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**FY2026 1Q**

**April 10, 2026**

# **Presentation Materials for Financial Results for the First Quarter of the Fiscal Year Ending November 30, 2026**

**(December 1, 2025 – February 28, 2026)**



**OSAKA ORGANIC CHEMICAL INDUSTRY LTD.**

**(Tokyo Stock Exchange, Prime Market: 4187)**



# 1Q FY11/26 Financial Summary

## Operating environment

The economy showed a moderate recovery trend against the backdrop of the improvement in the employment and income environment. However, the outlook remains uncertain due to rising prices, trends in raw material and energy prices, and the escalating situation in the Middle East.

## Net sales

Net sales increased year on year in the Electronic Materials Business and the Specialty Chemicals Business, but decreased in the Chemical Products Business. As a result, net sales increased 6.5% year on year to 9,072 million yen.

## Operating profit

Although raw material costs and other expenses increased in line with higher net sales, operating profit increased 34.2% year on year to 1,832 million yen, primarily due to the positive contribution from inventory valuation.

(Millions of yen)

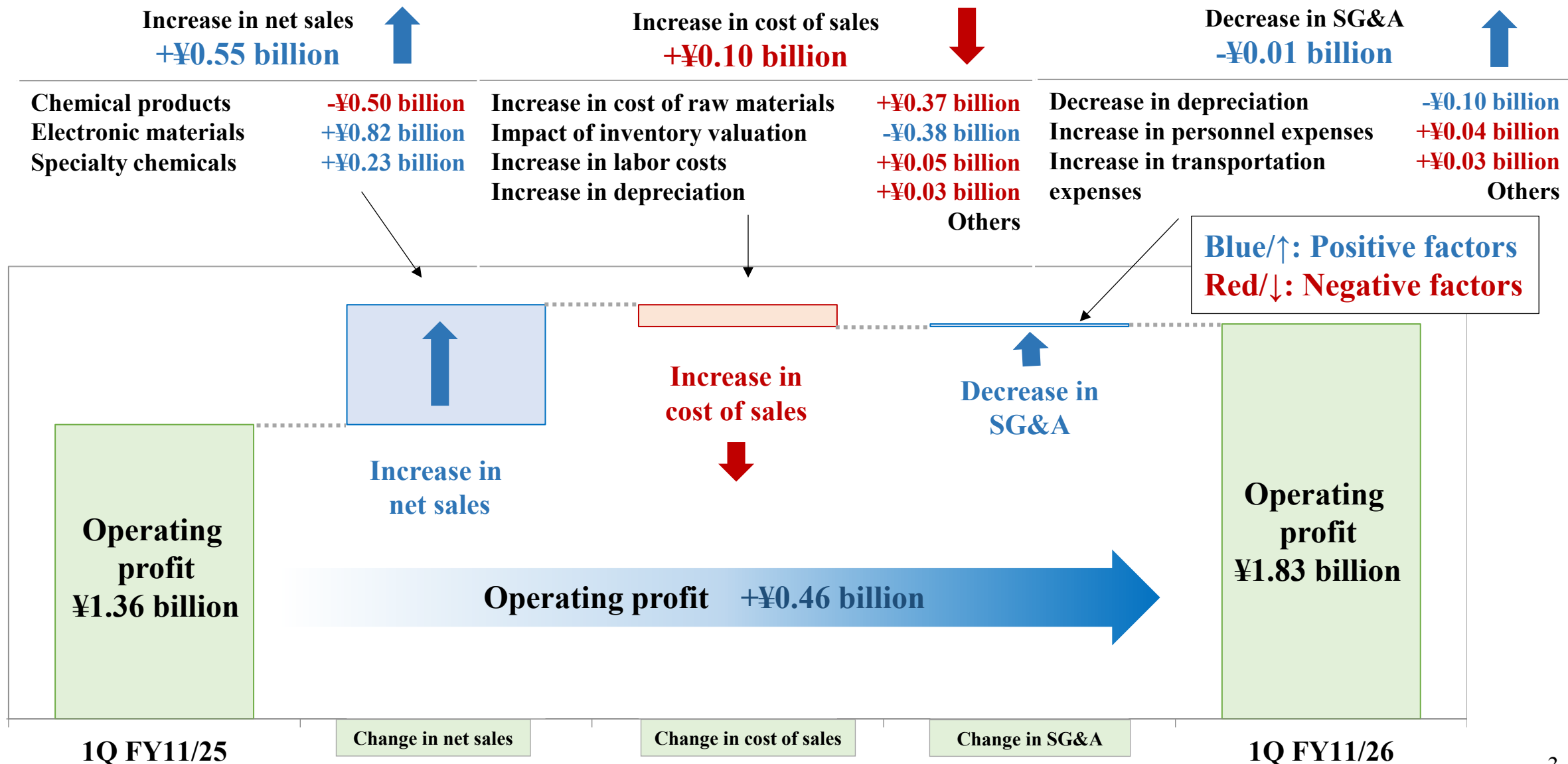
	1Q FY11/25 results	1Q FY11/26 results	YoY change		Comparison with 1H forecast	
			Amount	%	First half forecast	Progress rate
Net sales	8,516	9,072	+555	+6.5%	18,200	49.9%
Operating profit	1,365	1,832	+467	+34.2%	3,100	59.1%
Ordinary profit	1,480	1,904	+423	+28.6%	3,200	59.5%
Profit*	1,035	1,285	+250	+24.2%	2,200	58.4%
Price of naphtha in Japan (Yen/KL) (Our estimated value)	73,400	65,400	—	—	—	—
Exchange rate (Yen/USD)	154	155	—	—	—	—

