

# First Quarter Financial Results for the Fiscal Year Ending 31 October 2026

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3 April 2026

## Summary of the Financial Results for the First Quarter of the FY2026

### Financial results for the 1st Quarter of the FY2026 (unit: ¥ billion)

	1Q 2025 results	1Q 2026 results	Change (Amount)	Change (%)
Net Sales	43.4	<b>46.7</b>	+3.3	+8%
Agricultural Chemicals and Agriculture-Related	34.6	37.8	+3.2	+9%
Fine Chemicals	5.9	6.7	+0.7	+12%
Other	2.8	2.3	-0.6	-20%
Operating profit	4.0	<b>5.0</b>	+1.0	+25%
Ordinary profit	5.0	<b>6.2</b>	+1.2	+23%
Profit attributable to owners of parent	4.0	<b>3.9</b>	-0.1	-2%

Ref.) Average of exchange rates ¥/US\$=154 ¥/US\$=156

### FY2026 Earnings forecast (unit: ¥ billion)

	2025 Results	2026 Forecast	Change (Amount)	Change (%)
Net Sales	170.5	<b>162.0</b>	-8.5	-5%
Agricultural Chemicals and Agriculture-Related	135.7	127.0	-8.7	-6%
Fine Chemicals	25.1	26.1	+1.0	+4%
Other	9.7	9.0	-0.7	-7%
Operating profit	10.6	<b>7.2</b>	-3.4	-32%
Ordinary profit	13.4	<b>10.9</b>	-2.5	-18%
Profit attributable to owners of parent	4.4	<b>6.4</b>	+2.0	+46%

Ref.) Average of exchange rates ¥/US\$=149 ¥/US\$=150

### ■ Driven by a steady start in Agricultural Chemicals and Fine Chemical segments, operating profit reached ¥5.0 billion (+¥1.0 billion PYTD)

- ✓ Although shipments of herbicide AXEEV to Australia declined, sales to the U.S. increased as a result of enhanced support for sales promotion in anticipation of generic products entering the market
- ✓ Shipments of bismaleimides increased significantly due to strong demand for electronic materials for generative AI servers

PYTD : Prior Year-To-Date

### ■ Although ordinary profit increased due to higher equity in earnings of affiliates, profit attributable to owners of parent decreased following the recording of tax effects on the retained profit of equity method affiliates

### ■ The full-year earnings forecast remains unchanged

- ✓ Shipments of AXEEV were brought forward  
Going forward, profitability is anticipated to decline due to competition with generics in the U.S.
- ✓ Fine Chemical segments is expected to robust growth
- ✓ Deterioration of the situation in Iran raises concerns about higher procurement costs

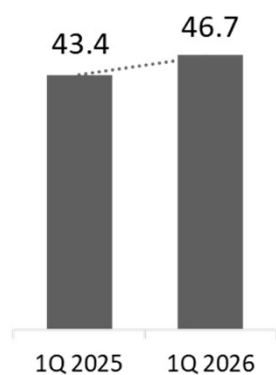
## Financial Results for the First Quarter of the FY2026 — Overview

(unit: ¥ billion)

	1Q 2025 results	1Q 2026 results	Change (Amount)	Change (%)
Net sales	43.4	<b>46.7</b>	+ 3.3	+ 8%
Gross profit	9.6	<b>10.4</b>	+ 0.9	+ 9%
Operating profit	4.0	<b>5.0</b>	+ 1.0	+ 25%
Ordinary profit	5.0	<b>6.2</b>	+ 1.2	+ 23%
Profit attributable to owners of parent	4.0	<b>3.9</b>	-0.1	-2%

