



Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]

November 4, 2025

Company name: TOSOH CORPORATION

Stock exchange listing: Tokyo

Code number: 4042

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Scheduled date to file semi-annual securities report: November 13, 2025

Scheduled date to commence dividend payments: December 3, 2025

Availability of supplementary briefing material on semi-annual financial results: Yes

Scheduled semi-annual financial results briefing session: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2025	499,139	(5.4)	44,742	(5.6)	45,741	1.4	7,377	(70.4)
September 30, 2024	527,623	8.6	47,387	47.6	45,106	1.6	24,941	(6.6)

(Note) Comprehensive income: Six months ended September 30, 2025: ¥ 11,309 million [(71.7) %]
Six months ended September 30, 2024: ¥ 39,910 million [(10.6) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	23.21	23.20
September 30, 2024	78.32	78.31

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2025	1,300,033	889,225	62.3
March 31, 2025	1,327,298	902,418	62.3

(Reference) Equity: As of September 30, 2025: ¥ 810,321 million
As of March 31, 2025: ¥ 827,068 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	50.00	-	50.00	100.00
Fiscal year ending March 31, 2026	-	50.00			
Fiscal year ending March 31, 2026 (Forecast)			-	50.00	100.00

(Note) Revision to the forecast for dividends announced most recently : No

3. Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,020,000	(4.1)	103,000	4.1	103,000	(0.0)	38,000	(34.5)	119.53

(Note) Revision to the financial results forecast announced most recently : Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: No

(2) Accounting policies adopted specially for the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

- 1) Changes in accounting policies due to revisions to accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

September 30, 2025: 325,080,956 shares

March 31, 2025: 325,080,956 shares

- 2) Number of treasury shares at the end of the period:

September 30, 2025: 9,264,234 shares

March 31, 2025: 6,572,753 shares

- 3) Average number of shares outstanding during the period

Six months ended September 30, 2025: 317,914,707 shares

Six months ended September 30, 2024: 318,440,744 shares

* Semi-annual financial results reports are not subject to review by certified public accountants or an audit firm.

* Explanations regarding appropriate use of financial results forecasts and other special notes

(Cautionary statement on forward-looking statements)

The forward-looking statements, including financial results forecasts, contained in these materials are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and may be substantially different from the actual performance because of various factors that may arise from now on. Please refer to page 5 of the Contents for Accompanying Materials for further information on the above forecasts.

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1. Qualitative Information on Semi-annual Consolidated Financial Results

(1) Explanation regarding Operating Results

The Company's net sales decreased ¥28.5 billion (5.4%) year-on-year to ¥499.1 billion (US\$3.4 billion), over the first six months of the Company's 2026 fiscal year which extends from April 1, 2025, to March 31, 2026. This decrease was attributable to a decline in selling prices resulting from stronger yen and lower naphtha prices, as well as a decrease in shipment volume resulting from reduced production volume associated with extended scheduled maintenance at the Nanyo Complex.

The Company's consolidated operating income decreased ¥2.6 billion (5.6%) year-on-year to ¥44.7 billion (US\$306.4 million), due to unfavorable inventory fluctuations and increased fixed costs, despite sales growth in the Engineering Group and improved terms of trade backed by lower prices in raw materials and fuels, including naphtha and coal. Non-operating income increased ¥3.3 billion year-on-year due to improvement in foreign exchange gains and losses.

Ordinary income increased ¥0.6 billion (1.4%) year-on-year to ¥45.7 billion (US\$313.3 million).

Income attributable to owners of parent decreased ¥17.6 billion (70.4%) year-on-year to ¥7.4 billion (US\$50.5 million).

This was due to the recognition of an impairment loss of ¥19.1 billion on fixed assets at Tosoh SMD, Inc., the Company's consolidated subsidiary which manufactures and sells sputtering targets in the U.S.

During the period under review, the global economy remained firm supported by easing inflation and a stable employment and income situation, but the outlook for economic slowdown has intensified because of the U.S. tariff policies. Although domestic demand in the U.S. remains firm, concerns over increased costs resulting from additional tariffs and persistently high interest rates are weighing on household and corporate sentiment. Although government stimulus measures have provided support, economic growth in China continues to slow due to ongoing US-China tensions and the sluggish real estate market. In Europe and Japan, personal consumption and service demand remain firm, while manufacturing sector conditions have been pressured by U.S. tariff policies and the deflationary exports from China.

