



*Innovating Today  
for Future Well-being*

# FY2025 Third Quarter Financial Briefing

**NAGASE&CO.,LTD.**

Stock exchange listing : Tokyo (Prime Market)  
Code number : 8012

**February 5, 2026**

 **NAGASE**  
Delivering next.

# Executive Summary

## FY2025 Third Quarter Results

### Year-on-year comparison

➤ Positive YoY Factors  
➤ Negative YoY Factors

- The Company posted record-high net sales and profits at all levels on a cumulative third-quarter basis
- Profitability improved through ROIC management, improving gross profit margin by 0.9 percentage points
- The trading business remained sluggish in the Functional Materials and Mobility automobile-related business.
- Performance overall was strong in the Prinova Group. The trading company business performed well due to an increase in sales volume. The group's manufacturing business reported a trend toward recovery with the acquisition of new business, mainly in the Solutions business, while the Nutrition business contributed through efficiency improvements
- Sales remained strong for Nagase ChemteX formulated epoxy resin used in semiconductors for AI servers, despite impacts from U.S.-China relations
- Extraordinary gains (losses) recorded mainly consist of losses related to business withdrawal in China, gains from negative goodwill arising from M&A transactions, and gains from the sale of investment securities

## FY2025 Earnings Projections

### Comparison with previously announced forecast

➤ Above forecast  
➤ Below forecast

- Nagase ChemteX sales of formulated epoxy resins for semiconductors used in AI servers continues to face an uncertain market outlook due to U.S.-China relations, and sales for mobile device applications were slower than expected
- The Prinova Group Solutions business performed better than expected
- Although each business entails favorable and unfavorable factors, these trends are generally within the range of our projections, and we have not revised earlier forecasts

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\* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. We used estimates of post-revision figures for fiscal 2024 results in the fiscal 2024 financial statements. Estimates have now been replaced with finalized figures.

\* Manufacturing figures represent the aggregate totals of manufacturing subsidiaries.

\* Trading figures include the aggregate totals of NAGASE and our sales subsidiaries, as well as Corporate & Others and eliminations

# Consolidated Statements Income

- ▶ Posted record-high net sales and profits at all levels on a cumulative third-quarter basis
- ▶ Gross profit increased due to efforts toward improving profit margin
- ▶ Operating income increased, despite an increase in selling, general and administrative expenses, which was caused by M&A-related expenses and an increase in retirement benefit expenses related to the amortization of actuarial differences
- ▶ Profit attributable to owners of the parent increased despite a loss on business withdrawal due to the fiscal 2020 decision to withdraw from the thin-film processing business for glass substrates in China (-¥2.6 billion). This increase was due in part to posting a gain on negative goodwill (¥1.7 billion) and a gain on sale of investment securities (¥3.2 billion)

	100 millions of yen					
	FY2024 3Q	FY2025 3Q	Change	Vs.PY	Forecast	Achievement
<b>Sales</b>	7,180	7,240	60	101%	9,640	75%
<b>Gross profit</b>	1,312	1,388	76	106%	1,830	76%
<b>&lt;GP ratio&gt;</b>	18.3%	19.2%	0.9ppt	—	19.0%	—
<b>SG&amp;A expenses</b>	1,002	1,056	54	105%	1,423	74%
<b>Operating income</b>	310	332	22	107%	407	82%
<b>&lt;OP ratio&gt;</b>	4.3%	4.6%	0.3ppt	—	4.2%	—
<b>(excluding the effect of actuarial gains and losses)</b>	283	334	51	118%	410	82%
<b>Ordinary income</b>	307	336	29	109%	406	83%
<b>Profit Attributable to owners of the parent</b>	217	249	32	115%	315	79%
US\$ Exchange rate (period average)	@ 152.6	@ 148.7	@ 3.9	Strong yen	@ 148.0	
RMB Exchange rate (period average)	@ 21.2	@ 20.8	@ 0.4	Strong yen	@ 20.6	

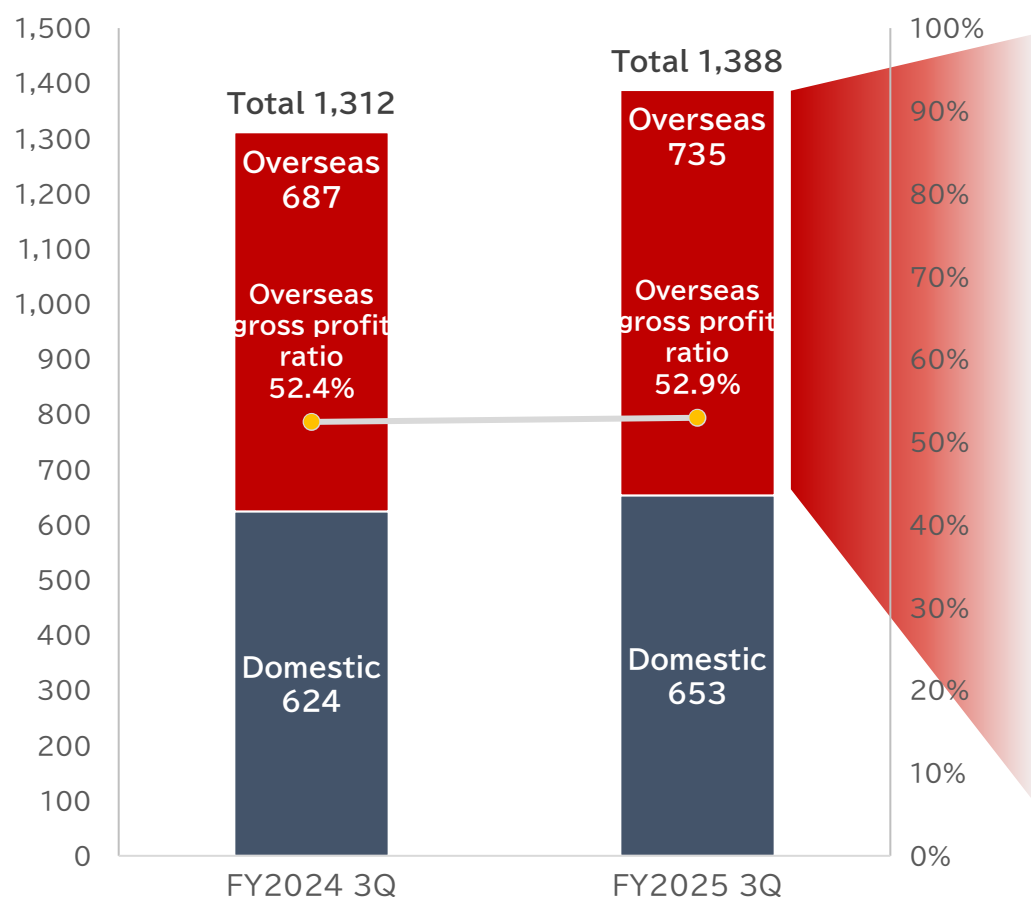
\* Impact from foreign exchange: Gross profit, -¥0.9 billion; Operating income, -¥0.1 billion

\* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

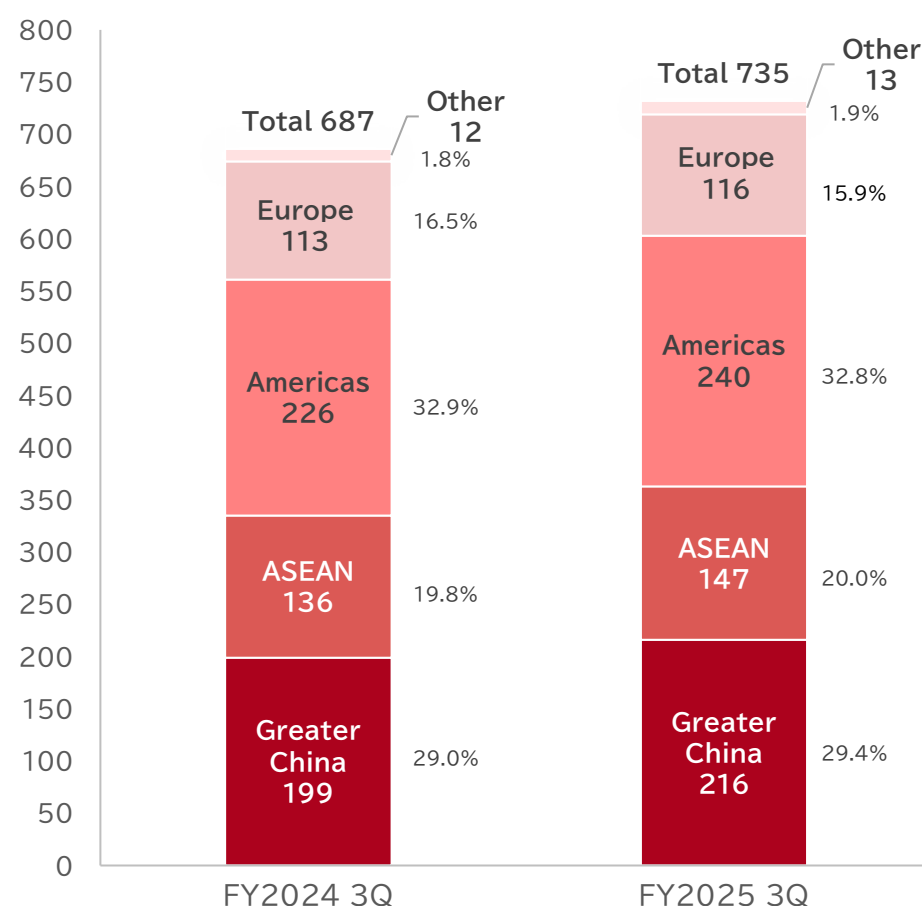
# Gross Profit by Region

- ▶ Higher domestic gross profit stemming from an improved profit margin at Nagase Viita and higher sales of formulated epoxy resins at Nagase ChemteX (including exports)
- ▶ Higher overseas gross profit driven by strong performance at the Prinova Group in the Americas, while performance in the semiconductor-related business in Greater China and ASEAN also remained strong

Domestic & Overseas Gross profit(100 millions of yen)



Overseas gross profit By Region(100 millions of yen)



\* Domestic figures under Domestic & Overseas Gross Profit include inter-regional adjustments

