



# **Presentation of the Financial Results for the Fiscal Year Ending March 31, 2025**

**May 27, 2025**

**ASAHI YUKIZAI CORPORATION**

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- Reinforcement of Corporate Governance
- Valve & Piping Systems Divisions
  - : Joint Development of PFAS-Free Valves

# Business Overview

## Asahi Yukizai Group's Three Business Segments

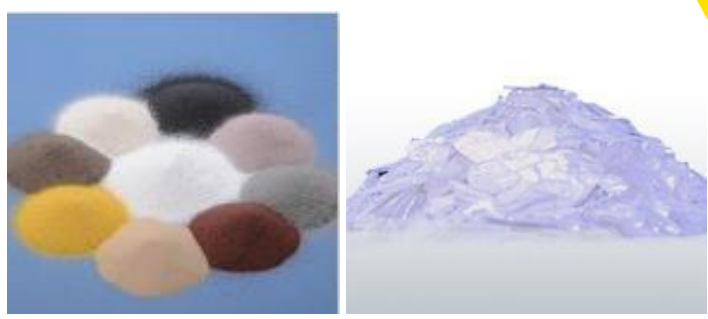
### Water Treatment & Natural Resources Development Divisions

Net sales: 9.8 billion yen  
Operating profit: 0.8 billion yen



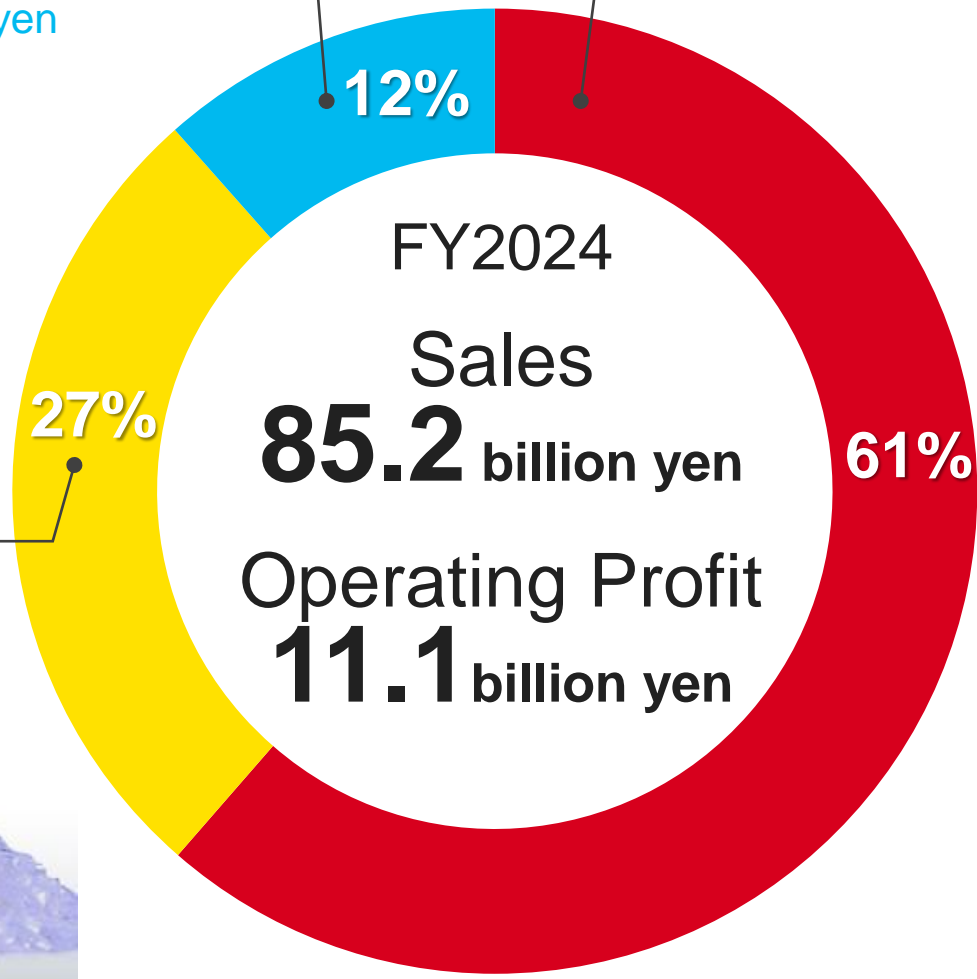
### Resin Divisions

Net sales: 23.0 billion yen  
Operating profit: 1.1 billion yen



### Valve & Piping Systems Divisions

Net sales: 52.3 billion yen  
Operating profit: 9.1 billion yen



# Summary

## FY2024 results

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Sales: 85.2 billion yen   Operating profit: 11.1 billion yen   Net income: 7.6 billion yen

## FY2025 performance forecast

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**Sales: 85.0 billion yen   Operating profit: 9.0 billion yen**

Factors causing this: Profits may become temporarily unattractive, due to the significant increase in fixed cost resulting from strategic investment and investment in human capital.

## Announcement of the Outline of the New Mid-term Business Policy (from FY2026 to FY2030)

## Change in Shareholder Return Policy

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Introduction of the progressive dividend payment system and to set a guideline for total dividend pay-out ratio (around 50% total dividend pay-out ratio on a 6-year cumulative basis)

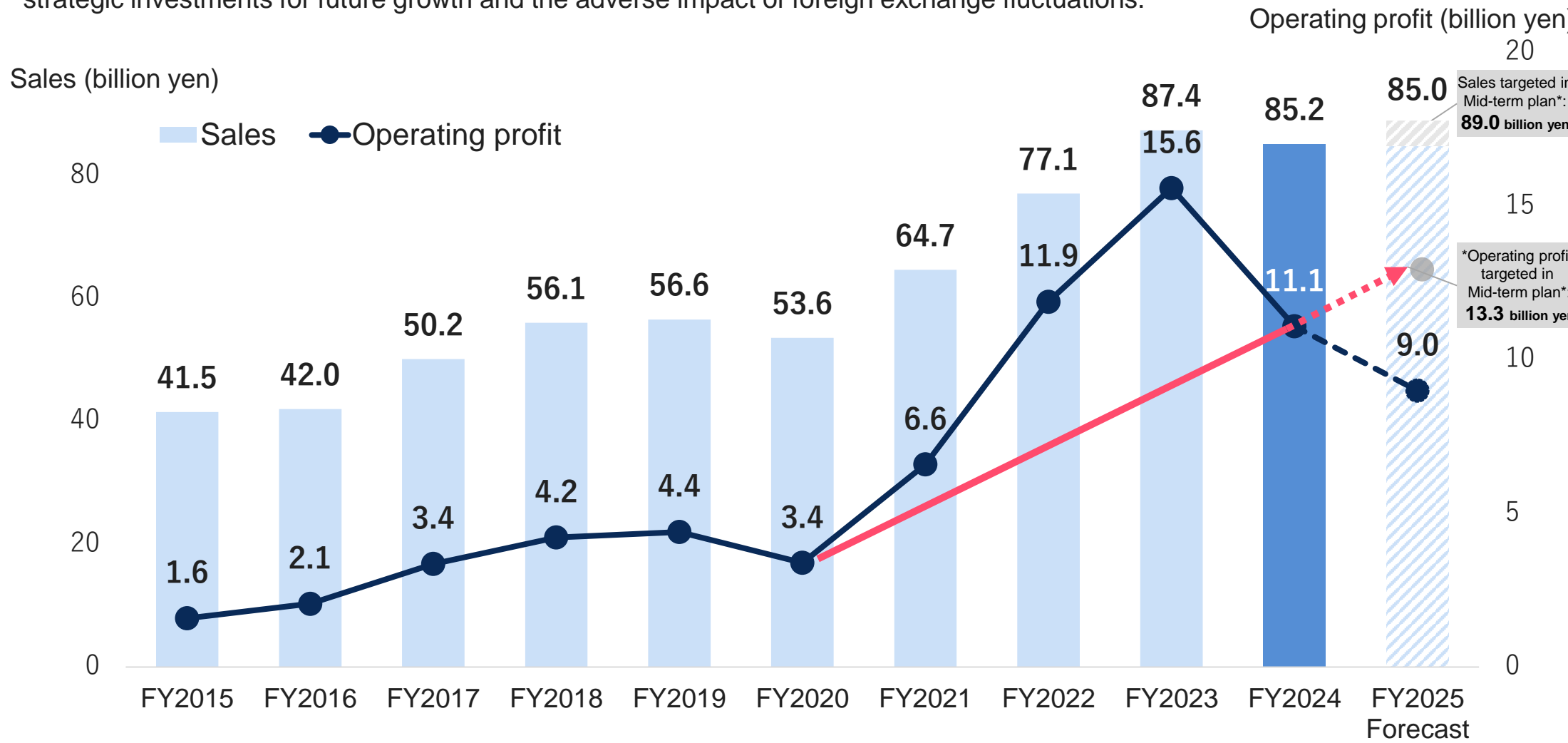
Forecasted annual dividend for FY2025 :   Interim: 60 yen   Year-end: 60 yen

FY2024 results /forecast :   Interim: 55 yen   Year-end: 55 yen

# Financial results in the past and forecasts for FY2025



While special demand from the U.S. and China eased in FY2024, operating profit remained on track with the targets outlined in the Mid-Term Management Plan. In FY2025, profit is projected to decline, primarily due to strategic investments for future growth and the adverse impact of foreign exchange fluctuations.