Results by business segment are as follows:

Petrochemical

Petrochemical Group net sales decreased ¥16.5 billion (15.5%) year-on-year to ¥89.7 billion (US\$614.0 million). Operating income decreased ¥3.1 billion (43.0%) year-on-year to ¥4.1 billion (US\$28.4 million), due to a decline in shipments and unfavorable inventory fluctuations, despite improved terms of trade for polyethylene resin.

Ethylene and propylene production increased due to the Yokkaichi Complex's Ethylene Plant not undergoing scheduled maintenance this year. However, ethylene shipments decreased owing to lower demand from neighboring companies located close to the Yokkaichi Complex. Propylene shipments increased in line with increased production due to the absence of scheduled maintenance this year. Cumene shipments decreased due to lower demand, despite the absence of scheduled maintenance this year. Moreover, selling prices for ethylene and propylene declined due to lower naphtha prices. Selling prices for cumene also declined due to deteriorating market conditions overseas.

Polyethylene resin shipments decreased due to sluggish domestic demand. Exports also decreased due to a downturn in overseas market conditions for EVA resin. Selling prices for polyethylene resin decreased due to the drop in naphtha prices. Chloroprene rubber shipments were unchanged year-on-year and price revisions resulted in higher selling prices.

Chlor-alkali

Chlor-alkali Group net sales decreased ¥19.2 billion (10.3%) year-on-year to ¥166.1 billion (US\$1.1 billion). Operating income decreased ¥4.9 billion year-on-year, resulting in an operating loss of ¥0.3 billion (US\$2.2 million). This was due to a decrease in shipments, unfavorable inventory fluctuations, and increased fixed costs, despite improved terms of trade for caustic soda and methylene diphenyl diisocyanate (MDI) backed by lower prices in raw materials and fuels.

Caustic soda shipments decreased due to lower production volume from extended scheduled maintenance at the Nanyo Complex, but export prices increased as overseas market conditions improved. Vinyl chloride monomer (VCM) shipments also decreased due to lower production volume from extended scheduled maintenance at the Nanyo Complex. Polyvinyl chloride (PVC) resin overseas shipments increased. Moreover, selling prices of VCM and PVC for overseas markets declined due to weaker overseas market conditions.

Cement shipments decreased due to weak demand, but domestic selling prices increased.

Methylene diphenyl diisocyanate (MDI) shipments decreased due to lower production volume from extended scheduled maintenance at the Nanyo Complex. Selling prices for MDI declined due to weaker overseas market conditions and the impact of foreign exchange rate. Selling prices for hexamethylene diisocyanate (HDI) hardeners declined and shipments decreased due to sluggish market conditions.

Specialty

Specialty Group net sales decreased ¥1.3billion (1.0%) year-on-year to ¥135.1 billion (US\$925.3 million). Operating income decreased ¥0.8 billion (3.9%) year-on-year to ¥20.7 billion (US\$141.7 million) due to unfavorable inventory fluctuations and increased fixed costs.

Ethyleneamine shipments increased to Asia, but selling prices declined due to weaker overseas market conditions and the impact of foreign exchange rates.

Among separation-related products, shipments of liquid chromatography packing media for Europe and the U.S. decreased. In diagnostic-related products, shipments of in vitro diagnostic reagents decreased in both the domestic and Chinese markets.

High-silica zeolite (HSZ) shipments increased for petrochemical applications in North America and automotive applications in Europe, China, and India. Although shipments of zirconia remained firm in East Asia, shipments for dental applications in North America decreased, resulting in an overall decline year on year. Silica glass shipments for LCD (liquid crystal display) applications increased as the reduction in production volume caused by an accident in the same period of the previous year was resolved. Sputtering target shipments increased overseas, but selling prices declined because of such factors as changes in the product mix. Electrolytic manganese dioxide shipments increased in Europe but decreased in Asia. Consequently, overall shipments remained unchanged from the previous year.

Engineering

Engineering Group net sales increased ¥8.9 billion (11.5%) year-on-year to ¥85.8 billion (US\$587.9 million). Operating income increased ¥5.9 billion (46.9%) year-on-year to ¥18.5 billion (US\$126.5 million).

