

**Business Results for the Third Quarter of
Fiscal Year Ending March 31, 2026
(April 1, 2025 – December 31, 2025)**

February 6, 2026
Toyo Gosei Co., Ltd.
Securities Code: 4970

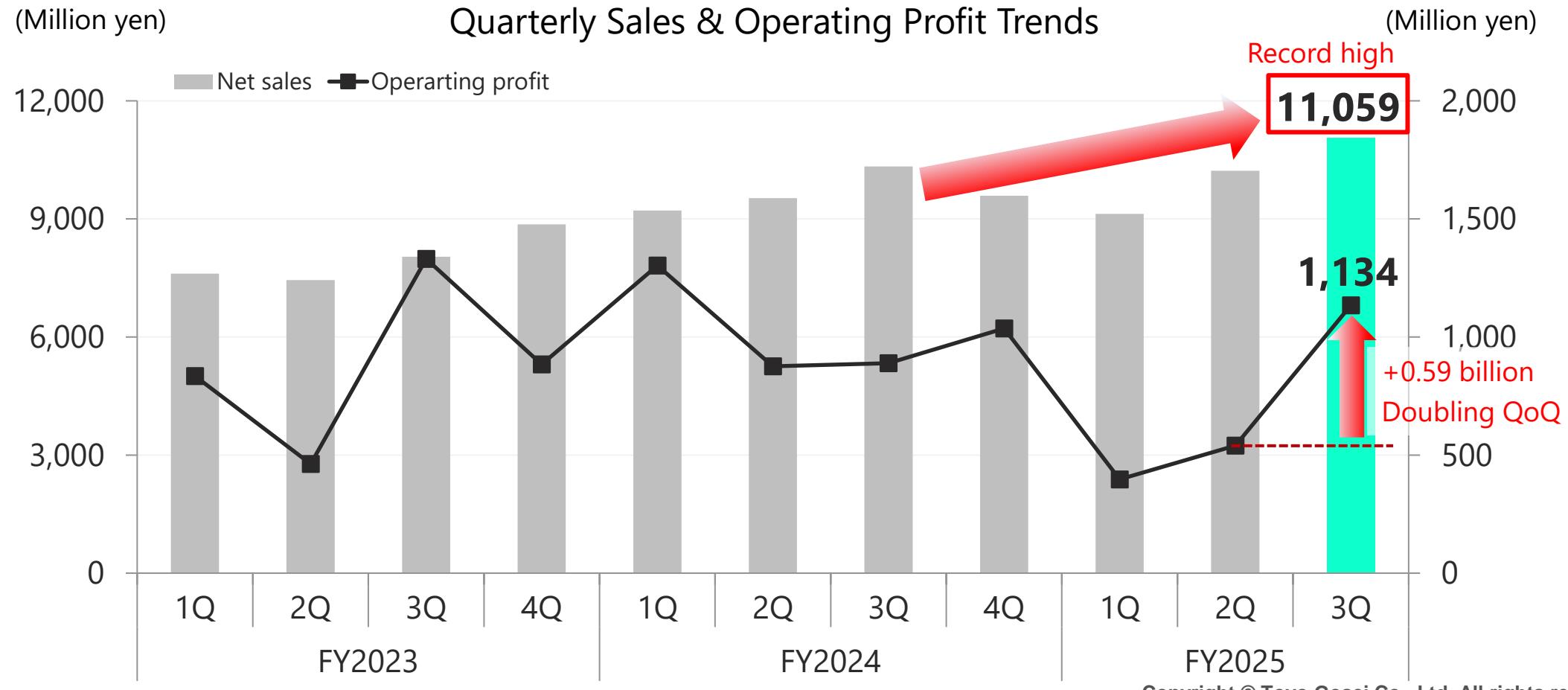
FY2025 Q3 Financial Highlights

- New facilities for advanced semiconductor materials are progressing toward product qualification, with operations and shipments increasing.
- Net sales increased 5% YoY to ¥30,408 million, supported by steady sales of advanced semiconductor materials.
- Operating profit declined 32% YoY to ¥2,071 million, mainly due to ¥1.93 billion in increased costs (depreciation, headcount expansion, etc.) from the start-up of new facilities for advanced semiconductor materials.

