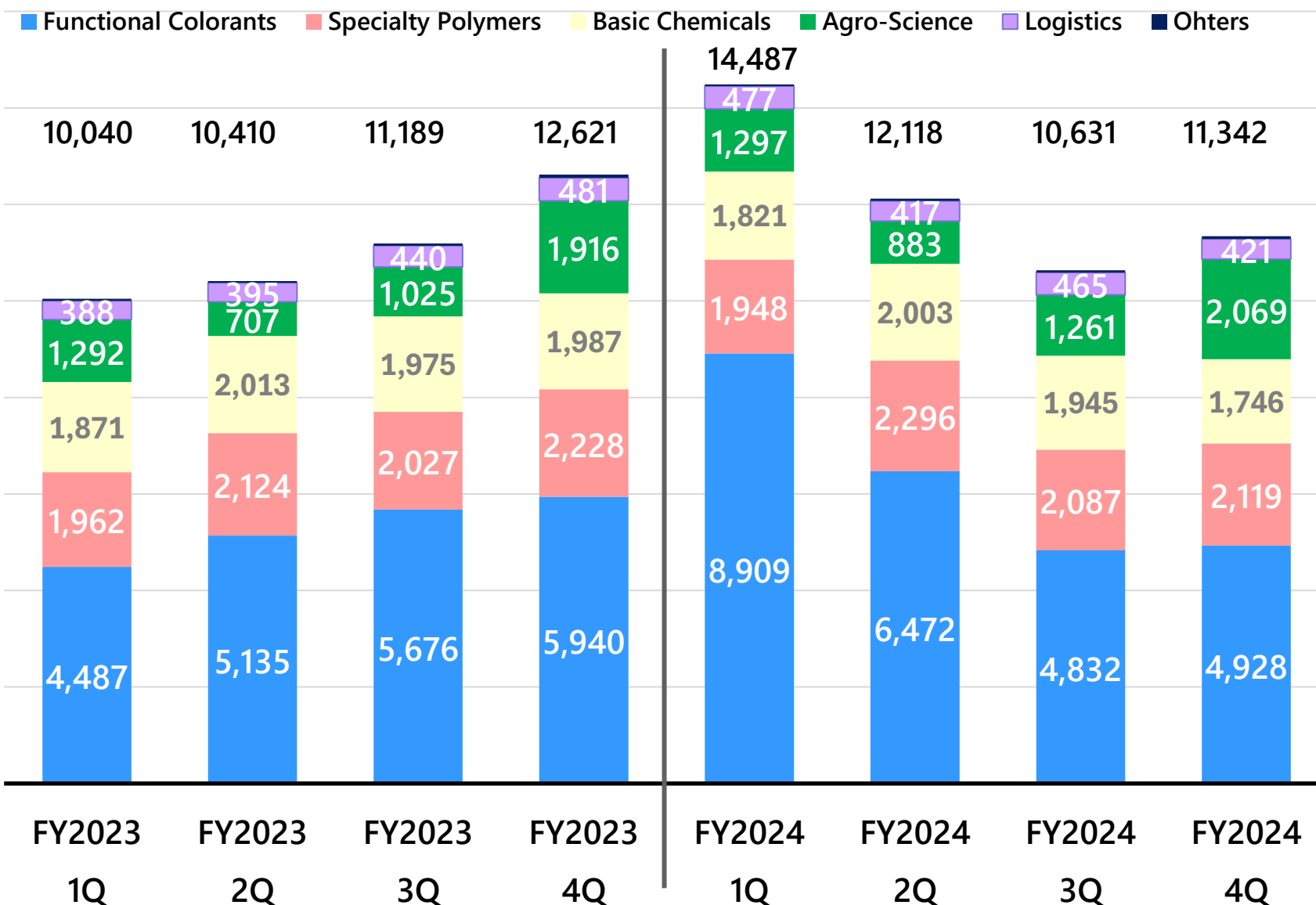
Analysis of Net Sales (YonY)

(MilionYen)