The Group's water treatment engineering business increased its net sales as a result of steady progress in the construction of semiconductor-related plant projects ordered in previous years in the electronics industry in Japan and Taiwan. In addition, favorable sales of solutions, such as equipment ownership and maintenance services, contributed to net sales.

Sales at the Engineering Group's construction subsidiaries increased.

Other

Other net sales decreased ¥0.4 billion (1.6%) year-on-year to ¥22.4 billion (US\$153.7 million), whereas other operating income increased ¥0.3 billion (18.0%) year-on-year to ¥1.8 billion (US\$12.0 million).

Sales decreased at various operating companies, including transportation and warehousing, inspection and analysis, and information processing.

(2) Explanation regarding Financial Position

The Company's total assets decreased ¥27.3 billion from the end of the previous period, to ¥1,300.0 billion (US\$8.9 billion). The decrease was primarily due to decreases in notes and accounts receivable - trade, and contract assets, and property, plant and equipment.

Liabilities decreased ¥14.1 billion from the end of the previous period to ¥410.8 billion (US\$2.8 billion). The decrease was primarily due to decreases in short-term borrowings and notes and accounts payable - trade.

Net assets decreased ¥13.2 billion from the end of the previous period to ¥889.2 billion (US\$6.1 billion). The decrease was primarily due to dividend payments, purchase of treasury shares and a decrease in foreign currency translation adjustment.

(3) Explanation regarding Cash Flows

Cash and cash equivalents decreased ¥ 5.7 billion from the end of the previous period to ¥133.1 billion (US\$911.5 million).

Net cash flow provided by operating activities amounted to an inflow of 57.0 billion (US\$390.3 million).

Although income before income taxes decreased, cash inflow increased ¥7.9 billion compared with the same period of the previous year, primarily due to decreases in accounts receivable, income taxes paid and other factors.

Net cash flow used in investing activities saw an outflow of ¥35.2 billion (US\$241.2 million). Due to a decrease in payments for capital expenditures and other factors, total payments decreased by ¥11.9 billion compared with the same period of the previous year.

As a result, free cash flow increased ¥19.8 billion to an inflow of ¥21.8 billion. (US\$149.1 million).

Net cash used in financing activities resulted in an outflow of ¥27.0 billion (US\$184.7 million), primarily due to decrease in short-term borrowings and acquisition of treasury shares. Payments increased ¥11.4 billion compared with the same period of the previous year.

(4) Explanation regarding Research and Development Expenses

Total Research and Development (R&D) Expenses for the period under review came to approximately ¥11.2 billion (US\$76.4 million).

No significant changes occurred in the Group's research and development activities during the period under review.

(5) Explanation Regarding Consolidated Financial Results Forecast and Other Forward-Looking Statements

In light of recent business trends, the Company has made the below revisions to the forecast announced on May 13, 2025. The assumptions for second half of fiscal year ended March 31, 2026, in our full-year forecasts are a domestic naphtha price of ¥64,000/kL and an exchange rate of ¥145/US\$.

	Net sales	Operating income	Ordinary income	Income attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	1,050,000	108,000	106,000	62,000	194.66
Revised forecast (B)	1,020,000	103,000	103,000	38,000	119.53
Change (B-A)	(30,000)	(5,000)	(3,000)	(24,000)	
Rate of change (%)	(2.9)	(4.6)	(2.8)	(38.7)	
Reference: Results for the previous fiscal year (Year ended March 31, 2025)	1,063,382	98,906	103,005	58,002	182.13

For details, please refer to “Notice Regarding Revisions to Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026” release on the same day as this release.

2. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	141,548	134,779
Notes and accounts receivable - trade, and contract assets	295,897	282,329
Merchandise and finished goods	154,190	152,699
Work in process	21,204	27,857
Raw materials and supplies	72,429	68,300
Other	69,939	65,858
Allowance for doubtful accounts	(825)	(815)
Total current assets	754,383	731,011
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	133,641	127,574
Land	68,449	68,201
Other, net	215,248	212,172
Total property, plant and equipment	417,338	407,948
Intangible assets	14,380	14,687
Investments and other assets		
Investment securities	70,132	74,175
Retirement benefit asset	45,647	46,021
Other	25,814	26,589
Allowance for doubtful accounts	(399)	(401)
Total investments and other assets	141,194	146,385
Total non-current assets	572,914	569,022
Total assets	1,327,298	1,300,033

