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May 9, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 4046
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 Scheduled date to of annual general meeting of shareholders: June 27, 2025
 Scheduled date to commence dividend payments: June 9, 2025
 Scheduled date to file annual securities report: June 26, 2025
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	99,144	4.9	13,246	26.2	14,154	17.9	10,332	35.0
March 31, 2024	94,557	(9.3)	10,492	(32.6)	12,008	(30.0)	7,650	(27.6)

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥9,904million [(25.5)%]
 For the fiscal year ended March 31, 2024: ¥13,299 million [18.0%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	81.54	—	9.2	9.3	13.4
March 31, 2024	60.17	—	7.3	8.3	11.1

Reference: Share of profit (loss) of entities accounted for using equity method

As of March 31, 2025: ¥22 million

As of March 31, 2024: ¥21 million

Note: The Company implemented a 5-for-1 stock split for common shares with an effective October 1, 2024.

Basic earnings per share is calculated based on the assumption that the stock split was implemented at the beginning of previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	153,935	115,596	75.1	918.45
March 31, 2024	150,541	109,765	72.9	865.18

Reference: Equity

As of March 31, 2025: ¥115,591 million

As of March 31, 2024: ¥109,760 million

Note: The Company implemented a 5-for-1 stock split for common shares with an effective October 1, 2024.

Net assets per share is calculated based on the assumption that the stock split was implemented at the beginning of previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
As of	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	17,049	(8,135)	(4,221)	43,314
March 31, 2024	8,597	(4,263)	(3,199)	38,432

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	45.00	—	45.00	90.00	2,286	29.9	2.2
Fiscal year ending March 31, 2025	—	45.00	—	10.00	—	2,400	23.3	2.1
Fiscal year ending March 31, 2026 (Forecast)	—	10.00	—	10.00	20.00		20.5	

Note: The Company implemented a 5-for-1 stock split for common shares with an effective October 1, 2024. Concerning the projected year-end dividend per share for the fiscal year ending March 31, 2025, the dividend amount based on the number of shares after the stock split is shown, and the total full-year dividend is displayed as “-”. Based on the number of shares prior to the stock split, the projected year-end dividend for the fiscal year ending March 31, 2025, is 50 yen for a full-year dividend of 95 yen per share.

3. Consolidated financial results forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings Per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half year (cumulative)	50,200	0.1	8,000	14.8	8,500	18.3	5,700	17.1	45.20
Full year	102,000	2.9	17,000	28.3	18,100	27.9	12,300	19.0	97.70

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of March 31, 2025	133,660,085 shares
As of March 31, 2024	133,660,085 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2025	7,804,540 shares
As of March 31, 2024	6,795,085 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	126,710,860 shares
Fiscal year ended March 31, 2024	127,154,054 shares

Note: Total number of issued shares at the end of the period, Number of treasury shares at the end of period and Average number of shares outstanding during the period are calculated based on the assumption that the stock split was implemented at the beginning of previous fiscal year.

[Reference] Overview of non-consolidated financial results**1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)****(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Mar 31,2025	71,648	6.5	10,834	43.8	11,701	41.5	8,761	70.0
Mar 31,2024	67,269	(9.4)	7,537	(40.9)	8,270	(42.4)	5,154	(40.2)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
Mar 31,2025	69.14	—
Mar 31,2024	40.54	—

Note: The Company implemented a 5-for-1 stock split for common shares with an effective October 1, 2024.

Basic earnings per share is calculated based on the assumption that the stock split was implemented at the beginning of previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
Mar 31,2025	130,336	94,404	72.4	750.10
Mar 31,2024	127,299	90,373	70.9	712.36

Reference: Equity

As of Mar 31,2025: ¥94,404 million

As of Mar 31,2024: ¥90,373 million

Note: The Company implemented a 5-for-1 stock split for common shares with an effective October 1, 2024.

Net assets per share is calculated based on the assumption that the stock split was implemented at the beginning of previous fiscal year.

* Financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

In this document, statements other than historical facts are forward looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ from those anticipated in these statements. Please refer to "1. Information Concerning Results for the fiscal year ended March 31, 2025 (4) Future outlook of Forward-looking Statement, Including Consolidated financial results Forecasts" on page 4 of the attached documents.

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1. Information Concerning Results for the fiscal year ended March 31, 2025

(1) Overview of Operating Results

During the consolidated fiscal year under review, the Japanese economy continued its gradual recovery, with an improvement in the employment and income situation and a pickup in consumer spending and capital investment. On the other hand, the situation remained difficult due to not only issues such as soaring raw material and fuel prices and rising commodity prices, but also the impact of the prolonged situation in Ukraine, the situation surrounding the Middle East, the continued high interest rates in the U.S. and Europe, and the impact of the stagnant real estate market in China.

In light of these circumstances, our group has been steadily implementing specific measures in line with the basic policies set forth in our new medium-term management plan, Shape the Future-2025 (FY2023 to FY2025). The three basic policies are continuous strengthening of our base in existing businesses, strengthening of new product creation capabilities, and promotion of sustainability management.

In terms of the “continuous strengthening of our base in existing businesses,” we have been working to enhance our business base by generating stable cash flows and actively investing in growth areas. In the Basic chemicals business, the Allyl Chloride main manufacturing equipment problems that occurred at the Mizushima Plant in April 2023 were repaired at the end of June 2024, and the supply problem has been resolved. We are striving to restore confidence by continuing safe and stable operation through strengthened facility management and fulfilling our supply responsibilities to customers. In the Functional chemicals business, sales of synthetic resin and allyl ethers increased as a result of sales expansion activities for existing customers and the promotion of new business development. In the Healthcare business, the demand for pharmaceutical purification materials for diabetes and obesity treatments continued to expand, and sales volume has steadily increased. Additionally, in the area of active pharmaceutical ingredients (APIs) and their intermediates, we have begun contract development and manufacturing of VHH antibodies as a new business area, aiming to establish a system that can respond to diversifying needs.

In terms of the “strengthening of new product creation capabilities,” the development of materials for next-generation storage batteries, such as ultra-high ionic conductive polymers for all-solid batteries, which were selected as a NEDO Green Innovation Fund project, is progressing smoothly. In the area of pharmaceutical purification materials, we are developing ultra-high surface area gels for EPA purification and supercritical fluid chromatography applications, for which demand is expected to grow in the future, and have begun marketing activities to customers.

In terms of the “promotion of sustainability management,” we have been promoting “management initiatives that take into account cost of capital and stock price” by establishing cash allocation aimed at proactively investing in future growth and shareholder returns, as well as by increasing opportunities for dialogue with investors. Aiming to develop human resources by promoting operational reform activities as part of our investment in human capital, we have decided to relocate our head office (scheduled for August 2025) in order to create a comfortable work environment and improve employee engagement. We are committed to becoming a “company where employees can fully demonstrate their abilities,” which is our ideal image for 2035, the 120th anniversary since our founding. As a result of the above, net sales for the consolidated fiscal year under review increased 4.9% year on year to ¥99,144 million. In terms of profit, operating profit increased 26.2% year on year to ¥13,246 million, ordinary profit increased 17.9% year on year to ¥14,154 million, and profit attributable to owners of parent increased 35.0% year on year to ¥10,332 million.

<Basic Chemicals>

The sales volume of Chlor-Alkali products increased due to resolving the supply issues caused by the manufacturing equipment problems at the Mizushima Plant, but net sales decreased due in part to unit sales price adjustments following softening market conditions.

Although Epichlorohydrin was affected by the softening of overseas market conditions, net sales increased due to resolving the supply issues caused by manufacturing equipment problems and an increase in overseas sales volume.

As a result of the above, net sales in the Basic chemicals business increased 3.8% year on year to ¥37,636 million.

<Functional Chemicals>

In the Synthetic rubbers business, net sales decreased, as not only were sales of Epichlorohydrin Rubber affected by the decline in automobile production in Europe and Asia, but there was also the impact of the increase in debottlenecking work for Acrylic Rubber.

Net sales of DAP resin increased due to steady demand for UV ink applications overseas.