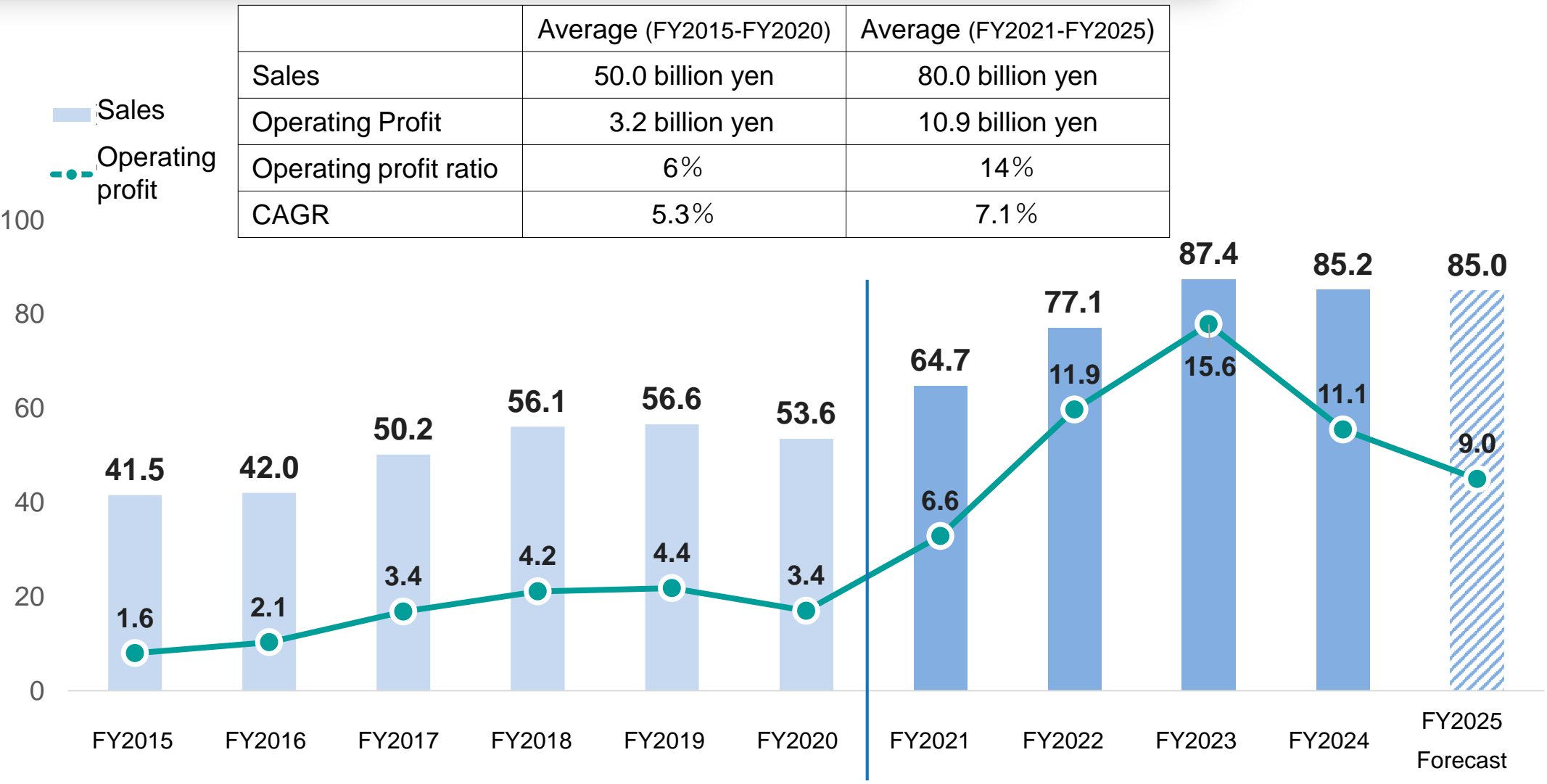


Operating profit ratio	4%	5%	7%	8%	8%	6%	10%	15%	18%	13%	11%
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\* Original targets in the Mid-term Business Plan, which stood at 87.0 billion yen in sales and 12.0 billion yen in operating profit, have been re-calculated with the foreign exchange rate of 140 yen to the dollar (originally 120 yen to the dollar).

\* Forecasts for FY2025 have also been calculated with the rate of 140 yen to the dollar.

# Financial results from FY2015 through FY2025



Operating profit ratio	4%	5%	7%	8%	8%	6%	10%	15%	18%	13%	11%
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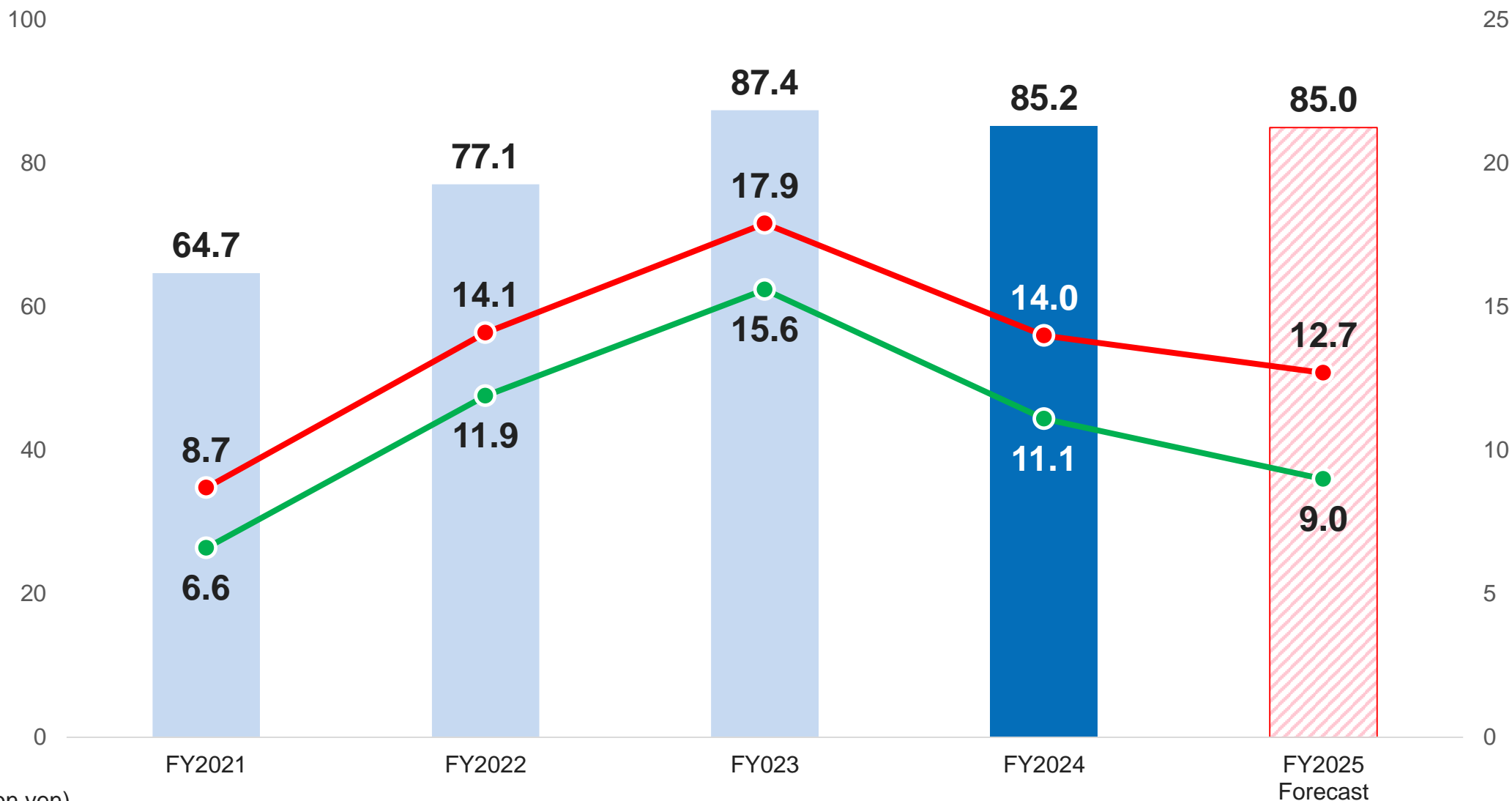
No. of employees on a consolidated basis	1,223	1,246	1,355	1,438	1,540	1,559	1,555	1,652	1,718	1,756	1,817
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# Trends in EBITDA & Depreciation

Sales (billion yen)    Sales    Operating profit    EBITDA

Operating profit/EBITDA (billion yen)



(billion yen)

