

# Third Quarter Financial Results for the Fiscal Year Ending 31 October 2025

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September 16, 2025

# Financial Results for the Third Quarter of the FY2025 – Overview

(unit: ¥ billion)

	3Q 2024 results	3Q 2025 results	Change (Amount)	Change (%)
Net Sales	129.2	<b>134.5</b>	+ 5.3	+ 4%
Gross Profit	29.8	<b>27.8</b>	-1.9	-7%
Operating Income	12.3	<b>10.4</b>	-1.9	-15%
Ordinary Income	16.9	<b>11.6</b>	-5.4	-32%
Net income attributable to owners of parent	12.8	<b>9.0</b>	-3.8	-29%

Ref.) Average of exchange rates

¥/US\$=152

¥/US\$=149

## Sales

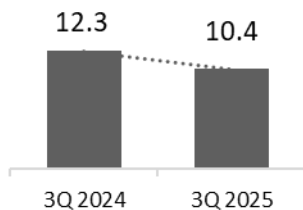
## Operating Income

\* PYTD + **¥5.3**billion

PYTD - **¥1.9**billion



(+) Sales increased in all segments PYTD



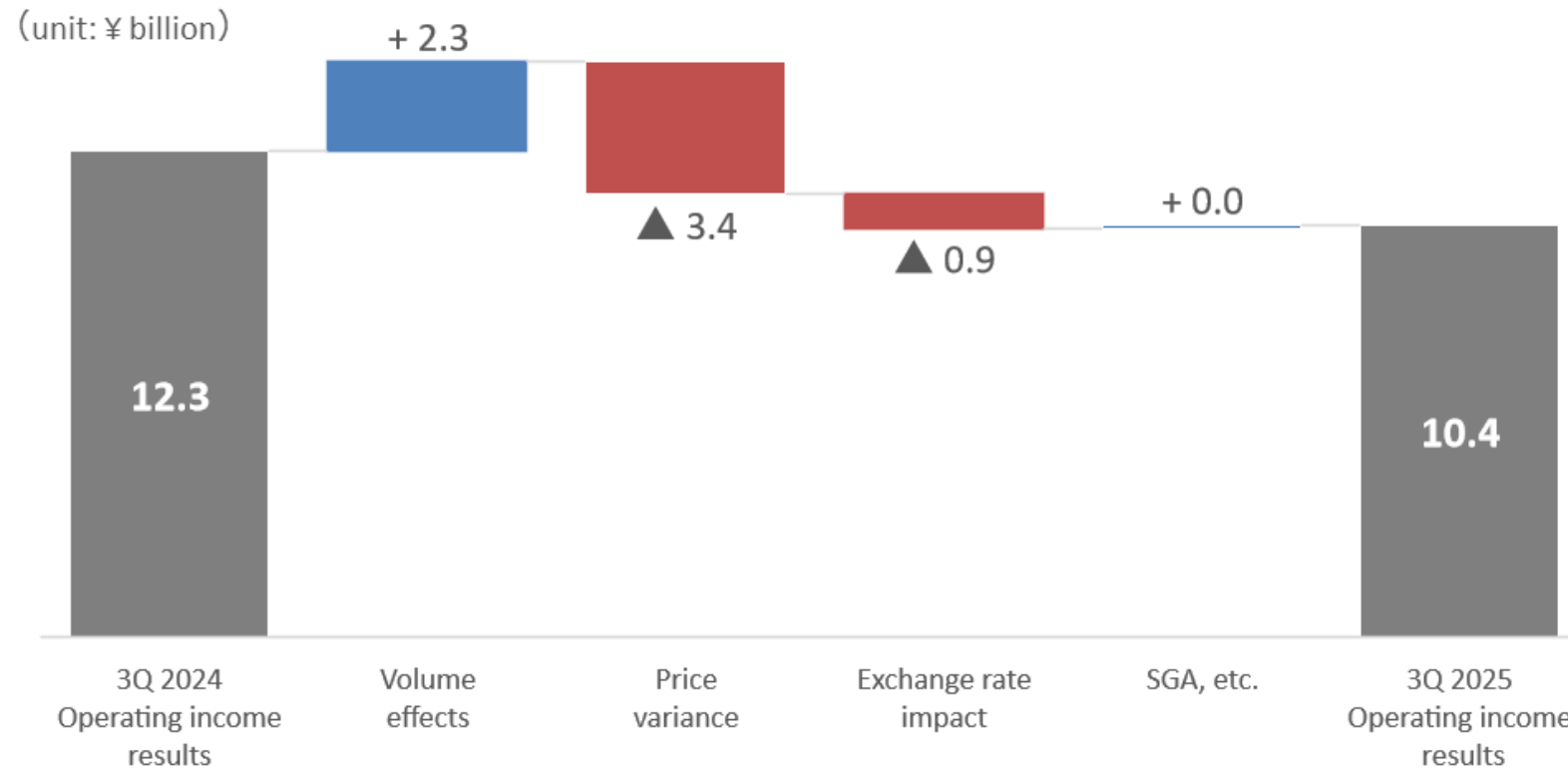
(-) Profit decrease in the Agricultural Chemicals and Agriculture-Related segment