Net sales of Allyl Ethers increased due to steady demand for Silane coupling agents in China, particularly for paint applications.

As a result of the above, net sales in the Functional chemicals business increased 1.9% year on year to ¥29,688 million.

<Healthcare>

Net sales of pharmaceutical purification materials increased due to a steady growth in demand for applications such as diabetes treatments in Europe, the Americas, and Asia. Net sales of active pharmaceutical ingredients (APIs) and their intermediates decreased, as although sales of intermediates for treatments for insomnia and muscle disease drug substances expanded, sales of nucleic acid APIs and anti-tuberculosis drug intermediates decreased.

As a result of the above, net sales in the Healthcare business increased 15.3% year on year to ¥13,684 million.

<Trading and Others>

Net sales of glass fiber increased as demand recovered, especially for electronic materials and automotive products.

As a result of the above, net sales in the Trading and others business increased 4.9% year on year to ¥18,134 million.

(2) Overview of Financial Position

(Assets)

Current assets were ¥92,916 million, an increase of 0.5% compared to the end of the previous fiscal year. This was mainly due to an increase of ¥1,905 million in cash and deposits and ¥2,976 million in securities and a decrease of ¥4,325 million in notes and accounts receivable – trade, and contract assets.

Non-current assets were ¥61,018 million, an increase of 5.0% compared to the end of the previous fiscal year. This was mainly due to an increase of ¥1,362 million in property, plant and equipment, and ¥749 million in intangible assets.

As a result, total assets at the end of the fiscal year were ¥153,935 million, an increase of 2.3% compared to the end of the previous fiscal year.

(Liabilities)

Current liabilities were ¥31,385 million, a decrease of 4.5% compared to the end of the previous fiscal year. This was mainly due to a decrease of ¥1,991 million in notes and accounts payable – trade and an increase of ¥1,752 million in income taxes payable.

Non-current liabilities were ¥6,953 million, a decrease of 12.2% compared to the end of the previous fiscal year. This was mainly due to a decrease of ¥792 million in retirement benefit liability.

As a result, liabilities at the end of the fiscal year were ¥38,339 million, a decrease of 6.0% compared to the end of the previous fiscal year.

(Net assets)

Net assets at the end of the fiscal year were ¥115,596 million, an increase of 5.3% compared to the end of the previous fiscal year. This was mainly due to an increase of ¥8,048 million in retained earnings and a decrease of ¥840 million in valuation difference on available-for-sale securities.

(3) Overview of Cash Flows

Cash and cash equivalents as of March 31, 2025, were ¥43,314 million, an increase of ¥4,881 million since March 31, 2024. The status of each type of cash flow during the fiscal year ended March 31, 2025, and the main contributing factors were as follows.

(Cash flow from operating activities)

Net cash provided by operating activities amounted to ¥17,049 million. This was mainly due to income before income taxes of ¥14,646 million, and a decrease of ¥4,657 million in notes and accounts receivable – trade, and contract assets.

(Cash flow from investing activities)

Net cash used in investing activities amounted to ¥8,135 million. This was mainly due to the purchase of property, plant and equipment of ¥6,737 million.

(Cash flow from financing activities)

Net cash used in financing activities amounted to ¥4,221 million. This was due primarily to the purchase of treasury shares of ¥1,802 million and dividends paid of ¥2,255 million.

(4) Future outlook of Forward-looking Statement, Including Consolidated financial results Forecasts

With regard to the future economic outlook, although recovery of the economy is expected to continue, the economic situation is expected to remain difficult due to concerns regarding the risk of an economic downturn as a result of the impact of U.S. tariffs, the future of the Chinese economy, continuing price increases, etc.

It is against this backdrop that our group is entering the final year of our medium-term management plan, “Shape the Future-2025” (FY2023 to FY2025). We will continue to strive to further spread our operational reform activities by steadily implementing the three basic policies of the plan: “continuous strengthening of our base in existing businesses,” “strengthening of new product creation capabilities,” and “the promotion of sustainability management.”

