

First Quarter of Fiscal Year Ending September 30, 2025 Results Presentation

Sanyo Trading Co., Ltd. (Stock exchange code: 3176)

February 7, 2025

Consolidated Results in First Quarter of Fiscal Year Ending September 30, 2025

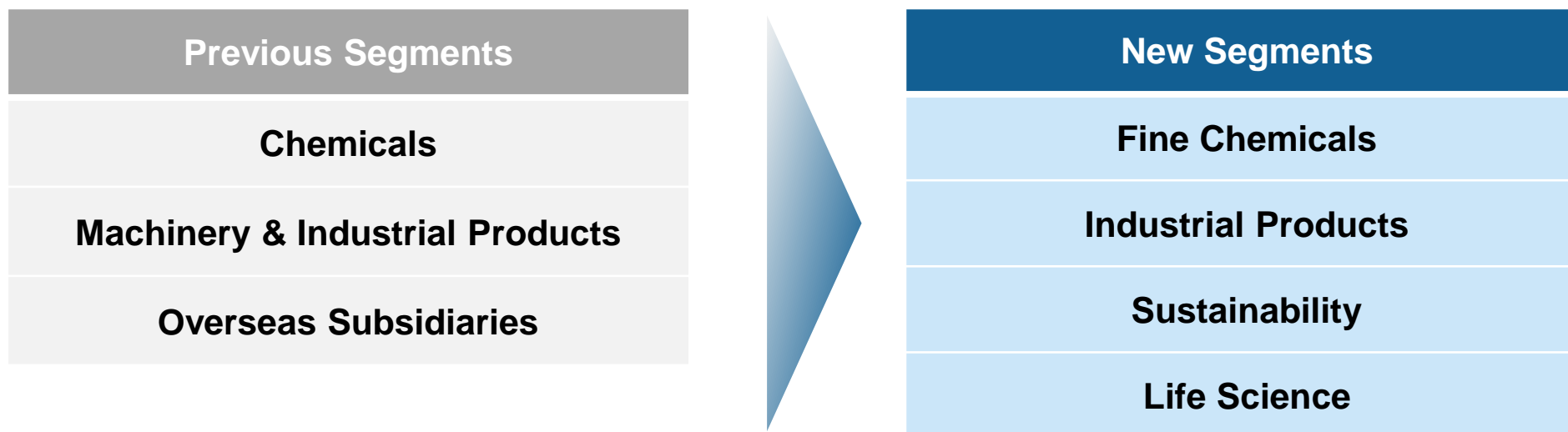
- Net sales were strong. Operating profit decreased year on year, partly due to expenses for the new mission-critical business system.
- Progress toward the full-year plan: 25.7% for net sales and 27.2% for operating profit, reflecting steady performances.

(Million yen)	FYE September 2024	FYE September 2025			
	1Q	1Q		Full fiscal year	
	Result	Result	Year on year	Full fiscal year plan (announced on Nov. 7, 2024)	Rate of progress
Net sales	33,075	33,983	+2.7%	132,000	25.7%
Gross profit (Gross profit ratio)	5,878 (17.8%)	5,792 (17.0%)	(1.5%)		
Selling, general and administrative expenses	3,573	3,860	+8.0%		
Operating profit (Operating profit ratio)	2,305 (7.0%)	1,931 (5.7%)	(16.2%)	7,100 (5.4%)	27.3%
Ordinary profit (Ordinary profit ratio)	2,233 (6.8%)	2,547 (7.5%)	+14.1%	7,500 (5.7%)	34.0%
Profit attributable to owners of parent	1,373	1,479	+7.7%	4,900	30.2%
EPS (yen)	47.73	51.39	-	170.17	-

Notice [Repost]

- **New reportable segments are used beginning with the first quarter of the fiscal year ending September 30, 2025** (This was previously announced on our website on September 10, 2024).
- **Purposes:** The optimal allocation of management resources, the timely and proper management of progress of performance and the more clear disclosure of information to the capital market

(Reportable segments)



(Breakdown of sales by region)