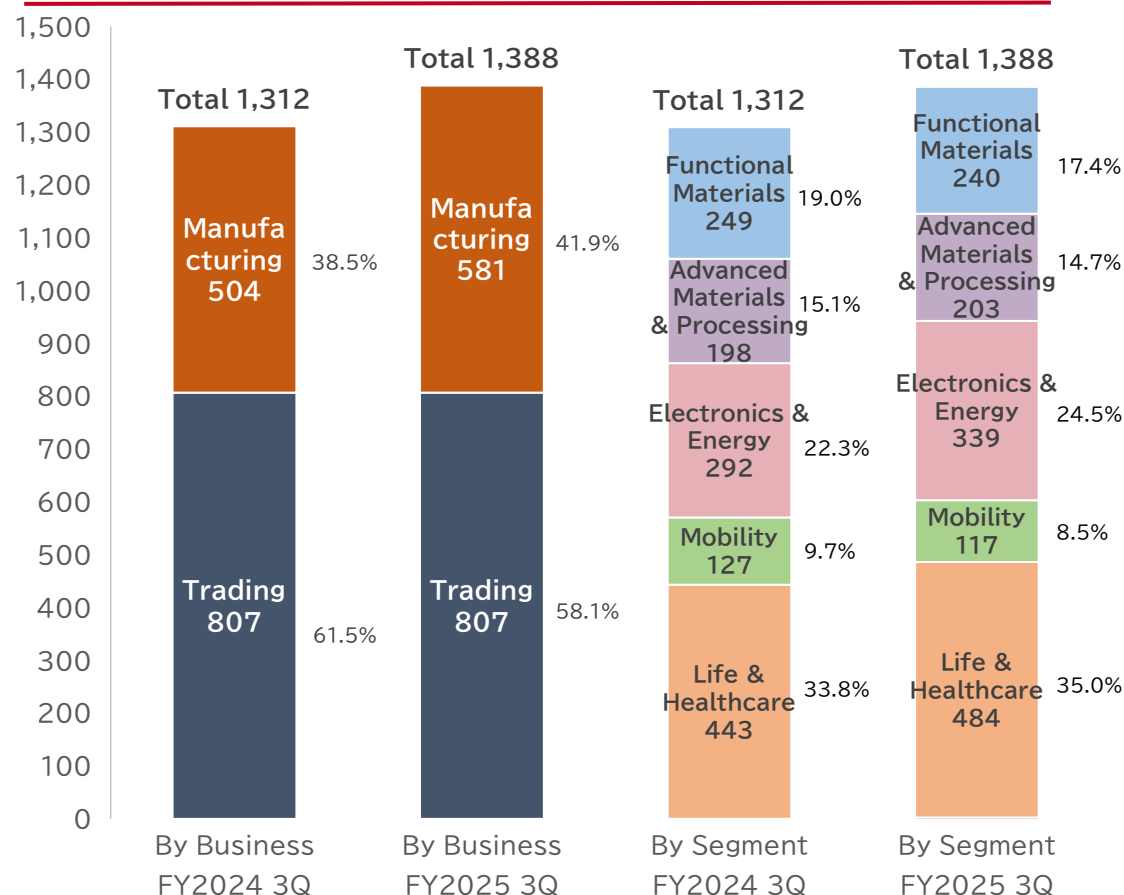
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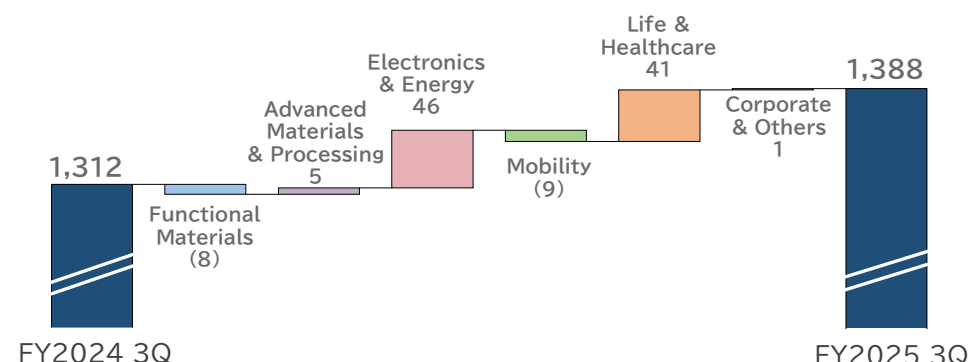
# Gross Profit by Business & Segment

- ▶ The trading business remained flat, despite strong performance in the Electronics & Energy and Life & Healthcare segments, as Mobility and Functional Materials automobile-related business experienced weaker results
- ▶ Manufacturing business profits increased roughly ¥7.7 billion, mainly due to a recovery in the Prinova Group manufacturing business under the Life & Healthcare segment and an improved profit margin at Nagase Viita, as well as increased sales of formulated epoxy resins at Nagase ChemteX under the Electronics & Energy segment
- ▶ Mobility and Functional Materials experienced a decrease, while the Electronics & Energy and Life & Healthcare segments saw growth during the period (see Segment Overview for more details)

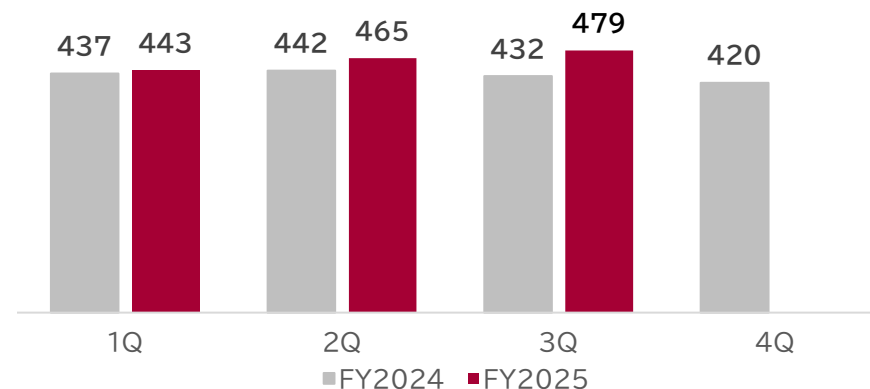
Gross Profit By Business & Segment (100 millions of yen)



Change in Gross Profit By Segment (100 millions of yen)



History of Gross Profit (100 millions of yen)



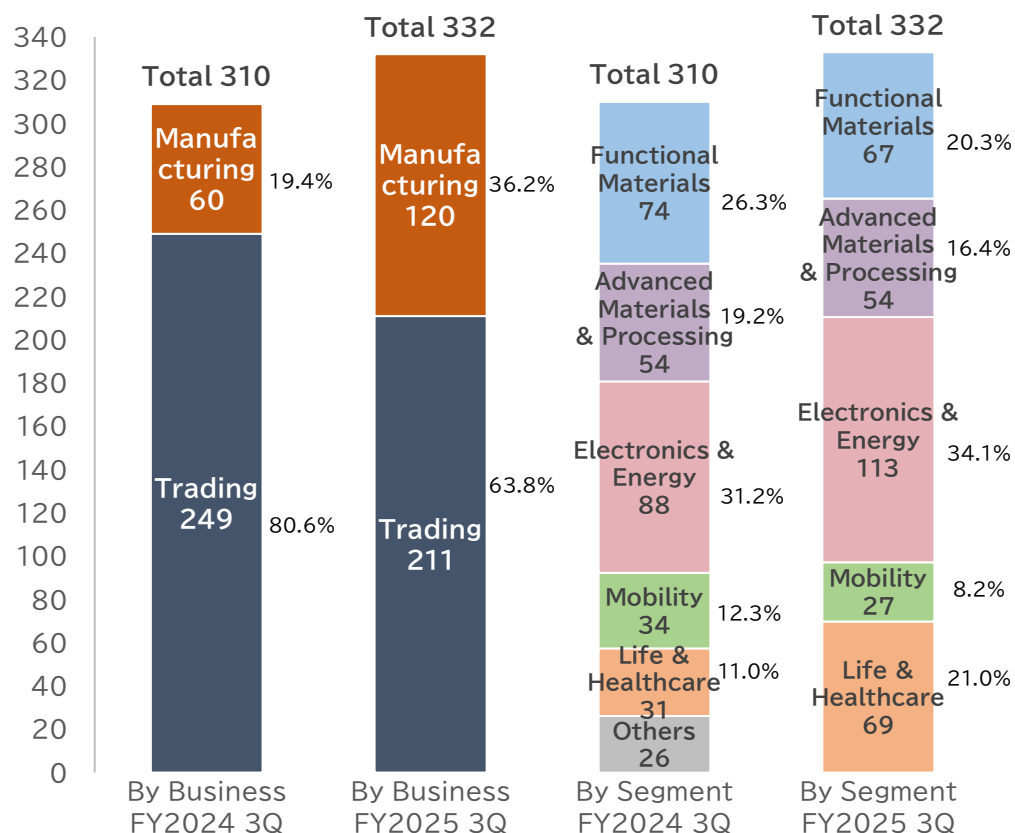
\* Calculation of segment composition ratios does not include Corporate & Others and eliminations

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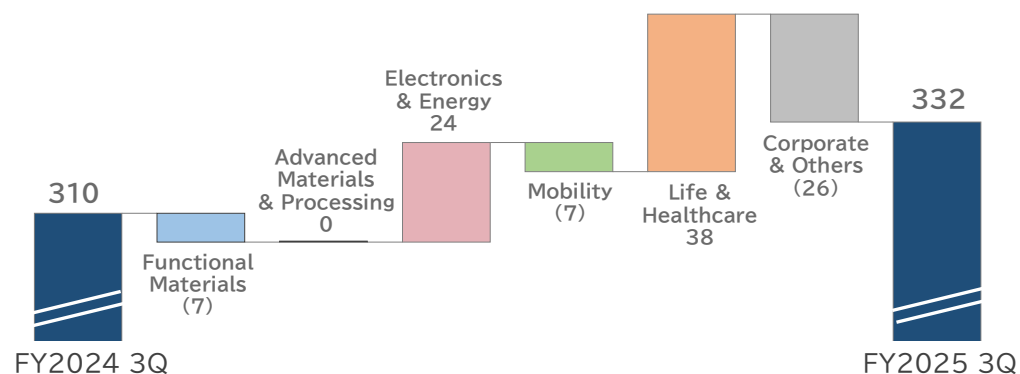
# Operating Income by Business & Segment

- ▶ Trading business profit decreased roughly ¥3.8 billion due to M&A-related expenses and the impact of an increase in retirement benefit expenses related to the amortization of actuarial differences
  - ▶ Manufacturing business profit rose roughly ¥6.0 billion in a positive rebound from the allowance for doubtful accounts recorded in the year-ago period (¥1.3 billion) by the Prinova Group, advancements in efficiency in the Nutrition business, and the conclusion of amortization for a portion of intangible assets at Nagase Viita
  - ▶ Profit under Corporate & Others decreased, mainly due to the impact of an increase in retirement benefit expenses related to the amortization of actuarial differences
- (Retirement benefit actuarial differences: Approximately ¥3.5 billion gain in fiscal 2024 and approximately ¥0.3 billion loss in fiscal 2025 equally prorated and recorded on a quarterly basis)

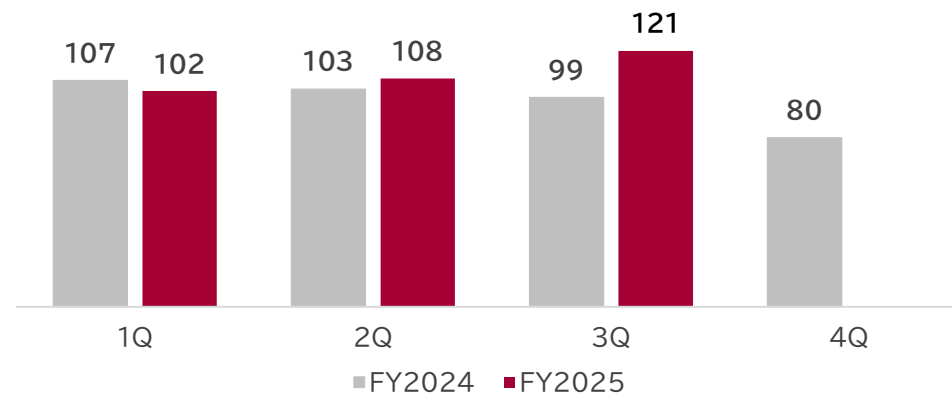
Operating Income by Business & Segment (100 millions of yen)



Change in Operating Income By Segment (100 millions of yen)



History of Operating Income (100 millions of yen)



\* Calculation of segment composition ratios does not include Corporate & Others and eliminations

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# Segment Overview: Functional Materials

- ▶ Gross profit decreased primarily for the following reasons
  - Coating materials sales were lower due to weak demand automotive and architectural applications
  - Sales of raw materials for semiconductor materials increased
- ▶ Operating income decreased due to weaker gross profit