In terms of the “continuous strengthening of our base in existing businesses,” we will work to enhance our business base by generating stable cash flows and actively investing in growth areas.

In the Basic chemicals business, we will strengthen our business foundation for generating stable earnings by making replacement investments and cost reductions in order to improve production efficiency.

In the Functional chemicals business, we will work to cultivate the market for global niche-top products such as synthetic resin and synthetic rubber, and develop new applications for such products. We will expand the scale of Acrylic Rubber and non-phthalate allyl resin by developing new products. With respect to Allyl Ethers, of which we have the top share in the global market, we are considering our next plan to expand our facilities following the February 2022 expansion in order to further increase our presence in the market.

In the Healthcare business, in the area of pharmaceutical purification materials, the new facilities at the Matsuyama Plant, which were completed in September 2024, are scheduled to begin commercial production in July 2025, earlier than initially expected, as a result of sample evaluations in close cooperation with customers. In addition, due to implementing further process improvement of the expansion at the Amagasaki Plant to meet the rapid growth in demand for applications of diabetes treatments and obesity treatments, the completion of construction is expected to be moved up to September 2025, about one year earlier than originally planned. Also, the next production expand plan is being considered in detail, the investment is planned to be determined within 2025. In the area of active pharmaceutical ingredients (APIs) and their intermediates, we are promoting customer acquisition with the aim of full-scale entry into the biopharmaceutical field, and are also considering plans to expand our facilities with a view to expanding our portfolio for middle molecules such as nucleic acid drugs.

In terms of the “strengthening of new product creation capabilities,” we will take steps to further strengthen our capabilities focused particularly on four areas, “Environment and Energy,” “Mobility,” “Information and Communication,” and “Health and Healthcare,” as we work to quickly bring to market the next global niche-top products.

In the area of “Environment and Energy,” the development of ultra-high ionic conductive polymers for all-solid batteries, a NEDO Green Innovation Fund project, has moved up to the stage of considering the installation of pilot facilities. We will further accelerate the development of materials for next-generation storage batteries together with unique polyether for semi-solid-state batteries.

In the area of “Mobility,” we will work to quickly bring to market new grades of Acrylic Rubber and new silane coupling agents, while also focusing on the development of materials for the “new normal” in automobiles, such as sensors and actuators, to support the future shift to electric and self-driving vehicles.

In the field of “Information and Communication,” we will continue to focus on the development of semiconductor peripheral materials, such as silver nanoparticles as a high thermal conductivity bonding agent for power semiconductors, which is expected to be in great demand in the future, and carbon nanotubes for electronic devices.

In the field of “Health and Healthcare,” we have launched size exclusion and highly alkali-resistant columns and are developing various gels, including polymer gels and ADME gels for preparative use, in line with the expansion of the market for biopharmaceuticals that meet pharmaceutical modalities. In addition, we are working to expand the adoption of plant-based lactic acid bacteria OS-1010, which has been developed as a new anti-aging material that will contribute to the extension of healthy life expectancy.

In terms of “the promotion of sustainability management,” under our basic policy on sustainability, in which “we aim to combine contributing to the realization of a sustainable society through our business activities with enhancing our corporate value,” the Sustainability Committee will play a central role in appropriately responding to the Corporate Governance Code, responding to the TCFD, calculating GHG emissions, planning and implementing measures to reduce our environmental impact, promoting health management, and developing human resources through the penetration of business reform activities as part of our investment in human capital. In addition, we will deepen dialogue with all stakeholders, including investors, through the fulfillment of the information disclosed in the Integrated Report, etc., and strive to further enhance our corporate value.

For the next fiscal year, we project net sales of ¥102,000 million, operating profit of ¥17,000 million, ordinary profit of ¥18,100 million, and profit attributable to owners of parent of ¥12,300 million, with each form of profit being a record high.