(Million yen)	FY2024 Q3 Results	FY2025 Q3 Results	YoY	
			Change	%
Net sales	29,073	30,408	+1,335	+5%
Operating profit	3,067	2,071	(995)	(32%)
Ordinary profit	3,103	1,990	(1,112)	(36%)
Profit	2,087	1,357	(729)	(35%)
EPS	¥263.00	¥171.04		
FX Rate (USD)	¥152/\$	¥149/\$		

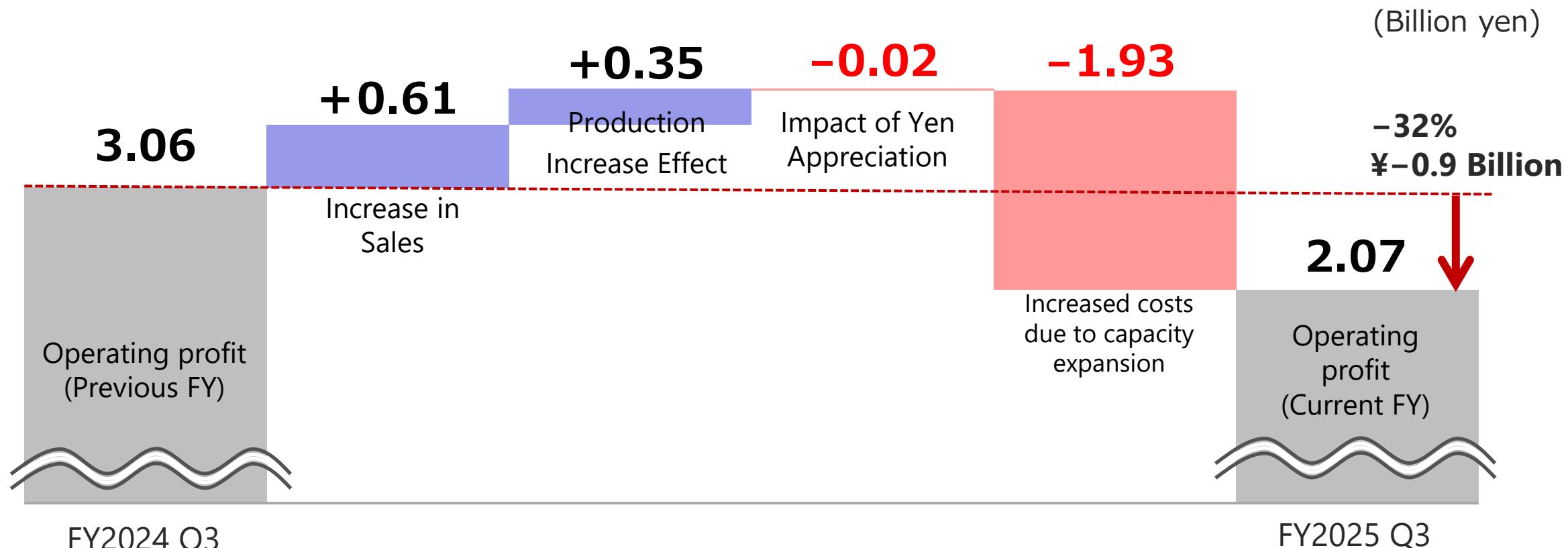
Quarterly Sales & Operating Profit Trends

- Q3 net sales increased on higher sales of advanced semiconductor materials, reaching a record high.
- Q3 operating profit recovered from the Q1 low to ¥1,134 million, doubling QoQ (+¥595 million).