Forecast

Depreciation  
expense

2.1

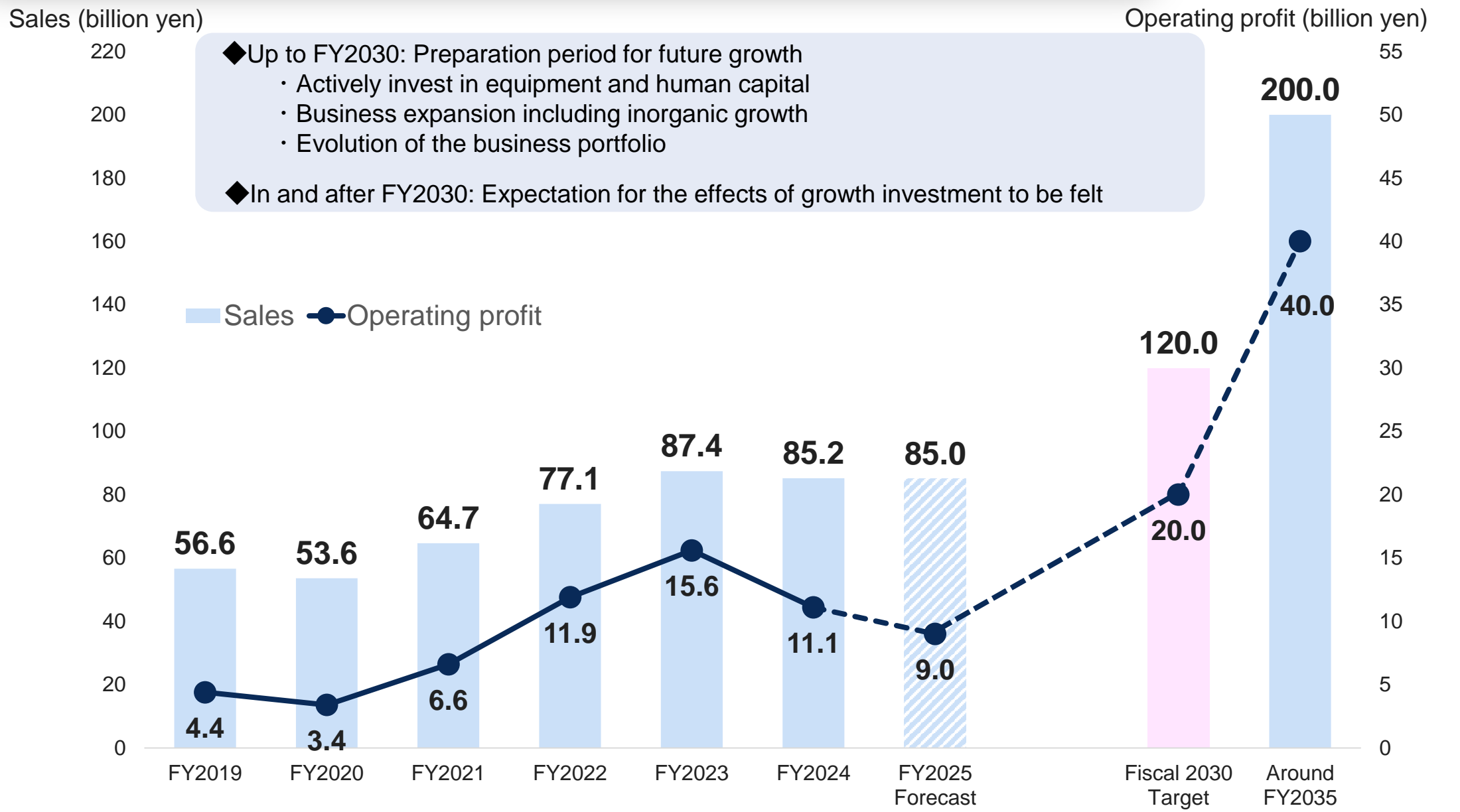
2.1

2.2

2.8

3.7

# Numerical Targets in the Next Mid-term Plan



Operating profit rate	8%	6%	10%	15%	18%	13%	11%		17%	20%
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# Financial Results for FY2024

Although special demand from the U.S. and China subsided in fiscal 2024, profit decreased due to an increase in fixed costs.

(Amount: billion yen)	FY2023			FY2024			Amount of change (Full-year)
	1H	2H	Full-year	1H	2H	Full-year	
<b>Net sales</b>	43.8	43.6	87.4	<b>41.7</b>	<b>43.4</b>	<b>85.2</b>	- 2.3
<b>Operating profit</b>	8.3	7.3	15.6	<b>5.9</b>	<b>5.2</b>	<b>11.1</b>	- 4.5
<b>Ordinary profit</b>	8.6	7.5	16.1	<b>5.8</b>	<b>5.4</b>	<b>11.3</b>	- 4.8
<b>Profit attributable to owners of parent</b>	5.5	5.9	11.4	<b>3.8</b>	<b>3.8</b>	<b>7.6</b>	- 3.8

ROE	
FY2023	<b>FY2024</b>
17%	<b>10%</b>

ROIC	
FY2023	<b>FY2024</b>
16%	<b>10%</b>

EBITDA	
FY2023	<b>FY2024</b>
17.9 billion yen	<b>14.0 billion yen</b>

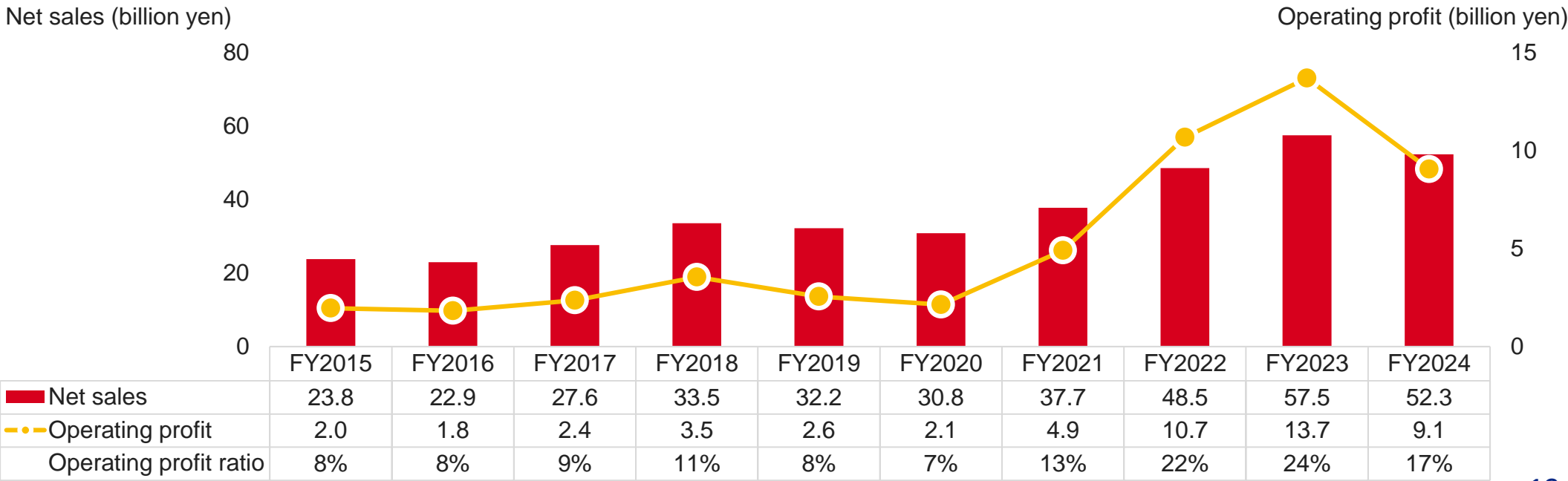
(Amount: yen)							
<b>Basic earnings per share</b>	286	309	594	<b>201</b>	<b>201</b>	<b>401</b>	- 193
<b>Dividend per share</b>	50	50	100	<b>55</b>	<b>55</b>	<b>110</b>	+10

# Results by Segment

		FY2023	FY2024	Amount of change
(Amount: billion yen)				
<b>Valve &amp; Piping Systems Divisions</b> Decrease in sales and profit	Net sales	57.5	<b>52.3</b>	- 5.2
	Operating profit	13.7	<b>9.1</b>	- 4.6
	Operating profit ratio	23.8%	<b>17.3%</b>	- 6.5%
<b>Resin Divisions</b> Increase in sales and decrease in profit	Net sales	22.3	<b>23.0</b>	+0.8
	Operating profit	1.5	<b>1.1</b>	- 0.4
	Operating profit ratio	6.9%	<b>4.9%</b>	- 2.0%
<b>Water Treatment &amp; Natural Resources Development Divisions</b> Increase in sales and profit	Net sales	7.7	<b>9.8</b>	+2.1
	Operating profit	0.5	<b>0.8</b>	+0.3
	Operating profit ratio	6.4%	<b>7.8%</b>	+1.4%
<b>Company-wide total</b> Decrease in sales and profit	Net sales	87.4	<b>85.2</b>	- 2.3
	Operating profit	15.6	<b>11.1</b>	- 4.5
	Operating profit ratio	17.8%	<b>13.1%</b>	- 4.8%

# Valve and Piping Systems Divisions for Full-year

Valves, pipes, fittings, etc.	Showing a steady recovery due to continuous normalization of inventory level in Japan.
Dymatrix products	The demand for semiconductor manufacturing equipment in Japan and China recovered and steadily improves.
Engineering business	The sales increased by steadily taking in new semiconductor-related projects.
Affiliated companies	The sales decreased affected by postponement and reconsideration of investment in the US and China.

