

Consolidated Financial Statements for the Nine Months Ended December 31, 2025 <Under Japanese GAAP>

February 5, 2026

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in Japan.

NAGASE & CO., LTD.

Stock exchange listing: Tokyo (Prime Market)

Code number: 8012 URL (<https://www.nagase.co.jp/english/>)

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Start of distribution of dividends (scheduled): -

Supplementary documents of financial results: Yes

Holding of financial results briefing: Yes (for analysts and institutional investors)

(Note: Amounts have been rounded down to the nearest million yen.)

1. Consolidated Results for the Nine Months Ended December 31, 2025 (April 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results

(% = year-on-year change)

	Net sales		Gross profit		Operating income		Ordinary income		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	724,069	0.8	138,896	5.9	33,205	7.1	33,600	9.4	24,976	15.0
December 31, 2024	718,044	5.9	131,211	—	31,002	34.7	30,700	32.4	21,712	20.6

(Note) 1. Comprehensive income

For the nine months ended December 31, 2025: ¥38,390 million (53.9% increase)

For the nine months ended December 31, 2024: ¥24,949 million (37.7% decrease)

2. Due to a change in accounting policy, gross profit for the nine months ended December 31, 2024, has been restated retrospectively.

Accordingly, the year-on-year percentage change for the nine months is not presented.

	Earnings per share	Earnings per share (diluted)
	Yen	Yen
Nine months ended December 31, 2025	236.02	—
December 31, 2024	194.79	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2025	860,462	416,339	47.4	3,978.08
March 31, 2025	808,143	406,459	49.4	3,679.09

(Reference) Equity capital

As of December 31, 2025: ¥408,278 million

As of March 31, 2025: ¥399,052 million

2. Dividends

	Annual Dividends per Share				
	1Q	2Q	3Q	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
For the year ended (or ending) March 2025	—	45.00	—	45.00	90.00
March 2026	—	45.00	—	—	—
March 2026 (forecast)	—	—	—	55.00	100.00

(Notes) 1. Revisions to the latest dividends forecast: Yes

2. For details, please refer to *Notice Regarding Revision to Dividend Forecasts (Dividend Increase)* announced on February 5, 2026.

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% = year-on-year change)

	Net sales		Gross profit		Operating income		Ordinary income		Profit attributable to owners of the parent		Earnings per share
Full fiscal year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	964,000	2.0	183,000	5.6	40,700	4.1	40,600	5.8	31,500	23.4	300.53

(Notes) 1. Revisions to the latest consolidated earnings forecast: No

2. Due to a change in accounting policy, the year-on-year percentage change in gross profit is calculated using the retrospectively adjusted figures for the corresponding period of the previous fiscal year.

* Notes

(1) Significant changes in major subsidiaries during the period: Yes

New: 8 (Company names: APLIQUIMICA APLICACOES QUIMICAS ESPECIAIS LTDA

SACHEM Japan Holding GK

SACHEM Japan GK

SN Tech Corporation

SACHEM Wuxi Co., Ltd.

SACHEM Korea Ltd.

NAGASE WAHLEE INDIA PRIVATE LIMITED

Nagase Diagnostics Co., Ltd.)

Excluded: 3 (Company names: Nagase Abrasive Materials Co., Ltd.

Inkron Oy

The Ingredient House, LLC)

(Note) In January 2026, an absorption-type merger was conducted with SACHEM Japan Holding GK and SN Tech Corporation as the dissolved companies and SACHEM Japan GK as the surviving company. The surviving company was subsequently reorganized into SACHEM Japan Co., Ltd.

(2) Application of special accounting methods to the preparation of quarterly financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

i. Changes in accordance with revisions to accounting and other standards: No

ii. Changes in items other than (i) above: Yes

iii. Changes in accounting estimates: Yes

iv. Restatement of prior period financial statements after error corrections: No

(4) Number of shares issued and outstanding (common stock)

i. Number of shares issued and outstanding as of the fiscal period end (including treasury stock)

December 31, 2025	109,908,285 shares	March 31, 2025	114,908,285 shares
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ii. Number of treasury stock as of the fiscal period end

December 31, 2025	7,276,358 shares	March 31, 2025	6,443,222 shares
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iii. Average number of shares during the period

December 31, 2025	105,824,928 shares	December 31, 2024	111,467,485 shares
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(Note) The number of treasury shares as of the fiscal period end includes Company shares held by the Stock-Granting Trust for Directors (730,000 shares as of December 31, 2025 and 282,400 shares as of March 31, 2025). Treasury stock deducted from the calculation of the average number of shares during the period includes Company shares held by the Stock-Granting Trust for Directors (320,520 shares for the period ended December 31, 2025 and 285,450 shares for the period ended December 31, 2024).