2. Basic Approach to the Selection of Accounting Standards

Osaka Soda Group prepares the consolidated financial statements in accordance with Japanese generally accepted accounting principles, taking into accounts the comparability between periods and companies. In adopting International Financial Reporting Standards, Osaka Soda Group intends to take appropriate measures, examining internal and external situation.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	14,433	16,339
Notes and accounts receivable - trade, and contract assets	30,068	25,742
Electronically recorded monetary claims - operating	4,710	4,576
Securities	23,998	26,974
Merchandise and finished goods	10,065	9,817
Work in process	2,354	2,280
Raw materials and supplies	5,502	5,707
Other	1,314	1,496
Allowance for doubtful accounts	(3)	(19)
Total current assets	92,444	92,916
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,272	9,490
Machinery, equipment and vehicles, net	12,570	14,675
Land	2,301	2,246
Leased assets, net	614	531
Construction in progress	3,807	1,979
Other, net	365	371
Total property, plant and equipment	27,932	29,295
Intangible assets		
Goodwill	162	118
Software	105	82
Other	504	1,320
Total intangible assets	772	1,521
Investments and other assets		
Investment securities	28,224	28,510
Long-term loans receivable	12	9
Deferred tax assets	441	715
Other	735	1,544
Allowance for doubtful accounts	(21)	(578)
Total investments and other assets	29,391	30,201
Total non-current assets	58,096	61,018
Total assets	150,541	153,935

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,108	13,117
Short-term borrowings	7,172	7,172
Income taxes payable	1,194	2,947
Provision for bonuses	927	953
Current portion of long-term borrowings	65	76
Other	8,392	7,119
Total current liabilities	32,860	31,385
Non-current liabilities		
Long-term borrowings	393	387
Lease liabilities	787	675
Deferred tax liabilities	3,999	3,973
Retirement benefit liability	1,999	1,207
Asset retirement obligations	556	557
Other	179	150
Total non-current liabilities	7,915	6,953
Total liabilities	40,776	38,339
Net assets		
Shareholders' equity		
Share capital	15,871	15,871
Capital surplus	17,014	17,020
Retained earnings	68,102	76,151
Treasury shares	(4,611)	(6,410)
Total shareholders' equity	96,377	102,633
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,156	11,316
Deferred gains or losses on hedges	71	(56)
Foreign currency translation adjustment	871	1,026
Remeasurements of defined benefit plans	283	671
Total accumulated other comprehensive income	13,383	12,957
Non-controlling interests	4	4
Total net assets	109,765	115,596
Total liabilities and net assets	150,541	153,935

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

1) Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	94,557	99,144
Cost of sales	69,760	70,197
Gross profit	24,796	28,946
Selling, general and administrative expenses	14,304	15,700
Operating profit	10,492	13,246
Non-operating income		
Interest income	20	78
Dividend income	672	784
Share of profit of entities accounted for using equity method	21	22
Foreign exchange gains	525	—
Subsidy income	736	292
Other	254	176
Total non-operating income	2,230	1,353
Non-operating expenses		
Interest expenses	104	128
Loss on tax purpose reduction entry of non-current assets	585	35
Foreign exchange losses	—	110
Other	24	170
Total non-operating expenses	714	444
Ordinary profit	12,008	14,154
Extraordinary income		
Gain on sale of non-current assets	0	684
Gain on sale of investment securities	180	139
Gain on liquidation of subsidiaries and associates	—	18
Total extraordinary income	181	843
Extraordinary losses		
Loss on retirement of non-current assets	305	163
Impairment losses	492	187
Total extraordinary losses	798	351
Profit before income taxes	11,391	14,646
Income taxes - current	3,649	4,537
Income taxes - deferred	104	(217)
Total income taxes	3,753	4,319
Profit	7,637	10,326
Loss attributable to non-controlling interests	(12)	(5)
Profit attributable to owners of parent	7,650	10,332

2) Consolidated statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	7,637	10,326
Other comprehensive income		
Valuation difference on available-for-sale securities	4,817	(840)
Deferred gains or losses on hedges	173	(128)
Foreign currency translation adjustment	177	139
Remeasurements of defined benefit plans, net of tax	474	387
Share of other comprehensive income of entities accounted for using equity method	19	19
Total other comprehensive income	5,661	(422)
Comprehensive income	13,299	9,904
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,310	9,906
Comprehensive income attributable to non-controlling interests	(10)	(2)