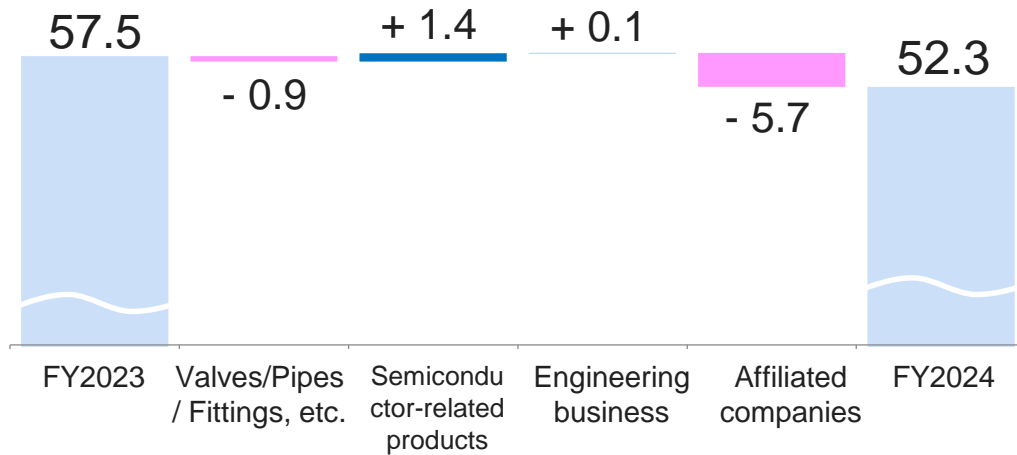


# Valve & Piping Systems Divisions : Variation Analysis of Net Sales & Operating Profit

(Amount: billion yen)

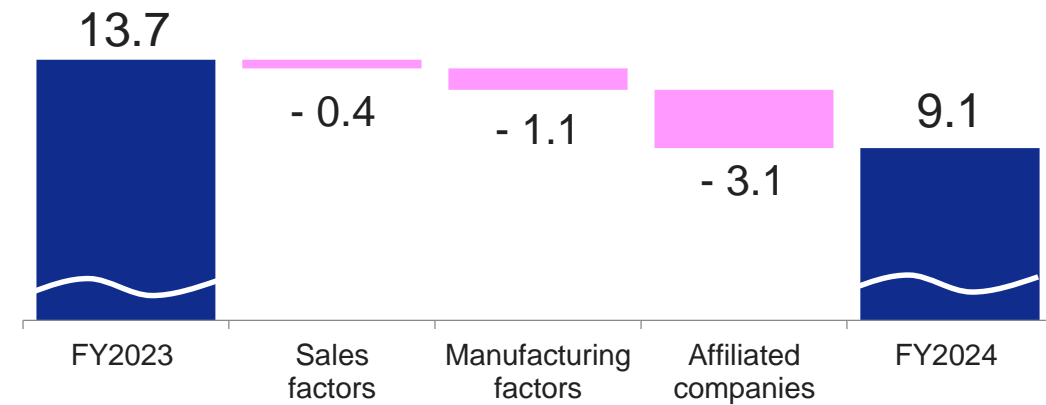
Net sales - 5.2

Net sales Positive factor Negative factor



Operating profit - 4.6

Operating profit Positive factor Negative factor



## Details of variation in net sales

- Valves, Pipes, Fittings, etc. - 0.9
- Semiconductor-related products (Dymatrix™) +1.4
- Engineering business +0.1
- Affiliated companies (after elimination of intra-company transactions)
  - : Overseas - 5.7
  - : In Japan +0.0

## Details of variation in operating profit

- Sales factors
  - Price increase, labor cost increase, difference in business composition
- Manufacturing factors
  - Increase in labor cost and material cost, etc.
- Affiliated companies
  - Profit decrease mainly due to sales decrease in the US and China

# Resin Divisions for Full-year

## Electronics materials

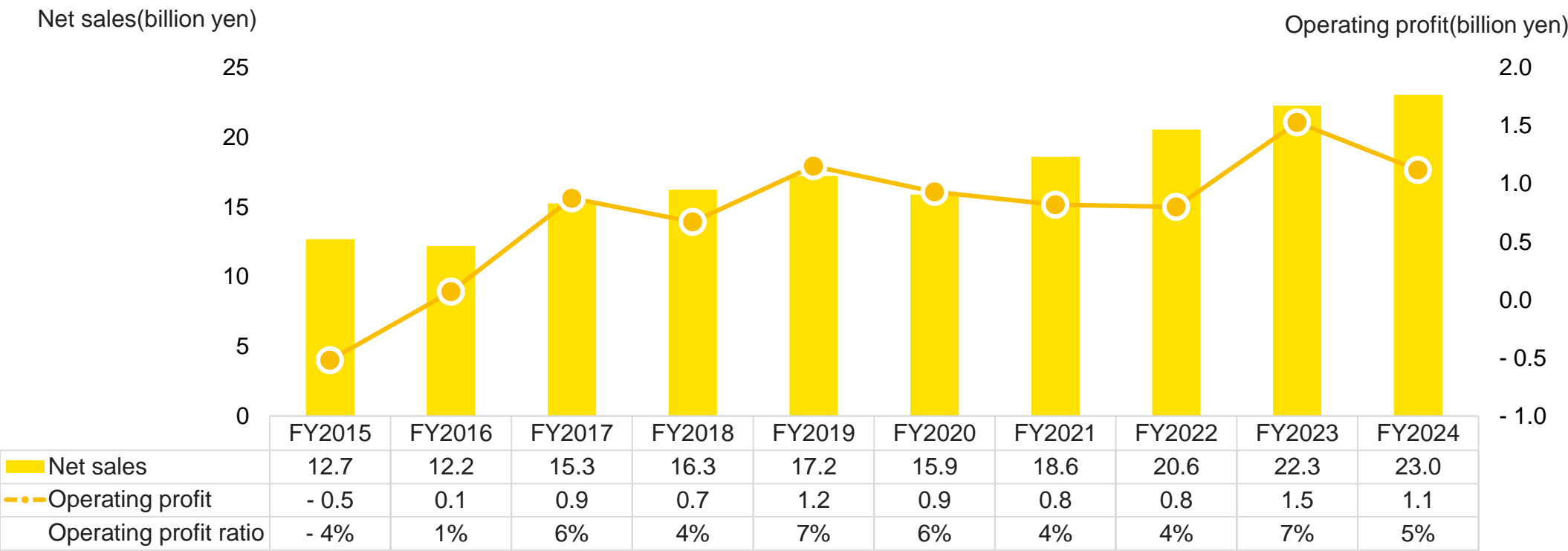
In Japan, the demand for materials for legacy semiconductors recovered and the demand for materials for post-processing relating to generative AI increased. In China, the demand for FPD area is strong.

## Foundry materials

Domestic sales declined as automobile production fell below the previous year's level, while overseas sales increased.

## Foam materials, etc.

The volume of on-site thermal insulation foam materials decreased due to delay in housing and building constructions.  
As for the civil engineering materials, the sales volume decreased due to partial delay in construction for projects already been ordered.





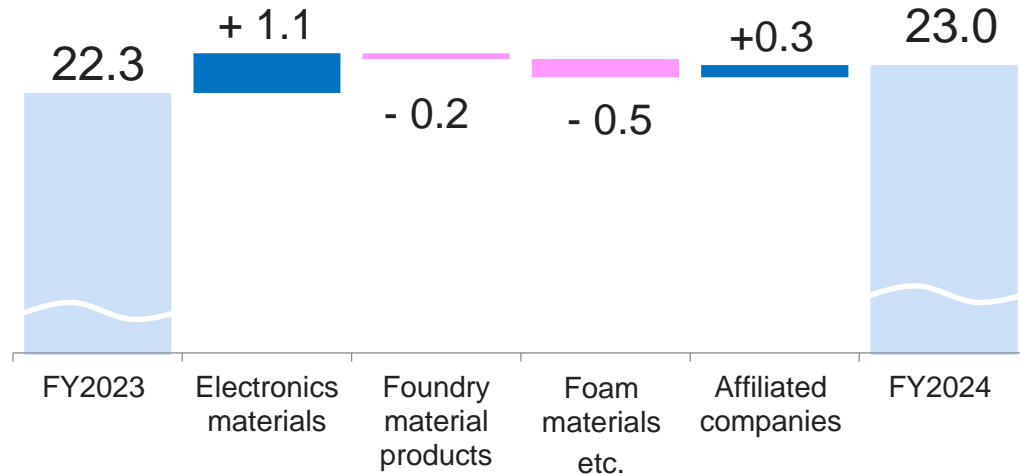
# Resin Divisions

## : Variation Analysis of Net Sales & Operating Profit

(Amount: billion yen)