(+) Profit increase in Fine Chemicals segment

\* PYTD : Prior Year-To-Date

# Financial Results for the Third Quarter of the FY2025

## – Factors Affecting Changes in Operating Income

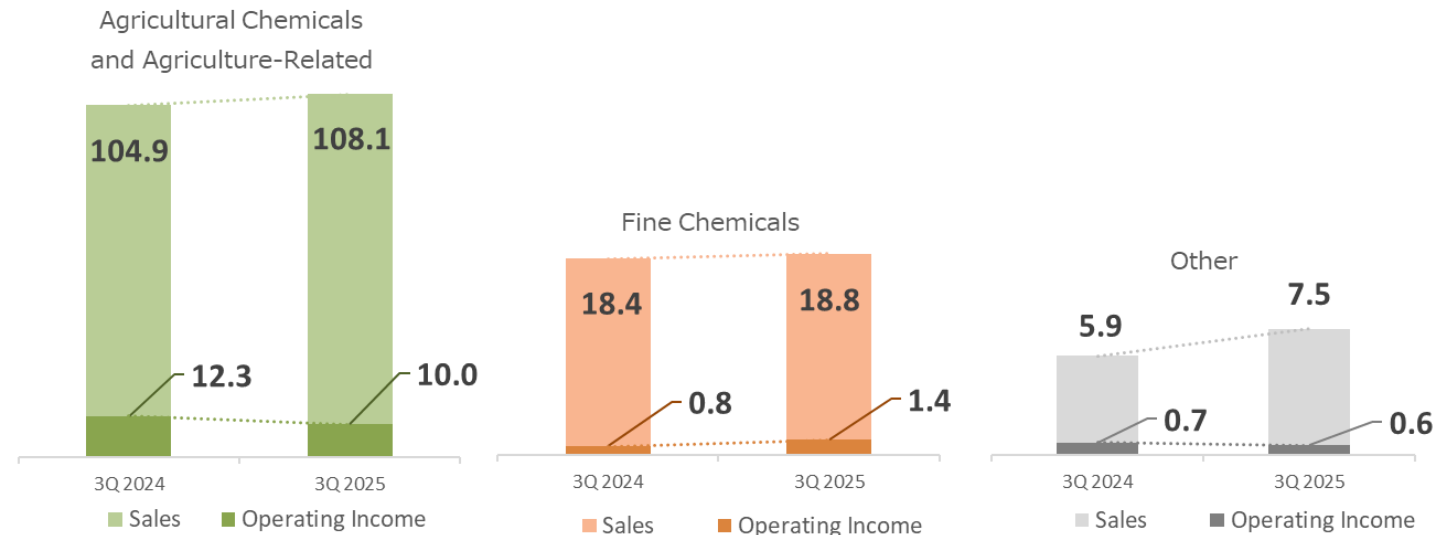


# Financial Results for the First Quarter of the FY2025

## – Financial Results by Business Segment

(unit: ¥ billion)