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	117,523	109,247
Short-term borrowings	133,005	120,175
Income taxes payable	10,683	14,400
Provisions	14,292	16,516
Other	57,988	54,100
Total current liabilities	333,493	314,439
Non-current liabilities		
Long-term borrowings	46,099	52,135
Provisions	3,541	1,373
Retirement benefit liability	19,238	19,437
Other	22,508	23,421
Total non-current liabilities	91,387	96,367
Total liabilities	424,880	410,807
Net assets		
Shareholders' equity		
Share capital	55,173	55,173
Capital surplus	44,338	44,469
Retained earnings	682,577	674,027
Treasury shares	(9,585)	(15,906)
Total shareholders' equity	772,503	757,763
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,008	21,120
Foreign currency translation adjustment	24,370	19,914
Remeasurements of defined benefit plans	12,186	11,523
Total accumulated other comprehensive income	54,565	52,557
Share acquisition rights	40	40
Non-controlling interests	75,308	78,863
Total net assets	902,418	889,225
Total liabilities and net assets	1,327,298	1,300,033

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	527,623	499,139
Cost of sales	401,390	374,899
Gross profit	126,233	124,239
Selling, general and administrative expenses	78,845	79,497
Operating income	47,387	44,742
Non-operating income		
Interest income	568	699
Dividend income	791	1,015
Share of profit of entities accounted for using equity method	1,580	1,216
Other	1,842	1,276
Total non-operating income	4,783	4,209
Non-operating expenses		
Interest expenses	1,412	1,703
Foreign exchange losses	5,284	574
Other	367	931
Total non-operating expenses	7,065	3,209
Ordinary income	45,106	45,741
Extraordinary income		
Gain on sale of non-current assets	38	13
Gain on sale of investment securities	1,576	2,415
Gain on sale of shares of subsidiaries and associates	-	74
Total extraordinary income	1,615	2,503
Extraordinary losses		
Loss on sale of non-current assets	100	2
Loss on retirement of non-current assets	1,189	883
Loss on sale of investment securities	-	0
Loss on valuation of investment securities	0	-
Impairment losses	9	19,255
Total extraordinary losses	1,299	20,140
Income before income taxes	45,421	28,104
Income taxes	16,208	14,333
Net income	29,212	13,770
Income attributable to non-controlling interests	4,271	6,393
Income attributable to owners of parent	24,941	7,377

Semi-annual Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net income	29,212	13,770
Other comprehensive income		
Valuation difference on available-for-sale securities	(634)	3,061
Foreign currency translation adjustment	11,714	(5,092)
Remeasurements of defined benefit plans, net of tax	(1,002)	(693)
Share of other comprehensive income of entities accounted for using equity method	621	262
Total other comprehensive income	10,698	(2,461)
Comprehensive income	39,910	11,309
Breakdown of comprehensive income		
Comprehensive income attributable to owners of parent	34,511	5,370
Comprehensive income attributable to non-controlling interests	5,399	5,938

