

August 8, 2025

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Hodogaya Chemical Co.,Ltd.
 Listing: Prime Market of Tokyo Stock Exchange
 Securities code: 4112
 URL: <https://www.hodogaya.co.jp/>
 Representative: Yuto Matsumoto, President
 Inquiries: Hideaki Hashizume, Executive Officer & General Manager, Corporate Planning Department
 Telephone: +81-3-6852-0327
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	11,381	(21.4)	985	(65.3)	1,245	(61.3)	615	(64.0)
June 30, 2024	14,489	44.3	2,842	742.8	3,218	318.5	1,708	362.0

Note: Comprehensive income For the three months ended June 30, 2025: ¥2,217 million [(41.1)%]
 For the three months ended June 30, 2024: ¥3,766 million [85.7%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	38.71	-
June 30, 2024	107.56	-

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. Quarterly net income per share will be calculated in the stock split at the beginning of the previous fiscal year. It is calculated on the assumption that it has been done.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	80,713	59,901	61.3
March 31, 2025	79,858	58,530	60.9

Reference: Equity
 As of June 30, 2025: ¥49,509 million
 As of March 31, 2025: ¥48,601 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	45.00	-	45.00	90.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		25.00		25.00	50.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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. For the fiscal years ending March 31, 2025, the actual period before the stock split. The amount of dividends is listed. The fiscal year ending March 31, 2026 (Forecast) is described after the stock split.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	50,000	2.9	5,000	2.6	5,000	4.8	3,000	(5.6)	188.79

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	16,827,452 shares
As of March 31, 2025	16,827,452 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	933,998 shares
As of March 31, 2025	934,182 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	15,893,391 shares
Three months ended June 30, 2024	15,884,876 shares

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. period
The number of shares outstanding at the end of the fiscal year, the number of treasury shares at the end of the fiscal year, and the average number of shares during the period are calculated based on the assumption that the stock split occurred at the beginning of the previous fiscal year.

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

- * Proper use of earnings forecasts, and other special matters

The earnings forecasts described in this material are calculated based on information available at the time of publication.

It is not intended to be a promise for the Company to achieve this.

In addition, actual results may differ in the future due to various factors.

For matters related to earnings forecasts, please refer to page 3 of the Financial Results Summary (Appendix) titled "Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	10,774	9,714
Notes and accounts receivable - trade, and contract assets	11,724	11,508
Merchandise and finished goods	9,406	9,047
Work in process	950	1,190
Raw materials and supplies	2,681	2,916
Other	863	1,126
Allowance for doubtful accounts	(19)	(46)
Total current assets	36,381	35,458
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,692	10,844
Land	11,717	11,728
Other, net	7,101	8,191
Total property, plant and equipment	29,511	30,763
Intangible assets		
Goodwill	7	5
Software	169	937
Other	790	17
Total intangible assets	967	959
Investments and other assets		
Investment securities	10,223	10,476
Long-term loans receivable	145	159
Deferred tax assets	873	1,016
Other	1,774	1,882
Allowance for doubtful accounts	(18)	(2)
Total investments and other assets	12,998	13,531
Total non-current assets	43,477	45,254
Total assets	79,858	80,713

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	4,761	4,073
Short-term borrowings	5,411	5,285
Income taxes payable	540	508
Provisions	569	340
Contract liabilities	29	17
Other	2,568	3,182
Total current liabilities	13,880	13,408
Non-current liabilities		
Long-term borrowings	3,089	2,874
Provisions	282	307
Deferred tax liabilities	2,016	2,111
Deferred tax liabilities for land revaluation	1,264	1,264
Retirement benefit liability	92	95
Asset retirement obligations	155	156
Other	546	591
Total non-current liabilities	7,447	7,403
Total liabilities	21,328	20,811
Net assets		
Shareholders' equity		
Share capital	11,196	11,196
Capital surplus	7,933	7,872
Retained earnings	23,167	23,416
Treasury shares	(1,560)	(1,560)
Total shareholders' equity	40,737	40,925
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,932	4,099
Revaluation reserve for land	2,748	2,748
Foreign currency translation adjustment	1,182	1,736
Total accumulated other comprehensive income	7,863	8,584
Non-controlling interests	9,929	10,391
Total net assets	58,530	59,901
Total liabilities and net assets	79,858	80,713