## Quarterly results

100 millions of yen

FY2025 Forecast

Achievement  
FY2024 Actual

		1Q	2Q	3Q	4Q	YTD		
Sales	FY2025	380	381	391		1,153		
	FY2024	405	388	372	370	1,166	1,570	73%
	YoY%	(6.1%)	(1.7%)	4.9%		(1.1%)	1,537	2.1%
Gross profit	FY2025	77	80	82		240		
	FY2024	88	81	79	75	249	328	73%
	YoY%	(11.7%)	(2.2%)	4.1%		(3.6%)	325	0.9%
<profit ratio>	FY2025	20.5%	21.0%	21.1%		20.9%		
	FY2024	21.8%	21.1%	21.3%	20.3%	21.4%	20.9%	21.1%
Manufacturing	FY2025	5	6	7		19		
	FY2024	6	6	4	4	17	22	
Trading	FY2025	72	73	75		221		
	FY2024	82	75	74	70	232	302	
Operating income	FY2025	21	20	25		67		
	FY2024	29	24	20	17	74	88	77%
	YoY%	(27.4%)	(15.6%)	23.8%		(9.5%)	92	(4.5%)
<profit ratio>	FY2025	5.7%	5.4%	6.5%		5.9%		
	FY2024	7.3%	6.3%	5.5%	4.7%	6.4%	5.6%	6.0%
Manufacturing	FY2025	1	2	2		7		
	FY2024	2	3	0	1	6	7	
Trading	FY2025	19	18	22		60		
	FY2024	27	21	20	15	68	84	

## [Key Measures]

### Performance Chemicals Dept.

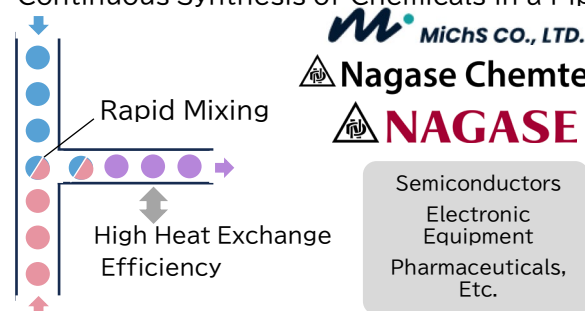
- ▶ Capture business opportunities in the etrochemical industry and in response to market changes by leveraging our global procurement capabilities
- ▶ Propose sustainable materials and solutions (biodegradable bio-SAPs, chemical joint logistics matching, Mixing Concierges™, etc.)

### Speciality Chemicals Dept.

- ▶ Business expansion through contributions to the supply chain in upstream segment of the semiconductor
- ▶ Creating businesses with utilizing unique technologies such as flow synthesis, metal-organic frameworks (MOFs), etc.

### Flow Synthesis

Continuous Synthesis of Chemicals in a Pipeline



Invested in MiChS, a company with many years of experience and knowledge in this field



# Segment Overview: Advanced Materials & Processing

- ▶ Gross profit increased primarily for the following reasons:
  - Sales of resins decreased due to lower volume for the Electrical Appliances and Electronics industries, including OA equipment and other applications. However, planned product mix improvements resulted in an improved profit margin.
  - Sales of industrial hoses and civil engineering pipes increased at Nagase RooTAC.
- ▶ Operating profit remained flat, as increases in gross profit were offset by higher selling, general and administrative expenses, including personnel costs.

100 millions of yen

## [Key Measures]

### Polymer Global Account Dept.

- ▶ Shift resources to priority (e.g., Mexico and India) in line with the transition in global brand owner production bases
- ▶ Expand transactions in environmental materials (NAGASE products and products from other companies)
- ▶ Improve efficiency of global business operations and optimize organizational structure

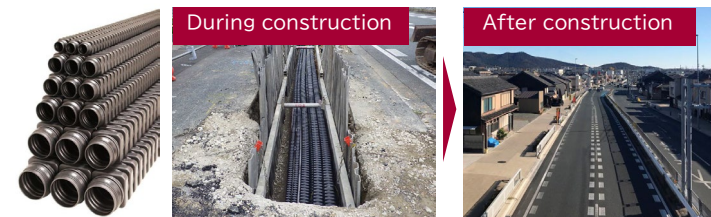


Manufacturing Subsidiary: TOTAKU INDUSTRIES, Inc. will change its company name effective November 1

 **Nagase RootTAC**

**Root+TAC**

Name symbolizing the technology and craftsmanship in the DNA of TOTAKU



Square-shaped TAC Rex (multi-duct square conduit)  
Contributing to the promotion of utility pole elimination through undergrounding of power lines.

## Quarterly results

		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achievement
Sales	FY2025	502	526	512		1,542	2,080	74%
	FY2024	535	546	528	495	1,610	2,106	
	YoY%	(6.0%)	(3.7%)	(3.1%)		(4.2%)	(1.2%)	
Gross profit	FY2025	65	69	69		203	272	75%
	FY2024	65	65	67	63	198	261	
	YoY%	(0.1%)	6.1%	2.3%		2.8%	3.9%	
<profit ratio>	FY2025	13.1%	13.1%	13.5%		13.2%	13.1%	
	FY2024	12.3%	11.9%	12.8%	12.8%	12.3%	12.4%	
Manufacturing	FY2025	14	14	15		44		
	FY2024	12	12	15	12	40	53	
Trading	FY2025	51	54	53		159		
	FY2024	53	52	52	50	157	208	
Operating income	FY2025	18	18	17		54	71	77%
	FY2024	15	19	19	12	54	66	
	YoY%	14.5%	(3.2%)	(7.4%)		0.5%	6.2%	
<profit ratio>	FY2025	3.6%	3.6%	3.5%		3.5%	3.4%	
	FY2024	3.0%	3.6%	3.6%	2.5%	3.4%	3.2%	
Manufacturing	FY2025	3	3	3		10		
	FY2024	2	2	4	1	9	10	
Trading	FY2025	14	15	13		44		
	FY2024	13	17	14	10	45	55	

# Segment Overview: Electronics & Energy

- ▶ Gross profit increased primarily for the following reasons
  - Sales of semiconductor materials increased
  - Despite weakness in sales for mobile device applications, sales of Nagase ChemteX formulated epoxy resins increased with solid performance for resins used in semiconductors for AI servers
  - Pac Tech Group sales for wafer bumping equipment and bumping contract services remained strong
- ▶ Operating income increased due to improved gross profit, despite posting M&A related expenses

## [Key Measures]

100 millions of yen

### Quarterly results

		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achiev ement
Sales	FY2025	415	431	442		1,289	1,670	77%
	FY2024	400	398	413	400	1,212	1,613	
	YoY%	3.6%	8.3%	7.2%		6.3%	3.5%	
Gross profit	FY2025	103	115	120		339	434	78%
	FY2024	95	97	99	107	292	400	
	YoY%	7.9%	17.7%	21.8%		15.9%	8.4%	
<profit ratio>	FY2025	24.8%	26.7%	27.3%		26.3%	26.0%	
	FY2024	23.8%	24.5%	24.0%	26.9%	24.1%	24.8%	
Manufacturing	FY2025	35	47	51		135		
	FY2024	33	35	34	48	102	150	
Trading	FY2025	67	67	69		203		
	FY2024	62	62	65	59	190	249	
Operating income	FY2025	29	38	45		113	129	88%
	FY2024	27	32	28	34	88	123	
	YoY%	5.8%	19.5%	58.9%		28.0%	4.9%	
<profit ratio>	FY2025	7.1%	8.9%	10.3%		8.8%	7.7%	
	FY2024	6.9%	8.1%	7.0%	8.6%	7.3%	7.6%	
Manufacturing	FY2025	9	15	20		45		
	FY2024	7	9	7	19	25	45	
Trading	FY2025	19	23	24		67		
	FY2024	19	22	20	14	63	77	

### Electronics Dept.

- ▶ Expansion of commercial products in the semiconductor market
  - Expand business based on expansion of domestic production
  - Expand business in Europe, the U.S., India, etc.
- ▶ Develop business for cutting-edge electronic devices

### Advanced Functional Materials Dept.

- ▶ Expand sales of Nagase ChemteX products for advanced semiconductors(LMC holds the dominant market share for molding compounds for advanced semiconductors)
- ▶ a-SMC aims to become the de facto standard for molding compounds for next-generation semiconductors
- ▶ Expand the recovery and recycling business of developer solution for semiconductors



LMC: Liquid Molding Compound



a-SMC: Advanced Sheet Molding Compound

# Segment Overview: Mobility

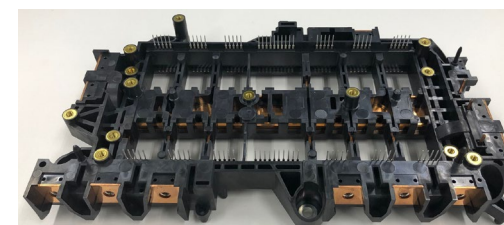
- ▶ Gross profit decreased primarily for the following reasons
  - Resin sales, which account for nearly half of gross profit, remained flat
  - Sales decreased for functional materials and functional components related to interior and exterior fittings and electrification
- ▶ Operating income decreased due to weaker gross profit

100 millions of yen [Key Measures]

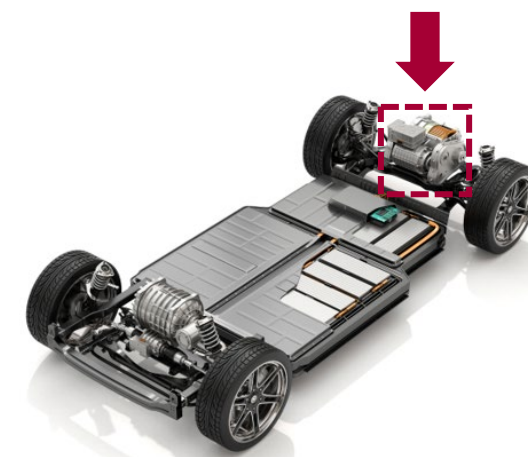
Quarterly results		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achievement
							FY2024 Actual	
Sales	FY2025	305	332	335		972	1,280	76%
	FY2024	321	338	343	317	1,003	1,320	
	YoY%	(5.0%)	(2.0%)	(2.4%)		(3.1%)	(3.1%)	
Gross profit	FY2025	37	40	39		117	158	75%
	FY2024	40	43	43	37	127	165	
	YoY%	(7.3%)	(6.5%)	(9.1%)		(7.6%)	(4.3%)	
<profit ratio>	FY2025	12.2%	12.3%	11.8%		12.1%	12.3%	
	FY2024	12.5%	12.9%	12.7%	11.8%	12.7%	12.5%	
Manufacturing	FY2025	—	—	—		—	—	
	FY2024	—	—	—	—	—	—	
Trading	FY2025	37	40	39		117	165	
	FY2024	40	43	43	37	127	165	
Operating income	FY2025	8	10	8		27	38	72%
	FY2024	9	12	12	7	34	42	
	YoY%	(15.1%)	(20.5%)	(28.5%)		(21.7%)	(10.4%)	
<profit ratio>	FY2025	2.7%	3.1%	2.6%		2.8%	3.0%	
	FY2024	3.1%	3.8%	3.6%	2.3%	3.5%	3.2%	
Manufacturing	FY2025	—	—	—		—	—	
	FY2024	—	—	—	—	—	—	
Trading	FY2025	8	10	8		27	42	
	FY2024	9	12	12	7	34	42	

## Mobility Solutions Dept.

- ▶ Expand electrification-related materials and components further
- ▶ Invest resources in growth markets (e.g., North America and India)



Metal insert mold parts for automotive inverters



# Segment Overview: Life & Healthcare

- ▶ Gross profit increased primarily for the following reasons
  - Increased sales of intermediates and pharmaceutical raw materials
  - Nagase Viita saw increased sales of cosmetic ingredients, and it improved its profit margin through cost reductions.
  - Sales of Prinova Group food ingredient sales increased due to higher volume
  - Operating income increased due to higher gross profit, the completion of amortization for certain intangible assets at Nagase Viita, and the efficiency improvements at the Prinova Group

100 millions of yen [Key Measures]