(3) Semi-annual Consolidated Statement of Cash Flows

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Income before income taxes	45,421	28,104
Depreciation	22,517	23,771
Impairment losses	9	19,255
Change in retirement benefit assets and liabilities	(1,652)	(1,079)
Interest and dividend income	(1,360)	(1,715)
Interest expenses	1,412	1,703
Foreign exchange losses (gains)	1,184	(1,798)
Share of loss (profit) of entities accounted for using equity method	(1,580)	(1,216)
Loss (gain) on valuation of investment securities	0	-
Loss (gain) on sale of non-current assets	61	(11)
Loss on retirement of non-current assets	1,189	883
Loss (gain) on sale of investment securities	(1,576)	(2,415)
Loss (gain) on sale of shares of subsidiaries and associates	-	(74)
Decrease (increase) in accounts receivable - trade, and contract assets	(2,098)	10,422
Decrease (increase) in inventories	7,422	(4,320)
Increase (decrease) in trade payables	3,455	(4,700)
Other, net	(8,743)	(1,093)
Subtotal	65,663	65,714
Interest and dividends received	2,210	2,756
Interest paid	(1,424)	(1,718)
Income taxes paid	(17,393)	(9,767)
Net cash provided by (used in) operating activities	49,056	56,984
Cash flows from investing activities		
Purchase of non-current assets	(44,269)	(36,540)
Proceeds from sale of non-current assets	327	31
Purchase of investment securities	(328)	(86)
Proceeds from sale and redemption of investment securities	1,978	2,748
Loan advances	(2,054)	(1,938)
Proceeds from collection of loans receivable	1,740	1,979
Other, net	(4,496)	(1,413)
Net cash provided by (used in) investing activities	(47,102)	(35,219)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(8,379)	(15,769)
Proceeds from long-term borrowings	15,372	19,292
Repayments of long-term borrowings	(6,400)	(6,294)
Dividends paid	(14,304)	(15,898)
Dividends paid to non-controlling interests	(1,579)	(2,356)
Purchase of treasury shares	(7)	(6,508)
Other, net	(313)	567
Net cash provided by (used in) financing activities	(15,613)	(26,967)
Effect of exchange rate change on cash and cash equivalents	3,995	(544)
Net increase (decrease) in cash and cash equivalents	(9,664)	(5,746)
Cash and cash equivalents at beginning of period	148,970	138,849
Cash and cash equivalents at end of period	139,306	133,103

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on Assumption of Going Concern)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Based on the resolution of the Board of Directors on August 5, 2025, the Company has acquired 2,794,000 shares of treasury shares. Consequently, treasury shares increased by ¥6,496 million during the second quarter of the period under review, resulting in a balance of ¥15,906 million in treasury shares at the end of the period under review.

(Accounting Policies Adopted Specially for the Preparation of Semi-annual Consolidated Financial Statements)

(Calculation of Tax Expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after the application of tax effect accounting to income before income taxes for the fiscal year including the six months ended September 30, 2025, and multiplying income before income taxes by this estimated effective tax rate. However, for those companies that would be significantly irrational if tax expenses were calculated using the estimated effective tax rate, the results calculated using the statutory tax rate were recorded.

Income taxes-deferred are included in income taxes.

(Segment Information)

I For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

1. Net Sales and Income by Segment

(Million yen)

	Petrochemical	Chlor-alkali	Specialty	Engineering	Other (1)	Total	Adjustment	Figures in consolidated statements (2)
Net sales								
External customers	106,163	185,246	136,439	76,959	22,814	527,623	—	527,623
Inter-segment	78,044	24,568	11,513	9,743	33,010	156,879	(156,879)	—
Total	184,207	209,814	147,953	86,703	55,824	684,503	(156,879)	527,623
Segment income	7,268	4,538	21,516	12,579	1,484	47,387	—	47,387

Notes (1) "Other" is an additional category for service-related business, such as transportation and warehousing, inspection and analysis, and information processing.

(2) Segment income is equal to operating income of Semi-annual consolidated statements of income.

2. Information on impairment loss on fixed assets and goodwill by segment

Not applicable.

II For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

1. Net Sales and Income(loss) by Segment

(Million yen)

	Petrochemical	Chlor-alkali	Specialty	Engineering	Other (1)	Total	Adjustment	Figures in consolidated statements (2)
Net sales								
External customers	89,655	166,088	135,107	85,843	22,443	499,139	—	499,139
Inter-segment	59,355	22,301	10,387	9,267	34,394	135,706	(135,706)	—
Total	149,010	188,390	145,495	95,110	56,837	634,845	(135,706)	499,139
Segment income(loss)	4,145	(315)	20,688	18,473	1,751	44,742	—	44,742

Notes (1) "Other" is an additional category for service-related business, such as transportation and warehousing, inspection and analysis, and information processing.

(2) Segment income is equal to operating income of Semi-annual consolidated statements of income.

2. Information on impairment loss on fixed assets and goodwill by segment

(Material impairment loss on non-current assets)

The Specialty Group recognized an impairment loss of ¥19,094 million for the second quarter of the period under review.

