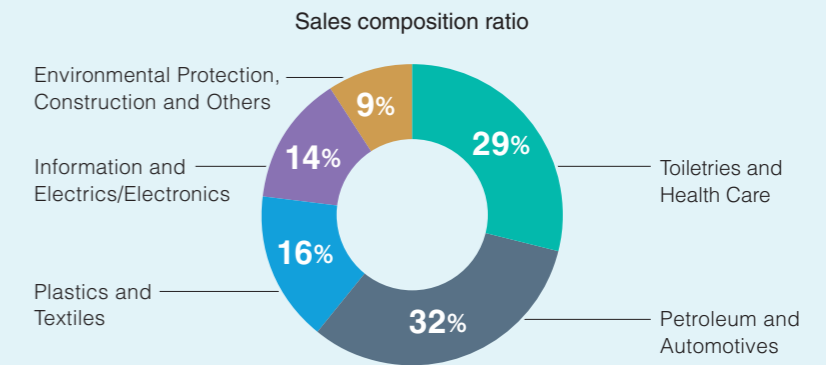


Business Overview by Segment

Consolidated net sales for FY2023 were 159.5 billion yen (a decrease of 8.8% year on year) due to a decline in sales volume and other factors. In terms of profits, operating profit was 4.88 billion yen (a decrease of 39.8% year on year) due to a decline in sales volume and a rise in depreciation costs associated with the operation of a new core system, and ordinary profit was 8.18 billion yen (a decrease of 17.5% year on year). Meanwhile, loss attributable to owners of parent was 8.5 billion yen (a profit of 5.68 billion yen in the previous year) due to the recording of impairment losses at subsidiaries and losses related to withdrawal from the SAP business and the production business in China (business structural reform costs).

Net sales:
159.5 billion yen

Operating profit:
4.88 billion yen



Segment	Net sales / Operating profit by segment	Targets in the MTP 2025	Overview of segments for the current fiscal year	Main products
Toiletries and Health Care			<p>In the Toiletries segment, both the domestic and global markets for surfactants for liquid laundry detergents and polyethylene glycol were sluggish, with falling demand, causing a decline in sales. In the Health Care segment, sales of superabsorbent polymers decreased in volume in Japan and Asia, and sales overall declined significantly. Total net sales in this segment decreased by 19.6% year on year to 45.8 billion yen. Operating loss was 1.42 billion yen (a profit of 0.02 billion yen in the previous fiscal year).</p>	<p>Surfactants for detergents, surfactants for hair care products, agents for papermaking, superabsorbent polymers (SAPs), raw materials for pharmaceuticals, germicides/disinfectants, surgical hemostatic agents, clinical diagnostic reagents for enzyme immunoassay (EIA), potting resins for artificial kidneys</p>
Petroleum and Automotives			<p>In the Petroleum and Automotives segment, despite weak sales in polyurethane foams used in automobile seats and other applications due to the inflow of low-cost products from overseas, the increased traction of lubricant additives and thermoplastic polyurethane beads for interior parts of automobiles resulted in steady sales. Total net sales in this segment increased by 4.6% year on year to 50.4 billion yen. Operating profit was 2.81 billion yen (a decrease of 4.0% year on year).</p>	<p>Thermoplastic polyurethane beads for the interior parts of automobiles (TUBs), raw materials for polyurethane foams (PPG), lubricant additives, additives for fuel oil, water-soluble cutting fluid, halogen-free cleaning agents, base materials for synthetic lubricants, paste resins for design models, resins for automobile paints</p>
Plastics and Textiles			<p>In the Plastics segment, sales fell due to weak sales of permanent antistatic agents as a result of sluggish demand for electronic parts, along with a decrease in demand for paint coating agents and additives. In the Textiles segment, sales were weak due to sluggish sales of chemicals for carbon fibers used in wind turbines for wind power generation, and a slow recovery in demand for spin finish oil used in the manufacturing process of tire cord yarns and other items. Total net sales in this segment decreased by 10.4% year on year to 25.2 billion yen. Operating profit was 2.36 billion yen (a decrease of 14.9% year on year).</p>	<p>Permanent antistatic agents, pigment dispersants, resin modifiers, paint resins, defoaming agents, base materials for polyurethane elastomers, chemical boards for models, agents for textile manufacturing, chemicals for carbon fibers, agents for fiberglass, polyurethane resins for artificial and synthetic leather</p>
Information and Electrics/Electronics			<p>In the Information segment, sales were flat due to price revisions caused by soaring raw material prices and other factors, in spite of a decline in demand for toner-related materials. In the Electrics/Electronics segment, the recovery of the semiconductor market drove increased sales of related materials, but sales of electrolytes for aluminum electrolytic capacitors remained sluggish due to underperformance in consumer applications, and sales declined. Total net sales in this segment decreased by 1.3% year on year to 22.8 billion yen. Operating profit was 1.83 billion yen (a decrease of 27.0% year on year).</p>	<p>Polyester beads used as a core component of polymerization toners (PEBs), toner resins, electrolytes for aluminum electrolytic capacitors, adhesives for electronic materials, chemicals for use in electronic parts manufacturing, UV/EB curing resins</p>
Environmental Protection, Construction and Others			<p>In the Environmental Protection segment, sales were weak due to sluggish demand for cationic monomers used in polymer flocculants. In the Construction segment, sales declined for raw materials for polyurethane foams, mainly used in furniture and heat insulating materials, and for raw materials for building sealants. Total net sales in this segment decreased by 17.8% year on year to 15.0 billion yen. Operating profit was 0.53 billion yen (a decrease of 60.7% year on year).</p>	<p>Polymer flocculants for wastewater treatment, cationic monomers, PPG for furniture and heat insulating materials, slurry agents, reactive hot-melt adhesives, raw materials for building sealants, cement chemicals</p>

(Note) Operating profit for each reportable segment is calculated without including R&D expenses related to new businesses that do not belong to each segment.