## Quarterly results

		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achiev ement
Sales	FY2025	768	751	760		2,281	3,039	75%
	FY2024	728	744	712	685	2,185	2,870	
	YoY%	5.5%	0.9%	6.9%		4.4%	5.9%	
Gross profit	FY2025	157	160	167		484	636	76%
	FY2024	148	152	142	137	443	581	
	YoY%	6.0%	5.4%	17.1%		9.4%	9.4%	
<profit ratio>	FY2025	20.5%	21.3%	22.0%		21.3%	20.9%	
	FY2024	20.4%	20.4%	20.0%	20.1%	20.3%	20.2%	
Manufacturing	FY2025	121	128	131		381		
	FY2024	116	120	107	99	344	443	
Trading	FY2025	35	31	35		102		
	FY2024	32	31	35	37	99	137	
Operating income	FY2025	24	20	24		69	87	80%
	FY2024	15	4	11	3	31	34	
	YoY%	61.5%	366.7%	112.8%		124.1%	154.1%	
<profit ratio>	FY2025	3.2%	2.8%	3.2%		3.1%	2.9%	
	FY2024	2.1%	0.6%	1.6%	0.5%	1.4%	1.2%	
Manufacturing	FY2025	19	19	18		58		
	FY2024	11	2	6	(1)	20	18	
Trading	FY2025	4	1	5		11		
	FY2024	4	1	4	4	10	15	

## Life & Healthcare Products Dept.

- ▶ Focus on expanding sales of in-house products in Japan and overseas
- ▶ Expand cross-sales through stronger collaboration among overseas group bases and offices
- ▶ Expand bio-materials  
(Creation of NVI\*1, NBIC\*2 bio-derived materials; e.g., ergothioneine mass produced using fermentation technology)
- ▶ Expand the Prinova Group manufacturing
  - \*1 Nagase Viita
  - \*2 Nagase Bio-Innovation Center

Diagnostic enzymes business and others  
Joined the NAGASE Group on July 1, 2025

 **Nagase Diagnostics**



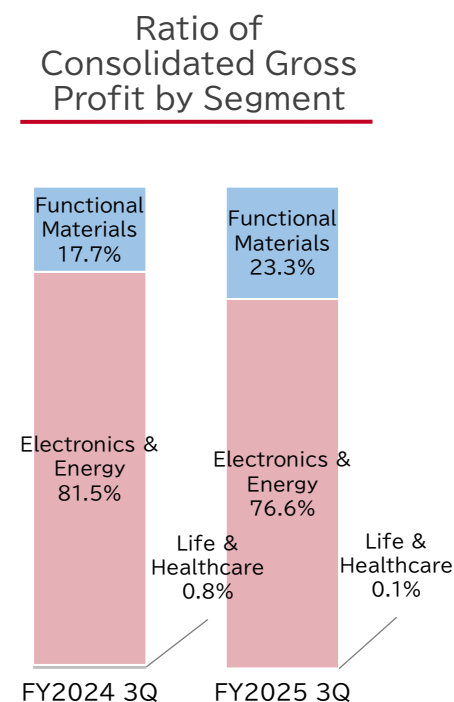
\* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.



# Overview of Major Manufacturing Subsidiaries: Nagase ChemteX

- ▶ Gross profit increased primarily for the following reasons
  - Despite weakness in sales for mobile device applications, sales of formulated epoxy resins increased with solid performance for resins used in semiconductors for AI servers
  - Profit margin improved due in part to cost reductions, despite lower sales volume for photolithography materials
- ▶ Operating income increased due to gross profit gains, despite increases in R&D expenses and other selling, general and administrative expenses
  - \* Functional dyes business transferred from Nagase Viita on of April 1, 2025

Quarterly results							100 millions of yen	
		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achieve ment
							FY2024 Actual	
Sales	FY2025	66	66	70		203	284	71%
	FY2024	66	64	66	61	197	258	
	YoY%	(0.1%)	2.9%	6.4%		3.1%	10.1%	
Gross profit	FY2025	23	23	23		70	99	71%
	FY2024	20	20	22	21	63	84	
	YoY%	10.0%	15.7%	4.7%		10.0%	17.1%	
<profit ratio>	FY2025	34.8%	35.4%	33.4%		34.5%	34.9%	
	FY2024	31.6%	31.5%	33.9%	34.4%	32.3%	32.8%	
Operating income	FY2025	7	7	7		22	33	69%
	FY2024	7	6	7	5	21	27	
	YoY%	(2.6%)	20.4%	0.6%		5.1%	20.1%	
<profit ratio>	FY2025	11.2%	11.0%	11.3%		11.2%	11.6%	
	FY2024	11.5%	9.4%	12.0%	9.6%	11.0%	10.6%	



\* The sales functions of Nagase ChemteX are handled by our company and its sales subsidiaries, and profits from Nagase ChemteX's business are also recognized under the trading business

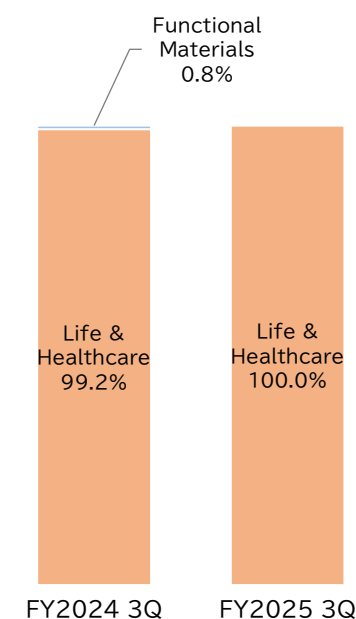


# Overview of Major Manufacturing Subsidiaries: Nagase Viita

- ▶ Gross profit increased primarily for the following reasons
    - Profit margin improved due in part to cost reductions, despite lower sales volume for food ingredients
    - Sales of cosmetic ingredients increased due to strong performance in Japan by the acquisition of new customers
  - ▶ Operating income increased due to an increase in gross profit, despite an increase in amortization expense associated with the replacement of the company's accounting system
  - ▶ Amortization of goodwill, etc., decreased due to the completion of amortization of certain intangible assets (Full-year impact: Approximately ¥1.1 billion yen lower year on year)
- \* Functional dyes business transferred to Nagase ChemteX on April 1, 2025

Quarterly results							100 millions of yen	
		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achievement
							FY2024 Actual	
Sales	FY2025	86	85	90		261	365	72%
	FY2024	86	87	92	83	267	350	
	YoY%	(0.3%)	(2.7%)	(2.8%)		(1.9%)	4.3%	
Gross profit	FY2025	35	34	36		107	141	76%
	FY2024	33	32	34	30	99	129	
	YoY%	7.6%	8.3%	7.2%		7.7%	9.5%	
<profit ratio>	FY2025	41.2%	41.0%	40.6%		41.0%	38.8%	
	FY2024	38.2%	36.9%	36.8%	36.1%	37.3%	37.0%	
Operating income	FY2025	15	13	15		44	53	84%
	FY2024	13	12	13	11	39	50	
	YoY%	16.0%	13.6%	12.9%		14.2%	5.1%	
<profit ratio>	FY2025	17.8%	16.3%	17.2%		17.1%	14.5%	
	FY2024	15.3%	14.0%	14.8%	13.5%	14.7%	14.4%	
Amortisation of	FY2025	4	4	4		13	18	
	FY2024	7	7	7	6	23	29	
	YoY%	(40.5%)	(40.5%)	(40.5%)		(40.5%)	(38.4%)	
Operating income after amortised	FY2025	10	9	10		31	34	89%
	FY2024	5	4	6	4	16	20	
	YoY%	94.5%	105.2%	80.7%		92.4%	67.8%	

Ratio of Consolidated Gross Profit by Segment



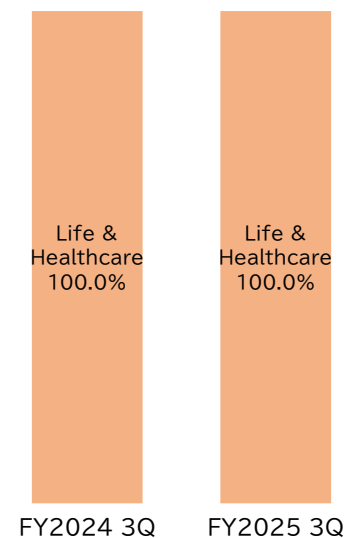
\* The sales functions of Nagase Viita are handled by our company and its sales subsidiaries, and profits from Nagase Viita's business are also recognized under the trading business

# Overview of Major Manufacturing Subsidiaries: Prinova Group

- ▶ Gross profit increased primarily for the following reasons:
  - Gross profit increased due to higher sales volume of food ingredients
  - The manufacturing business is on the path to recovery with improving product mix, particularly in the Solutions business
- ▶ Operating income increased with the positive rebound from the allowance for doubtful accounts recorded in the year-ago period (¥1.3 billion), as well as a decrease in SG&A due to advancements in efficiency in the Nutrition business

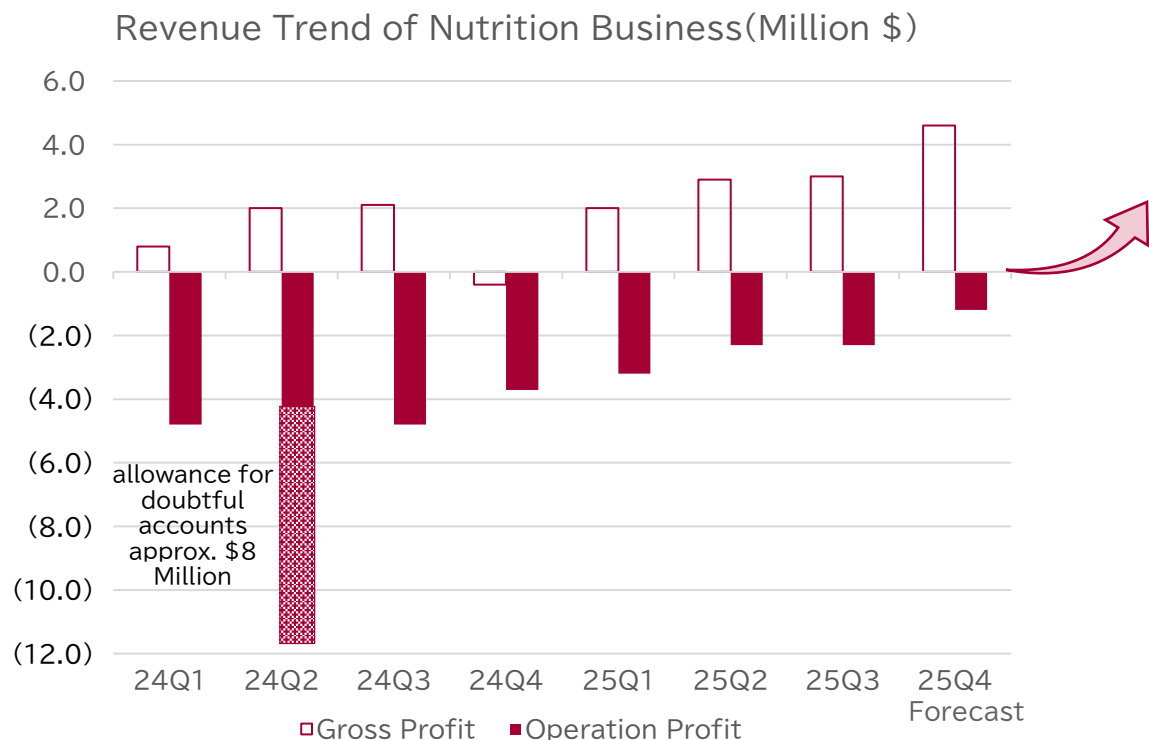
							100 millions of yen	
Quarterly results							FY2025 Forecast	Achievement
							FY2024 Actual	
		1Q	2Q	3Q	4Q	YTD		
Sales	FY2025	539	530	514		1,584	2,532	63%
	FY2024	504	537	488	466	1,530	1,996	
	YoY%	6.9%	(1.2%)	5.2%		3.5%	26.9%	
Gross profit	FY2025	82	86	84		252	397	64%
	FY2024	79	79	72	65	230	295	
	YoY%	3.6%	8.5%	17.4%		9.6%	34.4%	
<profit ratio>	FY2025	15.2%	16.2%	16.5%		16.0%	15.7%	
	FY2024	15.7%	14.8%	14.8%	14.0%	15.1%	14.8%	
Operating income	FY2025	16	19	15		51	62	83%
	FY2024	13	0	10	1	24	25	
	YoY%	26.3%	4,289.9%	50.6%		113.2%	139.5%	
<profit ratio>	FY2025	3.1%	3.6%	3.0%		3.3%	2.4%	
	FY2024	2.7%	0.1%	2.1%	0.4%	1.6%	1.3%	
Amortisation of	FY2025	6	6	6		20	27	
	FY2024	6	7	6	6	20	27	
	YoY%	2.6%	(7.6%)	(1.5%)		(2.2%)	(2.4%)	
Operating income after amortised	FY2025	9	12	8		31	34	90%
	FY2024	6	(6)	3	(5)	3	(1)	
	YoY%	50.7%	-	152.7%		820.3%	-	