(3) Consolidated Statements of Changes in Net Assets

FY2023(Fiscal year ended March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,871	17,009	62,741	(3,811)	91,812
Changes during period					
Dividends of surplus			(2,289)		(2,289)
Profit attributable to owners of parent			7,650		7,650
Purchase of treasury shares				(805)	(805)
Disposal of treasury shares		4		5	10
Net changes in items other than shareholders' equity					
Total changes during period	—	4	5,360	(800)	4,565
Balance at end of period	15,871	17,014	68,102	(4,611)	96,377

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,339	(101)	676	(190)	7,723	8	99,543
Changes during period							
Dividends of surplus							(2,289)
Profit attributable to owners of parent							7,650
Purchase of treasury shares							(805)
Disposal of treasury shares							10
Net changes in items other than shareholders' equity	4,817	173	194	474	5,659	(3)	5,656
Total changes during period	4,817	173	194	474	5,659	(3)	10,221
Balance at end of period	12,156	71	871	283	13,383	4	109,765

FY2024(Fiscal year ended March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,871	17,014	68,102	(4,611)	96,377
Changes during period					
Dividends of surplus			(2,283)		(2,283)
Profit attributable to owners of parent			10,332		10,332
Purchase of treasury shares				(1,801)	(1,801)
Disposal of treasury shares		6		3	10
Net changes in items other than shareholders' equity					
Total changes during period	—	6	8,048	(1,798)	6,256
Balance at end of period	15,871	17,020	76,151	(6,410)	102,633

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	12,156	71	871	283	13,383	4	109,765
Changes during period							
Dividends of surplus							(2,283)
Profit attributable to owners of parent							10,332
Purchase of treasury shares							(1,801)
Disposal of treasury shares							10
Net changes in items other than shareholders' equity	(840)	(128)	155	387	(425)	(0)	(425)
Total changes during period	(840)	(128)	155	387	(425)	(0)	5,830
Balance at end of period	11,316	(56)	1,026	671	12,957	4	115,596

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	11,391	14,646
Depreciation	3,684	3,920
Amortization of goodwill	55	44
Increase (decrease) in allowance for doubtful accounts	15	572
Increase (decrease) in provision for bonuses	(1)	26
Increase (decrease) in retirement benefit liability	(826)	(792)
Interest and dividend income	(693)	(862)
Interest expenses	104	128
Foreign exchange losses (gains)	(293)	28
Loss on retirement of non-current assets	305	163
Loss (gain) on sale of non-current assets	(0)	(684)
Loss on tax purpose reduction entry of non-current assets	585	35
Impairment losses	492	187
Loss (gain) on sale of short-term and long-term investment securities	(180)	(139)
Decrease (increase) in accounts receivable - trade, and contract assets	(1,512)	4,657
Decrease (increase) in inventories	(1,794)	159
Increase (decrease) in trade payables	570	(2,206)
Subsidy income	(736)	(292)
Increase (decrease) in accrued consumption taxes	(148)	157
Share of loss (profit) of entities accounted for using equity method	(21)	(22)
Loss (gain) on liquidation of subsidiaries and associates	—	(18)
Other, net	2,805	(626)
Subtotal	13,802	19,084
Interest and dividends received	700	875
Interest paid	(104)	(128)
Proceeds from insurance income	—	8
Subsidies received	137	97
Income taxes paid	(5,936)	(2,886)
Net cash provided by (used in) operating activities	8,597	17,049

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,113)	(6,737)
Proceeds from sale of property, plant and equipment	0	763
Proceeds from redemption of securities	—	500
Purchase of intangible assets	(249)	(824)
Purchase of investment securities	(19)	(1,886)
Proceeds from sale of investment securities	269	244
Proceeds from sale of shares of subsidiaries and associates	588	—
Subsidies received	599	194
Other, net	(337)	(389)
Net cash provided by (used in) investing activities	(4,263)	(8,135)
Cash flows from financing activities		
Repayments of long-term borrowings	(66)	(49)
Purchase of treasury shares	(805)	(1,802)
Dividends paid	(2,287)	(2,255)
Other, net	(39)	(113)
Net cash provided by (used in) financing activities	(3,199)	(4,221)
Effect of exchange rate change on cash and cash equivalents	453	189
Net increase (decrease) in cash and cash equivalents	1,588	4,881
Cash and cash equivalents at beginning of period	36,843	38,432
Cash and cash equivalents at end of period	38,432	43,314