	3Q 2024 Results	3Q 2025 Results	Change (Amount)	Change (%)
Net Sales	129.2	<b>134.5</b>	+ 5.3	+4%
Agricultural Chemicals and Agriculture-Related	104.9	<b>108.1</b>	+ 3.2	+3%
Fine Chemicals	18.4	<b>18.8</b>	+ 0.4	+2%
Other	5.9	<b>7.5</b>	+ 1.6	+27%
Operating Income	12.3	<b>10.4</b>	- 1.9	-15%
Agricultural Chemicals and Agriculture-Related	12.3	<b>10.0</b>	- 2.3	-19%
Fine Chemicals	0.8	<b>1.4</b>	+ 0.7	+84%
Other	0.7	<b>0.6</b>	- 0.2	-24%
(Adjustment)	- 1.5	<b>- 1.6</b>	- 0.0	-



# Financial Results for the First Quarter of the FY2025

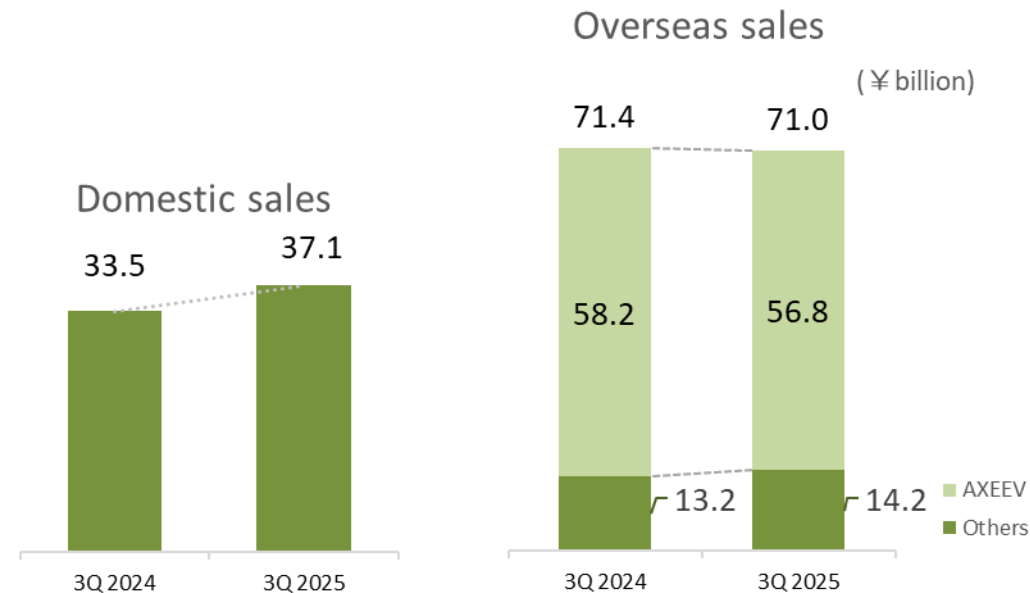
## – Agricultural Chemicals and Agriculture-Related Businesses

### Domestic (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 (In Markets Outside Japan)

- In markets outside Japan, shipments of herbicide AXEEV decreased in Argentina and Brazil but increased in the US and Australia



## AXEEV Sales Overview



U.S.

**FY2025** (Sales Forecast : ¥45.0 billion / Prior Year Sales: ¥42.0 billion)

**FY2025 Q3** (Actual Sales : ¥38.9 billion / Prior Year Sales: ¥34.4 billion)

- Advanced shipments due to concerns over cost increases from changes in U.S. tariff policies
- Enhanced promotional support to sales partners leading to increased shipments



Australia

**FY2025** (Sales Forecast : ¥2.3 billion / Prior Year Sales: ¥3.2 billion)

**FY2025 Q3** (Actual Sales : ¥4.9 billion / Prior Year Sales: ¥1.5 billion)

- Successful legal actions resulting in exceeding the annual plan
- No shipments from May through July
- Monitoring trends of generic products