\* Profit attributable to owners of parent

# Factors Affecting Operating Profit

Increase/  
decrease  
factors

Net sales increased, with a significant increase in the Electronic Materials Business despite a decrease in the Chemical Products Business. Although raw material costs increased in line with higher net sales and personnel expenses also increased, operating profit increased by 460 million yen, mainly due to a decrease in depreciation and the positive impact of inventory valuation.



# Chemical Products Business

1Q FY11/26 Net sales	FY11/26 Full-year forecast	Progress rate vs Full-year forecast	Net sales / Operating margin
¥ <b>2.80</b> billion	¥ <b>13.70</b> billion	<b>20.4</b> %	

## ● Operating environment

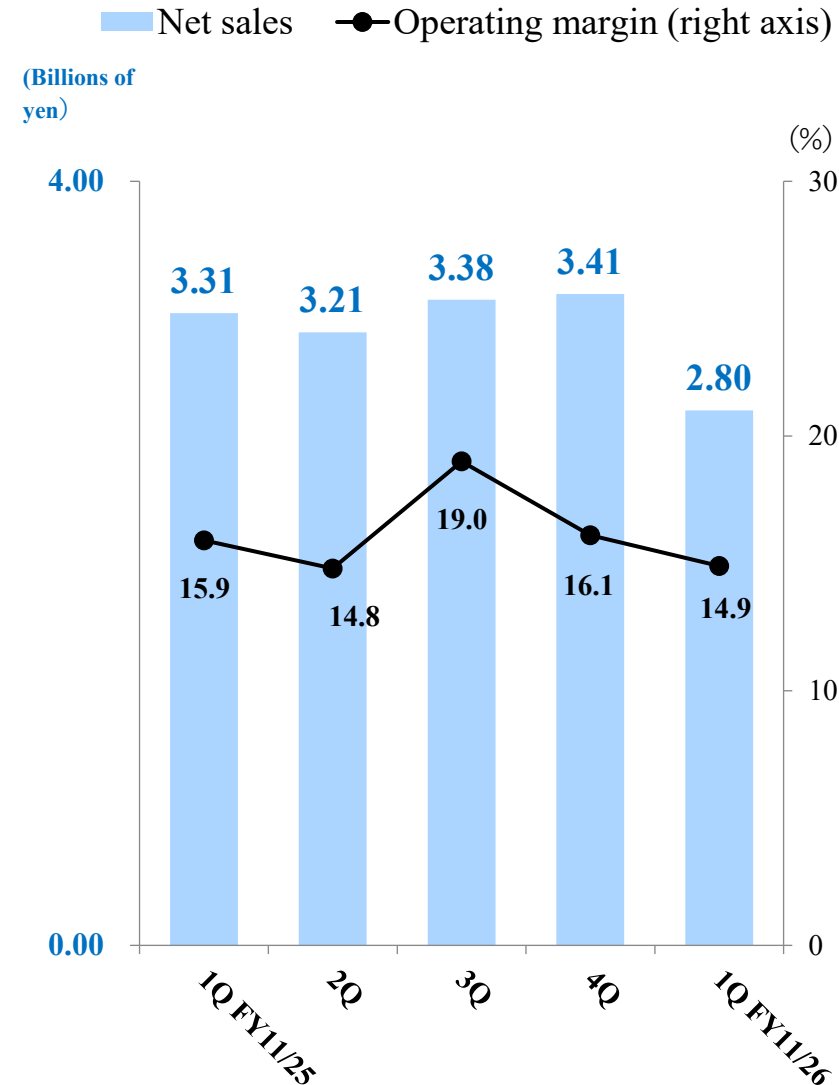
- Automobile production remained weak in Japan and Europe, while demand for India and North America remained firm. Production decisions have become more cautious against the backdrop of uncertainty surrounding U.S. tariff policies.
- In display-related products, the situation remained firm, particularly for large-size displays, supported by the continuation of subsidy policies in China and front-loaded demand in anticipation of U.S. tariff policies.

