Five forms of business in three segments

Functional Materials business

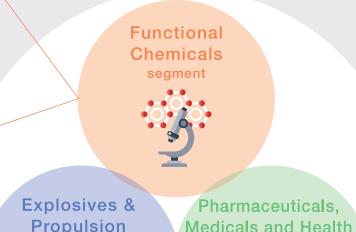
With various derivatives and petrochemical products made from oils and fats at the core, we promote business expansion in the growth fields of Life/Healthcare, Environment/Energy, and Electronics/IT.

Metal Coatings business

With our unique corrosion prevention agents at the core, we have accumulated cutting-edge surface treatment technologies to become the global standard for corrosion prevention treatment of vehicle parts. Eco-friendly surface treatments are our top priority.

Explosives & Propulsion business

As one of the world's leading integrated explosives manufacturers, we utilize cutting-edge pyrotechnics to advance our industrial explosives, defense and space explosives, and consumer products businesses.



Propulsion segment

segment

Life Science business

We develop highly functional materials for biopharmaceutical and nucleic acid drug applications, centered on the DDS field where technological innovation is advancing. We also focus on fields such as eye care, medical devices, and diagnostic drugs.

Functional Foods business

As a pioneer in edible oils and fats refining and processing technology, we develop processed edible oils and healthcare foods business. We will advance the shift to function-based business domains. and contribute to abundant diets and people's health.

Five forms of business in three segments

Net sales Operating income Segment Reflection on FY2023 and prediction of conditions in FY2024 composition composition Changes in business results* (Hundreds of In addition to a healthy demand for cosmetics materials, sales of millions of yen) Net sales Operating income (::: indicates 2025 plan targets) special corrosion prevention agents also increased due to a return in demand for automotive-related products for overseas markets. FY2023 FY2023 **Functional** However, net sales declined due to reduced shipments of ¥133.5 ¥21.9 800 Chemicals toiletry-related materials and base materials for refrigerating oils billion to China. In FY2024, too, operating income is projected to rise by 400 ¥2.4 billion from the previous year due to expected healthy demand for cosmetics materials and automobile-related parts. 2020 2021 2022 2023 2024 (FY) (Hundreds of Profit increase was due to healthy shipments of raw materials for DDS millions of yen) Net sales Operating income (iii indicates 2025 plan targets) drug formulations to Europe and the U.S. as a result of the weaker yen caused by foreign exchange fluctuations, as well as revised selling Pharmaceuticals. FY2023 FY2023 prices of edible oils in response to the sharp rise in raw material prices. Medical. ¥53.9 ¥20.5 In FY2024, operating income is projected to drop by ¥3.3 billion from and Health 200 billion billion the previous year due to stagnant demand for raw materials for DDS drug formulations as a result of inventory adjustments by customers and delays in clinical development due to monetary restraints. 2020 2021 2022 2023 2024 (FY) (Hundreds of Net sales grew significantly due to increased shipments of millions of yen) ■ □ Net sales ■ □ Operating income (::: indicates 2025 plan targets) products for rockets and a healthy demand for defense products. In FY2024, while fixed costs will increase due to **Explosives** FY2023 FY2023 the promotion of strategic investments, operating income ¥34.1 ¥2.6 is projected to be on par with the previous year due to an **Propulsion** 200 billion billion increase in orders for defense products and a return in 100 demand for space rocket products following the successful launch of the H3 rocket test No. 2. 2020 2021 2022 2023 2024 (FY)