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September 5, 2025

Consolidated Financial Results for the Nine Months Ended July 31, 2025 (Under Japanese GAAP)



Company name: KUMIAI CHEMICAL INDUSTRY CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4996
 URL: <https://www.kumiai-chem.co.jp>
 Representative: Masaru Yokoyama, President and Representative Director
 Inquiries: Koji Yamada, General Manager of General Affairs Department
 Telephone: +81-3-3822-5036
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended July 31, 2025 (from November 1, 2024 to July 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2025	134,485	4.1	10,411	(15.3)	11,567	(31.7)	9,048	(29.5)
July 31, 2024	129,200	(0.9)	12,298	(12.8)	16,948	(9.5)	12,827	(11.4)

Note: Comprehensive income For the nine months ended July 31, 2025: ¥7,175 million [(58.1)%]
 For the nine months ended July 31, 2024: ¥17,142 million [(8.1)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
July 31, 2025	75.15	—
July 31, 2024	106.58	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
July 31, 2025	267,307	155,965	55.7
October 31, 2024	275,474	152,941	53.0

Reference: Equity
 As of July 31, 2025: ¥148,816 million
 As of October 31, 2024: ¥145,917 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 October 31, 2024	—	10.00	—	24.00	34.00
Fiscal year ending October 31, 2025	—	10.00	—		
Fiscal year ending October 31, 2025 (Forecast)				24.00	34.00

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

3. Consolidated financial result forecasts for the fiscal year ending October 31, 2025 (from November 1, 2024 to October 31, 2025)

(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
Full year	159,300	(1.1)	10,400	(8.4)	14,500	(20.8)	10,900	(19.8)	90.55

Note: Revisions to the financial result forecast 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 July 31, 2025	133,184,612 shares
As of October 31, 2024	133,184,612 shares

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

As of July 31, 2025	12,760,856 shares
As of October 31, 2024	12,810,323 shares

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

Nine months ended July 31, 2025	120,401,663 shares
Nine months ended July 31, 2024	120,353,125 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

- * Proper use of earnings forecasts and other special matters

(Note on forward-looking statements, etc.)

Earnings forecasts contained in this document are based on information available to management as of the date of publication and provisional assumptions made as of such date regarding uncertain factors that may impact future earnings. Readers are advised that actual results may differ materially from the forecasts due to a variety of factors. For the conditions that form the basis for the results forecasts and precautionary information on the use of results forecasts, please see (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information under 1. Qualitative Information on Quarterly Financial Results on page 2 of the attached materials.

(How to obtain the financial results supplementary materials)

The supplementary materials for the financial results will be posted on Kumiai's official website on Friday, September 5, 2025.

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the nine months ended July 31, 2025, although personal consumption remained weak due to factors such as soaring prices, the Japanese economy continued to recover moderately, with continued improvements in the employment and income environment, as well as signs of recovery in capital investment.

On the other hand, the outlook is expected to remain uncertain due to the tariff policies of the U.S., the possibility of the resulting slowdown in the U.S. and the global economy, and other developments.

Against this backdrop, the Kumiai Group formulated the Medium-Term Business Plan, “Create the Future—Expanding our Possibilities,” which started in the fiscal year ended October 31, 2024, and is making every effort to implement priority measures designed to increase corporate value.

In the period under review, net sales increased by ¥5,285 million (4.1%) year on year, to ¥134,485 million, as sales in all segments came in higher than in the previous year. Operating profit was ¥10,411 million, down ¥1,887 million (15.3%) year on year due to its large decrease in the Agricultural Chemicals and Agriculture-Related Business, despite its increase in the Fine Chemicals Business. Due to a decrease in share of profit of entities accounted for using equity method as well as the posting of foreign exchange losses, ordinary profit was ¥11,567 million, down ¥5,380 million (31.7%) year on year. Profit attributable to owners of parent amounted to ¥9,048 million, down ¥3,779 million (29.5%) year on year. The percentage of overseas net sales was 57.1%.

Business results by segment were as follows.

(Millions of yen, except percentages)

Segment	Nine months ended July 31, 2024			Nine months ended July 31, 2025			YoY	
	Net sales	Composition ratio	Operating profit	Net sales	Composition ratio	Operating profit	Net sales [% change]	Operating profit [% change]
Agricultural Chemicals and Agriculture-Related Business	¥104,892	81.2%	¥12,308	¥108,141	80.4%	¥9,976	¥3,249 [3.1]	¥(2,332) [(18.9)]
Fine Chemicals Business	18,407	14.2	777	18,844	14.0	1,430	437 [2.4]	652 [83.9]
Other Business	5,901	4.6	746	7,500	5.6	570	1,600 [27.1]	(177) [(23.7)]
Total	129,200	100.0	12,298	134,485	100.0	10,411	5,285 [4.1]	(1,887) [(15.3)]

- Notes:
1. Consolidated segment operating profit for the nine months ended July 31, 2024 includes ¥ 1,534 million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).
 2. Consolidated segment operating profit for the nine months ended July 31, 2025 includes ¥ 1,564 million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).

