

Financial Results for FY2024

May 14, 2025

Financial Results for FY2024

01

Corporate Profile

02

FY2024 Results

03

Expansion of Shareholder Returns

04

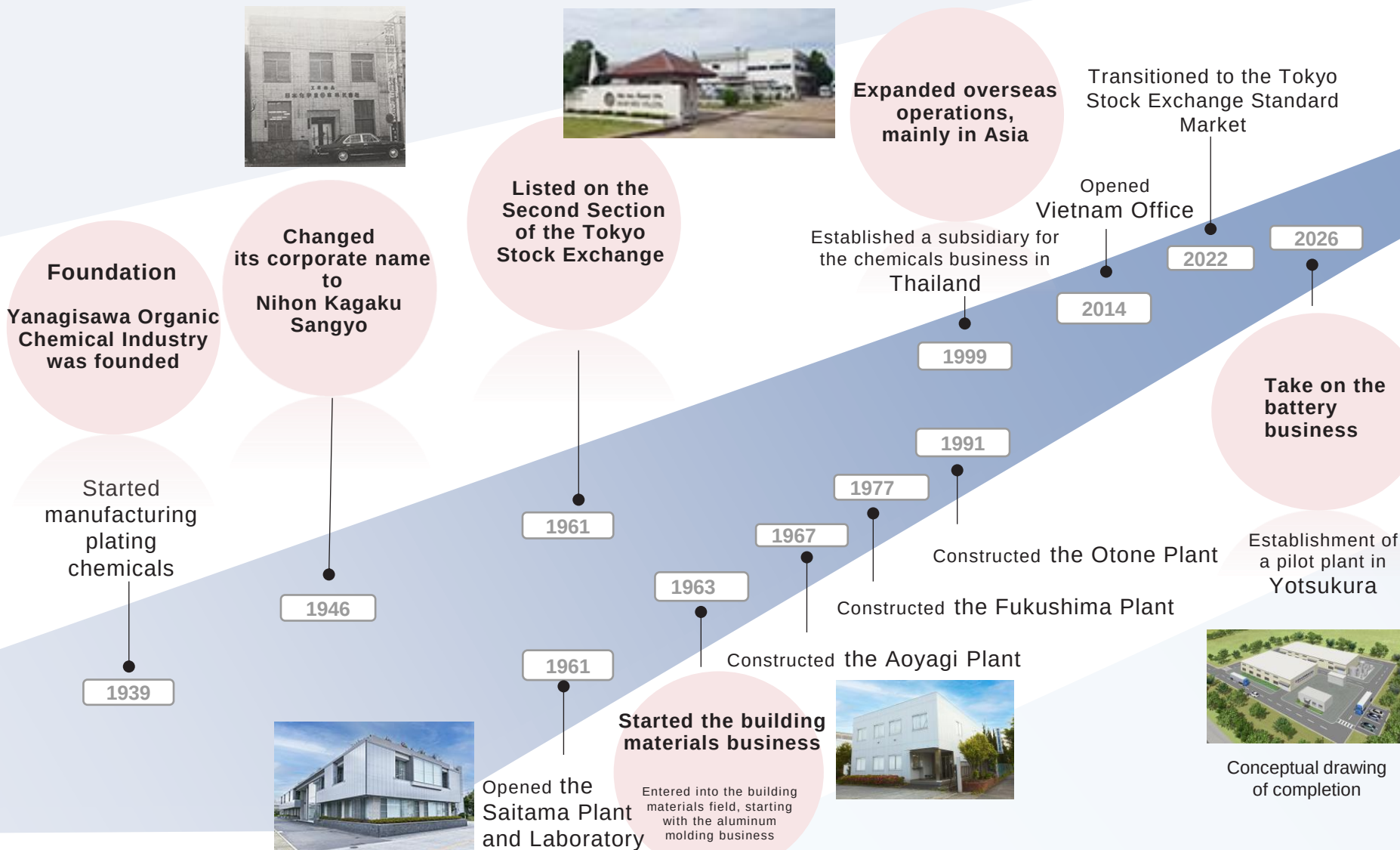
FY2025 Financial Forecast

Corporate Profile

Company Name	NIHON KAGAKU SANGYO CO.,LTD.
Head Office Location	8-1, Higashi Ueno 4-chome, Taito-ku, Tokyo, Japan
Foundation	August , 1939
Capital	1,034 million Yen
No. of Employees	450 (as of March 31, 2025 Consolidated)
Business	Manufacturing and Sales of Industrial Chemicals and Molded Products
Representative	KADOYA Hiroki, President
Listed Stock Exchange	Tokyo Stock Exchange, Standard (4094)
Financial Results / Unit Shares	End of March / 100 shares