- **New regional divisions:** Japan, North America, China, ASEAN, and Others (India, Europe and elsewhere)

* Before change: Japan, USA, China, and Others

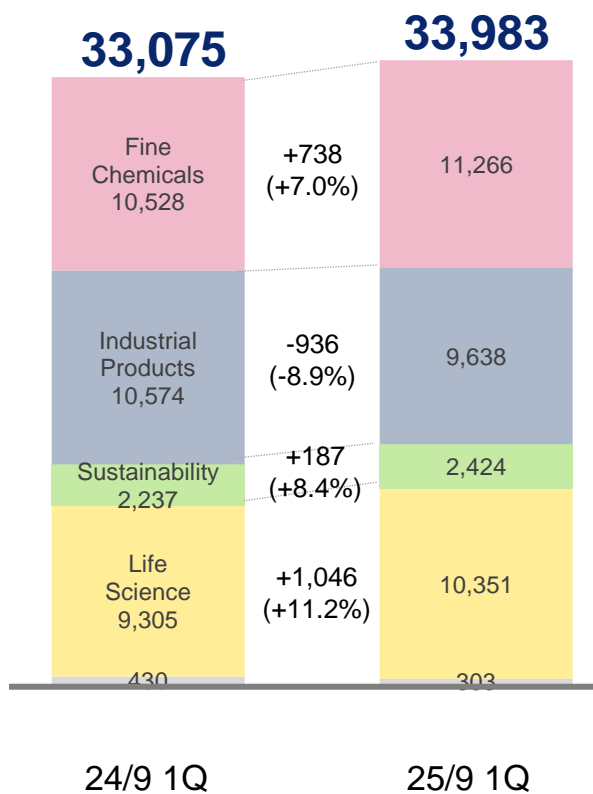
* **To be disclosed in the second quarter of the fiscal year ending September 30, 2025 or later**

Summary of Results by Segment

Net sales year on year

+900 million yen (+2.7%)

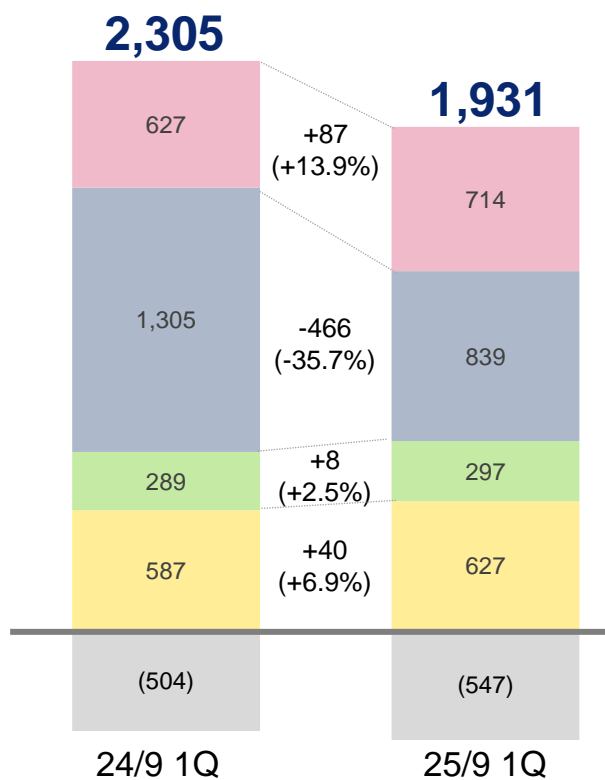
(Million yen)



Operating profit year on year

-370 million yen (-16.2%)

(Million yen)



Fine Chemicals

**Increase in sales /
Increase in profit**

**Industrial
Products**

**Decrease in sales /
Decrease in profit**

Sustainability

**Increase in sales /
Increase in profit**

Life Science

**Increase in sales /
Increase in profit**

Situations of Each Segment: Fine Chemicals

(Million yen)	24/9 1Q	25/9 1Q	Year on year
Net sales	10,528	11,266	+7.0%
Operating profit (Operating profit ratio)	627 (6.0%)	714 (6.3%)	+13.9%