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable

(Segment Information and Other Items)

1. Overview of Reportable segment

Reportable segments of the Osaka Soda group are those for which separate financial information is available and the Board of Directors review regularly to make management resource allocation decisions and evaluate performance. Based on the versatility of manufacturing and service and the similarity of markets, the Osaka Soda group divides its business into four business segments, including "Basic chemicals," "functional Chemicals," "Healthcare," and "Trading and Others,"

"Basic Chemicals," manufactures and sells (i)chlor-alkali products, (ii)epichlorohydrin and (iii) allyl chloride, etc.

"Functional chemicals," manufactures and sells (i)allyl ethers, (ii)epichlorohydrin rubber, (iii) DAP resin, (iv)modifiers for energy-saving tires and (v) electrodes, etc.

"Healthcare," manufactures and sells (i)pharmaceutical purification materials, and (ii)active pharmaceutical ingredients and intermediates, etc.

"Trading and Others," includes (i)sales and transportation and storage of chemical products, (ii)sales and manufacturing of consumer products, (iii) sales and manufacturing of building materials and (iv)materials recycling, etc.

2. Calculation method for Net sales, Income, Assets and Other items of each reportable segment

The method of accounting for reported business segments is the same as described in "Basis of preparation of consolidated financial statements,". Intersegment sales or reclassifications are based on current market prices. Reportable segment income is based on operating income.

3. Information concerning Net sales, Income, Assets and Other items of each reporting segment

The previous fiscal year ended Mar 31, 2024 (from April 1, 2023, to Mar 31, 2024)

(Millions of yen)

	Basic chemicals	Functional chemicals	Healthcare	Trading and Others	Total	Adjustments *1	Consolidated *2
Net sales							
Japan	34,930	8,683	4,219	14,396	62,229	—	62,229
China	—	8,549	1,251	2,206	12,008	—	12,008
Asia	954	5,947	2,231	586	9,719	—	9,719
Europe	265	3,155	3,148	80	6,649	—	6,649
Others	122	2,797	1,016	13	3,950	—	3,950
Revenue from Contracts with Customers	36,272	29,133	11,868	17,283	94,557	—	94,557
Other Revenue	—	—	—	—	—	—	—
External sales	36,272	29,133	11,868	17,283	94,557	—	94,557
Intersegment sales or reclassifications	1	1,086	—	2,958	4,047	(4,047)	—
Total	36,273	30,220	11,868	20,241	98,604	(4,047)	94,557
Segment income	231	4,544	5,715	1,217	11,709	(1,216)	10,492
Segment assets	44,220	19,445	18,956	22,964	105,587	44,954	150,541
Other items							
Depreciation	1,802	890	681	48	3,422	261	3,684
Impairment losses	—	492	—	—	492	—	492
Amortization of goodwill	—	—	44	11	55	—	55
Investment to entities accounted for using equity method	—	331	—	—	331	—	331
Increase of current and noncurrent assets	2,631	899	2,495	424	6,451	738	7,190

Notes1: Adjustments are as follows.

- (1) Adjustments of segment income of ¥(1,216) million are corporate expenses not allocated to reportable segments. Most of above-mentioned corporate expenses are not attributable to a reporting segment and related to fundamental research and development.
- (2) Adjustments of segment assets of ¥44,954 million are corporate assets of ¥44,954 million, which are not allocated to reportable segments. Above-mentioned corporate assets are mainly parent company's assets, which are surplus operating funds (cash and short-term securities), long term investment capital (investment securities, etc.), and related to administrative, research and development departments.
- (3) Adjustments of Increase of current and noncurrent assets of ¥738 million are for administrative department and research and development department investment.

Notes2: Segment income is adjusted to operating income of consolidated statement of income.