Ref.) Average of exchange rates    ¥/US\$=154    ¥/US\$=156

### Net sales

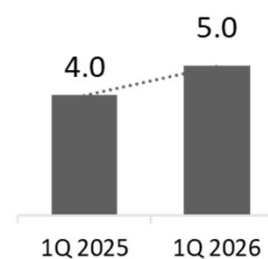


\*PYTD + **¥3.3** billion

(+) Agricultural Chemicals and Fine Chemical segments had a steady start

(+) AXEEV : +¥2.2 billion

### Operating profit



PYTD + **¥1.0** billion

(+) Increase in sales of Agricultural Chemicals

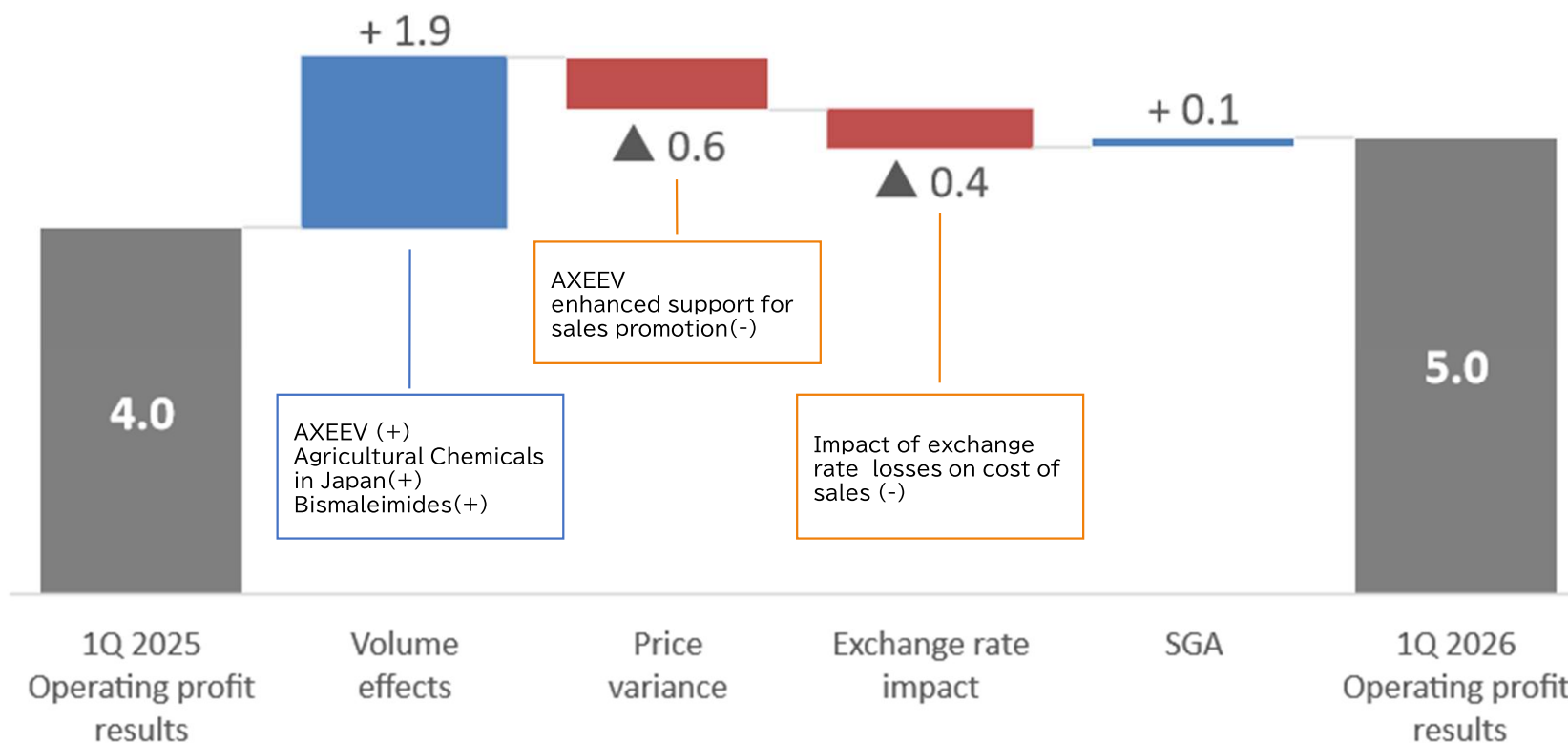
(+) Increase in sales of Fine Chemicals

\* PYTD : Prior Year-To-Date

# Financial Results for the First Quarter of the FY2026

## — Factors Affecting Changes in Operating profit

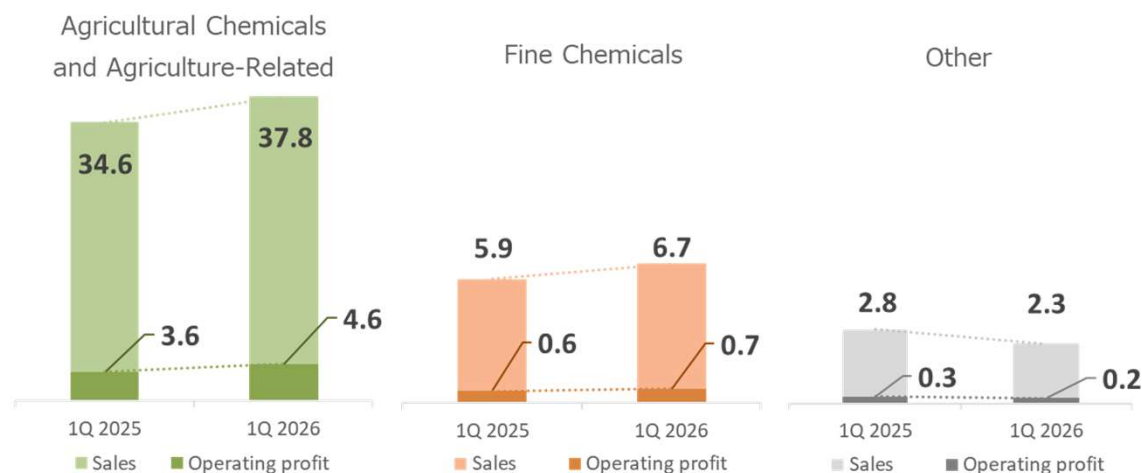
(unit: ¥ billion)



