

Translation

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

August 8, 2025

Company name: FUSO CHEMICAL CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 4368 URL <https://fusokk.co.jp/eng/>
 Representative: Representative Director & President Shinichi Sugita
 Board Director, Division Manager of
 Inquiries: Administration Division Hiroyuki Ito TEL 03-3639-6311
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

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	18,658	7.0	4,694	20.0	4,532	5.6	3,105	7.6
Three months ended June 30, 2024	17,431	27.8	3,910	22.4	4,290	15.1	2,884	17.5

Note: Comprehensive income Three months ended June 30, 2025 ¥2,731 million [(27.7)%]
 Three months ended June 30, 2024 ¥3,775 million [15.6%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	88.07	–
Three months ended June 30, 2024	81.83	–

Reference: Operating profit before depreciation and amortization (Consolidated operating profit + depreciation and amortization)

Three months ended June 30, 2025 ¥6,897 million
 Three months ended June 30, 2024 ¥5,729 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	137,154	105,448	76.9	2,990.84
As of March 31, 2025	141,502	104,048	73.5	2,951.16

Reference: Equity As of June 30, 2025 ¥105,448 million
 As of March 31, 2025 ¥104,048 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	–	35.00	–	38.00	73.00
Year ending March 31, 2026	–				
Year ending March 31, 2026 (Forecast)		38.00	–	38.00	76.00

Note: Revisions to the cash dividend forecast most recently announced: No

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	36,300	4.4	7,900	(3.0)	7,650	(3.8)	5,250	(6.4)	148.90
Full year	72,700	4.6	14,000	(13.7)	13,800	(16.7)	9,400	(19.1)	266.61

Note: Revisions to the financial results forecasts most recently announced: No

Reference: Operating profit before depreciation and amortization (Consolidated operating profit + depreciation and amortization)

First half (cumulative) ¥12,700 million [7.2%] Full year ¥25,500 million [3.9%]

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2025: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

Note: Simple accounting procedures and accounting procedures specific for the preparation of quarterly consolidated financial statements.

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2025	35,511,000 shares	As of March 31, 2025	35,511,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	254,089 shares	As of March 31, 2025	254,089 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	35,256,911 shares	Three months ended June 30, 2024	35,249,649 shares
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* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: Yes (voluntary)

* Explanation of proper use of financial results forecast, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including the financial results forecast shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may also differ materially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	31,295,730	27,868,347
Notes and accounts receivable - trade	16,046,056	16,956,080
Merchandise and finished goods	14,058,439	13,722,934
Work in process	675,979	933,880
Raw materials and supplies	3,419,342	3,265,862
Other	1,571,738	1,497,867
Allowance for doubtful accounts	(14,851)	(14,541)
Total current assets	67,052,435	64,230,431
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,435,011	19,050,480
Machinery, equipment and vehicles, net	18,491,734	17,515,966
Land	8,433,034	8,428,581
Construction in progress	19,567,556	19,668,808
Other, net	1,055,247	983,939
Total property, plant and equipment	66,982,585	65,647,777
Intangible assets	4,006,424	3,854,478
Investments and other assets		
Investment securities	714,487	731,020
Long-term prepaid expenses	540,921	499,933
Deferred tax assets	1,720,436	1,697,957
Retirement benefit asset	247,313	239,675
Other	237,467	252,975
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	3,460,627	3,421,561
Total non-current assets	74,449,636	72,923,818
Total assets	141,502,071	137,154,249

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,073,443	2,970,796
Current portion of long-term borrowings	3,100,000	4,000,000
Accounts payable - other	2,625,862	2,674,513
Accounts payable - facilities	6,207,343	1,047,383
Income taxes payable	1,847,953	1,460,372
Provision for bonuses	620,290	380,503
Provision for bonuses for directors (and other officers)	52,350	34,643
Provision for repairs	451,633	356,378
Other	510,725	829,504
Total current liabilities	18,489,603	13,754,094
Non-current liabilities		
Long-term borrowings	16,900,000	15,900,000
Deferred tax liabilities	303,532	293,047
Retirement benefit liability	1,463,632	1,470,864
Asset retirement obligations	17,924	17,924
Long-term accounts payable - facilities	137,864	134,171
Other	140,535	136,024
Total non-current liabilities	18,963,490	17,952,033
Total liabilities	37,453,093	31,706,128
Net assets		
Shareholders' equity		
Share capital	4,334,047	4,334,047
Capital surplus	4,820,722	4,828,238
Retained earnings	91,405,565	93,170,980
Treasury shares	(1,057,033)	(1,057,033)
Total shareholders' equity	99,503,301	101,276,232
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	191,889	206,039
Deferred gains or losses on hedges	8,682	1,568
Foreign currency translation adjustment	4,345,103	3,964,280
Total accumulated other comprehensive income	4,545,676	4,171,888
Total net assets	104,048,977	105,448,121
Total liabilities and net assets	141,502,071	137,154,249