History



Pursue the possibilities of metals and pioneer the future

Chemicals Business Division



Electronic materials



battery material



Utilization of Metal Resources

Building Materials Division



Fireproof ventilation molding



Exterior products

Sales Composition (FY2024 Results)

Chemicals Business Division : 85%

Building Materials Division

: 15%

Financial Results for FY2024

01

Corporate Profile

02

FY2024 Results

03

Expansion of Shareholder Returns

04

FY2025 Financial Forecast

Key Highlights

FY2024 Financial Results

- | | | | |
|--------------------|---------------|--------------------------|----------------|
| ● Net sales | ¥25.4 billion | Compared to the P.Y. | + ¥2.9 billion |
| | | Difference from the P.Y. | + 13.4% |
| ● Operating income | ¥2.8 billion | Compared to the P.Y. | +¥0.6 billion |
| | | Difference from the P.Y. | +31.4% |

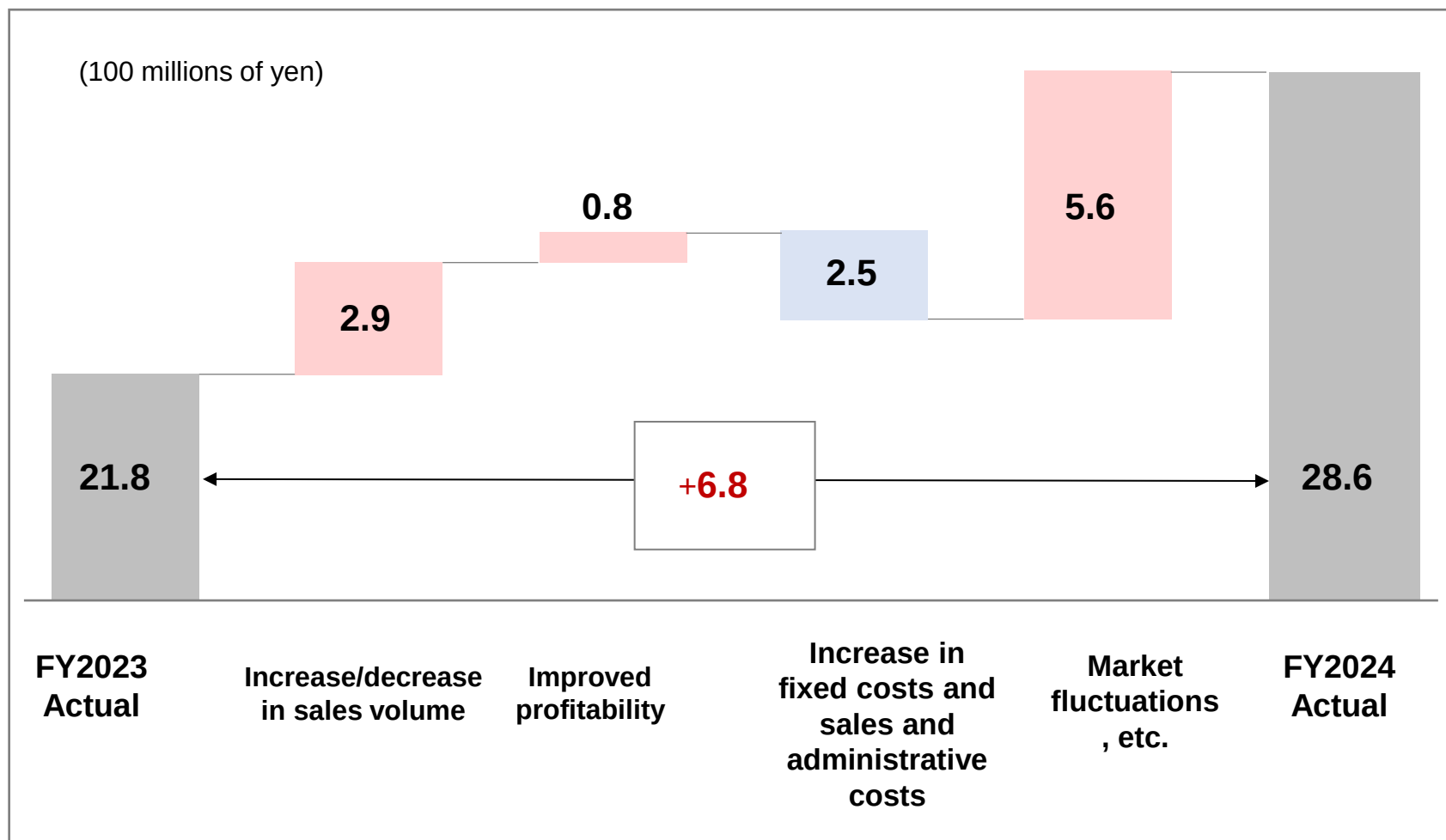
Shareholder Returns

- Expansion of Shareholder Returns
 - Dividend policy changed to target a DOE (Dividend on Equity) of 4%.
 - Fiscal Year 2024 dividend: ¥75 per share
(including a year-end dividend of ¥45 per share).
 - Introduction of a program for stockholders