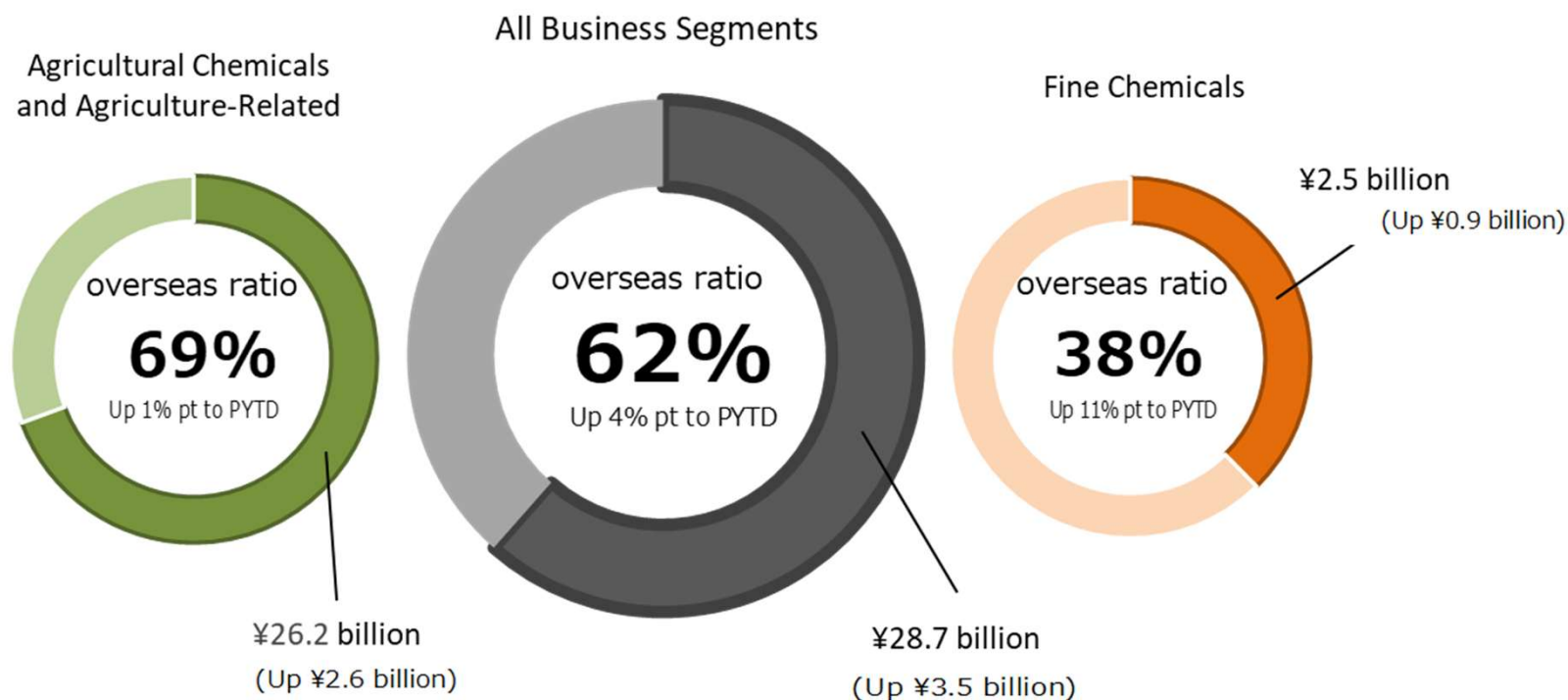
## Financial Results for the First Quarter of the FY2026—Financial Results by Business Segment

(unit: ¥ billion)

	1Q 2025 Results	1Q 2026 Results	Change (Amount)	Change (%)
Net Sales	43.4	<b>46.7</b>	+3.3	+8%
Agricultural Chemicals and Agriculture-Related	34.6	<b>37.8</b>	+3.2	+9%
Fine Chemicals	5.9	<b>6.7</b>	+0.7	+12%
Other	2.8	<b>2.3</b>	-0.6	-20%
Operating profit	4.0	<b>5.0</b>	+1.0	+25%
Agricultural Chemicals and Agriculture-Related	3.6	<b>4.6</b>	+1.0	+28%
Fine Chemicals	0.6	<b>0.7</b>	+0.1	+21%
Other	0.3	<b>0.2</b>	-0.1	-25%
(Adjustment)	-0.4	<b>-0.5</b>	-0.1	-