Factors for changes	
Net sales	<p>Rubber: (+) Demand for raw materials for domestic markets remained strong. Price of imported goods were revised reflecting the even weaker yen.</p> <p>Chemicals: (-) Demand for mainstay products was on a weak note due to the impact of the market conditions. Purchasing prices of imported goods rose due to the even weaker yen.</p>
Operating profit	<p>Rubber: (+) Profit increased due to an increase in sales and revision of sales prices.</p> <p>Chemicals: (-) Decrease in sales and a rise in purchase prices</p>

[Major products we deal in]



Synthetic rubbers



Thermoplastic elastomers and resins



Rubber reinforcements and fillers

<Final uses>

- Automotive sealants
- High pressure hose
- Tires
- Home electric appliances



Photoinitiators/UV absorbers



Pigments



Specialty monomers



Wax



Silane coupling agents

<Final uses>

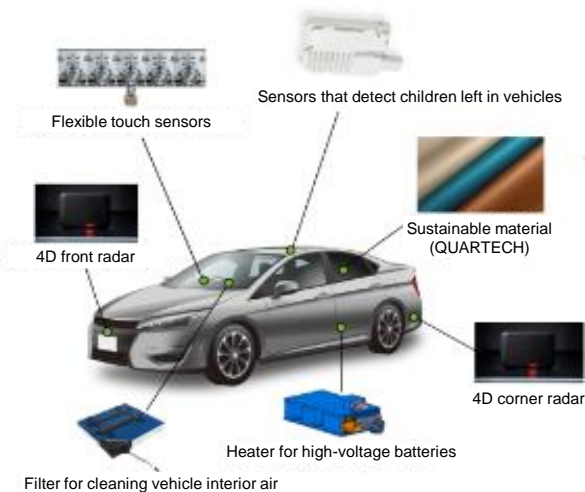
- Inks and printed materials
- Exterior wall paints
- Adhesives
- Plastic products

Situations of Each Segment: Industrial Products

(Million yen)	24/9 1Q	25/9 1Q	Year on year
Net sales	10,574	9,638	(8.9%)
Operating profit (Operating profit ratio)	1,305 (12.3%)	839 (8.7%)	(35.7%)

Factors for changes	
Net sales	<p>Japan: (-) Discontinuation of the handling of genuine leather for car seats, etc.</p> <p>Overseas: (+) Strong performance of automobile-related products in the United States and Mexico</p> <p>(-) Japanese automakers reducing production amid an economic slowdown and intensified competition in China</p>
Operating profit	(-) Decline in profit attributed to the above decline in sales

[Major products we deal in]



Benchmarking services provided by means of scanning



Equipment for maintenance of EV batteries (Ever Blue Drive)

Situations of Each Segment: Sustainability

(Million yen)	24/9 1Q	25/9 1Q	Year on year
Net sales	2,237	2,424	+8.4%
Operating profit (Operating profit ratio)	289 (12.9%)	297 (12.3%)	+2.5%

Factors for changes	
Net sales	(-) Postponed deliveries of main units of feed processing machines and those related to wood biomass business (including sales of related wearing parts) (+) Ocean development, mainly including offshore wind power generation equipment, was the driving force. The performance of geothermal heat and oil- and gas-related equipment was also strong due to orders received for major projects
Operating profit	(+) Growth in profit attributed to the above increase in sales

[Major products we deal in]



Pellet mill



Low-temperature belt dryer for wood chips



Gasification unit



(Different types of pellets)



Various hammer mills



Cogeneration unit

<Final uses>

- Feed/fertilizer
- Food, industrial products, etc.
- Renewable energy



Top drive system



Remote-controlled unmanned underwater vehicle



TP cover



Cable protection system

<Final uses>

- Oil and gas
- Geothermal development
- Offshore wind power generation
- Ocean investigation

Situations of Each Segment: Life Science

(Million yen)	24/9 1Q	25/9 1Q	Year on year
Net sales	9,305	10,351	+11.2%
Operating profit (Operating profit ratio)	587 (6.3%)	627 (6.1%)	+6.9%