Financial Results for FY2024

(Millions of yen)	FY2023 Actual	FY2024 Actual	Compared to the P.Y.	Difference from the P.Y.
● Net sales	22,444	25,441	13.4%	2,997
● Operating income	2,177	2,860	31.4%	683
● Operating income margin (%)	9.7%	11.2%	—	1.5%
● Ordinary income	2,560	3,212	25.5%	651
● Net profit	1,742	2,357	35.3%	614

Analysis of increase/decrease in operating income



Financial Results for FY2024 by Segments

(Millions of yen)

	Net sales				Operating income			
	FY2023 Actual	FY2024 Actual	Compared to the P.Y.	Difference from the P.Y.	FY2023 Actual	FY2024 Actual	Compared to the P.Y.	Difference from the P.Y.
Chemicals Business Division	18,536	21,715	17.2%	3,179	2,244	3,170	41.2%	925
			Major reasons for difference				Major reasons for difference	
			- Recovery in demand - Increase in non-ferrous metal prices - Robust sales at the Thai subsidiary				- Increase in net sales - Increase in unit sales price	
Building Materials Division	3,907	3,725	△4.7%	△182	757	599	△20.8%	△157
			Major reasons for difference				Major reasons for difference	
			- Decrease in sales volume				- Decrease in net sales - Increase in fixed costs	