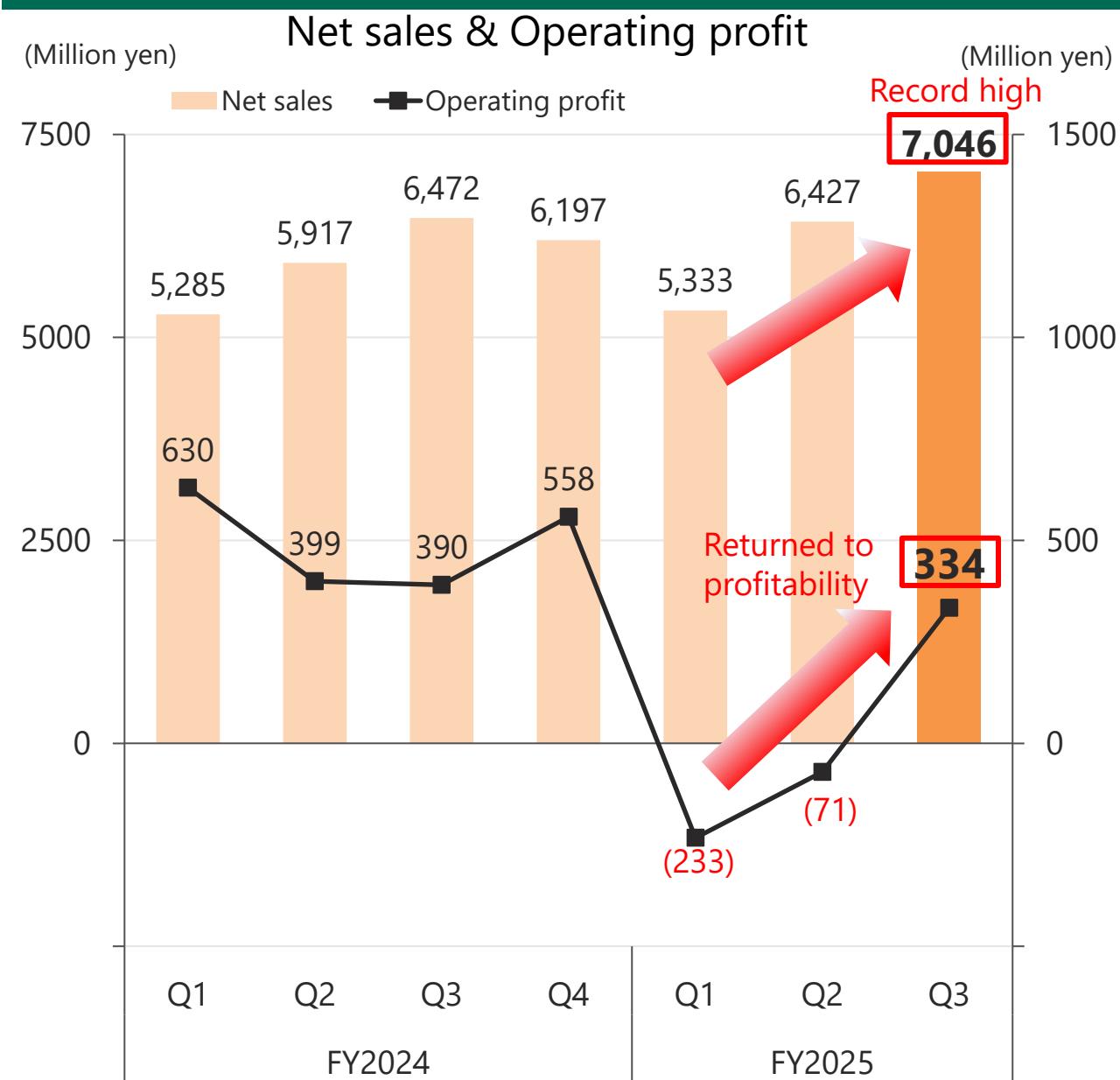


Variance Analysis: Operating profit

- Higher shipments for advanced semiconductor materials increased sales, and the resulting production ramp-up contributed to a ¥0.96 billion increase in profit.
- Depreciation and personnel expenses increased ahead of sales growth, and the launch of the Manufacturing Execution System added further costs, bringing the total increase to ¥1.93 billion.
- Operating profit reached ¥2.07 billion, as absorption of start-up costs related to the new facilities gradually improved.