### Ratio of Consolidated Gross Profit by Segment



\* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

# Prinova Group Nutrition Business Status



## ■ Cost reductions through efficiency improvements

- Optimize staffing structure
- Streamline raw materials procurement/supply chain
- Revise manufacturing processes/efficient operations via automated equipment

Aiming to improve profitability through cost reductions

## ■ Initiatives to improve top line

- Rebuild sales structure/hire sales staff
- Strengthen product development systems/hire product development staff
- Strengthen/pursue stick packs and other product lineups

Leveling up by reorganizing the functions necessary to win new business

	FY24					FY25				
	Q1	Q2	Q3	Q4	Cumulative	Q1	Q2	Q3	Q4 Forecast	Cumulative Forecast
Gross Profit	0.8	2.0	2.1	(0.4)	4.6	2.0	2.9	3.0	4.6	12.7
Operating Profit	(4.8)	(11.7)	(4.8)	(3.7)	(25.0)	(3.2)	(2.3)	(2.3)	(1.2)	(9.0)

\* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

\* The Prinova Group fiscal year ends in December (January-December), which we incorporated in our own consolidated financial statements under a three-month discrepancy.

# Consolidated Balance Sheets

- ▶ Partially utilized interest-bearing debt for the acquisition of the SACHEM business in Asia and Nagase Diagnostics

100 millions of yen

	2025/03	2025/12	Change	Details
Total Current Assets	5,601	5,654	53	
(Cash&deposits)	663	435	(227)	
(Trade account receivable)	3,112	3,336	223	
(Inventories)	1,662	1,703	41	
Total non-current assets	2,480	2,950	469	SACHEM business in Asia+157、Nagase Diagnostics+103
(Investments in security)	720	863	142	
<b>Total assets</b>	<b>8,081</b>	<b>8,604</b>	<b>523</b>	
Current Liab.	2,695	3,082	387	C.P.+345、Current portion of Long-term Loan Pay.+90
(Trade account payable)	1,512	1,658	145	Short-term loans(197)
Non-current Liab.	1,321	1,358	37	
<b>Total Liab.</b>	<b>4,016</b>	<b>4,441</b>	<b>424</b>	
Shareholders' equity	3,117	3,087	(29)	
Accum. Other Comprehensive Income	873	995	122	Other Securities Valuation Adjustment+89、 Translation adjustments+29
Non-controlling interest	74	80	6	
<b>Total net assets</b>	<b>4,064</b>	<b>4,163</b>	<b>98</b>	
Working capital	3,262	3,381	119	
Shareholders' equity ratio	49.4%	47.4%	(2.0ppt)	
Interest-bearing debt	1,753	1,953	199	
NET D/E ratio	0.27	0.37	0.10	

# Consolidated Cash Flows

- ▶ Net cash used in investing CF amounted to ¥43.2 billion due to the acquisition of the SACHEM business in Asia, Nagase Diagnostics, etc.
- ▶ Net cash used in financing CF amounted to ¥10.7 billion as the Company raised debt to invest in growth, while also conducting share buybacks, making dividend payments, etc.
- ▶ Cash and cash equivalents decreased ¥23.8 billion due to the effective use of internal group funds and partial allocation to growth investments

	100 millions of yen	
	FY2024 3Q	FY2025 3Q
Operating CF	214	293
(Income before income taxes)	322	353
(Depreciation and amortization)	135	142
(Change in working capital)	(111)	(16)
(Other)	(132)	(186)
Investing CF	(70)	(432)
(Fixed asset investment)	(120)	(443)
(Other)	49	11
Free CF	143	(138)
Financing CF	(177)	(107)
(Share buybacks)	(170)	(184)
(Dividends paid)	(100)	(101)
(Change in loans and bonds)	99	191
(Other)	(6)	(14)
Effects of exchange rate	45	8
Net increase / decrease in cash and cash equivalents	12	(238)



# FY2025 Earnings Projection(No Change)

- ▶ Food-related performance will likely see significant progress with new projects in the Prinova Group's manufacturing business and cost reductions through efficiency improvements
  - ▶ Sales of functional materials and functional components will likely remain sluggish in the automobile-related business due to a decline in production by certain EV-related customers
  - ▶ Semiconductor-related business will likely see stronger-than-expected performance in semiconductor material sales, particularly in Greater China, despite uncertainty in the market outlook due to U.S.-China relations affecting sales of Nagase ChemteX formulated epoxy resins for semiconductors used in AI servers
  - ▶ Selling, general and administrative expenses are likely to increase due to an increase in retirement benefit expenses related to the amortization of actuarial differences
- \*Retirement benefit expenses due to the amortization of actuarial differences : Approximately ¥3.5 billion income in fiscal 2024 and approximately ¥0.3 billion expense in fiscal 2025

	100 millions of yen			
	FY2024 Actual	FY2025 Forecast	Change	Vs.PY
<b>Sales</b>	9,449	9,640	190	102%
<b>Gross profit</b>	1,733	1,830	96	106%
<b>&lt;GP ratio&gt;</b>	18.3%	19.0%	0.6ppt	-
<b>SG&amp;A expenses</b>	1,342	1,423	80	106%
<b>Operating income</b>	390	407	16	104%
<b>&lt;OP ratio&gt;</b>	4.1%	4.2%	0.1ppt	-
<b>(excluding the effect of actuarial gains and losses)</b>	355	410	55	115%
<b>Ordinary income</b>	383	406	22	106%
<b>Profit attributable to owners of the parent</b>	255	315	59	123%
US\$ Exchange rate (period average)	@ 152.6	@ 148.0	@ 4.6	Strong yen
RMB Exchange rate (period average)	@ 21.1	@ 20.6	@ 0.5	Strong yen

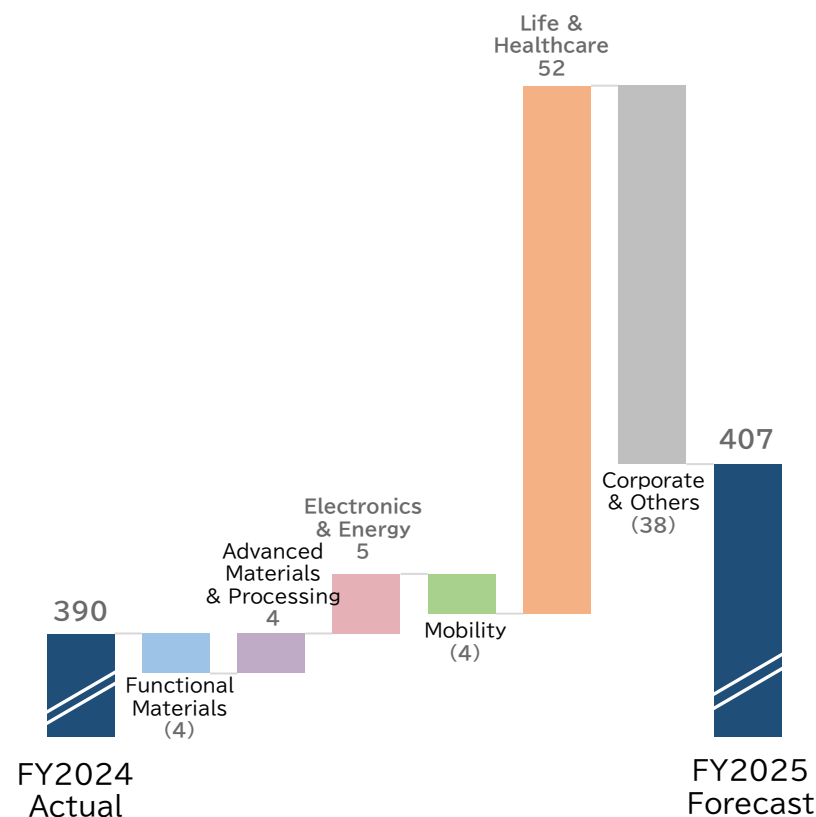
\* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

# FY2025 Earnings Projection By Segment(No Change)

- ▶ Functional Materials expects to post lower profit due to higher selling, general and administrative expenses, despite solid sales of semiconductor materials
- ▶ Advanced Materials & Processing expects higher profit, as an improved product mix offsets lower resin sales volumes
- ▶ Electronics & Energy expects to post higher profit, supported by solid semiconductor material sales and strong performance in Nagase ChemteX formulated epoxy resins for AI server semiconductors
- ▶ Mobility expects to post lower profit as sales of functional materials and functional components remains sluggish due to a decline in production by certain EV-related customers
- ▶ Life & Healthcare expects to post higher profit, supported by new projects in the Solutions business and cost reductions from efficiency improvements in the Nutrition business at the Prinova Group, as well as a rebound from the allowance for doubtful accounts recorded in the previous fiscal year (-¥1.3 billion)

		100 millions of yen			
		FY2024 Actual	FY2025 Forecast	Change	Vs.PY
Functional Materials	Sales	1,537	1,570	32	102%
	Gross profit	325	328	2	101%
	<profit ratio>	21.1%	20.9%	(0.3ppt)	—
	Operating income	92	88	(4)	96%
	<profit ratio>	6.0%	5.6%	(0.4ppt)	—
Advanced Materials & Processing	Sales	2,106	2,080	(26)	99%
	Gross profit	261	272	10	104%
	<profit ratio>	12.4%	13.1%	0.6ppt	—
	Operating income	66	71	4	106%
	<profit ratio>	3.2%	3.4%	0.2ppt	—
Electronics & Energy	Sales	1,613	1,670	56	104%
	Gross profit	400	434	33	108%
	<profit ratio>	24.8%	26.0%	1.2ppt	—
	Operating income	123	129	5	105%
	<profit ratio>	7.6%	7.7%	0.1ppt	—
Mobility	Sales	1,320	1,280	(40)	97%
	Gross profit	165	158	(7)	96%
	<profit ratio>	12.5%	12.3%	(0.2ppt)	—
	Operating income	42	38	(4)	90%
	<profit ratio>	3.2%	3.0%	(0.2ppt)	—
Life & Healthcare	Sales	2,870	3,039	168	106%
	Gross profit	581	636	54	109%
	<profit ratio>	20.2%	20.9%	0.7ppt	—
	Operating income	34	87	52	254%
	<profit ratio>	1.2%	2.9%	1.7ppt	—
Corporate & Others	Sales	1	1	(0)	99%
	Gross profit	(0)	2	2	—
	Operating income	32	(6)	(38)	—
Total	Sales	9,449	9,640	190	102%
	Gross profit	1,733	1,830	96	106%
	<profit ratio>	18.3%	19.0%	0.6ppt	—
	Operating income	390	407	16	104%
	<profit ratio>	4.1%	4.2%	0.1ppt	—

Change in Operating Income Forecast By Segment (100 millions of yen)