## AXEEV Sales Overview



### Argentina

**FY2025** (Sales Forecast : ¥10.2 billion / Prior Year Sales: ¥13.9 billion)

**FY2025 Q3** (Actual Sales : ¥5.6 billion / Prior Year Sales: ¥13.4 billion)

- Decreased shipments due to full-scale entry of generic products
- Expected to fall short of sales plan for FY2025



### Brazil

**FY2025** (Sales Forecast : ¥6.2 billion / Prior Year Sales: ¥9.2 billion)

**FY2025 Q3** (Actual Sales : ¥6.4 billion / Prior Year Sales: ¥7.7 billion)

- Sales were below PYTD
- Strengthened promotional support to sales partners was implemented
- Resulted in exceeding the annual plan
- Additional shipments are expected in Q4

# Financial Results for the Third Quarter of the FY2025

## – Fine Chemicals Business

### Chlorination

- Shipments of chloroxylene-based products decreased

### Advanced Chemicals

- Shipments of bismaleimides increased due to strong demand in the electronic materials field for generative AI servers
- Shipments of amines remained steady

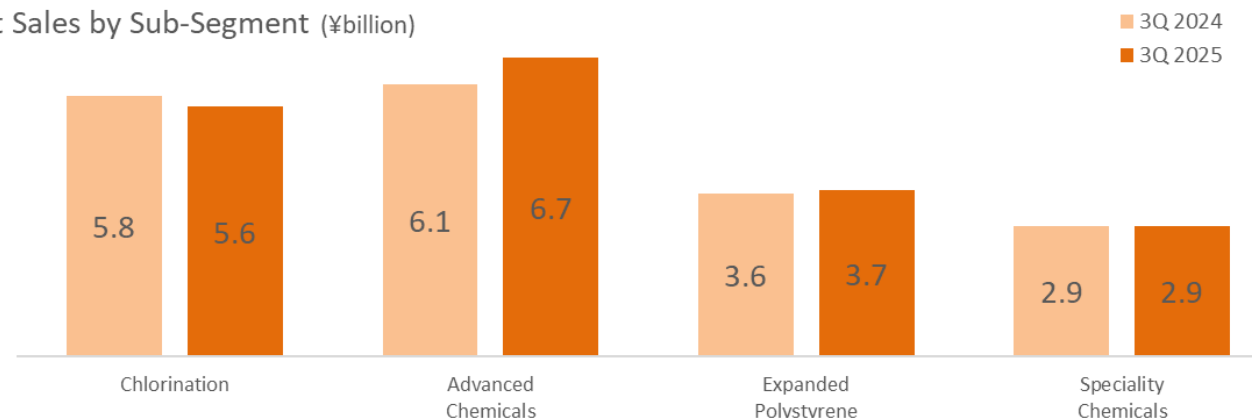
### Expanded Polystyrene

- Sales remained flat

### Speciality Chemicals

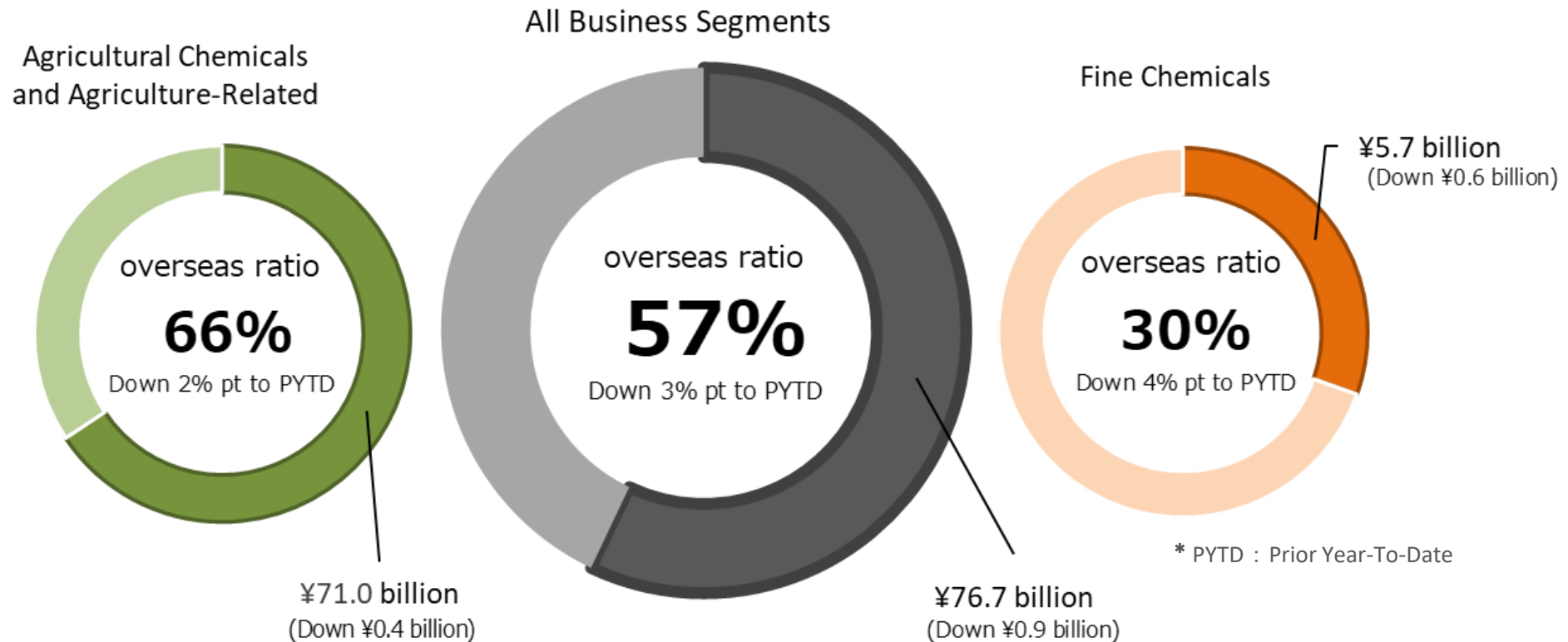
- Sales remained flat

Net Sales by Sub-Segment (¥billion)





# Financial Results for the Third Quarter of the FY2025 – Overseas Sales and Ratio



# Financial Results for the Third Quarter of the FY2025 – Summary

## All Business Segments

\* PYTD : Prior Year-To-Date