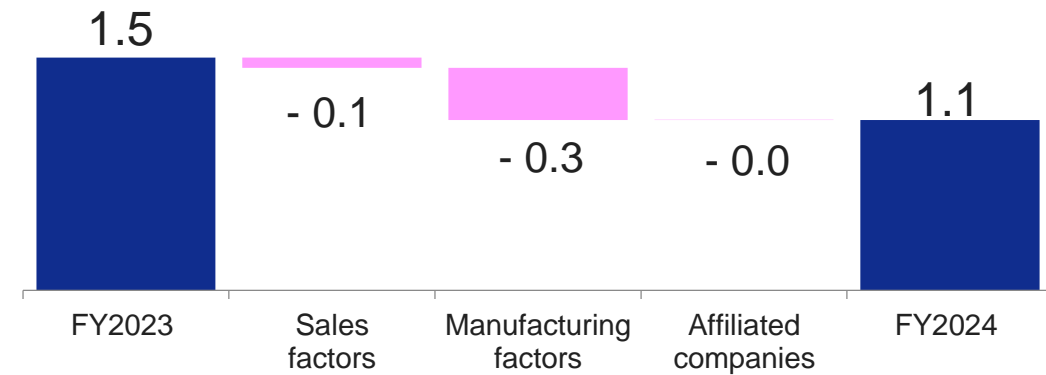
Net sales +0.8

Net sales Positive factor Negative factor



Operating profit -0.4

Operating profit Positive factor Negative factor



Details of variation  
in net sales

- Foundry material products +1.1
- Electronics materials -0.2
- Foam materials, etc. -0.5
- Affiliated companies (after elimination of intra-company transactions)
  - : Overseas +0.5
  - : In Japan -0.2

Details of variation  
in operating profit

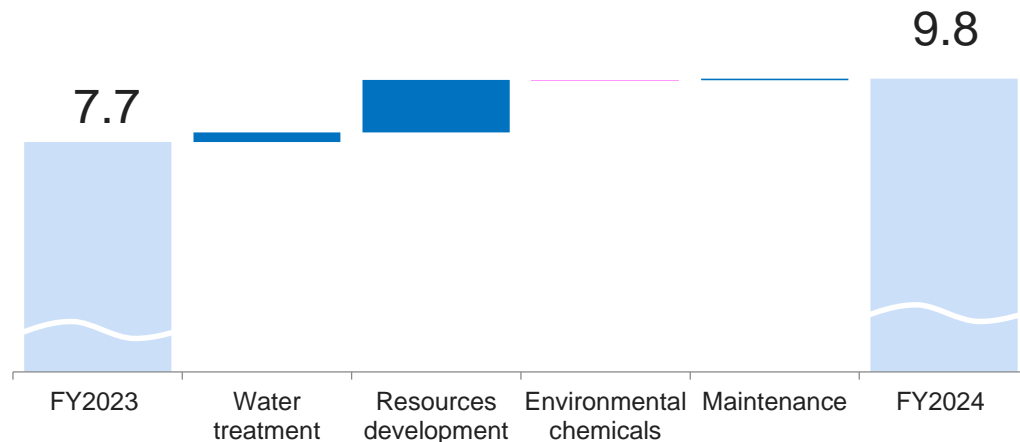
- Sales factors
  - Price increase, increase in transport cost and storage cost
- Manufacturing factors
  - Increase in material cost and increase in depreciation and repair costs

# Water Treatment & Natural Resources Development Divisions for Full-year

(Amount: billion yen)

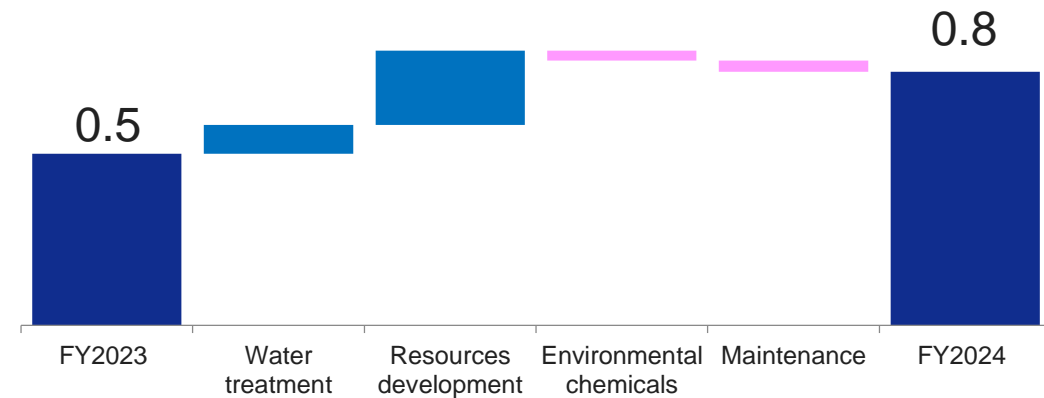
**Net sales +2.1**

Net sales Positive factor Negative factor



**Operating profit + 0.3**

Operating profit Positive factor Negative factor



## Water treatment

Increase in the number of construction completions and steady progress in construction projects.

## Resources development

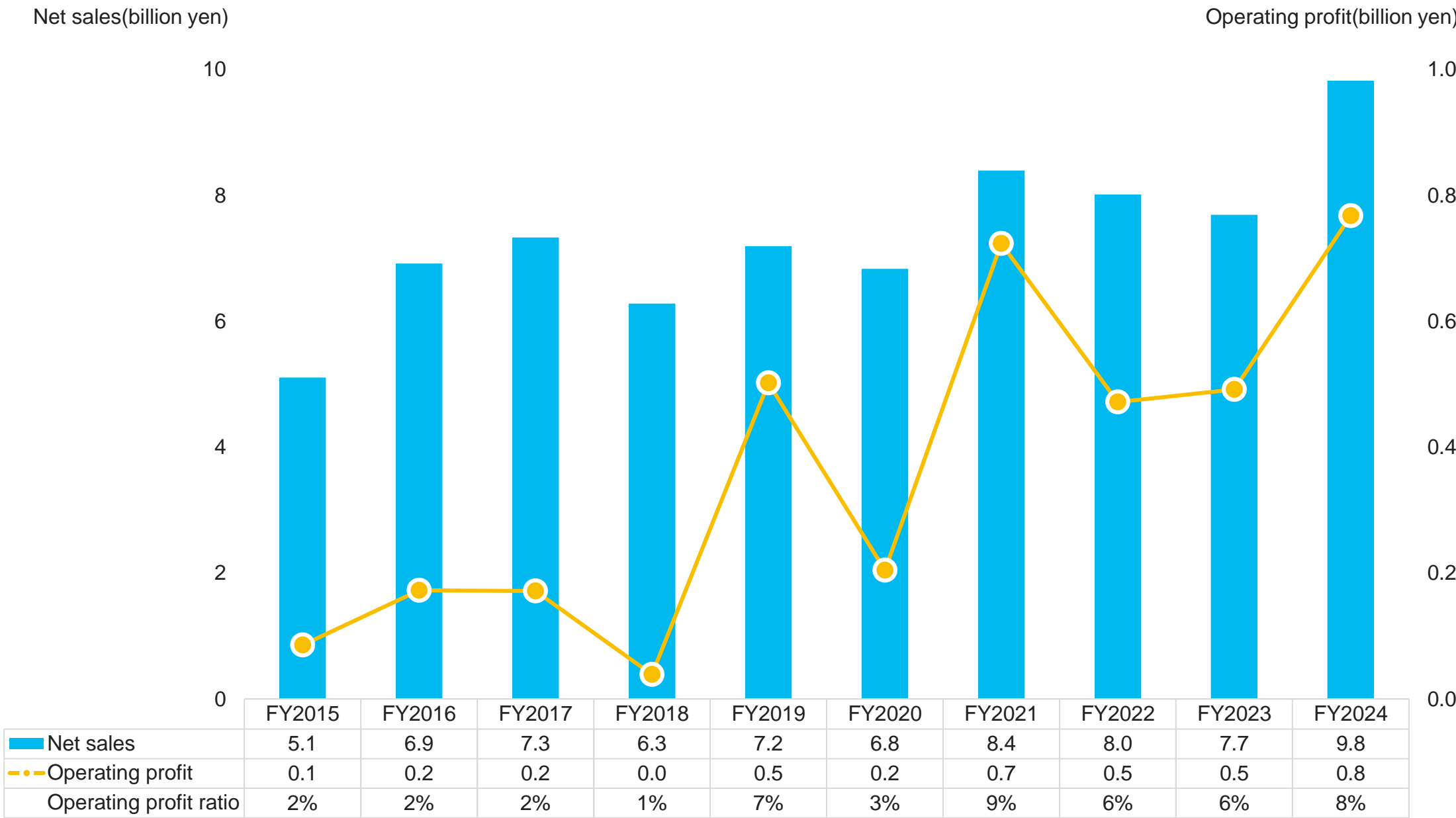
A large-scale geothermal drilling project completed as planned, though there was a delay in hot spring development project.

## Environmental chemicals

Decrease in sales of pharmaceutical products.