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# FY2025 Earnings Projections by Major Manufacturing Subsidiaries(No Change)

- ▶ Nagase ChemteX: Higher gross profit due to steady sales of formulated epoxy resins for AI server semiconductors  
Operating income to increase due to improved gross profit
- ▶ Nagase Viita: Higher gross profit due to strong sales of food and cosmetic ingredients  
Operating income to increase due to higher gross profit and lower amortization of goodwill, etc. (impact of the conclusion of amortization for a portion of intangible assets: ¥1.1 billion)
- ▶ Prinova Group: Higher gross profit due to strong sales of food ingredients and improved product mix from new projects in the Solutions business  
Operating income to increase due to significant progress in efficiency improvements in the Nutrition business and a rebound from the allowance for doubtful accounts recorded in the previous fiscal year (-¥1.3 billion)

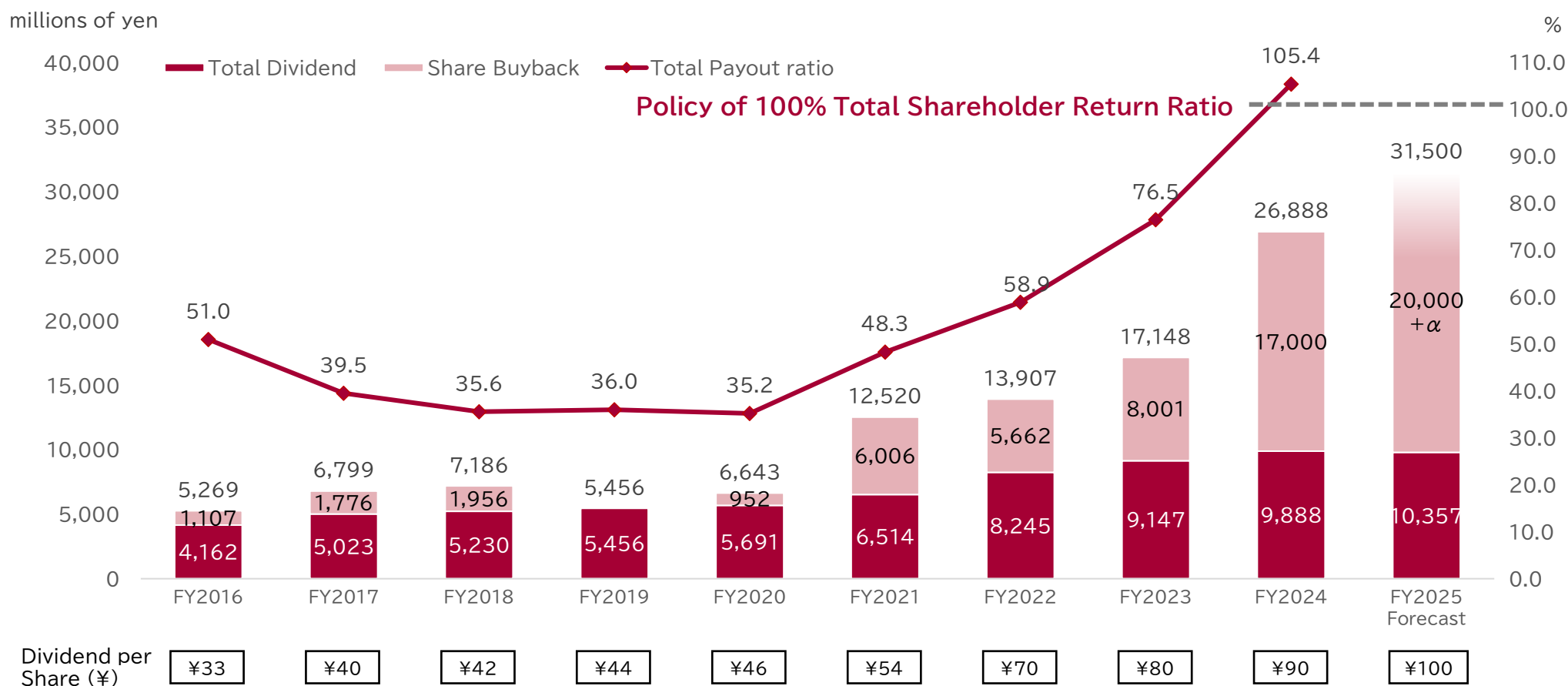
100 millions of yen

		FY2024 Actual	FY2025 Forecast	Change	Vs.PY
Nagase ChemteX Corporation	Sales	258	284	26	110%
	Gross profit	84	99	14	117%
	<profit ratio>	32.8%	34.9%	2.1ppt	—
	Operating income	27	33	5	120%
	<profit ratio>	10.6%	11.6%	1.0ppt	—
Nagase Viita Co., Ltd.	Sales	350	365	15	104%
	Gross profit	129	141	12	109%
	<profit ratio>	37.0%	38.8%	1.8ppt	—
	Operating income	50	53	2	105%
	<profit ratio>	14.4%	14.5%	0.1ppt	—
	Goodwill amortization etc. Operating income after amortization burden	29 20	18 34	(11) 14	62% 168%
Prinova Group	Sales	1,996	2,532	536	127%
	Gross profit	295	397	101	134%
	<profit ratio>	14.8%	15.7%	0.9ppt	—
	Operating income	25	62	36	239%
	<profit ratio>	1.3%	2.4%	1.2ppt	—
	Goodwill amortization etc. Operating income after amortization burden	27 (1)	27 34	(0) 36	98% —

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# Shareholder Returns

- ▶ We plan to pay ¥100 per share for the full year, consisting of an interim dividend of ¥45 per share and a year-end dividend of ¥55 per share, reflecting a ¥5 increase from the initially planned year-end dividend of ¥50 per share.(forecasting a 16th consecutive year of dividend increases)
- ▶ No changes to the Policy of 100% Total Shareholder Return Ratio in fiscal 2025, continuing from fiscal 2024
- ▶ ¥20 billion share buyback completed
- ▶ In February 2026, we approved a resolution to secure ¥3 billion in share buybacks (scheduled for February 2026 through March 2026)



\* FY2025 year-end dividend to be submitted for approval to the 111th general meeting of shareholders scheduled for June 2026.

# **NAGASE** | **Delivering next.**

■IR Materials for the first meeting:

<https://www.nagase.co.jp/english/ir/library/pdf/factbooks/20250804-1.pdf>

■NAGASE Group Investor Relations Website:

<https://www.nagase.co.jp/english/ir/>

■Inquiries:

<https://www.nagase.co.jp/english/contact/ir/>

These presentation materials contain projections based on forward-looking assumptions, forecasts, and plans as of February 5, 2026  
Actual earnings may differ from projections due to risks and uncertainties in the future global economy, competitive landscape, currency exchange rates, etc.



# Management Conscious of Capital Costs and Share Prices

We continue to implement initiatives in the final year of the current medium-term management plan

## Policies to Enhance Corporate Value

Execute growth, financial, and capital strategies set forth in the Medium-Term Management Plan ACE 2.0

### Current Issue Recognition

- **PBR has been below 1x since FY2007**
- The cost of equity is **8.0% or more**, based on dialogue with investors (as needed through the use of CAPM and interviews with investors)
- Continued high level of strategic cross-shareholdings; 13.9% of net assets

### Matters to be Addressed

#### Profitability and Efficiency

- Permeation of ROIC management: Improve gross profit margin and capital turnover
- Reduce unprofitable businesses and unprofitable transactions in business targeted for improvement
- Reduce strategic cross-shareholdings in phases

#### Capital Costs

- Increase in Shareholder Returns: limited 100% total return ratio for two years
- Leverage debt in growth investments

#### IR Activities

- Make active disclosures of and expand dialogue with investors

# Business Environment Surrounding NAGASE Segments



Industry	Full-Year FY2025 Initial Forecast		First Half Trends		Second Half Trends		Segment
Coatings	Automotive applications to grow slightly; construction applications unlikely to recover; overall performance expected to remain generally flat		Automotive applications to remaining flat; construction applications decreased; overall performance expected to decrease year on year		Roughly in line with the first half		Functional Materials
Semiconductors	Strong year-on-year growth driven by rising AI-related demand and solid production of smartphones, PCs, and other devices		Strong year-on-year growth driven by firm AI-related demand and solid production of smartphones, PCs, and other devices;		uncertainty in AI-related demand due to U.S.-China relations Demand for smartphones, PCs, and other devices appears to be settling down		
Smartphones	High-end sales to remain steady, while mid-range and low-end sales rise slightly due to growing adoption of low-priced smartphones		High-end sales to remain steady year on year, while mid-range and low-end sales rose slightly year on year due to growing adoption of low-priced smartphones		Slightly down from the first half due to seasonal factors; but slightly up for the full year		Advanced Materials
OA and Games (Electrical and Electronic Equipment)	General level year on year (overall demand and resin market conditions made a moderate recovery)		Overall demand recovering moderately, but resin market conditions trending downward		Roughly in line with the first half		
Automobiles	Generally level year on year (automobile production did not recover fully in the second half, remaining flat overall due to regional polarization)		Slight decrease overall year on year due to regional polarization		Roughly in line with the first half		Mobility
Medical	Generally level year on year (demand strong for additives, APIs and intermediates)		Demand was strong for additives, APIs and intermediates		Demand to remain strong for additives, APIs, and intermediates, due in part to an increase in the use of generic drugs as a result of the introduction of selective care		Life & Healthcare
Cosmetics	Recovery anticipated as growing end markets drive expansion into new sales regions		Sluggish consumer demand in China, a key end market, along with the emergence of domestic manufacturers there, is causing market weakness.		Roughly in line with the first half		
Food	Flat market growth in Japan year on year, with moderate growth expected in food ingredients and nutrition in Europe and the U.S.		Sales in Japan were flat year-on-year, while the market grew in Europe and the U.S. in both food ingredients and nutrition.		Roughly in line with the first half		

• May not always be consistent with industry trends

( ) indicates FY2024 trends

# Sales, Gross Profit and Operating Income by Quarter

Quarterly results							100 millions of yen	
							FY2025 Forecast	Achievement
							FY2024 Actual	
		1Q	2Q	3Q	4Q	YTD		
Sales	FY2025	2,373	2,424	2,443		7,240	9,640	75%
	FY2024	2,392	2,417	2,370	2,269	7,180	9,449	
	YoY%	(0.8%)	0.3%	3.1%		0.8%	2.0%	
Gross profit	FY2025	443	465	479		1,388	1,830	76%
	FY2024	437	442	432	420	1,312	1,733	
	YoY%	1.3%	5.3%	11.0%		5.9%	5.6%	
<profit ratio>	FY2025	18.7%	19.2%	19.6%		19.2%	19.0%	
	FY2024	18.3%	18.3%	18.2%	18.5%	18.3%	18.3%	
Manufacturing	FY2025	177	197	206		581		
	FY2024	168	174	161	165	504	670	
Trading	FY2025	265	268	273		807		
	FY2024	269	267	270	255	807	1,062	
Operating income	FY2025	102	108	121		332	407	82%
	FY2024	107	103	99	80	310	390	
	YoY%	(4.5%)	4.7%	22.1%		7.1%	4.1%	
<profit ratio>	FY2025	4.3%	4.5%	5.0%		4.6%	4.1%	
	FY2024	4.5%	4.3%	4.2%	3.6%	4.3%	4.1%	
Manufacturing	FY2025	34	39	46		120		
	FY2024	24	16	19	21	60	81	
Trading	FY2025	67	68	75		211		
	FY2024	83	86	80	59	249	309	

\* Manufacturing figures represent the aggregate totals of manufacturing subsidiaries.