Net Sales                **¥134.5** billion (PYTD +¥5.3B)  
 Operating Income    **¥10.4** billion (PYTD -¥1.9B)  
 Ordinary Income     **¥11.6** billion (PYTD -¥5.4B)

- Sales increased in all segments PYTD
- A significant profit decline in the Agricultural Chemicals and Agriculture-Related segment, combined with a decrease in equity in earnings of affiliates and foreign exchange losses, led to an overall decrease in profits
- Yen appreciation weighed on profits

## Agricultural Chemicals and Agriculture-Related

Net Sales                **¥108.1** billion (PYTD +¥3.2B)  
 Operating Income    **¥10.0** billion (PYTD -¥2.3B)

- In the Japanese market, sales of fungicide DISARTA and herbicide EFFEEDA remained strong
- In markets outside Japan, shipments of herbicide AXEEV decreased in Argentina and Brazil but increased in the US and Australia
- Operating profit decreased due to price adjustments implemented as a countermeasure against the entry of generic products for AXEEV

## Fine Chemicals

Net Sales                **¥18.8** billion (PYTD +¥0.4B)  
 Operating Income    **¥1.4** billion (PYTD +¥0.7B)

- Sales volume of bismaleimides increased due to strong demand in the field of electronic materials for generative AI servers
- Sales volume of amines remained strong

## Other

Net Sales                **¥7.5** billion (PYTD +¥1.6B)  
 Operating Income    **¥0.6** billion (PYTD -¥0.2B)

