

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 (Based on Japanese GAAP)

August 7, 2025

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 Stock exchange listing: Tokyo
 Stock code: 4997 URL <https://www.nichino.co.jp/>
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 Scheduled date of commencement of dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	27,133	41.0	3,542	–	3,425	–	2,709	–
Three months ended June 30, 2024	19,241	(13.3)	(164)	–	(143)	–	54	(94.7)

(Note) Comprehensive income: Three months ended June 30, 2025: 2,271 million yen [55.7%]
 Three months ended June 30, 2024: 1,458 million yen [(57.6)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	34.63	–
Three months ended June 30, 2024	0.69	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	147,009	80,634	53.5
As of March 31, 2025	152,216	79,423	50.8

(Reference) Equity: As of June 30, 2025: 78,586 million yen
 As of March 31, 2025: 77,288 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	10.00	—	12.00	22.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		12.00	—	13.00	25.00

(Note) Revision to the forecast of cash dividends announced most recently: No

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	48,000	22.7	3,100	201.1	2,800	439.4	2,000	222.1	25.56
Full year	109,000	9.0	8,500	(0.9)	7,300	3.0	5,000	112.2	63.89

(Note) Revision to the forecast of financial results announced most recently: Yes

Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2025: Yes
 Newly included: Four companies (Interagro (UK) Ltd., Nichino Mexico S. de R.L. de C.V., and two other companies)
 Excluded: None

- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

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

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

- (4) Number of issued shares (common shares)

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

As of June 30, 2025	81,967,082 shares	As of March 31, 2025	81,967,082 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	3,710,397 shares	As of March 31, 2025	3,710,277 shares
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Average number of shares during the period

Three months ended June 30, 2025	78,256,737 shares	Three months ended June 30, 2024	78,463,475 shares
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Shares of the Company held by the Board Benefit Trust are included in the treasury shares which are excluded from the calculation of the number of treasury shares at the end of the period and the average number of shares during the period.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit corporation: No

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to various factors.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the three months ended June 30, 2025

During the three months ended June 30, 2025, the global economy saw varied trends. The U.S. economy saw a rush in demand ahead of the rise in tariff rates and the subsequent reaction, with moderate expansion of the economy. In Europe, the economy saw a rebound due to a recovery in consumption and capital investment. In China, the economy experienced slower growth as the sluggish real estate market and declining prices continued. While the Japanese economy continued to be on a gradual recovery path as there were signs of improvement in corporate earnings and employment conditions, there was uncertainty arising from the U.S.'s trade policies and other factors.

Under such circumstances, the Group engaged in the initiatives of the medium-term management plan, "Growing Global for Sustainability (GGS)," deepened its business strategies, advanced its environmental management, and promoted human capital management, while aiming to achieve a balance of sustainability between the entire society and the Group.

Major efforts during the three months ended June 30, 2025 included the development of technology for the production of high-value-added compounds using natural-derived materials through open innovation with RIKEN Center for Sustainable Resource Science. As we made certain progress in this initiative, we filed a patent application for commercialization. We have promoted initiatives such as the above to create new revenue sources.

For the three months ended June 30, 2025, net sales amounted to 27,133 million yen (up 7,892 million yen or 41.0% year-on-year) due in part to increases in sales in each region in the agrochemicals business, the Group's core business. In terms of profits, operating profit came to 3,542 million yen (up 3,707 million yen year-on-year), ordinary profit was 3,425 million yen (up 3,568 million yen year-on-year), and profit attributable to owners of parent was 2,709 million yen (up 2,655 million yen or 4,869.5% year-on-year).

The state of the reportable segments during the three months ended June 30, 2025 is as follows.

[Agrochemicals business]

Regarding agrochemicals sales in Japan, the sales of core internally developed products and other products for paddy rice remained robust in response to further willingness for production driven by soaring rice prices, resulting in total net sales in Japan exceeding those of the same period of the previous year.

For overseas agrochemicals sales, in North America, the sales of the herbicide of pyraflufen-ethyl for Canada remained strong, and in addition, the sales of the acaricide fenpyroximate for fruit trees remained robust due to the heavy infestation of mites caused by prolonged dry weather in some parts. In Central and South America, although sales of Sipcam Nichino Brasil S.A. decreased slightly when converted to Japanese yen due to the stronger yen against the Brazilian real, the company's sales in local currency increased compared to the same period of the previous year. In Europe, sales of the active ingredient flubendiamide to Bayer AG increased, and in addition, the sales of pyraflufen-ethyl for fruit trees and potatoes remained robust. In Asia, sales remained robust, mainly to those in the same industry in India. Consequently, total overseas net sales exceeded those of the same period of the previous year.