Photosensitive Materials Segment



Net sales: ¥ 18,807 million (Cumulative)

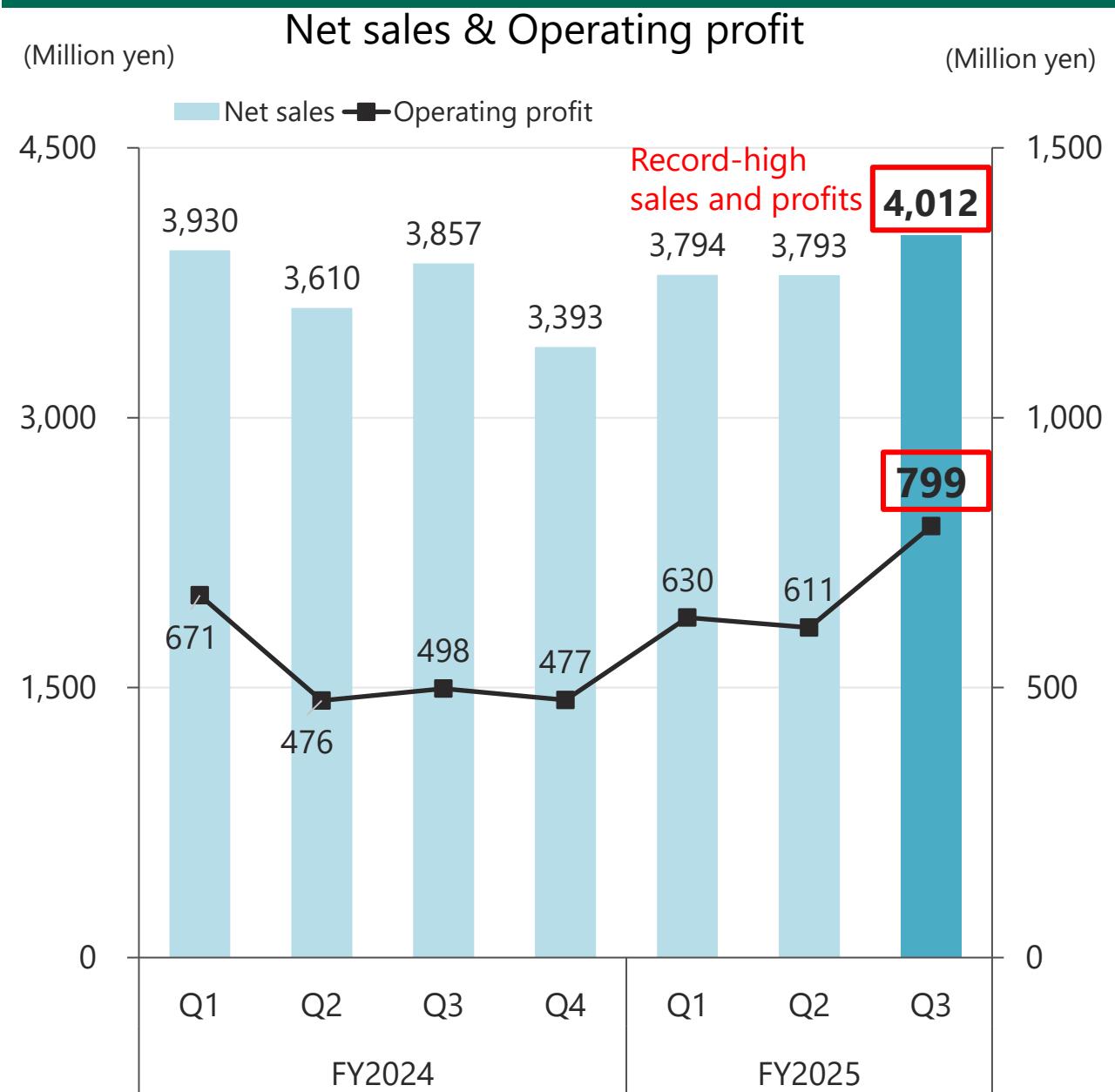
YoY : +¥1,132 Million, +6%

- Quarterly net sales reached a record high.
- Demand for AI applications remained strong, increasing sales of materials for advanced photoresists
- Sales of display materials remained solid, supported by stable panel production for smartphones and TVs.

Operating profit: ¥ 29 million (Cumulative)

YoY : -¥1,392 Million, -98%

- New facilities are progressing toward product qualification, and shipments are increasing.
- Higher sales of advanced materials improved fixed-cost absorption, resulting in a return to profitability both YTD and in Q3.
- Absorption of costs associated with the start-up of new facilities and the manufacturing execution system (MES) is gradually improving, supporting continued profit recovery.