## ● OOC

- Sales of products for automotive coatings remained weak.
- Sales of products for display adhesives decreased due to customers' production adjustments.
- Sales of materials for UV inkjet inks remained weak.

## ● Market risks

- Impact of geopolitical risks, including the situation in the Middle East.
- Impact of U.S. tariff policies.



# Electronic Materials Business

1Q FY11/26 Net sales	FY11/26 Full-year forecast	Progress rate vs Full-year forecast	Net sales / Operating margin																		
¥ <b>4.55</b> billion	¥ <b>17.3</b> billion	<b>26.3</b> %	<p> <span style="color: red;">■</span> Net sales    <span style="color: black;">●</span> Operating margin (right axis)         </p> <p>(Billions of yen)      (%)</p> <table border="1"> <caption>Net sales and Operating margin data</caption> <thead> <tr> <th>Period</th> <th>Net sales (Billions of yen)</th> <th>Operating margin (%)</th> </tr> </thead> <tbody> <tr> <td>1Q FY11/25</td> <td>3.72</td> <td>14.2</td> </tr> <tr> <td>2Q</td> <td>4.09</td> <td>18.9</td> </tr> <tr> <td>3Q</td> <td>4.44</td> <td>18.1</td> </tr> <tr> <td>4Q</td> <td>4.41</td> <td>15.2</td> </tr> <tr> <td>1Q FY11/26</td> <td>4.55</td> <td>21.6</td> </tr> </tbody> </table>	Period	Net sales (Billions of yen)	Operating margin (%)	1Q FY11/25	3.72	14.2	2Q	4.09	18.9	3Q	4.44	18.1	4Q	4.41	15.2	1Q FY11/26	4.55	21.6
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<p><b>● Operating environment</b></p> <ul style="list-style-type: none"> <li>• The semiconductor market continued to grow at a high rate, driven mainly by demand for AI applications in cutting-edge areas.</li> <li>• In display-related areas, against the backdrop of sluggish growth in the small- and medium-sized panel market, business restructuring among Taiwanese and Japanese manufacturers progressed in the LCD panel field.</li> </ul> <p><b>● OOC</b></p> <ul style="list-style-type: none"> <li>• Against the backdrop of expanding semiconductor demand, particularly related to generative AI, sales of our mainstay ArF resist raw materials remained strong, and sales of raw materials for cutting-edge EUV resists increased significantly.</li> <li>• The display materials group remained weak.</li> </ul> <p><b>● Market risks</b></p> <ul style="list-style-type: none"> <li>• Escalation of the U.S.-China economic confrontation.</li> <li>• Progress in in-house production of semiconductors in China.</li> </ul>																					