As a result of the above, net sales of the agrochemicals business amounted to 25,386 million yen (up 7,653 million yen or 43.2% year-on-year), and operating profit was 3,340 million yen (up 3,579 million yen year-on-year).

[Chemicals other than agrochemicals business]

In the chemicals business, sales in the termiticide sector remained steady. In the pharmaceutical business, sales of topical antifungal drug luliconazole, including for onychomycosis in Japan, increased due to accelerated shipments to distributors following the progress of eliminating their overstocking and other developments.

As a result of the above, net sales of the chemicals other than agrochemicals business amounted to 1,232 million yen (up 174 million yen or 16.5% year-on-year), and operating profit was 309 million yen (up 87 million yen or 39.5% year-on-year).

(2) Overview of financial position as of June 30, 2025

Total assets as of June 30, 2025, decreased by 5,206 million yen from the end of the previous fiscal year to 147,009 million yen. This was due primarily to decreases in cash and deposits and investment securities.

Total liabilities as of June 30, 2025, decreased by 6,417 million yen from the end of the previous fiscal year to 66,375 million yen. This was due primarily to decreases in trade payables and borrowings.

Net assets as of June 30, 2025, increased by 1,210 million yen from the end of the previous fiscal year to 80,634 million yen. This was due primarily to an increase in retained earnings owing to profit attributable to owners of parent.

(3) Explanation of the forecast of consolidated financial results and other forward-looking information

As for the forecast of consolidated financial results for the six months ending September 30, 2025 and the full year ending March 31, 2026, the revisions have been made to the forecast of consolidated financial results announced on May 13, 2025. For details, please refer to the “Notice of Revisions to the Forecast of Financial Results” released today, August 7, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	23,332	19,940
Notes and accounts receivable - trade, and contract assets	47,513	43,694
Electronically recorded monetary claims - operating	3,084	5,440
Merchandise and finished goods	22,827	25,855
Work in process	760	870
Raw materials and supplies	14,150	11,959
Other	5,744	5,099
Allowance for doubtful accounts	(775)	(791)
Total current assets	116,639	112,069
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,961	3,862
Machinery, equipment and vehicles, net	5,098	4,842
Land	5,548	5,523
Other, net	1,497	1,994
Total property, plant and equipment	16,106	16,223
Intangible assets		
Goodwill	—	788
Software	1,385	1,409
Technical assets	—	786
Other	592	666
Total intangible assets	1,977	3,650
Investments and other assets		
Investment securities	11,883	9,270
Other	5,857	6,048
Allowance for doubtful accounts	(248)	(253)
Total investments and other assets	17,492	15,065
Total non-current assets	35,576	34,939
Total assets	152,216	147,009

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,646	18,931
Electronically recorded obligations - operating	652	588
Short-term borrowings	12,742	9,127
Current portion of bonds payable	3,826	3,901
Income taxes payable	1,158	1,238
Provision for bonuses	967	400
Provision for environmental measures	809	870
Other provisions	32	—
Electronically recorded obligations - non-operating	63	64
Other	9,970	10,761
Total current liabilities	51,870	45,885
Non-current liabilities		
Bonds payable	1,505	1,536
Long-term borrowings	15,435	14,859
Retirement benefit liability	937	903
Provision for environmental measures	927	618
Other provisions	246	209
Other	1,870	2,363
Total non-current liabilities	20,922	20,489
Total liabilities	72,792	66,375

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	14,939	14,939
Capital surplus	15,071	15,071
Retained earnings	46,420	48,092
Treasury shares	(2,026)	(2,026)
Total shareholders' equity	74,405	76,077
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,421	1,375
Deferred gains or losses on hedges	—	(29)
Foreign currency translation adjustment	796	521
Remeasurements of defined benefit plans	665	641
Total accumulated other comprehensive income	2,883	2,509
Non-controlling interests	2,134	2,047
Total net assets	79,423	80,634
Total liabilities and net assets	152,216	147,009

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income
Quarterly consolidated statements of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	19,241	27,133
Cost of sales	13,963	17,611
Gross profit	5,277	9,521
Selling, general and administrative expenses	5,441	5,978
Operating profit (loss)	(164)	3,542
Non-operating income		
Interest income	525	476
Dividend income	56	72
Rental income from real estate	26	26
Foreign exchange gains	–	470
Share of profit of entities accounted for using equity method	195	275
Gain on valuation of derivatives	55	–
Other	70	112
Total non-operating income	929	1,434
Non-operating expenses		
Interest expenses	725	653
Foreign exchange losses	153	–
Loss on valuation of derivatives	–	867
Other	29	30
Total non-operating expenses	908	1,551
Ordinary profit (loss)	(143)	3,425
Extraordinary income		
Gain on sale of non-current assets	8	–
Total extraordinary income	8	–
Extraordinary losses		
Loss on disposal of non-current assets	12	4
Total extraordinary losses	12	4
Profit (loss) before income taxes	(146)	3,420
Income taxes	(86)	813
Profit (loss)	(60)	2,607
Loss attributable to non-controlling interests	(115)	(102)
Profit attributable to owners of parent	54	2,709