3. Additional information

Summary of Consolidated Operating Results for the Six Months ended September 30, 2025

November 4, 2025
Tosoh Corporation

(1) Operating Results

	Six months ended September 30, 2024 (4.1.24-9.30.24) (Actual)	Six months ended September 30, 2025 (4.1.25-9.30.25) (Actual)	Change	Fiscal year ended March 31, 2025 (4.1.24-3.31.25) (Actual)	(Billion yen) Fiscal year ended March 31, 2026 (4.1.25-3.31.26) (Forecast)
Net sales	527.6	499.1	(28.5)	1,063.4	1,020.0
Operating income	47.4	44.7	(2.6)	98.9	103.0
Ordinary income	45.1	45.7	0.6	103.0	103.0
Income attributable to owners of parent	24.9	7.4	(17.6)	58.0	38.0
Basic earnings per share (¥)	78.32	23.21	(55.11)	182.13	119.53

(Note) Amounts less than 0.1 billion yen are rounded off

(2) Business and Financial Fundamentals

	Six months ended September 30, 2024 (4.1.24-9.30.24) (Actual)	Six months ended September 30, 2025 (4.1.25-9.30.25) (Actual)	Change	Fiscal year ended March 31, 2025 (4.1.24-3.31.25) (Actual)	(Billion yen) Fiscal year ended March 31, 2026 (4.1.25-3.31.26) (Forecast)
Exchange rate (¥/US\$) Average TTM	152.8	146.0	(6.7)	152.6	145.5
Exchange rate (¥/EUR) Average TTM	166.1	168.1	2.0	163.9	169.0
Domestic standard naphtha price (¥/kl)	77,950	64,750	(13,200)	75,625	64,375
Capital expenditures	44.2	38.2	(6.0)	81.2	99.0
Depreciation	21.7	22.9	1.1	45.7	47.0
R&D expenses	10.8	11.2	0.4	22.1	24.0
Interest-bearing liabilities	190.1	178.6	(11.5)	185.8	231.0
Net financial income/expenses	(0.1)	0.0	0.1	0.1	(0.9)
Equity ratio (%)	61.5	62.3	0.8	62.3	59.0
Number of employees	14,717	14,944	227	14,813	15,100

(Note) Amounts less than 0.1 billion yen are rounded off

(3) Topics

- Fiscal 2026 Winter (planned) Production capacity increase for sputtering targets
- Spring 2026 (planned) Production capacity increase for separation and purification media
- Spring 2026 (planned) Construction of a biomass-fired power plant
- Summer 2026 (planned) Production capacity increase for hexamethylene diisocyanate (HDI) derivatives
- Spring 2027 (planned) Construction of a new crude MDI splitter in Vietnam
- Spring 2027 (planned) Production capacity increase for separation and purification media
- Spring 2030 (planned) Production capacity increase for chloroprene rubber

(4) Net Sales and Operating Income (Loss) by Business Segment

(Billion yen)

		Six months ended September 30, 2024 (4.1.24-9.30.24) (Actual)	Six months ended September 30, 2025 (4.1.25-9.30.25) (Actual)	Change	Breakdown of change			
					Volume effect	Price effect	Terms of trade	Fixed costs, etc.
Petrochemical	Net sales	106.2	89.7	(16.5)	(4.2)	(12.3)	-	-
	Operating income	7.3	4.1	(3.1)	(0.7)	-	1.0	(3.4)
Chlor-alkali	Net sales	185.2	166.1	(19.2)	(10.7)	(8.4)	-	-
	Operating income (loss)	4.5	(0.3)	(4.9)	(2.5)	-	4.1	(6.4)
Specialty	Net sales	136.4	135.1	(1.3)	1.1	(2.5)	-	-
	Operating income	21.5	20.7	(0.8)	0.4	-	0.7	(2.0)
Engineering	Net sales	77.0	85.8	8.9	9.5	(0.6)	-	-
	Operating income	12.6	18.5	5.9	5.9	-	0.0	0.0
Other	Net sales	22.8	22.4	(0.4)	(0.5)	0.1	-	-
	Operating income	1.5	1.8	0.3	0.2	-	0.0	0.1
Total	Net sales	527.6	499.1	(28.5)	(4.8)	(23.7)	-	-
	Operating income	47.4	44.7	(2.6)	3.3	-	5.8	(11.7)

(Note) Amounts less than 0.1 billion yen are rounded off

(5) Consolidated Financial Results Forecast

(Billion yen)