Factors for changes	
Net sales	(+) Exports of electrical materials increased, reflecting the weak yen. Scientific instruments were also strong. YPTECH: Increase in sales quantity of functional feed materials Scrum Inc.: Growth in demand for biotech products before termination of contract
Operating profit	(-) Profit from scientific instruments declined due to rising purchase prices and the impact of the weaker yen. (+) Growth in profit attributed to the above increase in sales

[Major products we deal in]



Electronic materials



Different types of film



Cosmetics (raw materials / containers)



FoodTech



Fragrance



High-performance resins

<Final uses>

- Electronics and battery
- Air freshener
- Pet food
- Diaper



Wettability testers



Equipment for dispersion and powder evaluation



Weather resistance tester

<Final uses>

- Research and development
- Quality control
- Production control
- Inspection



3D bioprinter



Next-generation sequencer for genetic analysis



Gene-discovery analysis services and drug discovery support services

<Final uses>

- Genetic research
- Cellular research
- Protein research
- Pathology research
- Drug discovery support

Consolidated Balance Sheet

(Million yen)

Assets	24/9 4Q (As of September 30, 2024)	25/9 1Q (As of December 31, 2024)
Cash and deposits	8,007	9,657
Notes and accounts receivable - trade, etc.	26,694	27,687
Inventories	25,180	26,297
Other current assets	3,225	4,795
Property, plant and equipment	3,160	3,202
Other non-current assets	9,123	9,275
Total assets	75,390	80,917

Liabilities	24/9 4Q (As of September 30, 2024)	25/9 1Q (As of December 31, 2024)
Notes and accounts payable - trade	12,573	13,179
Short-term borrowings	4,458	6,378
Other current liabilities	8,567	9,747
Long-term borrowings	50	50
Other non-current liabilities	1,931	2,094
Net assets	47,809	49,467
Total liabilities and net assets	75,390	80,917

[Key Points]

- Necessary working capital increased due to an increase in net sales.

	24/9 4Q (As of September 30, 2024)	25/9 1Q (As of December 31, 2024)
Ratio of interest-bearing debt	9.4%	13.0%
Equity ratio	63.3%	61.0%

Calculation method) Interest-bearing debt ratio: Interest-bearing debt (*1: Excluding lease liabilities)/ Equity (*2)
Equity ratio: Equity/Total assets at the end of the fiscal year

(*1) Interest-bearing debt = Short-term borrowings + Long-term borrowings

(*2) Equity = Net assets - Share acquisition rights - Non-controlling interests

Forecasts for Fiscal Year Ending September 30, 2025 [Repost]

- **Net sales:** Despite uncertain business circumstances, net sales are expected to surpass the record-high level reached in the previous year.
- **Operating profit:** Despite the impact of ending distributor agreements for bio-related equipment and discontinuing the handling of genuine leather for car seats, revenue is expected to remain on par with the previous period, supported by contributions from wood biomass-related income and expanded sales of offshore wind equipment.

(Million yen)	FYE September 2024 Results		FYE September 2025 Forecasts	
	Result	Year on year	Forecast	Year on year
Net sales	129,263	+7.2%	132,000	+2.1%
Gross profit (Gross profit ratio)	22,229 (17.2%)	+10.6%		
Selling, general and administrative expenses	15,156	+11.6%		
Operating profit (Operating profit ratio)	7,072 (5.5%)	+8.4%	7,100 (5.4%)	+0.4%
Ordinary profit (Ordinary profit ratio)	7,905 (6.1%)	+11.5%	7,500 (5.7%)	(5.1%)
Profit attributable to owners of parent	5,207	+8.8%	4,900	(5.9%)
EPS (yen)	180.88	-	170.17	-

Forecasts for Fiscal Year Ending September 30, 2025 (By Segment)

- Despite the impact of ending distributor agreements for bio-related equipment and discontinuing the handling of genuine leather for car seats, revenue is expected to be supported by contributions from wood biomass-related income and offshore wind equipment.