Quarterly consolidated statements of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit (loss)	(60)	2,607
Other comprehensive income		
Valuation difference on available-for-sale securities	10	(44)
Deferred gains or losses on hedges	–	(58)
Foreign currency translation adjustment	1,639	(117)
Remeasurements of defined benefit plans, net of tax	(37)	(23)
Share of other comprehensive income of entities accounted for using equity method	(92)	(90)
Total other comprehensive income	1,519	(335)
Comprehensive income	1,458	2,271
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,493	2,345
Comprehensive income attributable to non-controlling interests	(34)	(74)

(3) Notes to quarterly consolidated financial statements

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Tax expenses)

The Company calculates tax expenses by producing a reasonable estimate of the effective tax rate after applying tax-effect accounting to profit before income taxes for the fiscal year under review, and then multiplying profit before income taxes by this estimated effective tax rate.

(Additional information)

(Judgment on a disputed incident)

Regarding an incident in which heavily armed robbers stole products that Sipcam Nichino Brasil S.A. (“SNB”), a consolidated subsidiary of the Company, had been packaging in fulfillment of a contract with FMC QUÍMICA DO BRASIL LTDA. (FMC), FMC filed a claim for damages of 45 million reais against SNB on October 10, 2023. On May 14, 2025, the court ordered SNB to pay 45 million reais along with interest on this amount and the cost of the lawsuit. The Group believes that the incident falls within the definition of force majeure and that there are differences in opinions regarding the contractual scope of liabilities. Therefore, based on the opinion of the external legal expert, the Group appealed against the judgment. At the moment, it cannot be ruled out that the litigation may have an impact on our financial position and operating results, depending on the developments of the appeal hearing and court decisions. Nevertheless, it is difficult to reasonably estimate whether we will be held liable for the damages and the amount we will have to pay.

(Notes to segment information, etc.)

[Segment information]

I For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
	Agrochemicals business	Chemicals other than agrochemicals business	Subtotal				
Net sales							
Net sales to outside customers	17,732	1,058	18,790	451	19,241	—	19,241
Inter-segment net sales or transfers	1	0	1	201	203	(203)	—
Total	17,733	1,058	18,791	652	19,444	(203)	19,241
Segment profit (loss)	(238)	221	(17)	86	68	(233)	(164)

- (Notes) 1. “Others” include business segments that are not included in reportable segments such as greenification and gardening construction, real estate leasing, logistics services, and agrochemical residue analysis.
2. The minus 233 million yen adjustment for segment profit (loss) includes minus 233 million yen in unallocated corporate expenses. Corporate expenses consist principally of general administrative expenses that are not attributable to reportable segments.
3. Segment profit (loss) was adjusted based on operating loss reported on the consolidated statements of income for the corresponding period.

II For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
	Agrochemicals business	Chemicals other than agrochemicals business	Subtotal				
Net sales							
Net sales to outside customers	25,386	1,232	26,618	514	27,133	—	27,133
Inter-segment net sales or transfers	6	—	6	179	185	(185)	—
Total	25,392	1,232	26,624	694	27,319	(185)	27,133
Segment profit	3,340	309	3,649	110	3,760	(217)	3,542

- (Notes) 1. “Others” include business segments that are not included in reportable segments such as greenification and gardening construction, real estate leasing, logistics services, and agrochemical residue analysis.
2. The minus 217 million yen adjustment for segment profit includes minus 217 million yen in unallocated corporate expenses. Corporate expenses consist principally of general administrative expenses that are not attributable to reportable segments.
3. Segment profit was adjusted based on operating profit reported on the consolidated statements of income for the corresponding period.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Going concern assumption)

Not applicable.

(Notes to quarterly consolidated statements of income)

(Loss on valuation of derivatives)

The Company recorded loss on valuation of derivatives of 867 million yen as non-operating expenses for the three months ended June 30, 2025.

The loss on valuation arose from derivatives mainly for the purpose of hedging foreign exchange fluctuation risk on foreign currency-denominated trade payables as well as foreign exchange and interest rate fluctuation risks on borrowings, with respect to Sipcam Nichino Brasil S.A., a consolidated subsidiary of the Company.

(Notes to statements of cash flows)

Quarterly consolidated statements of cash flows for the three months ended June 30, 2025 are not prepared. Depreciation, which includes depreciation for intangible assets excluding goodwill, and amortization of goodwill for the three months ended June 30 are as follows:

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	485 million yen	572 million yen
Amortization of goodwill	61 million yen	24 million yen