Million Yen

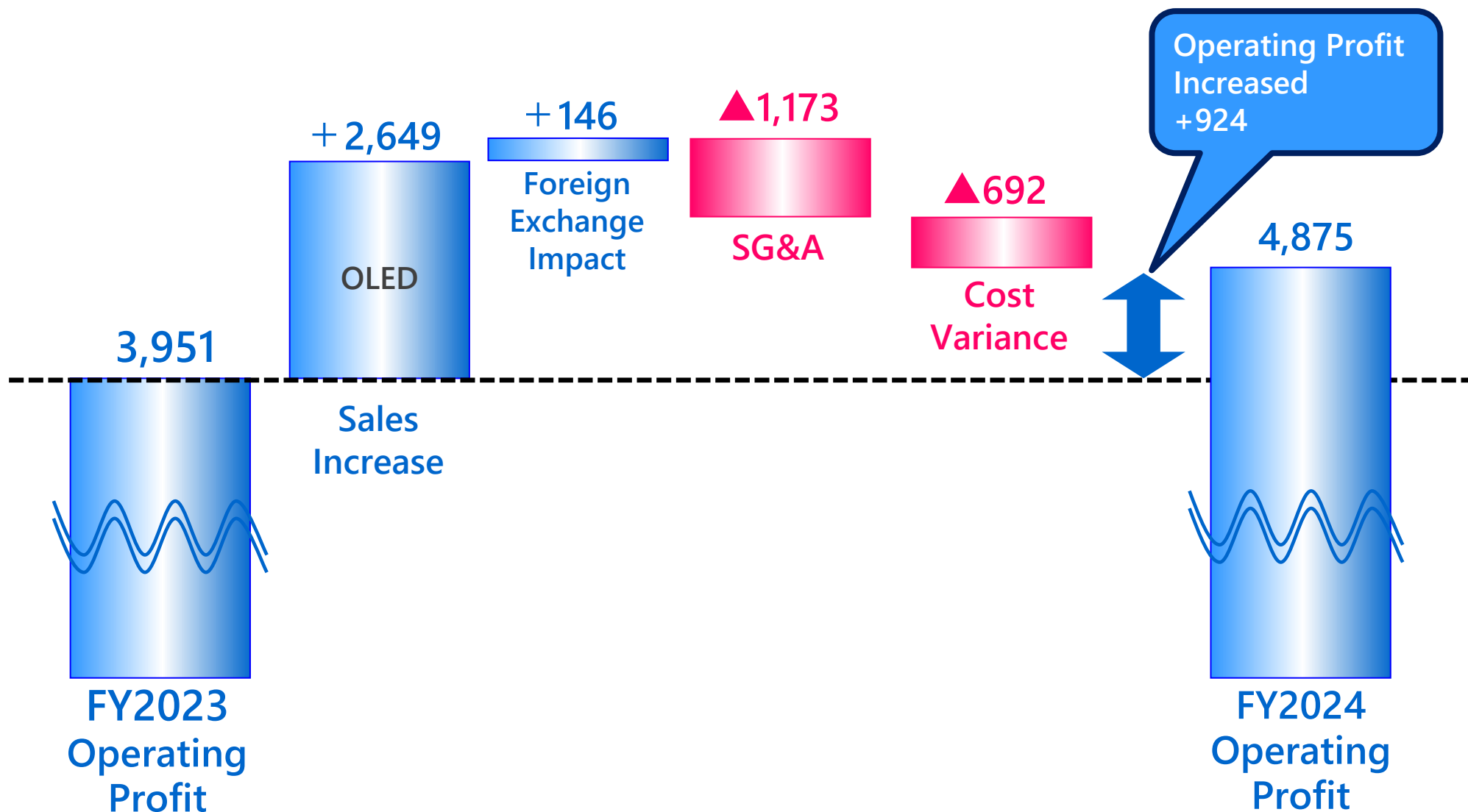
16,000



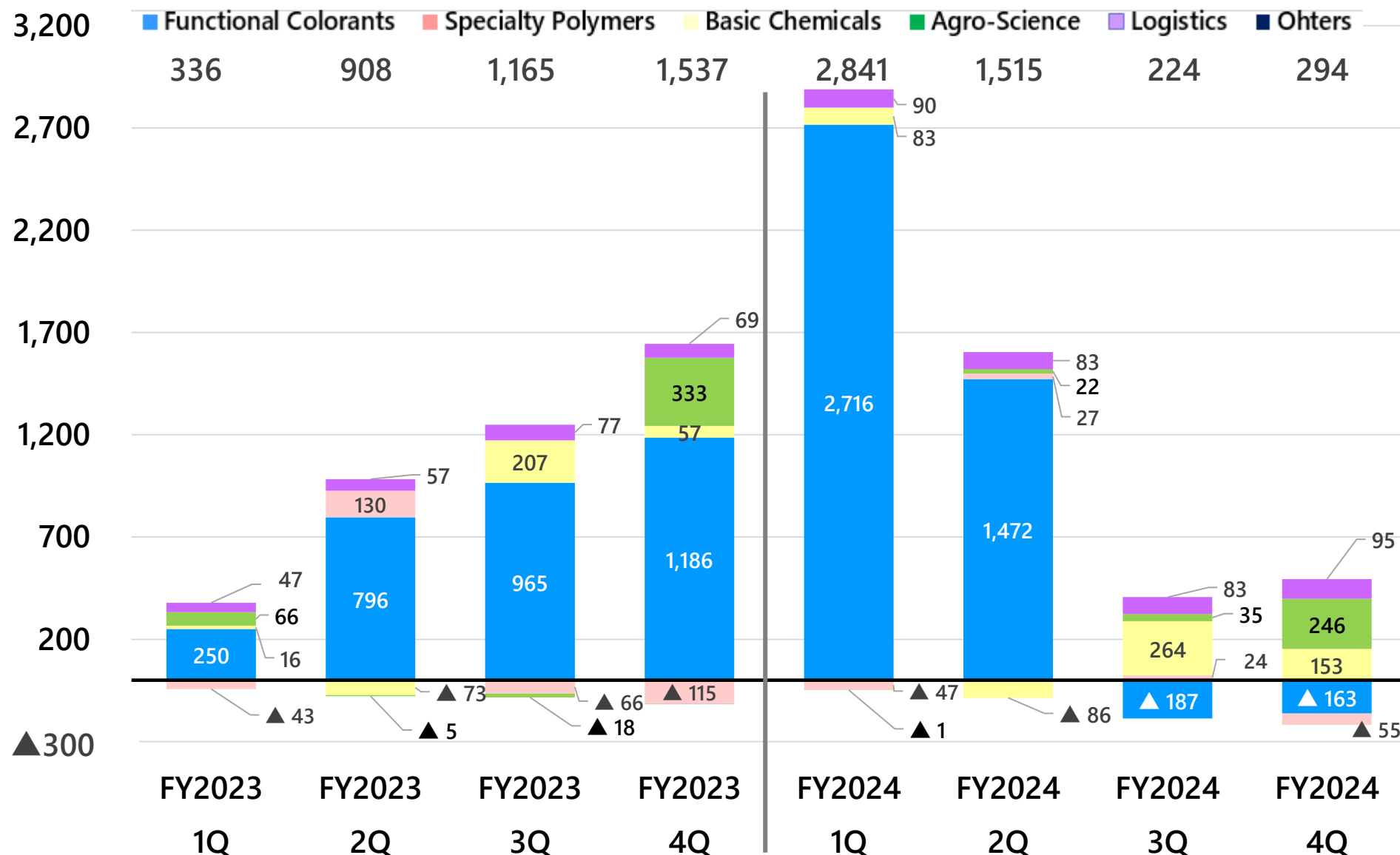
- The functional colorants segment achieved a **profit increase** of 640 million yen year-on-year, driven by a significant growth in demand for OLED materials (for smartphones, tablets, etc.) in the first half.
- The specialty polymers segment **remained in the red** due to continued weak market conditions for urethane materials, etc.
- The basic chemicals segment achieved a **profit increase** of 207 million yen year-on-year, driven by cost reductions and other factors.
- The agro-science segment **decreased in profit** of 73 million yen year-on-year due to changes in the product mix.
- The logistics segment achieved a **profit increase** of 100 million yen year-on-year, supported by steady export activities and other factors.