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Cautionary Statement with Respect to Forecasts of Consolidated Business Results

The earnings forecasts presented in this document are based upon currently available information and assumptions deemed rational. A variety of factors could cause actual results to differ materially from forecasts.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
ASSETS		
Current assets		
Cash and time deposits	66,310	43,514
Notes and accounts receivable and contract assets	311,251	333,614
Merchandise and finished goods	146,834	151,359
Work in process	2,320	2,802
Raw materials and supplies	17,068	16,197
Other	17,387	19,005
Less allowance for doubtful accounts	(1,048)	(1,045)
Total current assets	560,126	565,448
Non-current assets		
Property, plant and equipment	91,671	117,646
Intangible fixed assets		
Goodwill	25,400	28,696
Technology-based assets	1,289	3,128
Other	39,121	38,356
Total intangible fixed assets	65,811	70,181
Investments and other assets		
Investments in securities	72,028	86,314
Long-term loans receivable	1,257	1,307
Retirement benefit asset	6,072	6,203
Deferred tax assets	5,700	5,760
Other	6,653	8,564
Less allowance for doubtful accounts	(1,179)	(964)
Total investments and other assets	90,534	107,186
Total non-current assets	248,017	295,014
Total assets	808,143	860,462

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
LIABILITIES		
Current liabilities		
Notes and accounts payable	151,269	165,847
Short-term loans	42,310	22,528
Current portion of long-term loans	6,039	15,056
Commercial paper	19,500	54,000
Accrued income taxes	3,753	7,006
Accrued bonuses for employees	8,518	5,848
Accrued bonuses for directors	394	255
Provision for directors' stock benefit	—	39
Provision for loss on business withdrawal	1,917	2,229
Other	35,874	35,486
Total current liabilities	269,576	308,298
Long-term liabilities		
Bonds	40,000	40,000
Long-term loans	53,454	50,401
Lease liabilities	11,471	10,958
Deferred tax liabilities	13,275	17,890
Retirement benefit liability	12,289	12,835
Provision for directors' stock benefit	111	272
Other	1,503	3,465
Total long-term liabilities	132,106	135,824
Total liabilities	401,683	444,123
NET ASSETS		
Shareholders' equity		
Common stock	9,699	9,699
Capital surplus	9,348	9,653
Retained earnings	312,244	312,212
Less treasury stock, at cost	(19,579)	(22,846)
Total shareholders' equity	311,712	308,719
Accumulated other comprehensive income		
Net unrealized holding gain on securities	30,665	39,587
Deferred gain on hedges	6	148
Translation adjustments	56,864	59,779
Remeasurements of defined benefit plans	(196)	44
Total accumulated other comprehensive income	87,340	99,558
Non-controlling interests	7,406	8,061
Total net assets	406,459	416,339
Total liabilities and net assets	808,143	860,462

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

(Quarterly Consolidated Statements of Income)

Nine-month ended December 31, 2025 and 2024

(Millions of yen)

	Nine-month period ended December 31, 2024 (April 1, 2024 - December 31, 2024)	Nine-month period ended December 31, 2025 (April 1, 2025 - December 31, 2025)
Net sales	718,044	724,069
Cost of sales	586,832	585,173
Gross profit	131,211	138,896
Selling, general and administrative expenses	100,209	105,690
Operating income	31,002	33,205
Non-operating income		
Interest income	799	420
Dividend income	1,816	1,901
Rent income	241	102
Equity in earnings of affiliates	804	813
Foreign exchange gains	—	160
Other	249	446
Total non-operating income	3,911	3,845
Non-operating expenses		
Interest expenses	2,788	2,489
Foreign exchange losses	457	—
Other	966	960
Total non-operating expenses	4,213	3,450
Ordinary income	30,700	33,600
Extraordinary gains		
Gain on sales of non-current assets	2,172	19
Gain on sales of investment securities	2,789	2,772
Gain on sales of shares of subsidiaries and affiliates	—	498
Gain on liquidation of subsidiaries and affiliates	73	—
Gain on bargain purchase	—	1,780
Subsidy income	258	183
Other	9	—
Total extraordinary gains	5,303	5,254
Extraordinary losses		
Loss on sales of non-current assets	151	15
Loss on disposal of non-current assets	457	162
Loss on sales of investment securities	18	0
Loss on valuation of investment securities	1,014	176
Loss on sales of investments in capital of subsidiaries and affiliates	107	—
Loss on business withdrawal	2,033	2,647
Settlement payments	—	360
Other	—	143
Total extraordinary losses	3,781	3,507
Income before income taxes	32,221	35,347
Income taxes	9,930	9,829
Profit for the period	22,291	25,518
Profit attributable to non-controlling interests	578	541
Profit attributable to owners of the parent	21,712	24,976