- Increased new construction orders in the construction industry led to higher sales
- Operating profit declined due to rising material costs and other factors

# FY2025 Earnings Forecast – Overview

(unit: ¥ billion)

	2024 Results	2025 Forecast	Change (Amount)	Change (%)
Net Sales	161.0	<b>159.3</b>	-1.7	-1%
Agricultural Chemicals and Agriculture-Related	128.1	<b>123.5</b>	-4.6	-4%
Fine Chemicals	25.0	<b>26.6</b>	+1.6	+7%
Other	7.9	<b>9.2</b>	+1.3	+16%
Operating Income	11.4	<b>10.4</b>	-1.0	-8%
Ordinary Income	18.3	<b>14.5</b>	-3.8	-21%
Net income attributable to owners of parent	13.6	<b>10.9</b>	-2.7	-20%

Ref.) Average of exchange rates

¥/US\$=151

¥/US\$=150

## Sales

PYTD **-¥1.7billion**

(+) Fine Chemicals: +¥1.6 billion  
(-) AXEEV: -¥5.0 billion

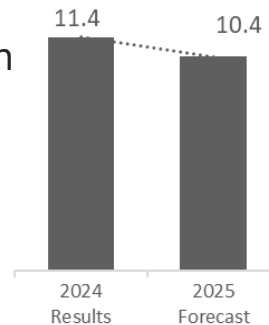


■ Other  
■ Fine Chemicals  
■ Agricultural Chemicals

## Operating Income

PYTD **-¥1.0billion**

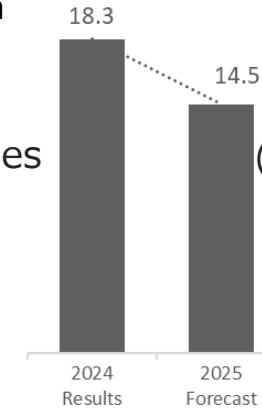
(-) Due to decrease in sales



## Ordinary Income

PYTD **-¥3.8billion**

(-) Equity in earnings of affiliates : -¥2.3billion



\* PYTD : Prior Year-To-Date

## FY2025 Earnings Forecast

### – R&D Expenses, Capital Investment and Depreciation

#### R&D Expenses

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FY2024 Results    ¥ **7.0** billion    ➡    FY2025 Forecast    ¥ **7.1** billion

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

#### Capital Investment

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FY2024 Results    ¥ **9.9** billion    ➡    FY2025 Forecast    ¥ **8.5** billion

- (Factors)
- Renewal of production equipment and R&D facilities
  - Construction of new plant

#### Depreciation

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FY2024 Results    ¥ **5.3** billion    ➡    FY2025 Forecast    ¥ **5.2** billion

## Legal Action Relating to AXEEV

- **4 out of 13 cases (8 cases in China, country of manufacture / 5 cases in Australia, country of sales) filed settled**
  - Legal action was taken in parallel for both manufacturing and sales countries, and released on our website.
  - Particularly large number of downloads from China and Australia
  - Such measures has been effective in deterring the entry of infringing products.