## Financial Results for the First Quarter of the FY2026—Overseas Sales and Ratio



## Financial Results for the First Quarter of the FY2026

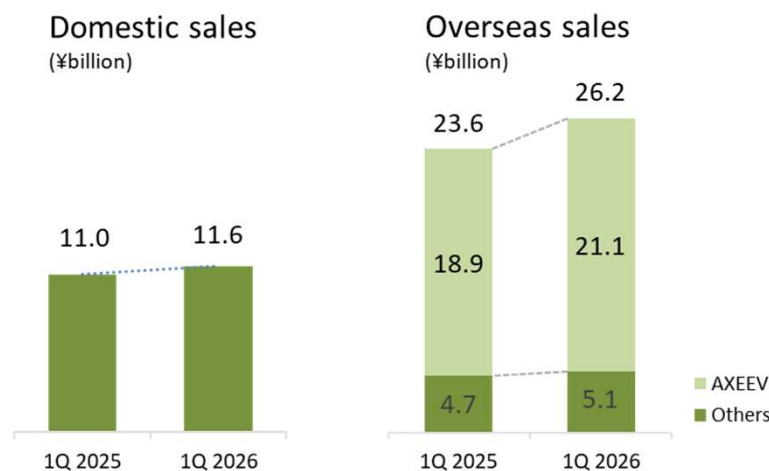
—Agricultural Chemicals and Agriculture-Related Businesses

### Domestic highlights (In Japanese Markets)

- Steady sales of paddy rice herbicides containing EFEEEDA
- Steady sales of paddy rice nursery box application products containing DISARTA
- Increased demand for insecticides due to the expansion of stink bug damage

### Overseas highlights (In Markets outside Japan )

- Although shipments of herbicide AXEEV to Australia declined, sales to the U.S. increased as a result of enhanced support for sales promotion in anticipation of generic products entering the market



## Financial Results for the First Quarter of the FY2026— *Fine Chemicals Businesses*

### Chlorination

- While shipments of chloroxylene-based products increased, the business conditions remain severe

### Advanced Chemicals

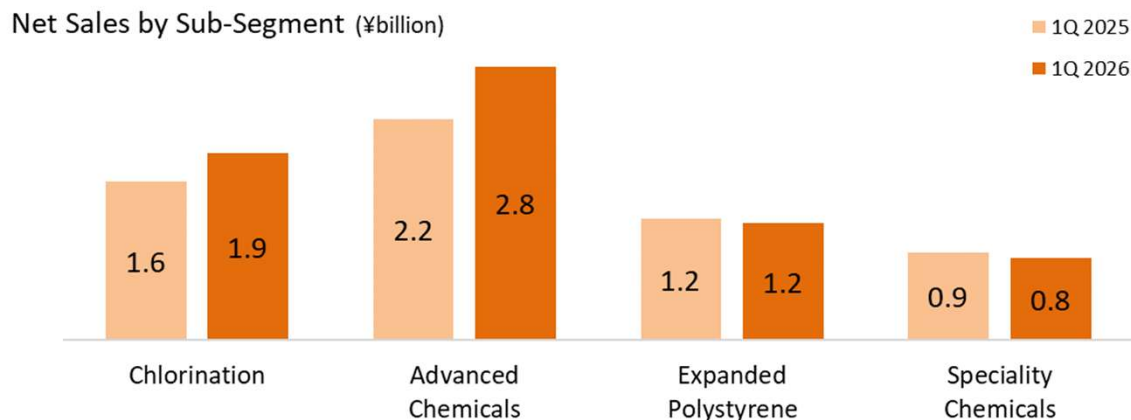
- Shipments of bismaleimides increased significantly due to strong demand for electronic materials for generative AI servers

### Expanded Polystyrene

- Sales remained flat

### Speciality Chemicals

- Sales remained flat



## AXEEV Business Overview — First Quarter of the FY2026



### U.S.

**Actual sales**    ¥17.6 billion ( +¥7.0 billion PYTD)

- Shipments increased as a result of enhanced support for sales promotion
- Generic products expected to enter the market from Q2 2026
- Maintain and grow market share through effective sales promotion and new product development, while monitoring generic entry status



### Australia & Argentina

**Actual sales**    **Australia : No shipments ( -¥4.9 billion PYTD)**  
**Argentina : ¥2.0 billion (+¥2.0 billion PYTD)**

- Competition with generic products are intensifying
- Shipments are expected to resume from Q2 onward; however, profitability is projected to decline due to price reductions
- Continuation of legal actions against patent-infringing products



### Brazil

**Actual sales**    ¥1.1 billion ( -¥2.2 billion PYTD)

- Revenue declined PYTD due to shipment delays
- The market environment remains challenging, driven by lower competitor pricing resulting from an oversupplied market, as well as credit risks resulting from high interest rates. Sales promotion support will be strengthened to accelerate shipments

# Summary of the First Quarter of the FY2026

## All Business Segments

\* PYTD : Prior Year-To-Date

Net sales	<b>¥46.7</b> billion (PYTD +¥3.3B)	■ Agricultural Chemicals and Fine Chemical segments had a steady start
Operating profit	<b>¥5.0</b> billion (PYTD +¥1.0B)	■ Net sales of herbicide AXEEV increased by ¥2.2billion (PYTD)
Ordinary profit	<b>¥6.2</b> billion (PYTD +¥1.2B)	■ Although foreign exchange losses were recorded, ordinary profit increased due to higher equity in earnings of affiliates
Profit attributable to owners of parent	<b>¥3.9</b> billion (PYTD -¥0.1B)	■ Profit attributable to owners of parent decreased due to the recording of tax effects on the retained profit of equity method affiliates