Notes3: Calculation method for Net sales, Income, Assets and Other items of each reportable segment

The method of accounting for reported business segments is the same as described in "Basis of preparation of consolidated financial statements". Intersegment sales or reclassifications are based on current market prices.

The fiscal year ended Mar 31, 2025 (from April 1, 2024, to Mar 31, 2025)

(Millions of yen)

	Basic chemicals	Functional chemicals	Healthcare	Trading and Others	Total	Adjustments *1	Consolidated *2
Net sales							
Japan	34,425	8,667	3,759	13,762	60,614	—	60,614
China	—	8,342	1,847	3,717	13,907	—	13,907
Asia	2,119	5,354	2,799	509	10,782	—	10,782
Europe	392	3,900	4,205	133	8,631	—	8,631
Others	698	3,423	1,072	13	5,207	—	5,207
Revenue from Contracts with Customers	37,636	29,688	13,684	18,134	99,144	—	99,144
Other Revenue	—	—	—	—	—	—	—
External sales	37,636	29,688	13,684	18,134	99,144	—	99,144
Intersegment sales or reclassifications	4	729	—	3,408	4,142	(4,142)	—
Total	37,641	30,417	13,684	21,543	103,286	(4,142)	99,144
Segment income	2,275	4,327	7,031	904	14,538	(1,292)	13,246
Segment assets	41,013	20,018	22,309	17,683	101,024	52,910	153,935
Other items							
Depreciation	1,776	866	866	32	3,543	377	3,920
Impairment losses	—	172	—	—	172	15	187
Amortization of goodwill	—	—	44	—	44	—	44
Investment to entities accounted for using equity method	—	362	—	—	362	—	362
Increase of current and noncurrent assets	1,886	965	3,338	115	6,305	57	6,362

Notes1: Adjustments are as follows.

- (1) Adjustments of segment income of ¥(1,292) million are corporate expenses not allocated to reportable segments. Most of above-mentioned corporate expenses are not attributable to a reporting segment and related to fundamental research and development.
- (2) Adjustments of segment assets of ¥52,910 million are corporate assets of ¥52,910 million, which are not allocated to reportable segments. Above-mentioned corporate assets are mainly parent company's assets, which are surplus operating funds (cash and short-term securities), long term investment capital (investment securities, etc.), and related to administrative, research and development departments.
- (3) Adjustments of Increase of current and noncurrent assets of ¥57 million are for administrative department and research and development department investment.

Notes2: Segment income is adjusted to operating income of consolidated statement of income.

Notes3: Calculation method for Net sales, Income, Assets and Other items of each reportable segment

The method of accounting for reported business segments is the same as described in "Basis of preparation of consolidated financial statements". Intersegment sales or reclassifications are based on current market prices.

(Per Share Information)

	Fiscal year ended	
	March 31, 2024	March 31, 2025
Net assets per share (Yen)	865.18	918.45
Earnings per share (Yen)	60.17	81.54

The Company implemented a 5-for-1 stock split for common shares with an effective October 1, 2024.

Net assets per share and Earnings per share are calculated based on the assumption that the stock split was implemented at the beginning of previous fiscal year.

Diluted earnings per share is not shown as there are no diluted shares.

Note1: Basis for calculation of earnings per share and diluted earnings per share is as follows.

	Fiscal year ended	
	March 31, 2024	March 31, 2025
Earnings per share		
Net income (Millions of yen)	7,650	10,332
Amount not attributable to owners of common stock (Millions of yen)	—	—
Net income related to owner of common stock (Millions of yen)	7,650	10,332
Weighted average number of common stock (Thousands of shares)	127,154	126,710

Note2: Basis for calculation of Net assets is as follows.

	Fiscal year ended	
	March 31, 2024	March 31, 2025
Amount of Net assets (Millions of yen)	109,765	115,596
Amount deducted from Net assets (Millions of yen)	4	4
Net assets related to owner of common stock (Millions of yen)	109,760	115,591
Number of common stocks for calculation of Net assets per share (Thousands of shares)	126,865	125,855

(Significant event after the reporting period)

Not applicable