		Fiscal year ended March 31, 2025 (4.1.24-3.31.25) (Actual)	Fiscal year ended March 31, 2026 (4.1.25-3.31.26) (Forecast)	Change	Half-yearly	
					First half of fiscal year ended March 31, 2026	Second half of fiscal year ended March 31, 2026
Petrochemical	Net sales	204.8	174.8	(29.9)	89.7	85.2
	Operating income	14.3	11.7	(2.5)	4.1	7.6
Chlor-alkali	Net sales	373.4	345.1	(28.3)	166.1	179.0
	Operating income (loss)	9.5	10.5	1.0	(0.3)	10.8
Specialty	Net sales	270.5	272.0	1.6	135.1	136.9
	Operating income	38.6	39.3	0.6	20.7	18.6
Engineering	Net sales	169.3	182.7	13.4	85.8	96.9
	Operating income	33.6	38.1	4.5	18.5	19.7
Other	Net sales	45.4	45.3	(0.1)	22.4	22.9
	Operating income	2.9	3.4	0.5	1.8	1.6
Total	Net sales	1,063.4	1,020.0	(43.4)	499.1	520.9
	Operating income	98.9	103.0	4.1	44.7	58.3

(Note) Amounts less than 0.1 billion yen are rounded off

(6) Net Sales and Operating Income (Loss) by Business Portfolio in Medium-term Business Plan

(Billion yen)

			Six months ended September 30, 2024 (4.1.24–9.30.24) (Actual)	Six months ended September 30, 2025 (4.1.25–9.30.25) (Actual)	Change
	Basic Chemicals	Net sales	263.1	228.0	(35.1)
		Operating income (loss)	8.0	(0.7)	(8.7)
	Value-Added Chemicals	Net sales	65.6	65.7	0.1
		Operating income	10.0	11.0	1.0
	Subtotal for Chemical Chain Business	Net sales	328.7	293.7	(35.0)
		Operating income	18.0	10.3	(7.8)
	Bioscience	Net sales	34.0	32.5	(1.5)
		Operating income	11.7	10.6	(1.1)
	Advanced Materials	Net sales	65.1	64.6	(0.5)
		Operating income	3.6	3.7	0.0
	Water Treatment	Net sales	74.1	82.4	8.4
		Operating income	11.5	17.4	5.9
	Subtotal for Advanced Technologies Business	Net sales	173.2	179.6	6.3
		Operating income	26.8	31.6	4.9
Other		Net sales	25.7	25.9	0.2
		Operating income	2.6	2.8	0.3
Total		Net sales	527.6	499.1	(28.5)
		Operating income	47.4	44.7	(2.6)

(Note) Amounts less than 0.1 billion yen are rounded off

(Billion yen)

			Fiscal year ended March 31, 2025 (4.1.24–3.31.25) (Actual)	Fiscal year ended March 31, 2026 (4.1.25–3.31.26) (Forecast)	Change	Half-yearly	
						First half of fiscal year ended March 31, 2026	Second half of fiscal year ended March 31, 2026
	Basic Chemicals	Net sales	520.5	462.1	(58.4)	228.0	234.1
		Operating income (loss)	14.1	9.3	(4.8)	(0.7)	10.0
	Value-Added Chemicals	Net sales	132.0	133.0	1.0	65.7	67.3
		Operating income	21.8	25.8	4.0	11.0	14.8
	Subtotal for Chemical Chain Business	Net sales	652.5	595.1	(57.4)	293.7	301.4
		Operating income	35.9	35.1	(0.8)	10.3	24.8
	Bioscience	Net sales	68.9	68.0	(0.9)	32.5	35.5
		Operating income	21.2	19.4	(1.8)	10.6	8.8
	Advanced Materials	Net sales	127.2	128.8	1.6	64.6	64.2
		Operating income	5.3	7.0	1.7	3.7	3.3
	Water Treatment	Net sales	162.2	175.0	12.8	82.4	92.6
		Operating income	31.1	36.0	4.9	17.4	18.6
	Subtotal for Advanced Technologies Business	Net sales	358.3	371.9	13.6	179.6	192.3
		Operating income	57.6	62.4	4.8	31.6	30.8
Other		Net sales	52.5	53.0	0.5	25.9	27.2
		Operating income	5.4	5.5	0.1	2.8	2.7
Total		Net sales	1,063.4	1,020.0	(43.4)	499.1	520.9
		Operating income	98.9	103.0	4.1	44.7	58.3

(Note) Amounts less than 0.1 billion yen are rounded off