## Agricultural Chemicals and Agriculture-Related

Net sales	<b>¥37.8</b> billion (PYTD +¥3.2B)	■ In overseas markets, although shipments of herbicide AXEEV to Australia declined, sales to the U.S. increased as a result of enhanced support for sales promotion in anticipation of generic products entering the market
Operating profit	<b>¥4.6</b> billion (PYTD +¥1.0B)	■ In the domestic market, sales of products for paddy rice containing herbicide EFFEEDA remained robust

## Fine Chemicals

Net sales	<b>¥6.7</b> billion (PYTD +¥0.7B)	■ Shipments of bismaleimides increased significantly due to strong demand for electronic materials for generative AI servers
Operating profit	<b>¥0.7</b> billion (PYTD +¥0.1B)	

## Other

Net sales	<b>¥2.3</b> billion (PYTD -¥0.6B)	■ Net sales decreased, influenced by factors including the completion of several large-scale construction projects in the construction business in PYTD
Operating profit	<b>¥0.2</b> billion (PYTD -¥0.1B)	

## FY2026 Earnings Forecast

(unit: ¥ billion)

	2025 Results	2026 Forecast	Change (Amount)	Change (%)
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Ref.) Average of exchange rates ¥/US\$=149 ¥/US\$=150

■ **Net sales** ¥**162.0**billion      **Operating profit** ¥**7.2**billion      **Ordinary profit** ¥**10.9**billion

■ **The full-year earnings forecast remains unchanged**

□ **Agricultural Chemicals and Agriculture-related**

Shipments of AXEEV were brought forward

Going forward, profitability is anticipated to decline due to competition with generics in the U.S.

□ **Fine Chemicals**

Increased shipments of bismaleimides may lead to an upside in performance

□ **Business Environment**

Deterioration of the situation in Iran raises concerns about higher procurement costs

## FY2026 Earnings Forecast -R&D expenses, Capital investment and Depreciation

### R&D expenses

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FY2025 Results    ¥ **7.1** billion                      FY2026 Forecast    ¥ **7.9** billion

- (Factors)
- More focus on development of overseas markets
  - Promotion of research activities utilizing cutting edge technology

### Capital investment

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FY2025 Results    ¥ **7.0** billion                      FY2026 Forecast    ¥ **5.9** billion

- (Factors)
- Renewal of manufacturing and research equipment

### Depreciation

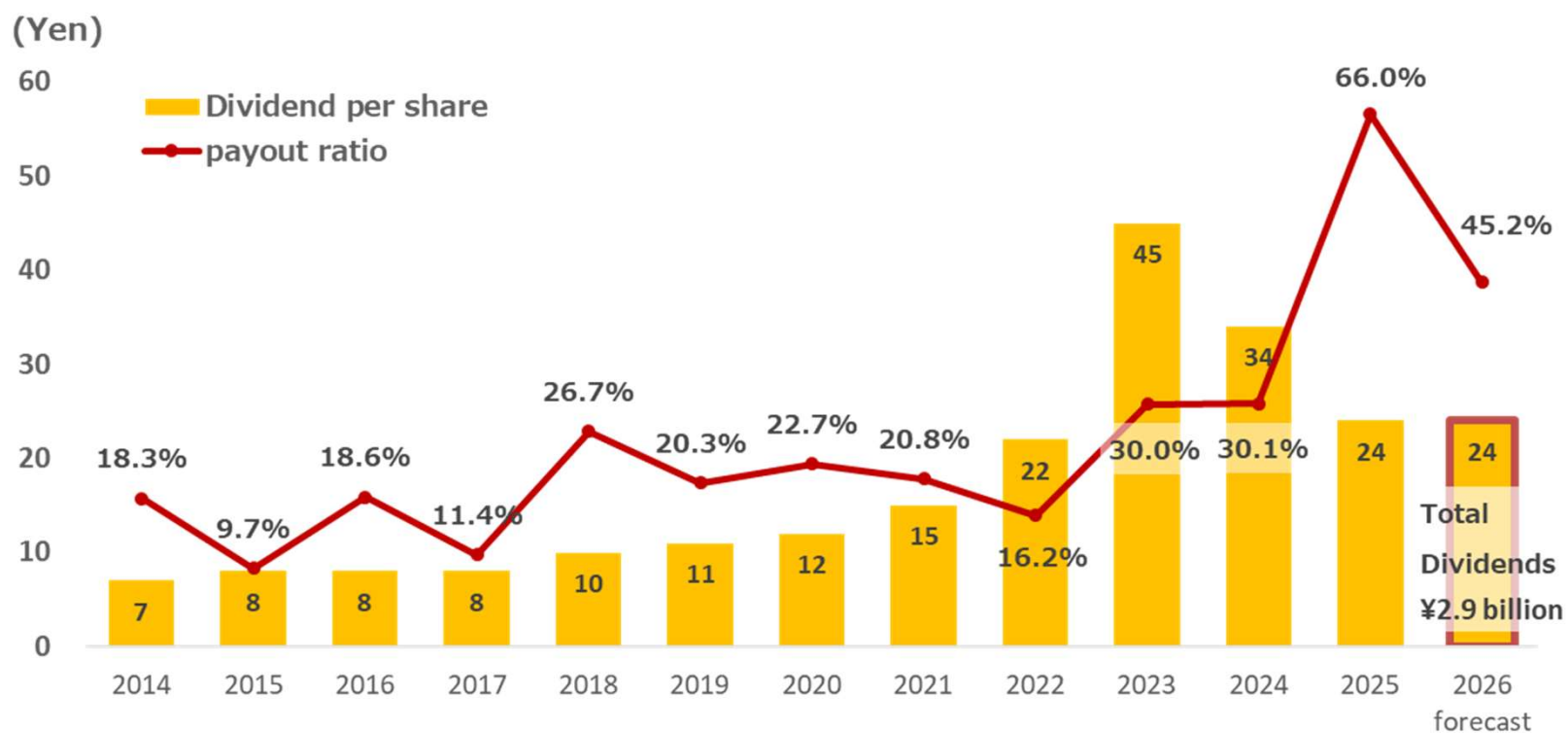
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FY2025 Results    ¥ **5.7** billion                      FY2026 Forecast    ¥ **5.9** billion