Net sales: ¥11,601 million (Cumulative)

YoY :+¥203 Million, +2%

- Quarterly net sales reached a record high.
- Net sales of high-purity solvents increased thanks to rising demand driven by the spread of generative AI.
- Sales of flavor and fragrance materials decreased due to inventory adjustments in the supply chain and exchange rate impact.
- The tank terminal business remained solid, supported by demand for domestic products as well as steady storage demand for imported products. Inquiries for tanks have remained at high levels.

Operating profit: ¥2,041 million (Cumulative)

YoY :+¥396 Million, +24%

- Quarterly operating profit reached a record high, partly supported by improved product mix.
- YTD profit increased on higher sales of value-added products.

- Net sales increased to ¥30,408 million, up 5% YoY.
- Gross profit decreased YoY due to a ¥1.93 billion increase in expenses—mainly depreciation and headcount expansion—associated with the start-up of new facilities.
- However, net sales have expanded since bottoming out in Q1, and profits have continued to improve as these expenses have been gradually absorbed.

	(Million yen)	FY2024 Q3	FY2025 Q3	Change	%
Net sales	29,073	30,408	+1,335	+5%	
Cost of sales	22,291	24,423	+2,132	+10%	
Gross profit	6,782	5,985	(797)	(12%)	Gross profit Margin: 23.3%→19.7%
SG&A expenses	3,715	3,913	+198	+5%	
Operating profit	3,067	2,071	(995)	(32%)	
Non-operating income	208	180	(28)	(14%)	
Non-operating expenses	172	261	+88	+51%	
Ordinary profit	3,103	1,990	(1,112)	(36%)	
Extraordinary income & losses	(85)	(20)	+65	(76%)	
Profit before income taxes	3,017	1,970	(1,047)	(35%)	
Income taxes	930	612	(317)	(34%)	
Profit	2,087	1,357	(729)	(35%)	

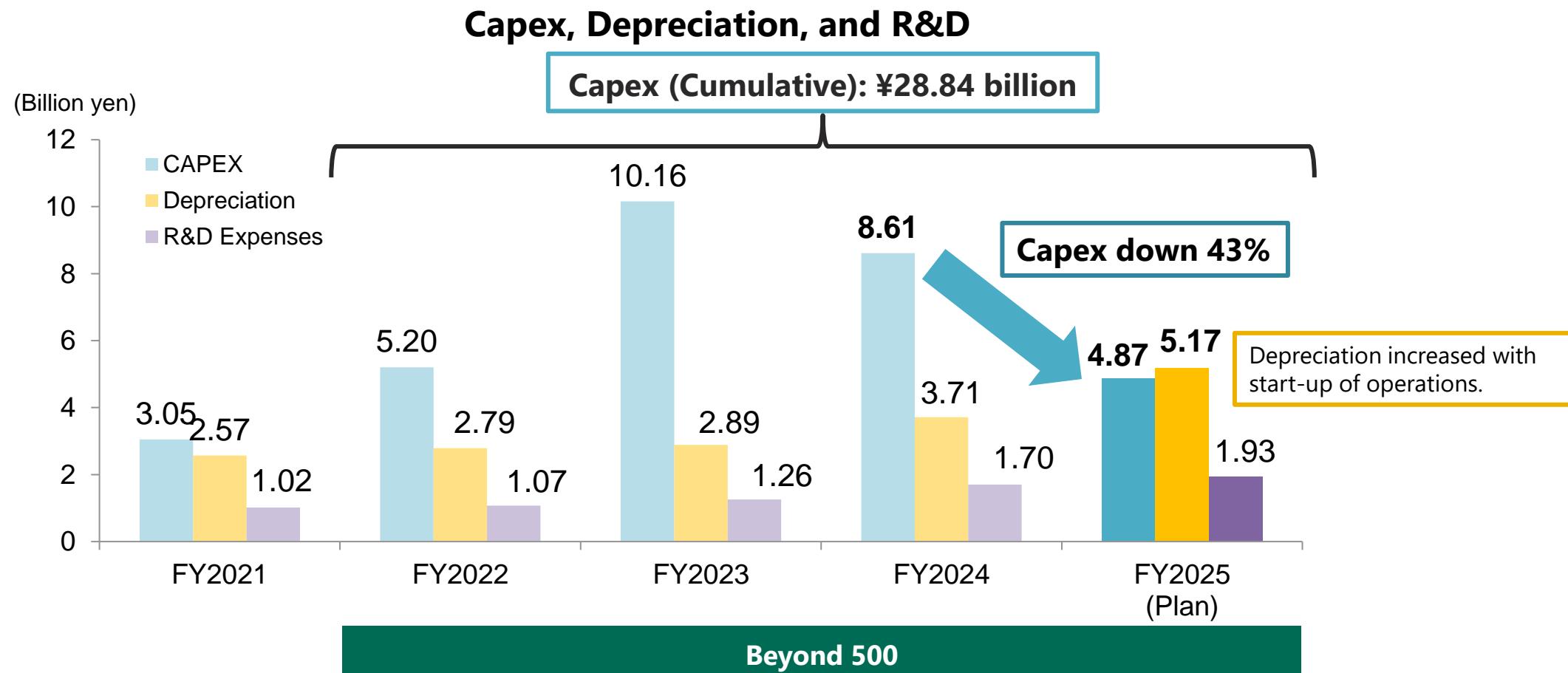
- Driven by sales expansion, working capital (accounts receivable + inventories – accounts payable) increased by ¥2,125 million.
- Driven by higher profits, net assets increased by ¥1,148 million, and the equity ratio improved to 39.9% (+2.2pt YoY).
- Following the completion of major capital investments, interest-bearing debt decreased by ¥744 million, improving financial soundness.