1) Agricultural Chemicals and Agriculture-Related Business segment

In the Japanese market, sales of products for nursery boxes of rice including fungicides DISARTA and herbicide for paddy rice including herbicide EFFEDA remained strong, and total sales in this segment exceeded those in the same period of the previous fiscal year.

In markets outside Japan, while sales of herbicide AXEEV to Argentina and Brazil declined, sales to the U.S. increased as a result of changes in shipment schedules due to concerns for Trump's tariffs, as well as enhanced support for sales promotion. Sales to Australia increased thanks to legal actions against patent infringing products.

As a result of the factors above, net sales in the Agricultural Chemicals and Agriculture-Related Business segment came to ¥108,141 million, up by ¥3,249 million (3.1%) compared with the same period of the previous fiscal year. Operating profit decreased by ¥2,332 million (18.9%) year on year to ¥9,976 million due to price adjustments of AXEEV as a countermeasure against its generic products, including the ones that had been launched.

2) Fine Chemicals Business segment

Sales volume of bismaleimides increased due to strong demand in the field of electronic materials for generative AI servers, and sales volume of amines were strong.

As a result of the above, net sales in the Fine Chemicals Business segment came to ¥18,844 million, up by ¥437 million (2.4%) compared with the same period of the previous fiscal year. Operating profit increased by ¥652 million (83.9%) year on year to ¥1,430 million.

3) Other Business segment

Driven mainly by steady orders for new construction in the construction business, net sales in the Other Business segment amounted to ¥7,500 million, up ¥1,600 million (27.1%) compared with the same period of the previous fiscal year. Operating profit decreased by ¥177 million (23.7%) year on year to ¥570 million.

(2) Explanation of Financial Position

Total assets on a consolidated basis as of July 31, 2025 stood at ¥267,307 million, down by ¥8,166 million from the end of the previous fiscal year. The main factor was a decrease in merchandise and finished goods, which exceeded increases in machinery, equipment and vehicles; notes and accounts receivable - trade, and contract assets; and cash and deposits.

Liabilities decreased by ¥11,190 million compared with the end of the previous fiscal year to ¥111,342 million. The main factors were decreases in accounts payable - other and short-term borrowings.

Total net assets amounted to ¥155,965 million, an increase of ¥3,024 million compared with the end of the previous fiscal year. The increase in total net assets was mainly due to an increase in retained earnings.

The equity ratio stood at 55.7%, and net assets per share were ¥1,235.77.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The full-year results forecast for the fiscal year ending October 31, 2025 has not been changed from the forecast announced on December 13, 2024 with the financial results for the fiscal year ended October 31, 2024.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2024	As of July 31, 2025
Assets		
Current assets		
Cash and deposits	27,404	29,086
Notes and accounts receivable - trade, and contract assets	45,730	47,585
Merchandise and finished goods	75,076	62,733
Work in process	15,451	16,781
Raw materials and supplies	9,648	9,754
Other	5,276	3,172
Allowance for doubtful accounts	(232)	(14)
Total current assets	178,355	169,096
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,005	23,893
Machinery, equipment and vehicles, net	10,744	13,372
Land	12,416	12,533
Construction in progress	3,571	1,628
Other, net	2,470	2,389
Total property, plant and equipment	52,205	53,815
Intangible assets		
Goodwill	2,095	1,598
Other	1,146	971
Total intangible assets	3,241	2,569
Investments and other assets		
Investment securities	38,691	38,690
Long-term loans receivable	512	573
Deferred tax assets	1,164	1,179
Retirement benefit asset	61	58
Other	1,593	1,710
Allowance for doubtful accounts	(348)	(383)
Total investments and other assets	41,673	41,828
Total non-current assets	97,119	98,211
Total assets	275,474	267,307

(Millions of yen)

	As of October 31, 2024	As of July 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,610	28,464
Short-term borrowings	55,010	50,287
Accounts payable - other	10,243	4,330
Income taxes payable	886	1,885
Provision for bonuses	1,798	795
Provision for environmental measures	113	40
Other	2,360	1,892
Total current liabilities	96,021	87,693
Non-current liabilities		
Long-term borrowings	19,252	16,873
Deferred tax liabilities	1,685	1,359
Provision for retirement benefits for directors (and other officers)	442	441
Retirement benefit liability	4,107	4,089
Asset retirement obligations	44	44
Other	982	843
Total non-current liabilities	26,511	23,649
Total liabilities	122,532	111,342
Net assets		
Shareholders' equity		
Share capital	4,534	4,534
Capital surplus	37,491	37,502
Retained earnings	110,107	115,061
Treasury shares	(9,221)	(9,184)
Total shareholders' equity	142,912	147,914
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,629	2,165
Foreign currency translation adjustment	1,317	(1,319)
Remeasurements of defined benefit plans	60	56
Total accumulated other comprehensive income	3,006	902
Non-controlling interests	7,024	7,149
Total net assets	152,941	155,965
Total liabilities and net assets	275,474	267,307