## FY2026 Earnings Forecast -Measures for Shareholder Returns

### Target dividend payout ratio of 30% or more

FY2026 dividend : Interim dividend ¥10 + Year-end dividend ¥14 = Annual dividend ¥24 per share (payout ratio: 45.2%)



## Launch of Plant Biostimulant “NATSU TSUYOSHI ”

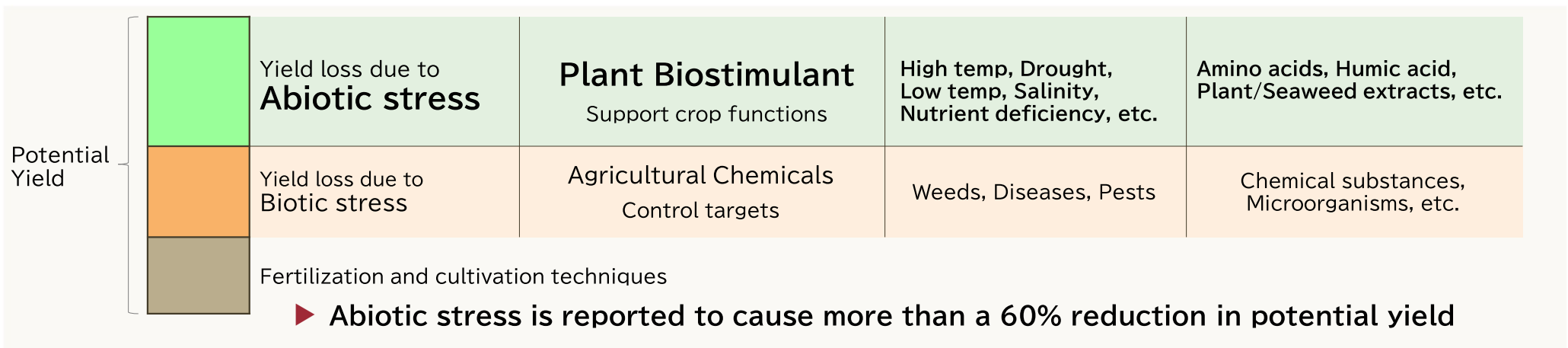
### NATSU TSUYOSHI

- The main component of NATSU TSUYOSHI, Shikon extract, is derived from the dye plant Murasaki (*Lithospermum erythrorhizon Sieb. et Zucc.*)
- Treatment with NATSU TSUYOSHI activates the expression of heat shock protein (HSP) genes in plants, which is expected to mitigate heat stress damage in various crops
- Application to paddy rice has been shown to reduce the percentage of chalky grains and increase the percentage of sound kernels, resulting in improved overall quality

### About Plant Biostimulant

A plant biostimulant is a substance(s), microorganism(s), or mixtures thereof, that, when applied to seeds, plants, the rhizosphere, soil or other growth media, act to support a plant’s natural nutrition processes independently of the biostimulant’s nutrient content. The plant biostimulant thereby improves nutrient availability, uptake or use efficiency, tolerance to abiotic stress, and consequent growth, development, quality or yield

(USDA Report to President and Congress on Plant Biostimulants, December 2019)



## Launch of Plant Biostimulant “NATSU TSUYOSHI”

### Anticipated Effects of Plant Biostimulant

- Ensuring stable crop production despite global population growth and frequent extreme weather
- Improving production efficiency and stable food supply by increasing yields and enhancing crop quality/nutrition
- Contributing to sustainable agriculture by reducing environmental impact