# Specialty Chemicals Business

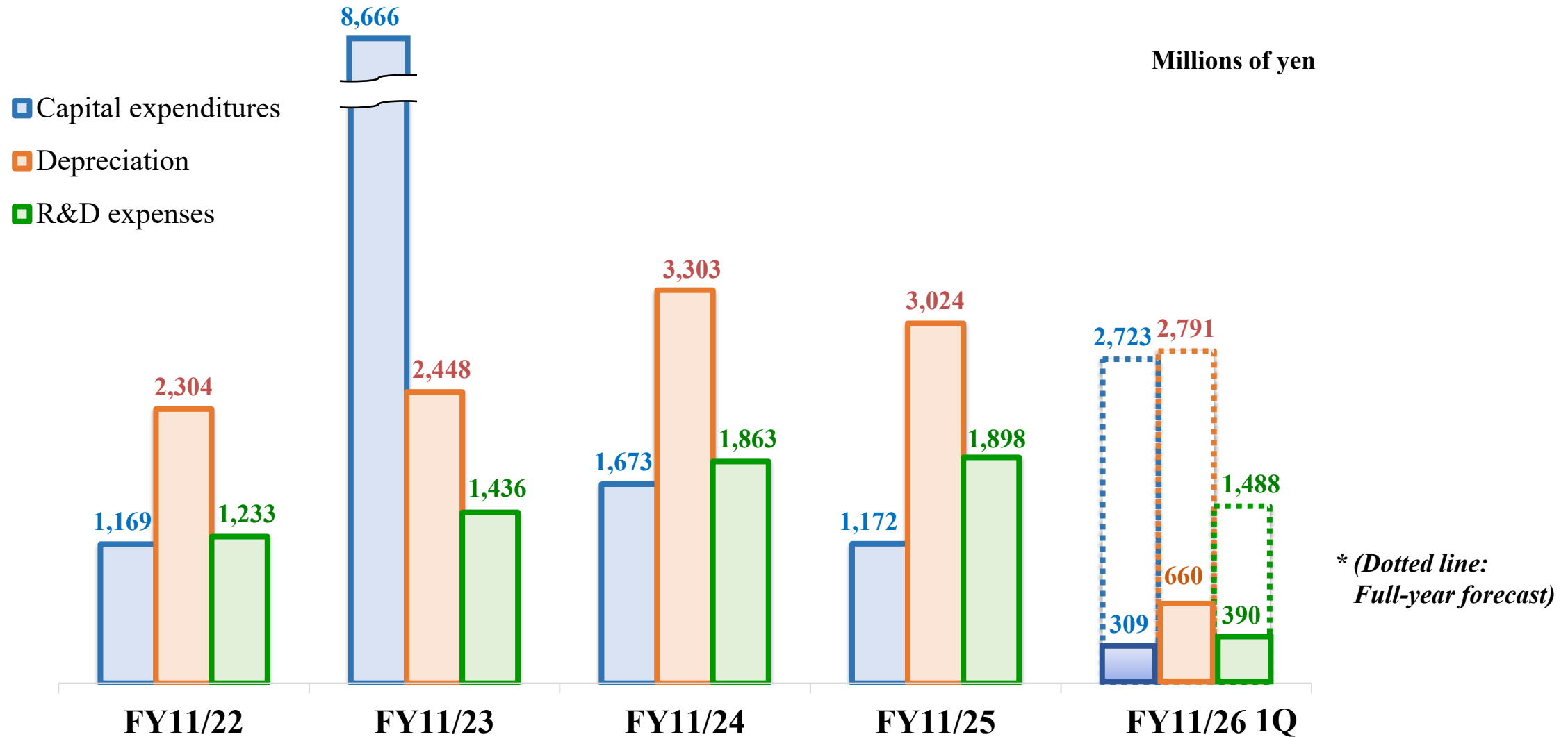
1Q FY11/26 Net sales	FY11/26 Full-year forecast	Progress rate vs Full-year forecast	Net sales / Operating margin																		
¥ <b>1.71</b> billion	¥ <b>6.50</b> billion	<b>26.3</b> %	<p>Legend: ■ Net sales (Billions of yen), ● Operating margin (right axis) (%)</p> <table border="1"> <caption>Net sales and Operating margin data</caption> <thead> <tr> <th>Period</th> <th>Net sales (Billions of yen)</th> <th>Operating margin (%)</th> </tr> </thead> <tbody> <tr> <td>1Q FY11/25</td> <td>1.47</td> <td>21.4</td> </tr> <tr> <td>2Q</td> <td>1.58</td> <td>19.1</td> </tr> <tr> <td>3Q</td> <td>1.46</td> <td>18.3</td> </tr> <tr> <td>4Q</td> <td>1.74</td> <td>20.0</td> </tr> <tr> <td>1Q FY11/26</td> <td>1.71</td> <td>25.7</td> </tr> </tbody> </table>	Period	Net sales (Billions of yen)	Operating margin (%)	1Q FY11/25	1.47	21.4	2Q	1.58	19.1	3Q	1.46	18.3	4Q	1.74	20.0	1Q FY11/26	1.71	25.7
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<p><b>● Operating environment</b></p> <ul style="list-style-type: none"> <li>• The domestic cosmetics market remained steady, although growth was moderate.</li> <li>• In China, due to the economic slowdown and rise of local manufacturers, the competitive environment is changing.</li> <li>• Demand for related materials increased, supported by the strong semiconductor market.</li> </ul> <p><b>● OOC</b></p> <ul style="list-style-type: none"> <li>• Sales of cosmetics raw materials remained steady. Sales decreased year on year due to seasonal factors.</li> <li>• Sales of high-purity specialty solvents produced by a subsidiary remained strong.</li> </ul> <p><b>● Market risks</b></p> <ul style="list-style-type: none"> <li>• Delayed market recovery in China.</li> </ul>																					