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	17,431,688	18,658,089
Cost of sales	11,188,897	11,444,179
Gross profit	6,242,790	7,213,909
Selling, general and administrative expenses	2,332,019	2,519,839
Operating profit	3,910,771	4,694,069
Non-operating income		
Interest income	73,438	103,869
Dividend income	6,161	7,987
Foreign exchange gains	339,629	—
Other	9,867	10,983
Total non-operating income	429,097	122,840
Non-operating expenses		
Interest expenses	32,789	32,789
Depreciation	267	—
Loss on investments in investment partnerships	16,116	6,718
Foreign exchange losses	—	244,701
Other	16	19
Total non-operating expenses	49,190	284,229
Ordinary profit	4,290,678	4,532,680
Extraordinary income		
Gain on sale of non-current assets	1	578
Subsidy income	20,257	5,588
Total extraordinary income	20,258	6,166
Extraordinary losses		
Loss on sale of non-current assets	—	195
Loss on retirement of non-current assets	12,232	3,871
Total extraordinary losses	12,232	4,066
Profit before income taxes	4,298,705	4,534,780
Income taxes - current	1,310,027	1,410,836
Income taxes - deferred	104,115	18,766
Total income taxes	1,414,142	1,429,602
Profit	2,884,562	3,105,177
Profit attributable to owners of parent	2,884,562	3,105,177

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	2,884,562	3,105,177
Other comprehensive income		
Valuation difference on available-for-sale securities	(25,444)	14,149
Deferred gains or losses on hedges	5,688	(7,113)
Foreign currency translation adjustment	910,822	(380,823)
Total other comprehensive income	891,065	(373,787)
Comprehensive income	3,775,628	2,731,390
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,775,628	2,731,390
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	4,298,705	4,534,780
Depreciation	1,818,803	2,203,421
Increase (decrease) in allowance for doubtful accounts	2,144	111
Increase (decrease) in provision for bonuses	(217,964)	(239,341)
Increase (decrease) in provision for bonuses for directors (and other officers)	(5,870)	(17,707)
Increase (decrease) in retirement benefit liability	10,597	14,843
Increase (decrease) in provision for repairs	(114,505)	(95,255)
Interest and dividend income	(79,600)	(111,856)
Interest expenses	32,789	32,789
Foreign exchange losses (gains)	(270,745)	140,244
Loss (gain) on investments in investment partnerships	16,116	6,718
Loss (gain) on sale of non-current assets	(1)	(382)
Loss on retirement of non-current assets	12,232	3,871
Subsidy income	(20,257)	(5,588)
Decrease (increase) in trade receivables	(429,525)	(977,932)
Decrease (increase) in inventories	1,773,825	113,740
Increase (decrease) in trade payables	790,575	(90,609)
Increase (decrease) in accounts payable - other	557,695	118,735
Other, net	(204,677)	261,948
Subtotal	7,970,339	5,892,534
Interest and dividends received	80,502	116,354
Interest paid	(32,462)	(32,307)
Subsidies received	20,257	5,588
Income taxes paid	(1,207,061)	(1,721,252)
Net cash provided by (used in) operating activities	6,831,574	4,260,917
Cash flows from investing activities		
Payments into time deposits	(1,444,526)	(1,308,297)
Proceeds from withdrawal of time deposits	1,405,327	1,129,282
Purchase of property, plant and equipment	(4,830,811)	(5,816,820)
Proceeds from sale of property, plant and equipment	1	1,044
Purchase of intangible assets	(8,228)	(126,684)
Purchase of investment securities	(2,538)	(2,604)
Proceeds from collection of long-term loans receivable	0	0
Other, net	(385,052)	(23,620)
Net cash provided by (used in) investing activities	(5,265,828)	(6,147,700)
Cash flows from financing activities		
Repayments of long-term borrowings	—	(100,000)
Purchase of treasury shares	(145)	—
Dividends paid	(1,152,392)	(1,327,951)
Repayments of lease liabilities	(2,723)	(4,779)
Net cash provided by (used in) financing activities	(1,155,260)	(1,432,730)
Effect of exchange rate change on cash and cash equivalents	497,964	(256,111)
Net increase (decrease) in cash and cash equivalents	908,450	(3,575,625)
Cash and cash equivalents at beginning of period	29,483,756	29,237,390
Cash and cash equivalents at end of period	30,392,206	25,661,764