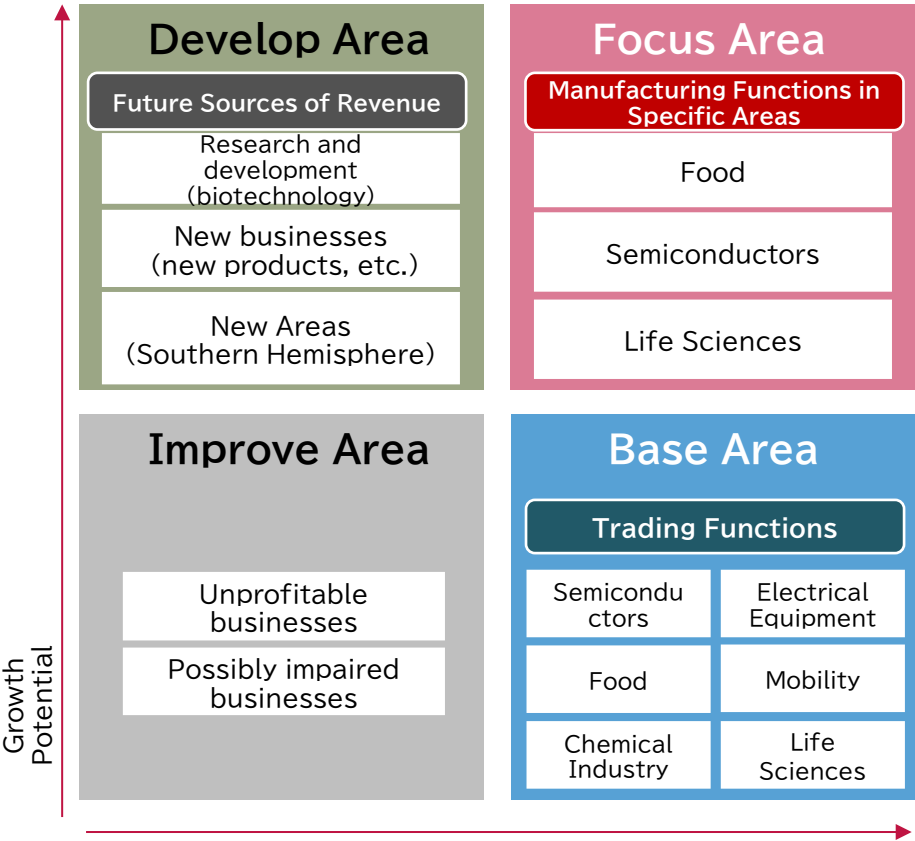
\* Trading figures include the aggregate totals of NAGASE and our sales subsidiaries, as well as Corporate & Others and eliminations

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# Growth Strategies for the Future

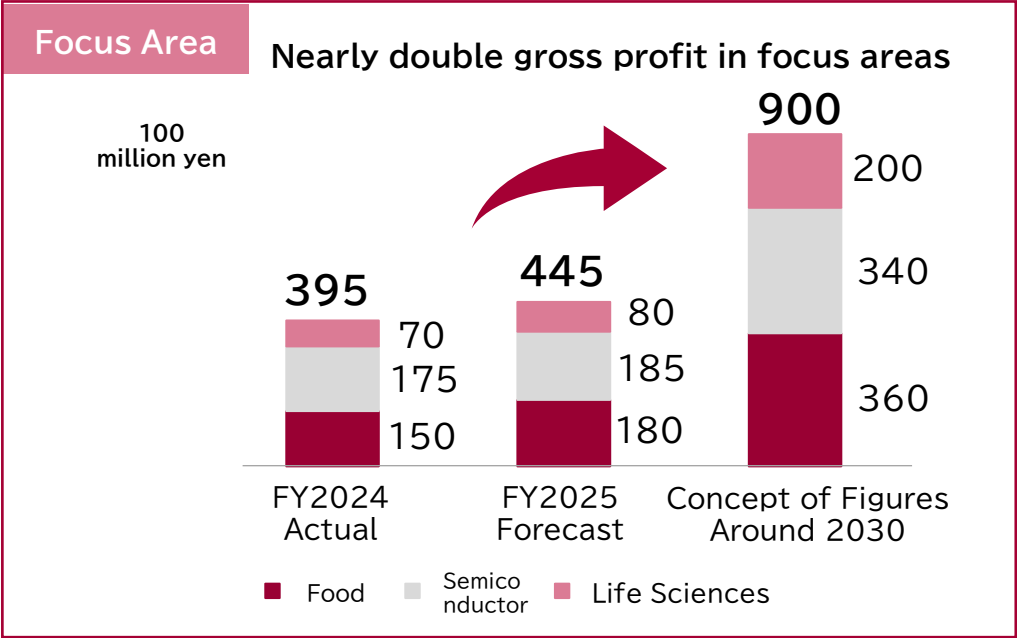
Make proactive investments in Focus Area of manufacturing (across the three areas of food, semiconductors, and life sciences) to expand profit scale and profit margin over the medium to long term

**Potential investments in Focus Area and Develop Area**  
**Approx. 80 billion yen**  
**(M&A and Capital investment)**



**Base Area** Obtain cash and high-value-added information to enhance Focus and Develop Areas

**Develop Area** Take on new challenges in areas that will become future sources of revenue



**Improve Area** Narrowing losses

ROIC \* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

# Improvement Areas FY2025 Progress

Reducing operating losses through the sale of Inkron Oy, a developer and manufacturer of functional materials for optical devices

- ▶ Signed a share transfer agreement with Radiant Opto-Electronics Corporation to transfer shares completed in October 2025 for approximately JPY 1 billion.
- ▶ Operating loss amounted to ¥0.2 billion in FY2024

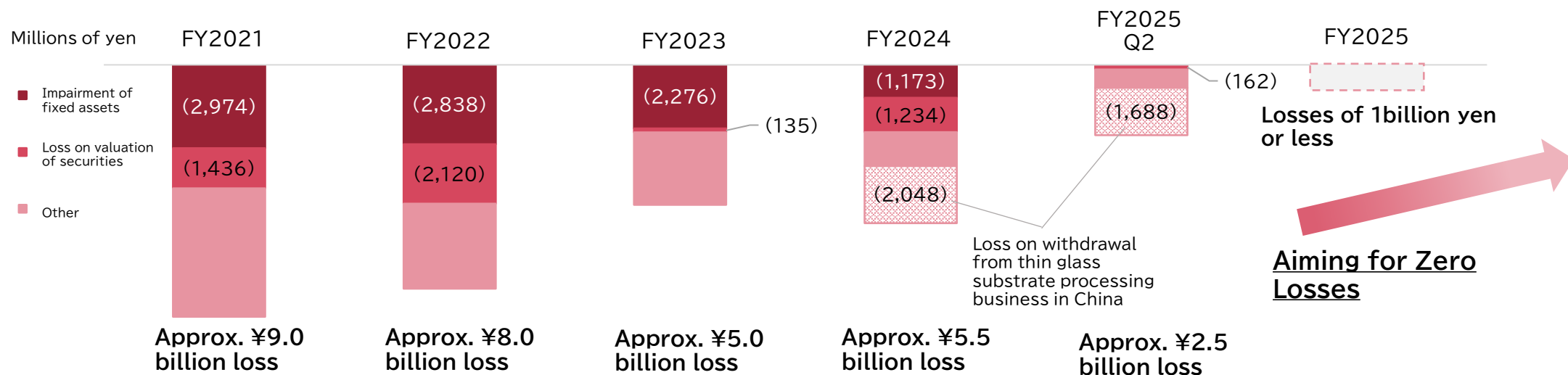
## Improvement targets and initiatives

1. Operating loss among subsidiaries and equity in losses of affiliates
2. Assets at risk for impairment loss
3. Unprofitable transactions

Develop and implement improvement plans as early as possible.  
Study withdrawing from businesses not expected to improve.

List and monitor all cases; return rights for businesses not expected to improve

## 【Operating Loss, Loss in Equity, Impairment Loss, and Unprofitable Transactions With Operating Subsidiaries】





# Efforts in the Food Area

## Driving Food Business Expansion through the Acquisition of Aprinova - Enhancing Regional Reach in the Global South -



### About Aplinova

Location : São Paulo in Brazil  
Business : Premixes, flavors, colorants, and  
overview powdered oils – sales and contract  
manufacturing for food applications  
Facilities : Office, Factory, Logistics Center  
Employees : 79



### Deal Structure

✓ Full Acquisition by Prinova



### Purpose of Acquisition

- ✓ Strengthening the South American market as part of global expansion
- ✓ Expand customer channels with Aplinova's customer base of over 1,000 companies
- ✓ Expand sales channels for amino acids, vitamins and other products of the Prinova Group

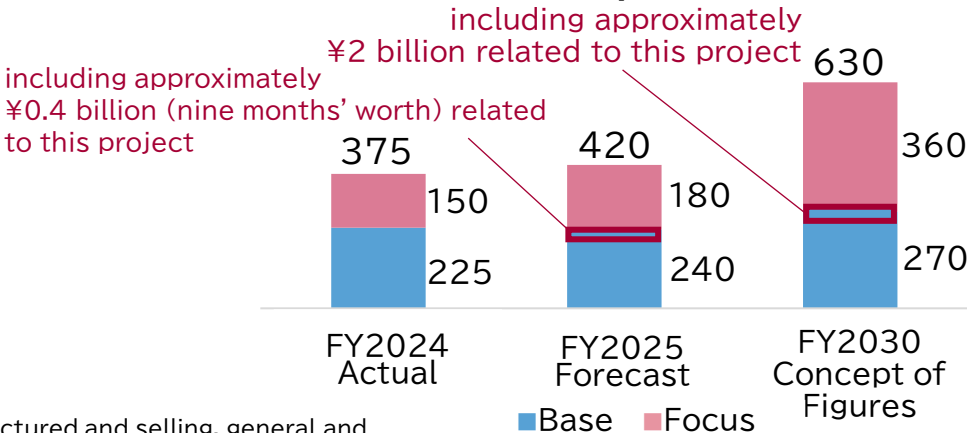


### Performance Target

- ✓ Aiming to achieve approximately JPY 2.0 billion in gross profit by FY2030



### NAGASE:Food Gross profit (100 million Yen)



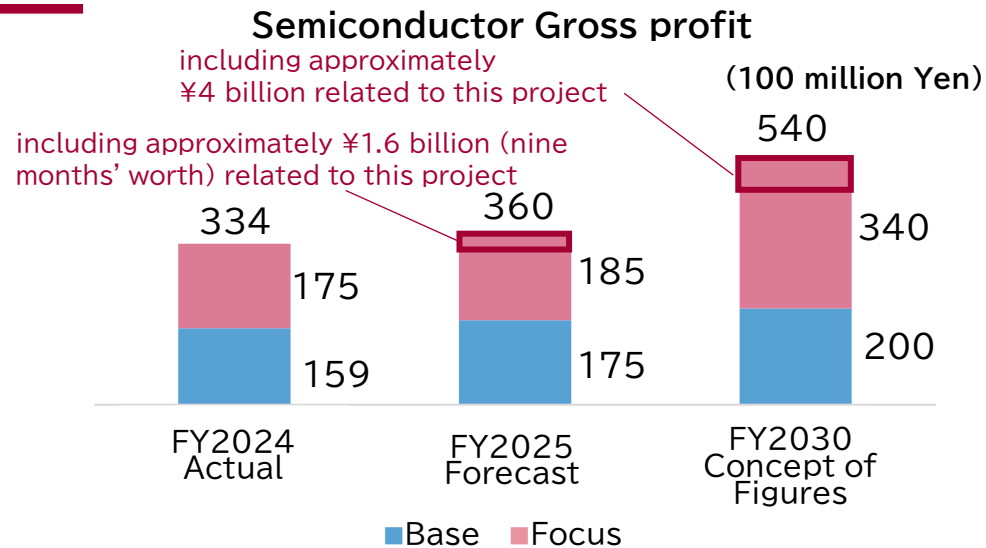
\* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