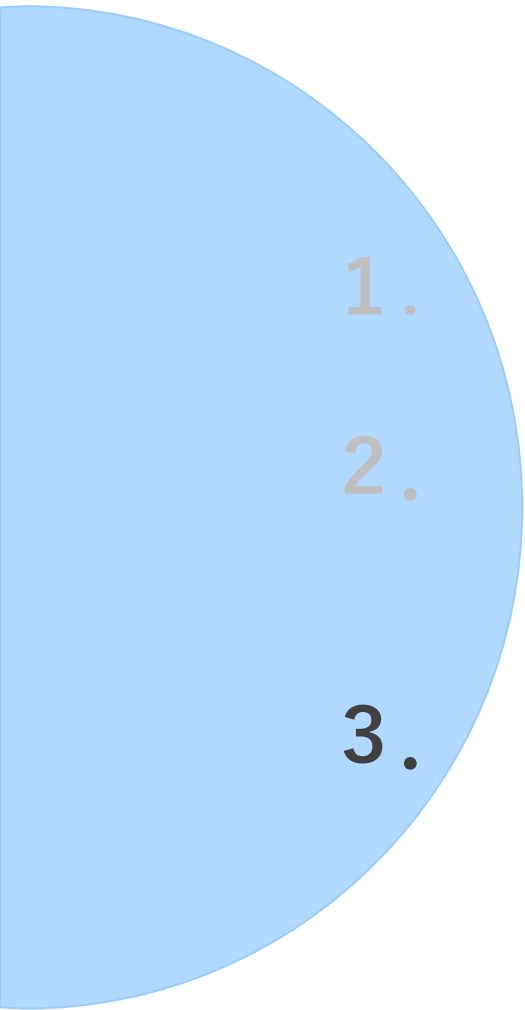
Segment (Million Yen)	FY2024 Results	FY2025 Forecast	Change
Functional Colorants	3,197	3,838	+ 640
Specialty Polymers	△94	△51	+ 43
Basic Chemicals	207	414	+ 207
Agro-Science	376	302	△73
Logistics	250	351	+ 100
Others	14	20	+ 5
Total	3,951	4,875	+ 924

(Million Yen)



(Million yen)



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Earnings Forecast for FY2025

As for the future outlook, economic growth is expected to slow down due to concerns about the deepening division of the global economy caused by the expansion of the trade protectionism in the United States. Despite these challenging circumstances, the group will accelerate the implementation of the medium-term management plan "SPEED25/30" and actively work toward enhancing corporate value over the medium to long term.