(Quarterly Consolidated Statements of Comprehensive Income)

Nine-month ended December 31, 2025 and 2024

(Millions of yen)

	Nine-month period ended December 31, 2024 (April 1, 2024 - December 31, 2024)	Nine-month period ended December 31, 2025 (April 1, 2025 - December 31, 2025)
Profit for the period	22,291	25,518
Other comprehensive income		
Net unrealized holding (loss) gain on securities	(1,746)	8,919
Deferred gain on hedges	87	143
Translation adjustments	6,020	3,403
Remeasurements of defined benefit plans	(1,851)	240
Share of other comprehensive income of affiliates accounted for by the equity method	148	165
Total other comprehensive income	2,658	12,872
Comprehensive income	24,949	38,390
Comprehensive income attributable to:		
Shareholders of the parent	24,093	37,195
Non-controlling interests	855	1,195

(3) Quarterly Consolidated Statements of Cash Flows

Nine-month periods ended December 31, 2025 and 2024

(Millions of yen)

	Nine-month period ended December 31, 2024 (April 1, 2024 - December 31, 2024)	Nine-month period ended December 31, 2025 (April 1, 2025 - December 31, 2025)
Operating activities		
Income before income taxes	32,221	35,347
Depreciation and amortization other than amortization of goodwill	11,487	12,103
Amortization of goodwill	2,040	2,166
Subsidy income	(258)	(183)
Share of gain of entities accounted for using equity method	(804)	(813)
Loss on discontinued operations	2,033	2,647
Settlement payments	—	360
Gain on bargain purchase	—	(1,780)
Increase in retirement benefit liability	148	472
(Increase) decrease in retirement benefit asset	(2,511)	111
Interest and dividend income	(2,616)	(2,321)
Interest expenses	2,788	2,489
Exchange gain, net	(778)	(1,361)
Gain on sales of investment securities	(2,770)	(3,270)
Loss on evaluation of investment securities	1,014	176
Increase in notes and accounts receivable	(10,209)	(12,303)
(Increase) decrease in inventories	(4,876)	1,990
Increase in notes and accounts payable	3,974	8,699
Other	1,560	(5,211)
Subtotal	32,444	39,321
Interest and dividends received	3,017	2,569
Interest paid	(2,794)	(2,598)
Proceeds from subsidy income	258	183
Settlement paid	—	(103)
Income taxes paid	(11,515)	(10,032)
Net cash provided by operating activities	21,410	29,339
Investing activities		
Purchases of property, plant and equipment	(9,417)	(21,805)
Proceeds from sales of property, plant and equipment	2,421	202
Purchases of intangible fixed assets	(1,839)	(2,413)
Purchases of investments in securities	(785)	(1,101)
Proceeds from sales of investments in securities	3,279	3,570
Proceeds from sales of investments in capital	256	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	609
Purchases of shares of subsidiaries resulting in change in scope of consolidation	—	(19,053)
Decrease in short-term loans receivable included in other current assets	312	12
Increase in time deposits, net	(166)	(972)
Other	(1,116)	(2,250)
Net cash used in investing activities	(7,054)	(43,203)

(Millions of yen)

	Nine-month period ended December 31, 2024 (April 1, 2024 - December 31, 2024)	Nine-month period ended December 31, 2025 (April 1, 2025 - December 31, 2025)
Financing activities		
Decrease in short-term loans, net	(6,117)	(21,326)
(Decrease) increase in commercial paper, net	(19,000)	34,500
Proceeds from long-term loans	32,037	12,000
Repayments of long-term loans	(6,930)	(5,991)
Proceeds from issuance of bonds	20,000	—
Redemption of bonds	(10,000)	—
Purchase of treasury stock	(17,018)	(18,429)
Cash dividends paid	(9,557)	(9,604)
Cash dividends paid to non-controlling interests	(474)	(540)
Other	(642)	(1,400)
Net cash used in financing activities	(17,703)	(10,793)
Effects of exchange rate changes on cash and cash equivalents	4,591	836
Net increase (decrease) in cash and cash equivalents	1,243	(23,820)
Cash and cash equivalents at beginning of the year	59,185	65,903
Cash and cash equivalents at end of the period	60,429	42,083