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine months ended July 31

(Millions of yen)

	For the nine months ended July 31, 2024	For the nine months ended July 31, 2025
Net sales	129,200	134,485
Cost of sales	99,447	106,668
Gross profit	29,753	27,818
Selling, general and administrative expenses	17,455	17,406
Operating profit	12,298	10,411
Non-operating income		
Interest income	112	90
Dividend income	193	219
Reversal of allowance for doubtful accounts	10	215
Share of profit of entities accounted for using equity method	4,101	2,509
Foreign exchange gains	305	–
Other	294	235
Total non-operating income	5,013	3,267
Non-operating expenses		
Interest expenses	282	487
Provision of allowance for doubtful accounts	–	34
Foreign exchange losses	–	1,555
Other	81	34
Total non-operating expenses	363	2,111
Ordinary profit	16,948	11,567
Extraordinary income		
Gain on disposal of non-current assets	9	6
Gain on sale of investment securities	–	55
Subsidy income	366	1
Insurance claim income	11	241
Total extraordinary income	386	302
Extraordinary losses		
Loss on disposal of non-current assets	185	102
Loss on tax purpose reduction entry of non-current assets	3	–
Impairment losses	–	68
Loss on sale of investment securities	–	0
Environmental expenses	215	53
Total extraordinary losses	403	224
Profit before income taxes	16,931	11,645
Income taxes	3,718	2,330
Profit	13,214	9,315
Profit attributable to non-controlling interests	387	267
Profit attributable to owners of parent	12,827	9,048

Quarterly Consolidated Statements of Comprehensive Income

Nine months ended July 31

(Millions of yen)

	For the nine months ended July 31, 2024	For the nine months ended July 31, 2025
Profit	13,214	9,315
Other comprehensive income		
Valuation difference on available-for-sale securities	116	545
Foreign currency translation adjustment	(8)	(197)
Remeasurements of defined benefit plans, net of tax	25	(4)
Share of other comprehensive income of entities accounted for using equity method	3,796	(2,483)
Total other comprehensive income	3,929	(2,140)
Comprehensive income	17,142	7,175
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,692	6,945
Comprehensive income attributable to non-controlling interests	450	230

(3) Notes to Quarterly Consolidated Financial Statements

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Total income taxes)

Total income taxes were calculated by rationally estimating the effective tax rate after application of tax effect accounting on the profit before income taxes of the consolidated fiscal year, including the consolidated third quarter under review, and multiplying the pretax quarterly profit by this estimated effective tax rate.

Income taxes - deferred are included within income taxes.

(Notes on segment information, etc.)

For the nine months ended July 31, 2024 (from November 1, 2023 to July 31, 2024)

1. Information on net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture- Related Business	Fine Chemicals Business	Total				
Net sales							
Net sales to outside customers	104,892	18,407	123,300	5,901	129,200	—	129,200
Inter-segment net sales or transfers	2	42	44	3,165	3,209	(3,209)	—
Total	104,894	18,450	123,344	9,065	132,409	(3,209)	129,200
Segment income	12,308	777	13,086	746	13,832	(1,534)	12,298

- (Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, information services business, and staffing business.
2. The segment income adjustment of ¥(1,534) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.
3. Segment income was reconciled to operating profit in the quarterly consolidated statements of income.

For the nine months ended July 31, 2025 (from November 1, 2024 to July 31, 2025)

1. Information on net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture- Related Business	Fine Chemicals Business	Total				
Net sales							
Net sales to outside customers	108,141	18,844	126,985	7,500	134,485	—	134,485
Inter-segment net sales or transfers	2	37	39	2,846	2,885	(2,885)	—
Total	108,143	18,882	127,025	10,346	137,371	(2,885)	134,485
Segment income	9,976	1,430	11,406	570	11,975	(1,564)	10,411

- (Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, and staffing business.
2. The segment income adjustment of ¥(1,564) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.
3. Segment income was reconciled to operating profit in the quarterly consolidated statements of income.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes on quarterly consolidated statements of cash flows)

No quarterly consolidated statements of cash flows have been prepared for the nine months ended July 31, 2025. Depreciation and amortization (including amortization of intangible assets except goodwill) and amortization of goodwill for the nine months ended July 31 are as shown below.

	(Millions of yen)	
	For the nine months ended July 31, 2024	For the nine months ended July 31, 2025
Depreciation and amortization	3,816	3,916
Amortization of goodwill	497	497