(Million Yen)	FY2024	FY2025	Change
Net Sales	48,578	50,000	+ 1,421 (+ 2.9%)
Operating Profit	4,875	5,000	+ 124 (+ 2.6%)
Operating Profit Margin	10.0%	10.0%	—
Ordinary Profit	4,770	5,000	+ 229 (+4.8%)
Profit attributable to owners of parent	3,178	3,000	△178 (△5.6%)
Earnings per share	200.04 Yen	188.79 Yen	

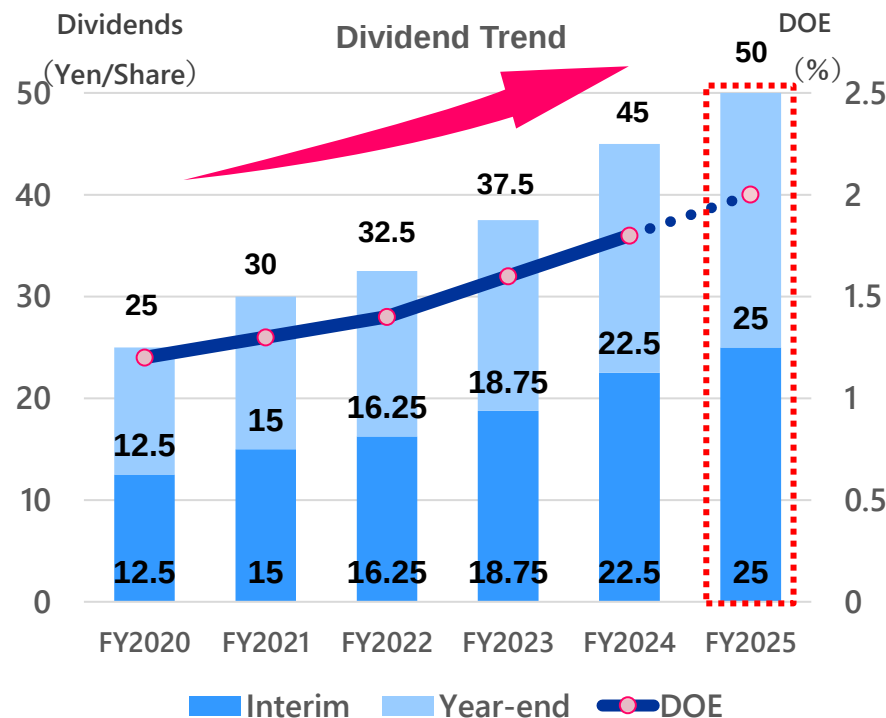
Dividend Forecast for FY2025

Regarding dividends, we view the improvement of the Dividend on Equity (DOE) ratio as a long-term challenge, and at the same time, we place importance on implementing stable, continuous, and appropriate shareholder returns. Therefore, for the fiscal year 2024, we have decided on a dividend of 45.0yen per share, representing an increase of 7.5 yen compared to the fiscal year 2023.

Although the outlook for the future business environment remains increasingly uncertain, we plan to continue to increase dividends as we initiated in fiscal year 2021. For the fiscal year 2025, we are projecting an annual dividend of 50.0 yen per share, an increase of 5.0 yen compared to the fiscal year 2024.

	FY2024 Dividend forecast	FY2024 Dividend Actual	FY2025 Dividend forecast
Interim	20.0	22.5	25.0
Year-end	20.0	22.5	25.0
Total	40.0	45.0	50.0

(Yen/Share)



※ Conducted a stock split at a ratio of 2 shares for every 1 share on April 1, 2025.
Dividends per share prior to April 1, 2025, are presented based on stock split adjustment.

《 Disclaimer 》

The performance and dividend forecasts in this document are based on information currently available and represent our judgment at this time. Therefore, actual results may differ significantly from the planned figures due to future domestic and international economic conditions or unforeseen factors.

In addition, if there are any discrepancies between the English version and the Japanese version of this document, the content of the Japanese version shall take precedence.

【Inquiries】

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HODOGAYA CHEMICAL CO., LTD.