(Million yen)	Net sales			Operating profit		
	FYE September 2024 Result	FYE September 2025 Forecast	Year on year	FYE September 2024 Result	FYE September 2025 Forecast	Year on year
Fine Chemicals	42,784	45,000	+5.2%	2,715	2,800	+3.1%
Industrial Products	36,915	36,000	(2.5%)	3,380	3,100	(8.3%)
Sustainability	9,764	13,000	+33.1%	1,205	1,700	+41.1%
Life Science	38,311	37,000	(3.4%)	1,733	1,400	(19.2%)
Other	1,488	1,000	-	(1,960)	(1,900)	-
Total	129,263	132,000	+2.1%	7,072	7,100	+0.4%

Shareholder Returns [Repost]

- In line with our basic policy of continuously increasing dividends and paying stable dividends, we will continue to pay **progressive** dividends during the SANYO VISION 2028 period with a view toward a **payout ratio of 30% or more**.

(Dividend: Yen)

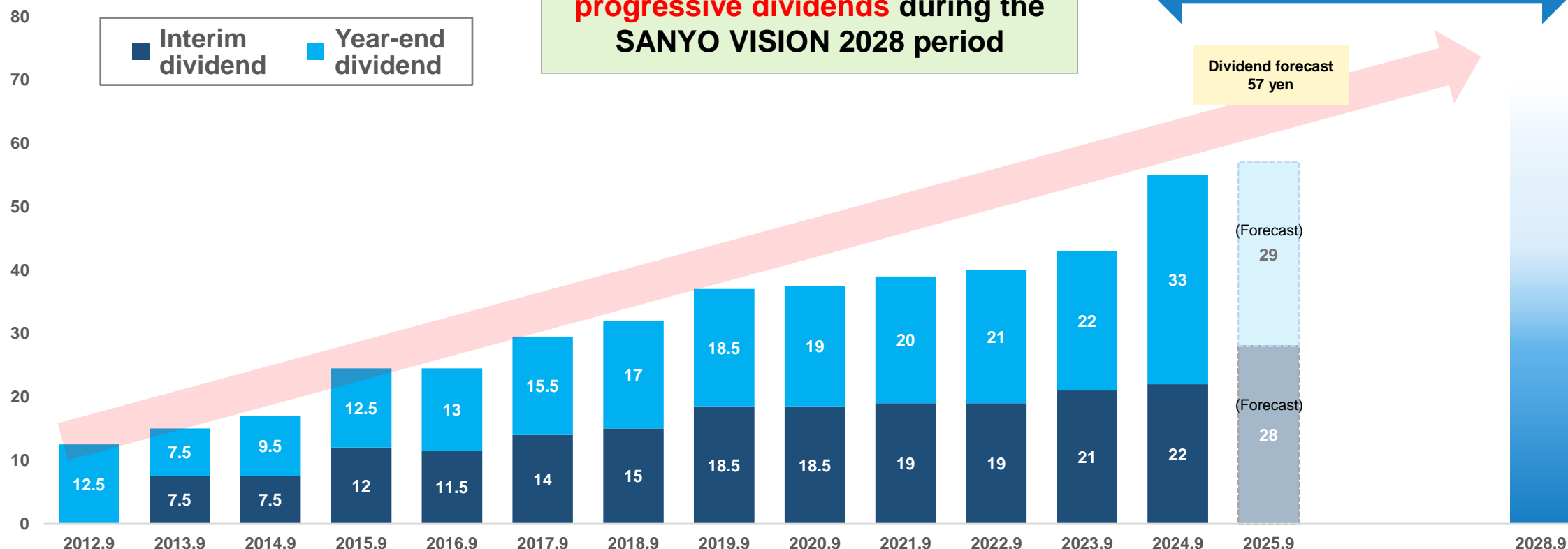
Dividends per share

■ Interim dividend ■ Year-end dividend

A **payout ratio of 30% or more** and **progressive dividends** during the SANYO VISION 2028 period

SANYO VISION 2028 period

Dividend forecast
57 yen



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Quest for Next