## Maintenance

Steady progress in various repair projects.

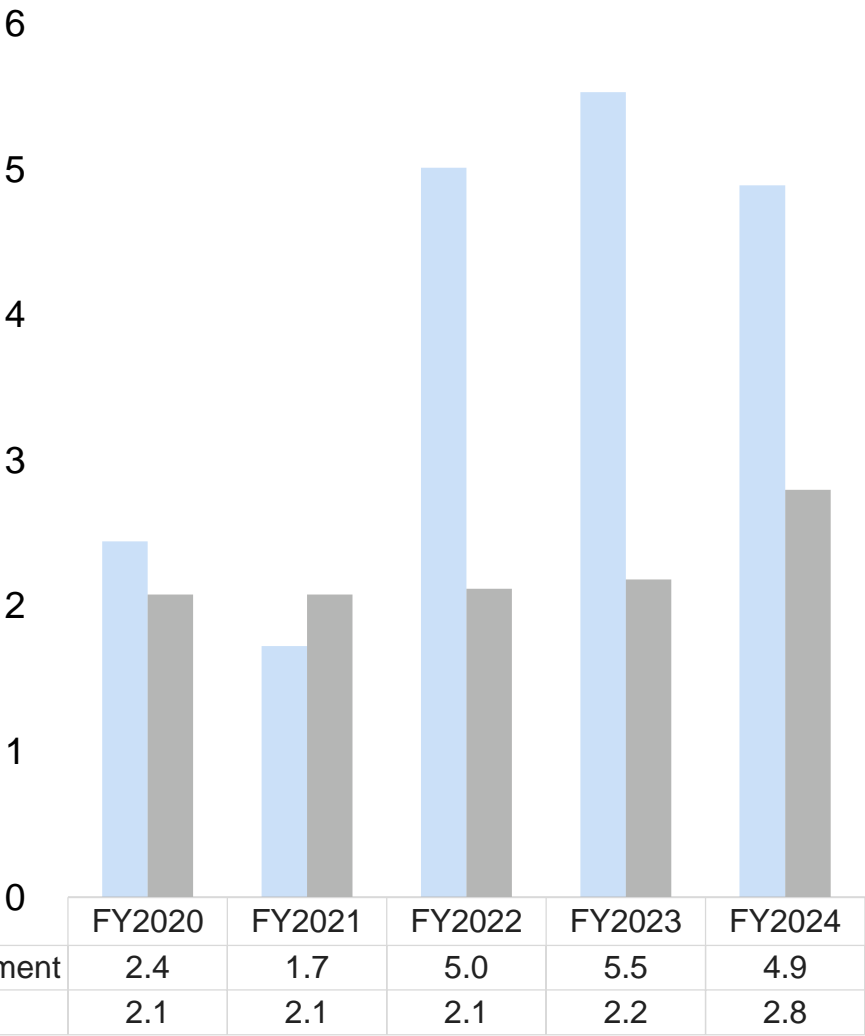


# Capital Investment, Depreciation, and Overseas Sales

## Capital investment and depreciation

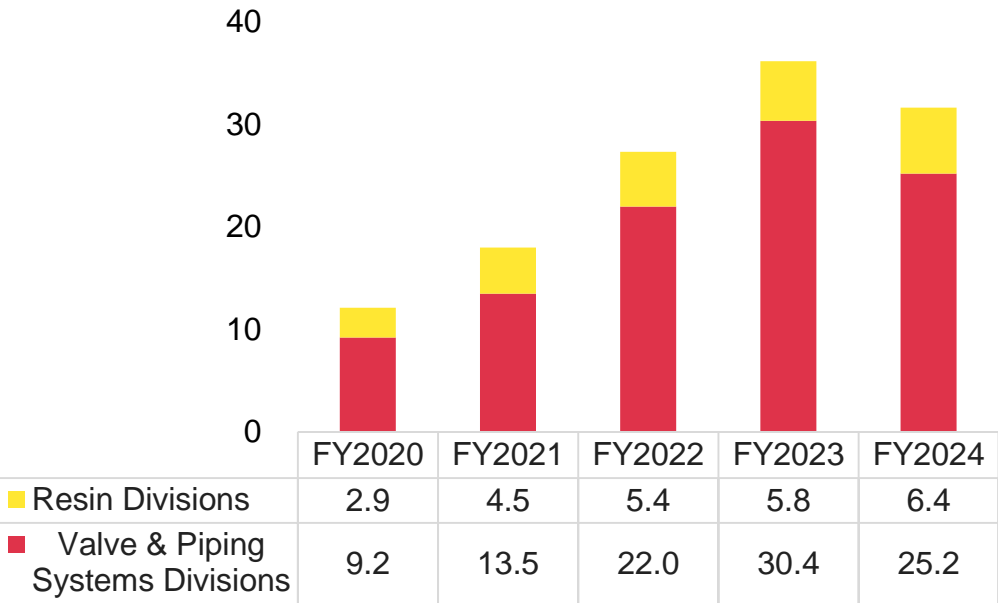
\*Capital investment is based on capitalized assets.

(billion yen)



## Overseas sales

Net sales(billion yen)



## overseas sales ratio

	FY2020	FY2021	FY2022	FY2023	FY2024
Valve & Piping Systems Divisions	30%	36%	45%	53%	48%
Resin Divisions	18%	24%	26%	26%	28%
Company-wide total	23%	28%	36%	41%	37%

# Financial Statements

P/L	FY2023	FY2024
Net sales	87.4	<b>85.2</b>
Cost of sales	51.8	<b>52.2</b>
Gross profit	35.7	<b>32.9</b>
Selling and general administrative expenses	20.1	<b>21.8</b>
Operating profit	15.6	<b>11.1</b>
Non-operating profit/loss	0.5	<b>0.1</b>
Ordinary profit	16.1	<b>11.3</b>
Extraordinary gain/loss	-0.1	<b>-0.4</b>
Profit before tax	16.0	<b>10.9</b>
Corporate tax, etc.	4.5	<b>3.1</b>
Profit attributable to non-controlling interests	0.1	<b>0.2</b>
Profit attributable to owners of parent	11.4	<b>7.6</b>

B/S	As of March 31, 2024	As of March 31, 2025
<b>Total assets</b>	<b>101.4</b>	<b>105.8</b>
Current assets	66.7	<b>69.6</b>
Inventories	22.3	<b>21.5</b>
Non-current assets	34.7	<b>36.2</b>
Property, plant, and equipment	24.3	<b>26.8</b>
<b>Total liabilities and net assets</b>	<b>101.4</b>	<b>105.8</b>
Total liabilities	29.7	<b>27.5</b>
Current liabilities	24.4	<b>20.2</b>
Short-term borrowings	4.2	<b>3.7</b>
Non-current liabilities	5.3	<b>7.3</b>
Net assets	71.7	<b>78.3</b>
Retained earnings	54.7	<b>60.3</b>
Treasury stock	- 1.9	<b>- 2.8</b>

C/F	FY2023	FY2024
Cash flows from operating activities	9.7	<b>11.3</b>
Cash flows from investing activities	- 4.6	<b>- 5.2</b>
Cash flows from financing activities	- 0.5	<b>- 1.6</b>
Cash and cash equivalents at end of year	18.8	<b>24.1</b>

# Forecast for FY2025

# Forecast of Company-wide Results

Profit declined due to an increase in fixed costs associated with expansion initiatives and investment in human capital.

(Amount: billion yen)	FY2024			FY2025 forecast			Amount of change (Full-year)
	1H	2H	Full-year	1H	2H	Full-year	
<b>Net sales</b>	41.7	43.4	85.2	41.5	43.5	85.0	- 0.2
<b>Operating profit</b>	5.9	5.2	11.1	4.4	4.6	9.0	- 2.1
<b>Ordinary profit</b>	5.8	5.4	11.3	4.4	4.7	9.1	- 2.2
<b>Profit attributable to owners of parent</b>	3.8	3.8	7.6	3.0	3.4	6.4	- 1.2

ROE	
FY2024	FY2025
10%	8%

ROIC	
FY2024	FY2025
10%	7%

EBITDA	
FY2024	FY2025
14.0 billion yen	12.7 billion yen

(Amount: yen)							
<b>Basic earnings per share</b>	201	201	401	158	179	337	- 64
<b>Dividend per share</b>	55	55	110	60	60	120	+10

\*USD/JPY=150

# Forecast of Results by Segment

		FY2024	FY2025 forecast	Amount of change
(Amount: billion yen)				
<b>Valve &amp; Piping Systems Divisions</b> Decrease in sales and profit	Net sales	52.3	<b>52.2</b>	- 0.1
	Operating profit	9.1	<b>7.8</b>	- 1.2
	Operating profit ratio	17.3%	<b>15.0%</b>	- 2.3%
<b>Resin Divisions</b> Increase in sales and decrease in profit	Net sales	23.0	<b>23.8</b>	+0.8
	Operating profit	1.1	<b>0.7</b>	- 0.4
	Operating profit ratio	4.9%	<b>2.9%</b>	- 1.9%
<b>Water Treatment &amp; Natural Resources Development Divisions</b> Decrease in sales and profit	Net sales	9.8	<b>9.0</b>	- 0.8
	Operating profit	0.8	<b>0.5</b>	- 0.3
	Operating profit ratio	7.8%	<b>5.3%</b>	- 2.5%
<b>Company-wide total</b> Decrease in sales and profit	Net sales	85.2	<b>85.0</b>	- 0.2
	Operating profit	11.1	<b>9.0</b>	- 2.1
	Operating profit ratio	13.1%	<b>10.6%</b>	- 2.5%



## Business environment

### Semiconductor-related businesses

(Valves, pipes, etc.,  
Dymatrix products)

Intention of investing for construction of semiconductor plants is expected to remain strong.