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01

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02

FY2024 Results

03

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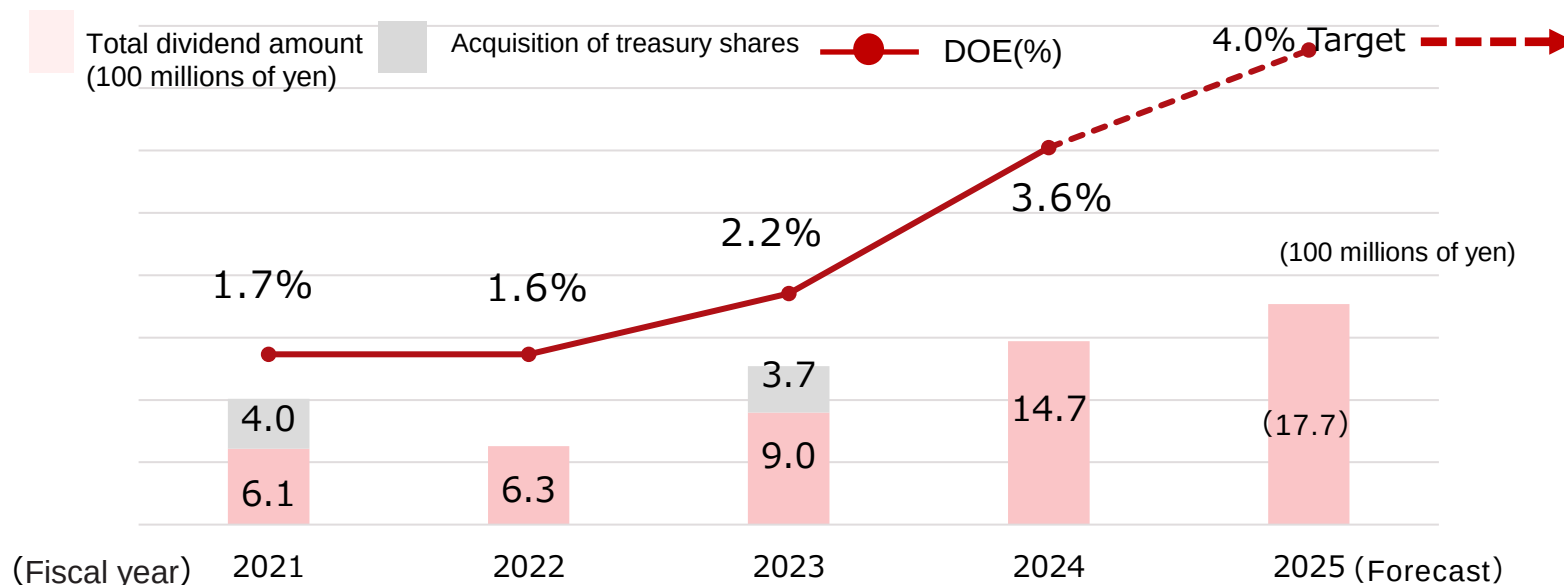
04

FY2025 Financial Forecast

Expansion of Shareholder Returns

Dividend Policy

We will increase to pay dividends with a target **DOE 4%**, premised on maintaining a stable financial and earnings structure.



Dividend per share	31yen	32yen	46yen	75yen	90yen
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Expansion of Shareholder Returns

Introduction of a program for stockholders

This program has been introduced to enhance the appeal of investing in our company's stock and to encourage more individuals to hold our shares for the long term.

Overview	Eligible Shareholders Shareholders recorded on our shareholder register as of the end of September and the end of March of every year who own at least 300 shares (3 trading units) or more of our company stock.								
	Shareholder Benefits: <table><tr><td>Holding Period</td><td>Benefit</td></tr><tr><td>3 years or more</td><td>QUO Card worth 15,000 yen</td></tr><tr><td>1 year or more and less than 3 years</td><td>QUO Card worth 10,000 yen</td></tr><tr><td>Less than 1 year</td><td>QUO Card worth 5,000 yen</td></tr></table>	Holding Period	Benefit	3 years or more	QUO Card worth 15,000 yen	1 year or more and less than 3 years	QUO Card worth 10,000 yen	Less than 1 year	QUO Card worth 5,000 yen
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3 years or more	QUO Card worth 15,000 yen								
1 year or more and less than 3 years	QUO Card worth 10,000 yen								
Less than 1 year	QUO Card worth 5,000 yen								
Start of Shareholder Benefit Program: This program will be implemented from the end of September, 2025.									

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01

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02

FY2024 Results

03

Expansion of Shareholder Returns

04

FY2025 Financial Forecast

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Due to the current uncertainty in the global economy caused by the U.S. tariff policy and other factors, we currently forecast as follows:

Net Sales: 24.6billion yen (Compared to the P.Y. $\triangle$ 3.1%)

Operating Income: 2.1billion yen (Compared to the P.Y. $\triangle$ 25.5%)

Even under this business environment, we will continue to leverage our strengths in both Chemicals and Building Materials Divisions and promote proactive initiatives to achieve "How We Want to Be in FY2030," as outlined in our Mid-term Management Plan (announced in October 2023). Additionally, we intend to adhere, in principle, to our shareholder return policy.

None of the information in this presentation should be construed as an enticement to purchase or sell our shares. This presentation merely reflects the views held by us as at the time of its preparation; we do not guarantee the accuracy of any information contained in this presentation, and we reserve the right to alter any such information without notice in the future. Please kindly note that neither we, nor any third party who provided any of the information contained in this presentation, will in any way be liable for any loss whatsoever you may suffer by acting on any information contained in this presentation.