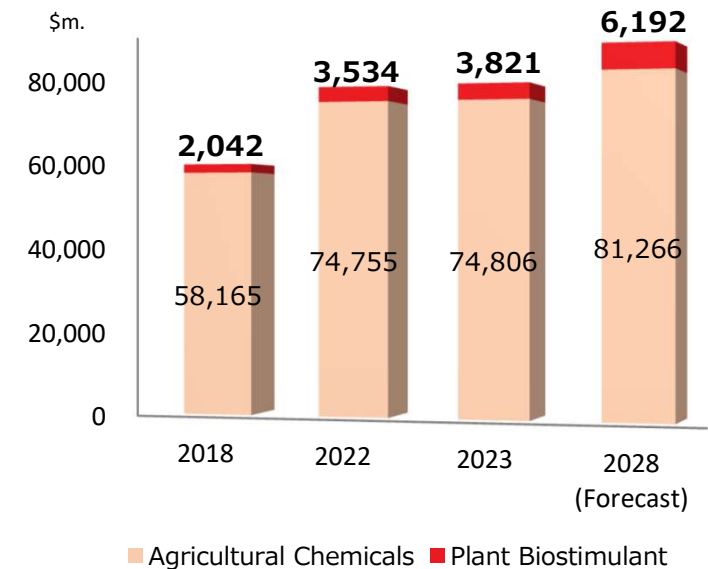
### Market Forecast of Plant Biostimulant

**6,192** million dollars in 2028 / CAGR from 2023 to 2028 is **10.1%**

Plant biostimulants are gaining significant attention in Japan, with the market projected to expand further in the coming years

### Market Forecast

Cited from Agbioinvestor



Active development of plant biostimulants alongside agricultural chemicals is being pursued to address field needs and support sustainable food production.

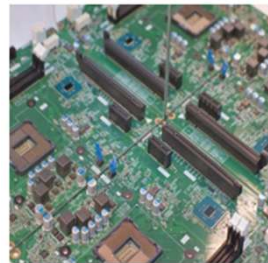
## Growth Drivers in the Fine Chemicals : Bismaleimides (BMIs)

Bismaleimides(BMIs)	
Applications	Raw material for high-performance resins
Features	Excellent heat resistance, toughness, and electrical properties
Target Markets	Electronic components (e.g., <u>Copper-Clad-Laminates</u> ), Advanced composite materials (Aerospace, etc.) Rubber cross-linking agents (Tires, etc.), Varnishes and coating materials (Rolling stock/Trains, etc.)

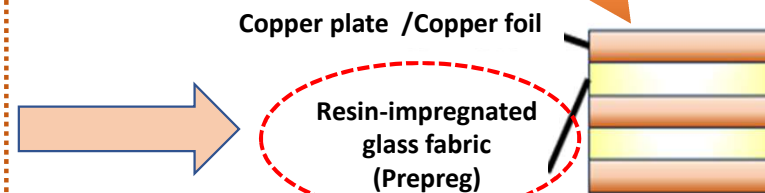
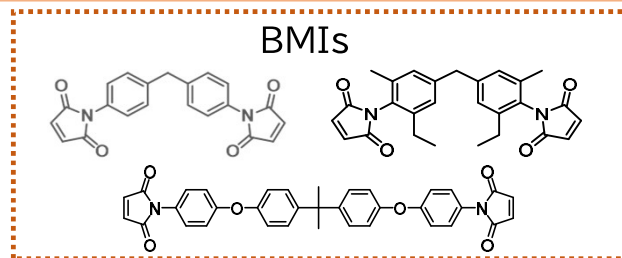
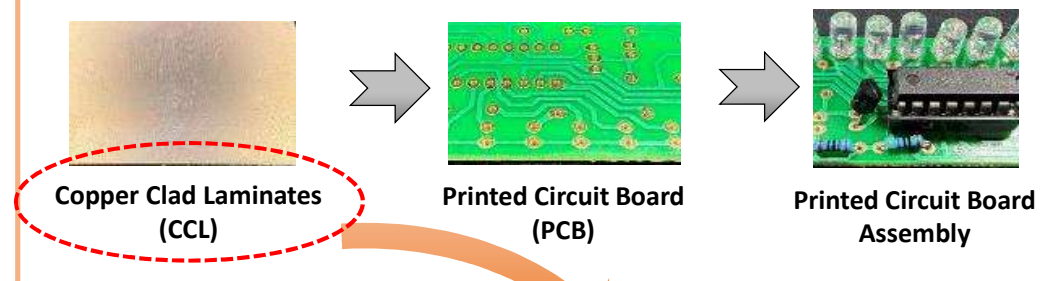
Excellent heat resistance and electrical properties  
 → Ideal for Electronic components