# Capital Expenditures, Depreciation, R&D Expenses

In 2023, we invested 8.66 billion yen in equipment such as semiconductor materials manufacturing facilities.

Depreciation and amortization expenses have been decreasing since their peak in 2024 and amounted to 0.66 billion yen in the first quarter of FY2026 (0.72 billion yen in the first quarter of FY2025).

Summary



\* Capital expenditures are based on amounts transferred to non-current assets, excluding construction in progress.

# Impact of the Escalation of the Situation in the Middle East

## Summary

Against the backdrop of the escalating situation in the Middle East, uncertainty is increasing regarding the procurement of raw materials and fuels required for production. We recognize that there is a possibility of impact depending on future developments.

### ● Operating environment

- Geopolitical tensions in the Middle East continue and are intensifying.
- Against the backdrop of fluctuations in crude oil markets, prices of petrochemical raw materials, including naphtha, are rising, and the outlook remains uncertain.
- There are concerns regarding the impact on the procurement of naphtha-derived raw materials and fuels required for production.

### ● Impact on the supply of our products

- At present, there are no significant short-term disruptions to the supply of our products.
- The future procurement situation for raw materials is under investigation, and costs such as raw material and fuel expenses are increasing.
- Depending on future developments in the situation in the Middle East, there is a possibility of impact.

### ● OOC

- Prioritize maintaining a stable supply.
- Closely collaborate with raw material suppliers and customers, while continuously monitoring procurement through discussions on supply-demand conditions and market trends.
- Strengthen our supply structure through diversification of procurement sources and securing inventory.
- Implement appropriate price revisions for our products in light of rising raw material and fuel costs.

\* This matter has not been reflected in our current earnings forecast. If any impact arises in the future, we will promptly provide an update.

<Note regarding forward-looking information>

The earnings forecasts and business plans described in this material are current earnings forecasts and plans and have been determined based on currently available information. Therefore, actual results may differ significantly due to various factors and risks, and we do not make promises or guarantees.



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