Growth is expected, supported by the increasing production of AI-related products and expansion of the Chinese market.

### General plants

(Valves, pipes, etc.)

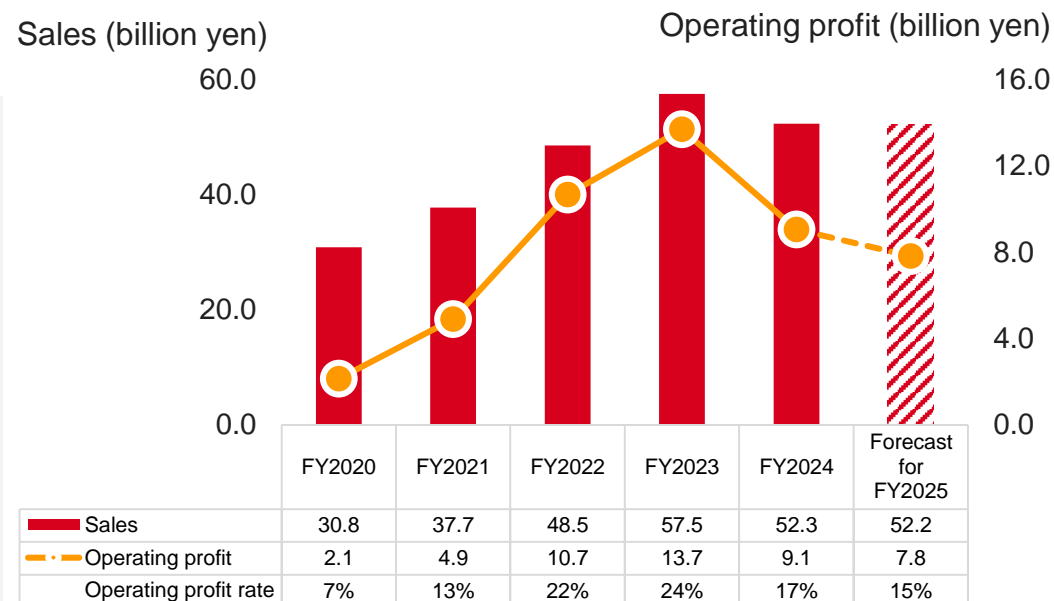
Domestic capital investment is expected to remain strong.

There are concerns that plans will be reviewed or their implementation will be postponed due to the inflation or the labor shortage.

## Main measures

Investing in domestic and overseas plants to strengthen production capacity, developing new products, and enhancing sales capabilities to support the growth of the Dymatrix business.

Promotion of expansion of high value-added products through reinforcement of the engineering capacity.



# Resin Divisions in FY2025

## Business environment

Semiconductor-related business  
(Electronic materials)

The markets are on a recovery and expanding trends centered at semiconductors for use in the AI.

Automobile production  
(Foundry materials)

While domestic sales may remain flat, expansion is expected in India and China.

Construction fields  
(Foam materials)

Overall construction starts are expected to be as about the same level as in the preceding year: While those in the Metropolitan and Kansai areas are supported by strong demand, they are on a declining trend in provincial areas.

## Main measures

[Electronic materials]

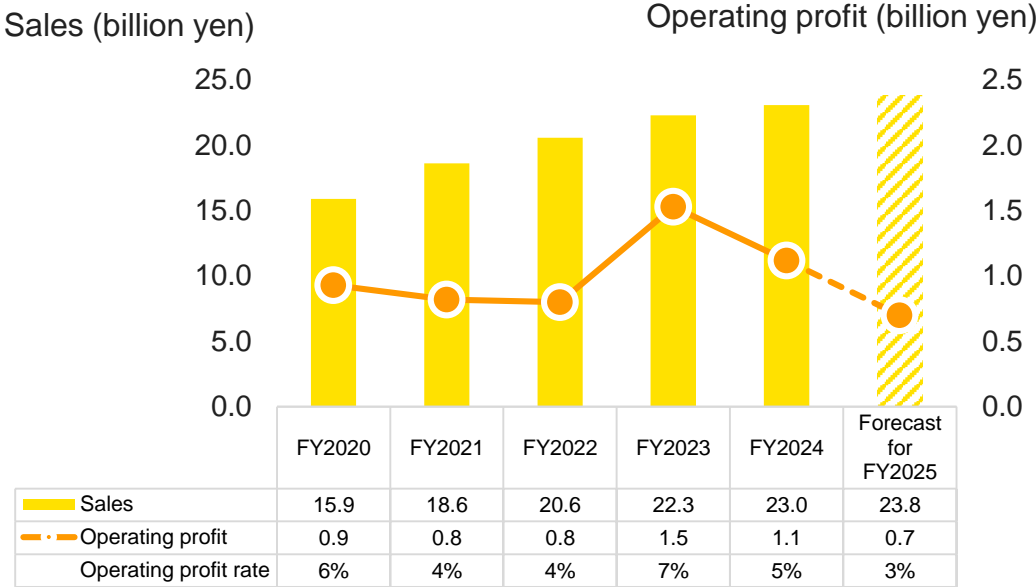
- Construction start of the Second Chinese Plant (Nantong).

[Foundry materials]

- In anticipation of overseas growth, investment will be carried out placing priority on India and China as measures to aggressively expand business.

[Foam materials]

- Creating and expanding the high-insulation market leveraging BEXUR™.



# Water Treatment & Natural Resources Development Divisions in FY2025

## Business environment

### Water treatment

Demand for capital investment to cover water and sewage services, industrial wastewater, etc. is expected to be the same level as preceding year.

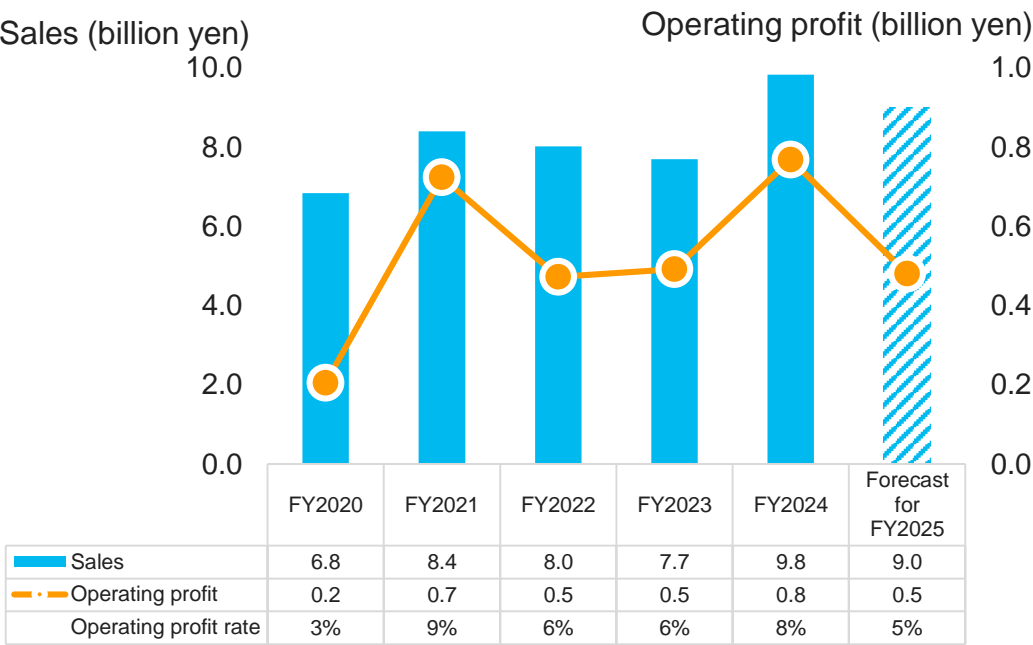
### Natural resources development

With regard to the geothermal field, although the order-receiving environment is expected to continue firm, there is a tight supply of construction staff.

The hot spring sector is experiencing a decrease in order backlog due to weak order intake in the previous year; however, inquiries for new projects are on the rise.

## Main measures

- Reducing environmental impact through advanced water treatment technology and improving cost and energy efficiency.
- Improving proposal, order-taking capabilities, and profitability through sharing expertise and human resources in water treatment, environmental chemicals, and maintenance.



# **Advance Release of the New Mid-term Business Plan Overview**

Prior to the scheduled announcement of the key points in November 2025, we have disclosed on our website an overview of the vision, business policies, and numerical targets of the New Mid-term Business Plan, which is currently under formulation.