for Generative AI servers

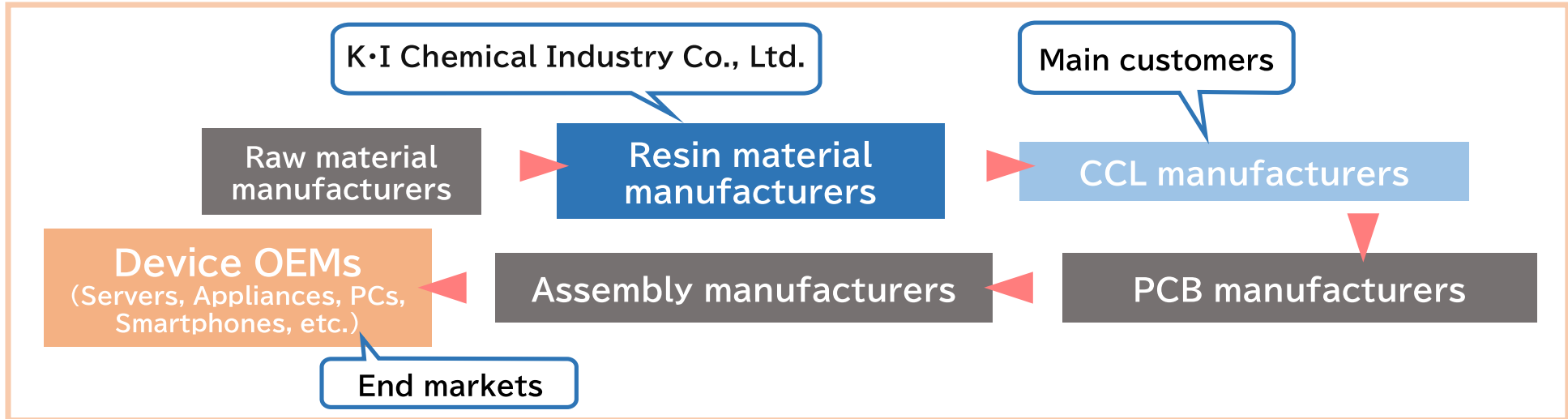


Demand for Electronic Materials (CCL) rises with Generative AI growth

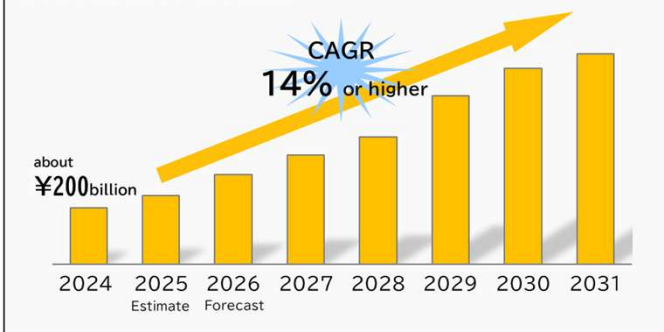


## Growth Drivers in the Fine Chemicals : Bismaleimides

### BMIs: The Supply Chain for Bismaleimides in the CCL industry



CCL Market Forecast



#### Positive Outlook

The CCL markets is on an upward trend  
Demand for BMIs is also expected to increase alongside market expansion

#### Risk Factors

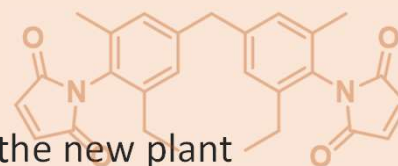
Entry of competitors and new materials

## Fine Chemicals Business — Future Outlook

Expand Business Domains and Promote New Business  
Developing Fine Chemicals as a Key Business Pillar

### BMIs

- **Japan's leading** BMI monomer supplier
- **Strengthen production** through full-scale operations at the new plant

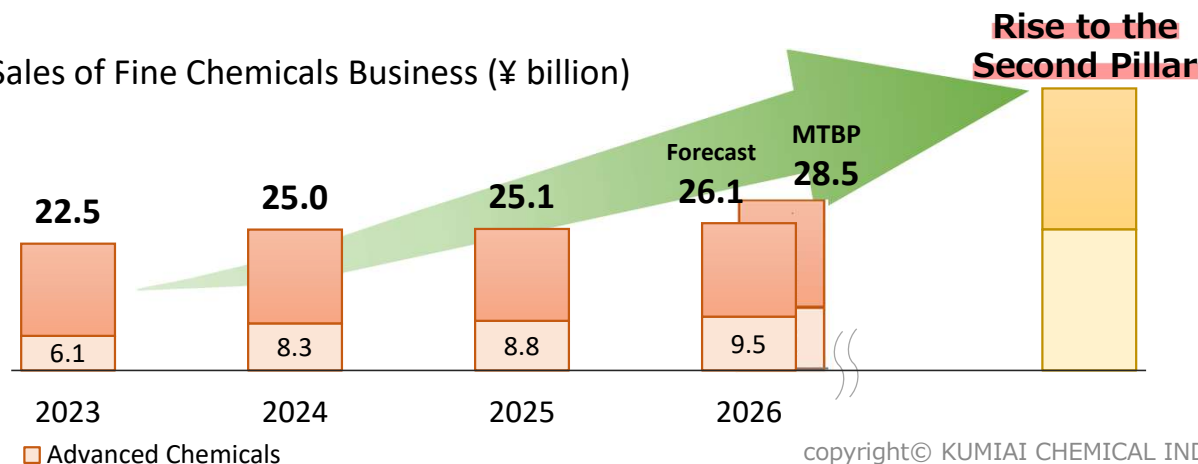


### Other Advanced Chemicals

- Next-generation material development
- Business expansion into the semiconductor memory field (**high-purity COS gas**)



Sales of Fine Chemicals Business (¥ billion)



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