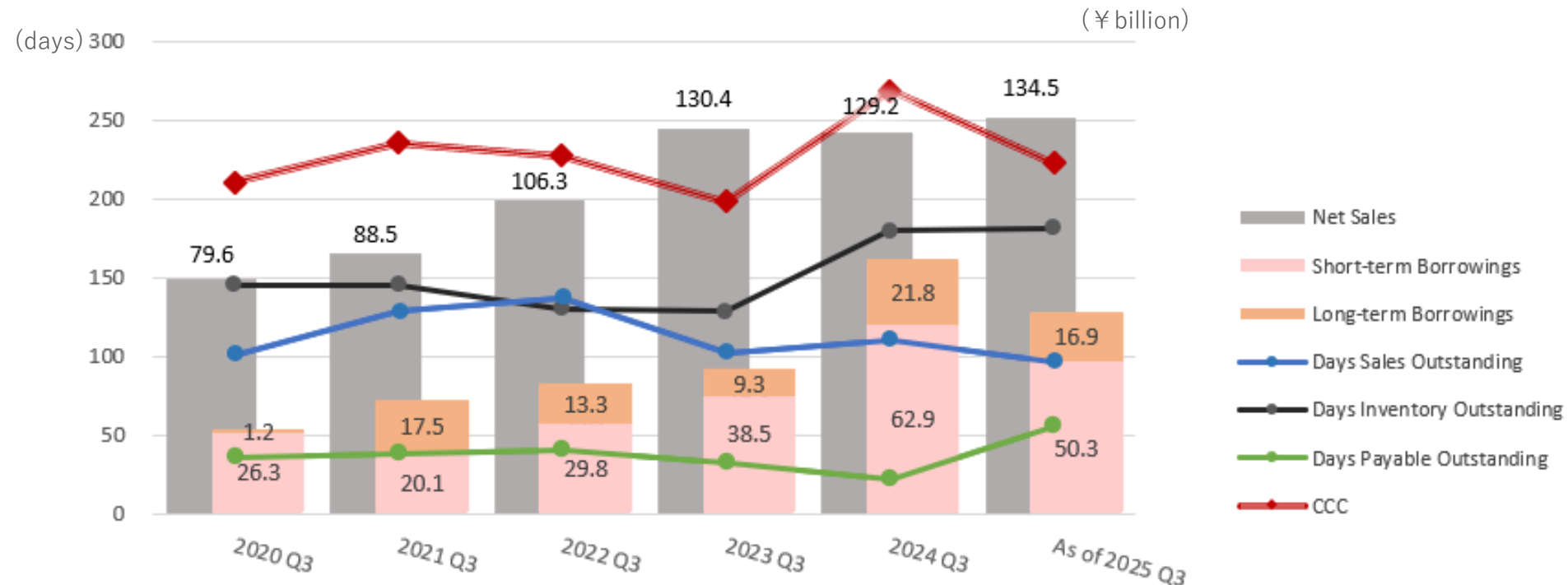
August 8, 2025

### **KUMIAI's Key Pyroxasulfone Intermediate Patent Held Valid Against Two Invalidation Attempts in China**

Kumiai Chemical Industry Co., Ltd. ("KUMIAI") is pleased to announce that the China National Intellectual Property Administration ("CNIPA") has recently issued two favorable decisions, maintaining the full validity of KUMIAI's Chinese invention patent ZL201210121587.2 against separate invalidation attempts filed by two Chinese companies.

KUMIAI warmly welcomes this right decision by the CNIPA. CNIPA's decisions not only demonstrate KUMIAI's innovative strength and greatly enhance KUMIAI's confidence in continuing taking action against any unauthorized implementation of the intermediate compound protected by this patent, but also reflect the recognition and protection of innovation by China's intellectual property system.

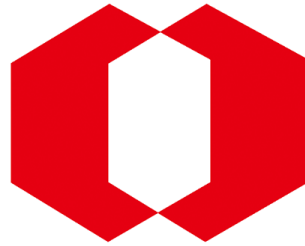
## Strengthening Financial Soundness



- Following the global adjustments in agricultural chemical inventories after COVID-19, our inventory levels have increased
- The lengthening of the Cash Conversion Cycle (CCC) has led to an increase in short-term borrowings, posing a challenge
- Improvements in Days Sales Outstanding (DSO) and Days Payable Outstanding (DPO) have been achieved
- Inventory reduction has also been promoted
- Interest-bearing debt is showing a downward trend

Thank you for your attention.

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Statements in this document regarding earnings forecasts and other forward-looking statements are expectations based on information available at the time the material was prepared and include potential risks and uncertainties. Actual results may differ from these earnings forecasts due to a variety of factors.

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Information other than information on the Company and its affiliated companies is based on publicly available information and the accuracy of such information is not guaranteed.

<Inquiries>

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Planning & Coordination Division

Please also see the corporate website. <https://ir.kumiai-chem.co.jp/en/index.html>