(Million yen)	Mar. 2025 ended	Dec. 2025 ended	Change	(Million yen)	Mar. 2025 ended	Dec. 2025 ended	Change
Current assets	24,069	24,417	+347	Liabilities	41,032	39,198	(1,834)
Cash and deposits	3,597	2,996	(600)	Notes and accounts payable – trade	5,676	5,807	+130
Notes and accounts receivable – trade	7,371	8,902	+1,531	Borrowings	27,731	26,987	(744)
Inventories	11,053	11,777	+724	Other	7,624	6,403	(1,220)
Other	2,047	740	(1,307)		0	0	+0
Fixed assets	41,794	40,760	(1,033)	Net assets	24,831	25,980	+1,148
Property, plant and equipment	37,702	36,741	(960)	Shareholders' equity	24,596	25,597	+1,000
Intangible assets	2,590	2,232	(357)	Valuation and translation adjustments	234	382	+148
Investments and other assets	1,501	1,786	+284		0	0	+0
Total assets	65,864	65,178	(685)	Liabilities and net assets	65,864	65,178	(685)

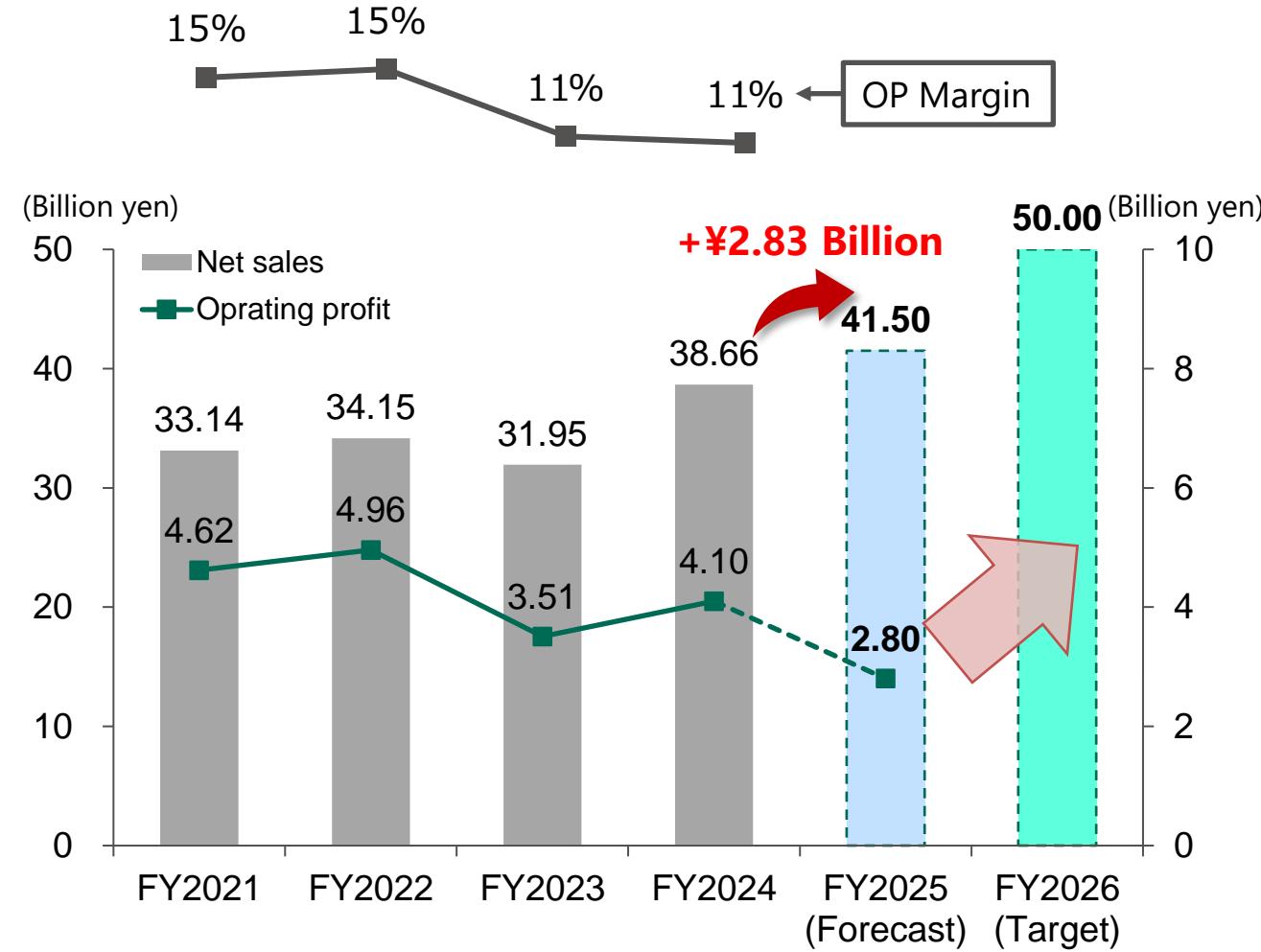
- Progress toward the full-year forecasts reached 73% for net sales, 74% for operating profit, 77% for ordinary profit, and 68% for net profit by Q3.
- Toward the fiscal year-end, we will continue expanding supply of high value-added products and work to further improve our performance.

	FY2025 Full-Year Forecasts	FY2025 Q3 Results	Progress (%)
Net sales	41,500	30,408	73%
Operating profit	2,800	2,071	74%
Ordinary profit	2,600	1,990	77%
Profit	2,000	1,357	68%

- Capital expenditures, depreciation, and R&D expenses remain unchanged from the initial plan.
- All major capital investments have been completed, and we aim to expand earnings by leveraging the new facilities going forward.



Results and Targets



Beyond500 (FY2026)

Net sales: ¥50 billion

Operating profit: ¥8 billion (OP Margin 16%)

Capex: ¥30 billion (Total for the Mid-Term Plan Period)

- The semiconductor market is expected to continue growing over the medium to long term.
- To expand supply capacity, mass production operation at the new facilities began in the fiscal year ending March 2026.
- We will maximize utilization of the completed facilities to expand supply of high value-added products.
- As the final year of the medium-term management plan, we will accelerate profit growth by improving capacity utilization and stabilizing mass production.

Individual Development,
to the global Chemical



Toyo Gosei Co., Ltd.

(Note):

The forecasts presented in this document are based on information currently available and certain assumptions deemed reasonable at the time of preparation.

As such, they involve various uncertainties, and actual results may differ materially from those projected due to factors such as changes in the economic environment or market conditions surrounding the company. These forecasts are not intended to constitute guarantees or promises of future performance.