\*The New Mid-term Plan is expected to include content on the cash allocation policy, measures to strengthen and enhance intangible assets, and capital-cost conscious management, among other items.

## The vision we are targeting at:

- Great : We strive to be a symbol of excellence in our industry by passionately solving customer challenges and continuously evolving the knowledge we've cultivated over generations.
- Niche : We are committed to creating and expanding unique markets, organically integrating our accumulated assets and expertise through a value delivery model that anticipates change.
- Top : We aim to remain a front-runner by creating value that resonates globally—with both customers and society—through purpose-driven innovation and impact.

(Unit: billion yen, %)

Target	Sales	Operating profit	ROE	ROIC
FY2030	120.0	20.0	15	10
Around 2035	200.0	40.0	18	13

## ◆Strategies

### • Growth Investments

Business expansion and portfolio evolution strategies encompassing new plant construction, new product development, operational efficiency improvements through digital transformation, investment in human capital, and inorganic growth initiatives.

### • Cash Allocation

Investments for business expansion and shareholder returns (with a total payout ratio target of 50%).

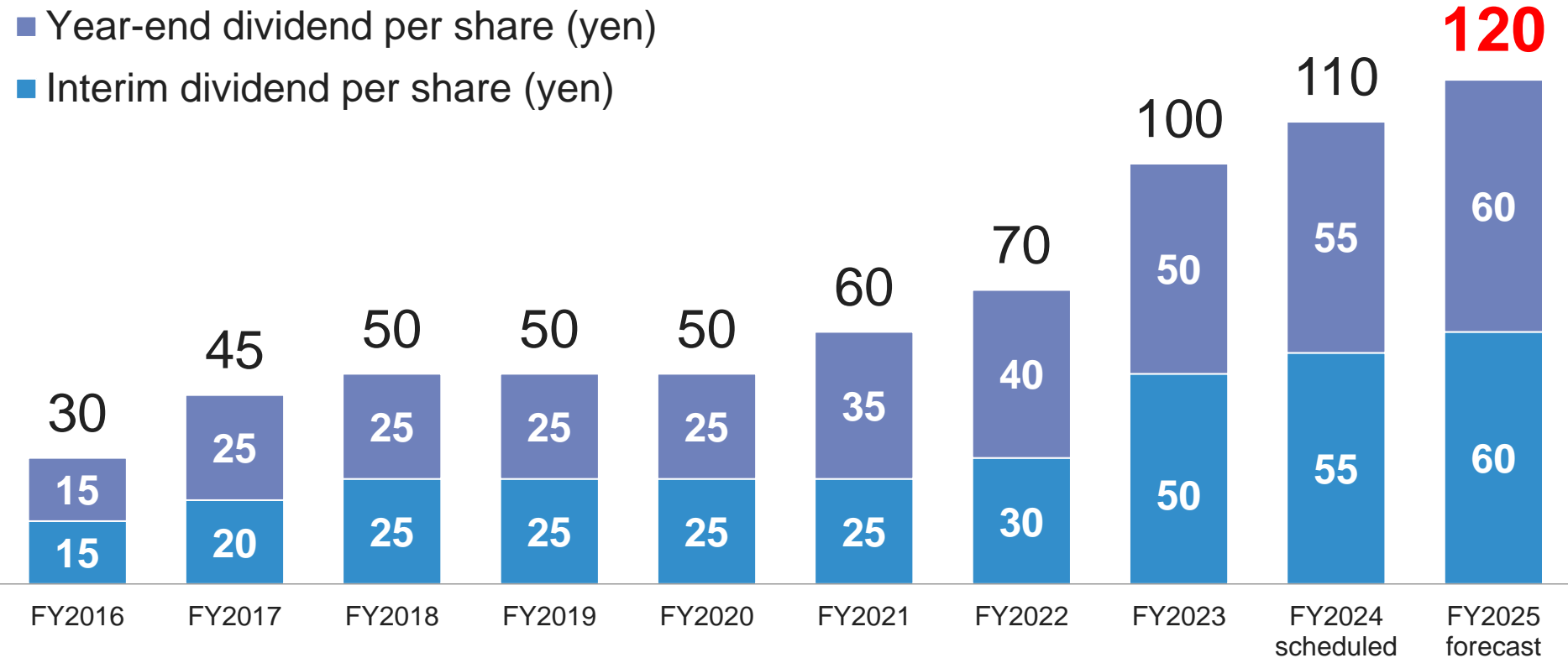
## ◆Business Segment Strategies

The Valve & Piping System Divisions: Digital transformation, automation, new plant construction, product launches targeting the semiconductor industry, and enhancing customer satisfaction in the domestic market.

Resin Divisions: Supply of high-value-added products to semiconductor-related industries; improvement of operating rates at new plants; development and sales expansion of high-performance resins for the casting industry; and business expansion in overseas markets, particularly India.

# Dividends

Interim dividend: 60 yen per share; Year-end dividend: 60 yen per share (forecast)



Dividend payout ratio	52.7%	31.0%	24.5%	30.5%	34.3%	24.1%	14.2%	16.8%	27.4%	35.6%
Total returns trend	52.9%	31.2%	24.8%	30.7%	34.5%	24.2%	14.4%	23.4%	39.7%	35.6%



Aiming at further return to the shareholders, we have changed our policy for returning profits to shareholders.

◆Details of the revised shareholder return policy:

As we recognize the distribution of profits to the shareholders as one of the most important matters for a corporation, taking comprehensively into consideration the business performance, financial standings, internal reserve necessary for investment for the future, etc., we will pay dividends in the style of **progressive dividend**, which keeps annual dividend per share to be the same as or greater than in the preceding year, during the period **by FY2030**, aiming at dividend increase through continuous achievement of profit expansion. Simultaneously, we place **a guideline of 50% in the total payout ratio as the cumulative total for six years, while paying attention to the financial soundness (D/E ratio of 0.5 or less)**.

◆Implementation Timing:

This change will take effect from the fiscal year ending March 2026.

# Topics

# The Electronic Material Division: Construction of a Second Plant Determined in China

## ◆ Nantong Second Electrical Materials Plant in China (total investment of approximately RMB300 million)

September 2024: Investment agreement signed with NETDA (Nantong Economic and Technological Development Area)

September 2025: Construction start (planned)

March 2027: Construction completed (planned)

### Investment Overview

Total investments	Approx. RMB 3 billion (Approx. JPY 6 billion)
Production capacity	Approx. three times greater than the First Plant
Application	<ul style="list-style-type: none"><li>• FPD (Liquid Crystal Displays and Organic Electroluminescent Displays)</li><li>• Legacy Semiconductors</li></ul>



Image of the Completed New Plant

## ◆ Introduction of the “CxO” system

Purpose: To reinforce the growth strategy promotion system and to reinforce corporate governance.



Kazuya Nakano,  
President & CEO



Sueyoshi Suetome,  
Executive Vice President  
& COO



Hideo Hikami,  
Primary Executive Officer  
& CFO

## ◆ A majority of the members of the Board of Directors is accounted for by outside directors (total number of directors: 7, number of outside directors: 4)

	The 104th business term	The 105th business term
Number of directors (including audit etc. committee members)	9	7
Outside directors (percentage)	3 / 30%	4 / 56%
Independent directors (percentage)	3 / 30%	3 / 43%
Female directors	1 / 11%	2 / 29%

## ◆ Ms. Atsuko Yoshimura

(Candidate for Director who is not Audit and Supervisory Committee Member)



We expect that she will offer effectual opinions from an independent viewpoint based on, not only actual experience concerning corporate growth strategy and financial strategic support, but management experience in Japanese and overseas companies as well as high expertise.

New  
appointment

Outside

Independent

## ◆ Mr. Minoru Fukui

(Director who is Audit and Supervisory Committee Member)



As he has abundant experience and wide-ranging insight concerning business management through involvement in research and development as well as corporate management, we expect that he will perform his duties properly based on his experiences and knowledge.

Present  
office holder

Outside

Independent

## ◆ Ms. Toshiko Kuboki

(Candidate for Director who is Audit and Supervisory Committee Member)



As she is well-versed in corporate legal affairs, etc. as attorney, and has abundant knowledge concerning corporate management, we expect that she will perform her duties properly based on her knowledge.

Present  
office holder

Outside

Independent

## ◆ Mr. Masato Kashiwagi

(Candidate for Director who is Audit and Supervisory Committee Member)



We expect that he will perform his duties as an outside Audit and Supervisory Committee Member based on his expertise concerning financing and accounting matters as well as abundant experiences obtained through involvement in overseas corporate management.

New  
appointment

Outside



## ◆ Started demonstrative experiment jointly with Kurita Water Industries Ltd. In Spring 2025



### Background

Consideration of comprehensive PFAS regulations, primarily in Europe and the U.S.

\*The regulation is not applied to the currently used materials.

### Objects

The experiment is designed for the ultrapure water used in semiconductor manufacturing.

### Future prospect

With regard to the piping materials, too, we will promote materialization of the joint development and its demonstration.

## Notes

Forecasts and prospects in this document are based on information available at the time the document was prepared. It does not assure or guarantee the realization of future planned figures or measures.

\*This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.