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	14,489	11,381
Cost of sales	7,783	6,775
Gross profit	6,705	4,606
Selling, general and administrative expenses	3,863	3,620
Operating profit	2,842	985
Non-operating income		
Interest income	40	29
Dividend income	158	187
Rental income from non-current assets	13	15
Foreign exchange gains	209	67
Miscellaneous income	9	19
Total non-operating income	431	319
Non-operating expenses		
Interest expenses	19	23
Environmental maintenance expenses	34	32
Miscellaneous losses	1	3
Total non-operating expenses	55	58
Ordinary profit	3,218	1,245
Extraordinary income		
Gain on sale of non-current assets	0	23
Total extraordinary income	0	23
Extraordinary losses		
Loss on retirement of non-current assets	11	8
Impairment losses	52	-
Total extraordinary losses	64	8
Profit before income taxes	3,154	1,261
Income taxes	322	253
Profit	2,831	1,008
Profit attributable to non-controlling interests	1,123	393
Profit attributable to owners of parent	1,708	615

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	2,831	1,008
Other comprehensive income		
Valuation difference on available-for-sale securities	171	166
Foreign currency translation adjustment	762	1,042
Total other comprehensive income	934	1,209
Comprehensive income	3,766	2,217
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,316	1,335
Comprehensive income attributable to non-controlling interests	1,449	881

Quarterly consolidated statement of cash flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	3,154	1,261
Depreciation	613	821
Impairment losses	52	-
Amortization of goodwill	3	3
Increase (decrease) in provisions	(216)	(194)
Increase (decrease) in retirement benefit liability	(15)	3
Interest and dividend income	(199)	(217)
Interest expenses	19	23
Foreign exchange losses (gains)	(62)	(7)
Loss on retirement of property, plant and equipment	11	8
Loss (gain) on sale of property, plant and equipment	(0)	(23)
Decrease (increase) in trade receivables	442	295
Decrease (increase) in inventories	(270)	160
Increase (decrease) in trade payables	(296)	(719)
Increase/decrease in other assets/liabilities	(111)	(169)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(332)	(76)
Other, net	(113)	(190)
Subtotal	2,679	979
Interest and dividends received	180	238
Interest paid	(19)	(23)
Income taxes paid	(568)	(352)
Net cash provided by (used in) operating activities	2,272	840

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from investing activities		
Payments into time deposits	(2,750)	(176)
Proceeds from withdrawal of time deposits	458	1,245
Purchase of property, plant and equipment and intangible assets	(1,605)	(1,459)
Payments for retirement of property, plant and equipment	(6)	(3)
Proceeds from sale of property, plant and equipment and intangible assets	0	23
Purchase of investment securities	(0)	(0)
Loan advances	(34)	(23)
Proceeds from collection of loans receivable	16	12
Payments of guarantee deposits	(14)	(76)
Proceeds from refund of guarantee deposits	13	20
Purchase of long-term prepaid expenses	(4)	(5)
Other, net	-	18
Net cash provided by (used in) investing activities	(3,926)	(426)
Cash flows from financing activities		
Repayments of long-term borrowings	(196)	(340)
Dividends paid	(0)	(0)
Dividends paid to non-controlling interests	(60)	(12)
Purchase of treasury shares	(1)	(0)
Purchase of treasury shares of subsidiaries	-	(261)
Repayments of lease liabilities	(33)	(30)
Net cash provided by (used in) financing activities	(290)	(645)
Effect of exchange rate change on cash and cash equivalents	238	116
Net increase (decrease) in cash and cash equivalents	(1,706)	(114)
Cash and cash equivalents at beginning of period	10,664	7,602
Cash and cash equivalents at end of period	8,957	7,488