# Efforts in the Semiconductor Area ~SACHEM Business in Asia~

- ▶ We acquired the SACHEM business in Asia for high-purity chemicals for semiconductors \$101 million; the business joined the NAGASE Group on June 1, 2025 (PL consolidation began in the second quarter)
- ▶ Acquired technology to purify various chemicals, including TMAH\*; technology to recover and recycle developer; and a development system for next-generation process chemicals
- ▶ Aiming for gross profit of ¥4 billion around 2030



## Business Scale



\*Developer (tetramethylammonium hydroxide) used in the manufacturing process of semiconductors and flat panel displays



## Creation of Synergies

- Adding new technology and products to the group portfolio, combined with the technologies and product groups previously owned by Nagase ChemteX, we expect to expand our scope as a semiconductor materials manufacturer
- We will develop new materials for next-generation semiconductor pre-processes with our business partners through ultra-sensitive analysis, electrolysis, and refining technologies



## PMI Progress

- Five employees from the NAGASE Group dispatched to the new company
- Steady progress, with 11 subcommittees launched



## Initiatives for Business Growth

- Global development of TMAH and other high-purity chemicals utilizing the NAGASE Group network
- Planning to begin sales of TMAH recovery and recycling equipment and sales of recovered TMAH to semiconductor plants in fiscal 2026



SACHEM Wuxi Plant



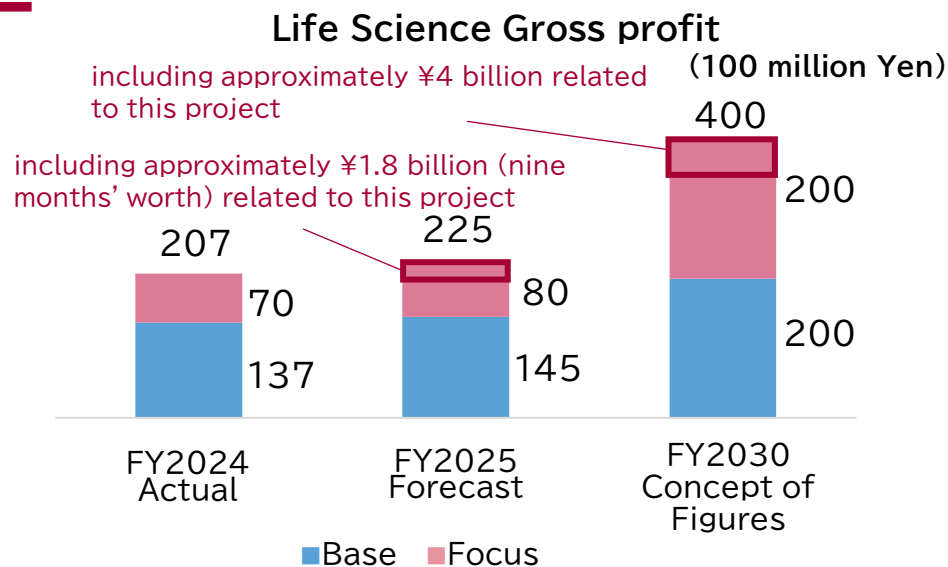
Developer recovery and recycling tank

## Efforts in the Life Science Area ~Nagase Diagnostics~

- ▶ Acquired Nagase Diagnostics, successor to the Asahi Kasei Pharma Corporation diagnostic enzymes business , added to the NAGASE Group in July 2025
- ▶ Develops, manufactures, and markets diagnostic reagents, enzymes for diagnostic reagents, and other life science raw materials
- ▶ Aiming for gross profit of ¥4 billion around 2030



### Business Scale



### Creation of Synergies

- Strengthening development capabilities for bio-related products (enzymes, enzyme reactants, fermentation products) through an expansion of our microorganism and enzyme portfolio
- Considering the use of the Ohito Plant (GMP plant) by Nagase ChemteX and Nagase Viita for low-endotoxin and ergothioneine-related business



### PMI Progress

- Seven employees from the NAGASE Group dispatched
- Established 11 subcommittees and moving PMI forward in orderly manner



### Initiatives for Business Growth

- Aim to grow business through overseas sales by developing enzymes for diagnostic reagents in new markets in Brazil, ASEAN, and India



Nagase Diagnostics Co., Ltd. Ohito Plant

# Cash Allocation in FY2025

Leverage interest-bearing debt to pursue growth investments and shareholder returns

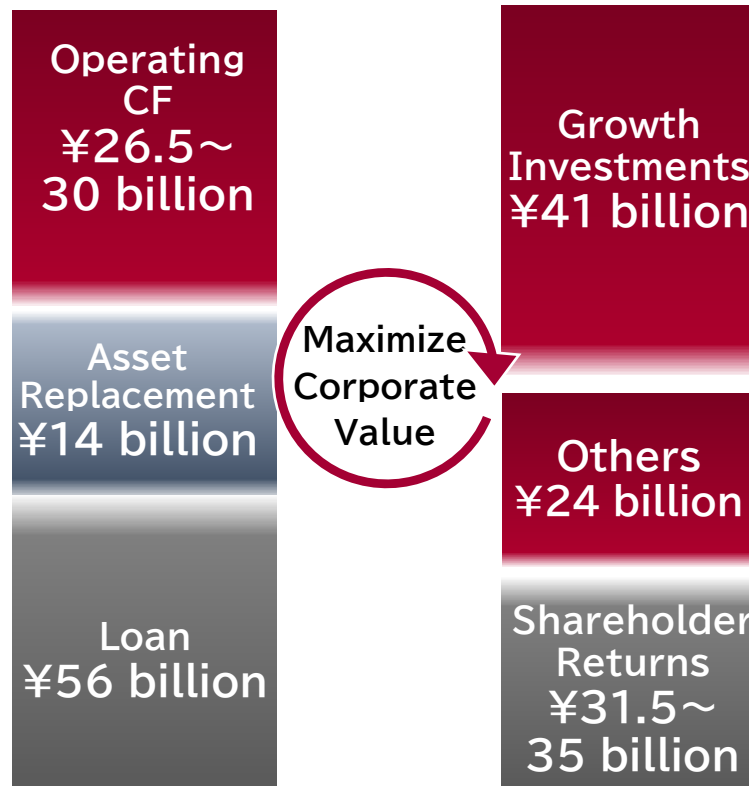
## Cash In

### Asset Replacement

- ▶ Reduce strategic cross-shareholdings, etc.
- ▶ Utilize cash and cash equivalents through group-wide cash management

### Expanding Interest-Bearing Debt Financing

- ▶ Obtain financing within a range that allows us to maintain credit ratings



## Cash Out

### Growth Investments

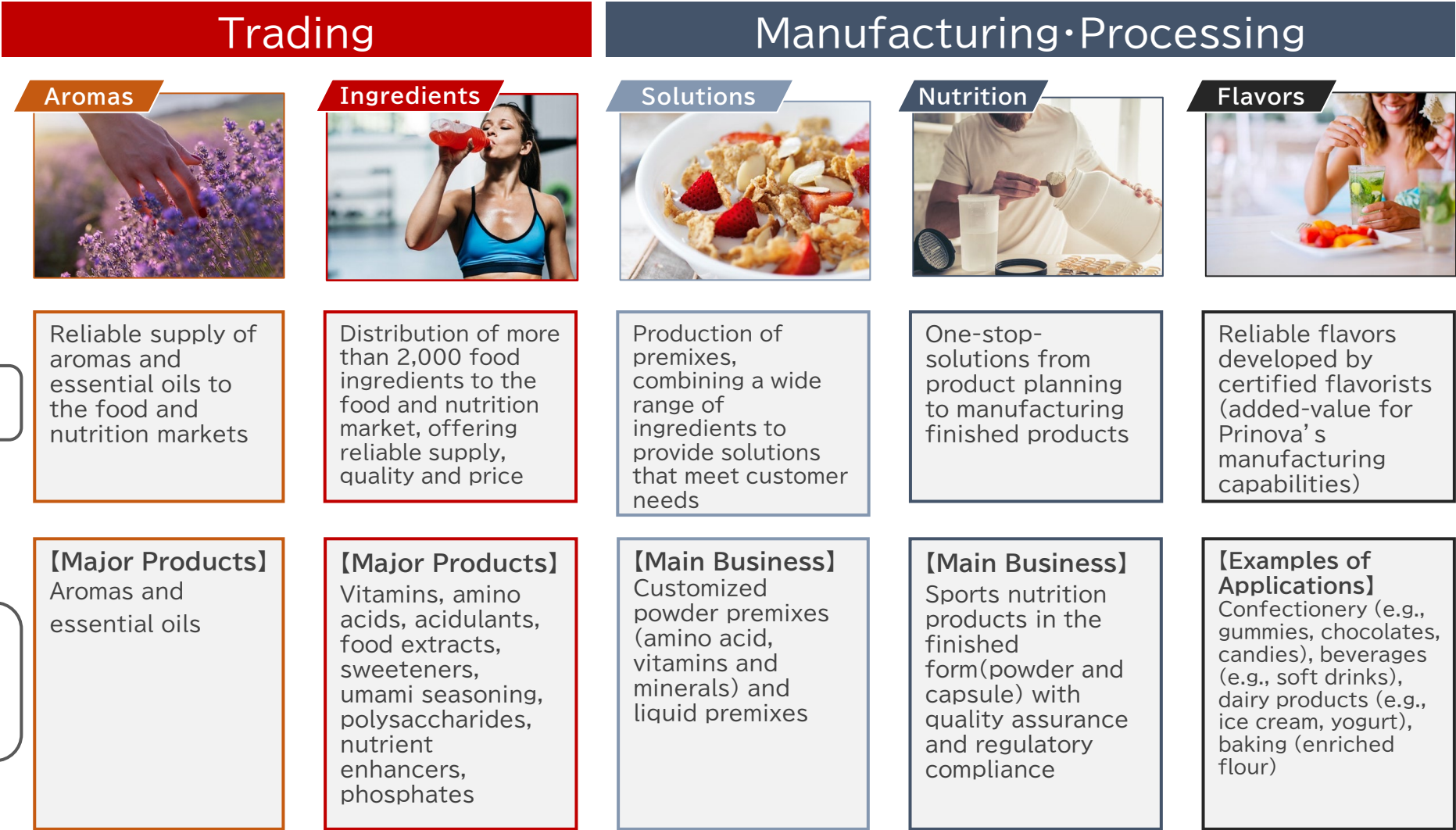
- ▶ Execute announced M&A
- ▶ Consider M&A deals in the range of several tens of billions of yen on an ongoing basis
- ▶ Strengthen specific functions in the three fields of the Focus areas and acquire missing parts
- ▶ Invest in CVC and the Global South in the Develop Area

### Shareholder Returns

- ▶ Continue Increasing Dividends and Achieve a 100% Total Return Ratio
- ▶ Control net assets at around ¥400 billion

\* Growth investments do not include working capital, DX · R&D expenses etc.

# Prinova Group Business Overview





# Major Cash Inflows and Outflows for FY2021-FY2024

100 millions of yen

Cash In	FY2021	FY2022	FY2023	FY2024	4-years Cumulative Total	Cash Out	FY2021	FY2022	FY2023	FY2024	4-years Cumulative Total
Operating CF after adjustments*	525	363	476	515	1,879	Dividends and share buybacks	124	139	178	270	713
Proceeds from sales of strategic cross-shareholdings, etc.	92	96	71	35	296	Investment in DX, R&D, etc	71	68	78	69	288
Decrease in working capital	—	—	330	—	330	Increase in working capital	631	200	—	82	913
Proceeds from change in interest-bearing debt	401	—	—	96	498	Expenses from change in interest-bearing debt	—	25	234	—	260
Other income	7	9	9	30	57	Other growth investments, etc	156	173	188	161	679
						Other expenditures	25	20	76	29	150
Total	1,026	469	888	678	3,062	Total	1,008	628	756	613	3,005

\* Operating CF excluding the impact of changes in working capital, DX and R&D costs recorded as expenses, etc.