



## 香りを言葉にする。 科学と感性。

香りは時として雄弁になり、数多くの情報を発信します。

コミュニケーションが多様になるごとに

香りも進化が求められています。

香料の可能性は無限です。そして、大きな期待がかけられています。

科学と感性が融合した高品位な技術力。

私たち長谷川香料は高レベルでの研究開発と製造技術を追求してきました。

分析、合成、調香など、長年積み重ねてきた

さまざまな分野の技術力を結集し、

多角的な視点で香りをカタチにしています。

ここには伝統の技術力と未来を見据えた先端技術があります。

香りに未来を描く。

香りに感動を込める。



# Financial Results for the Fiscal Year Ending September 30, 2025

November 20, 2025

T. HASEGAWA CO., LTD.

I . Overview of Financial Statements

II . Business Environment

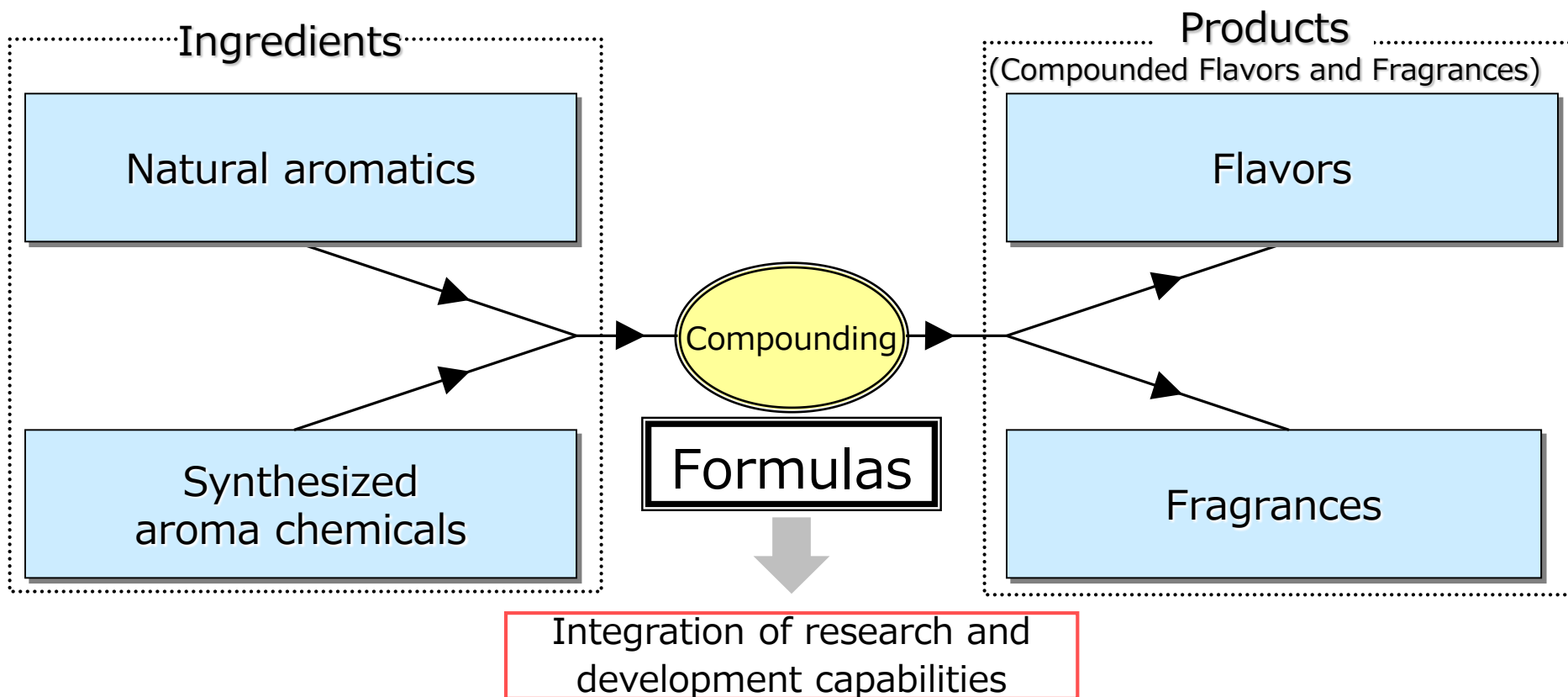
III . Global Strategy

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# I . Overview of Financial Statements



Flavorists : Experts who formulate flavors

Perfumers : Experts who formulate fragrances





Flavors and fragrances are in accordance with customer requests

⇒ Formulas created by flavorists and perfumers based on experience are invaluable assets for flavor and fragrance companies

## Trends by Category (Japanese Market)

• FYE September 2025 (October 2024 to September 2025)

Source: Nikkan Keizai Tsushin

Category		Trend		Impact on performance
Beverages		Decrease	<ul style="list-style-type: none"> <li>The negative impacts of price increases continued and sales declined on a volume-basis especially in family size products and vending machines.</li> <li>Summer sales did not grow as people refrained from going out due to the extreme heat.</li> <li>In 2025, many new products were introduced in the tea beverage market as alternatives to coffee beverages, amidst challenges in soaring raw material prices.</li> </ul>	
Sweet and savory snacks	Savory snacks	Increase	<ul style="list-style-type: none"> <li>Savory snack sales increased overall.</li> <li>In the potato snack category, the frequency of special sales decreased due to price revisions, but sales of products focused on potato varieties grew, and sales of fabricated potato chips increased due to an expansion of flavors.</li> <li>In the corn snack category, sales of chips were flat and puffs increased slightly, while sales of limited-time wheat snacks increased.</li> </ul>	
	Chocolate	Increase	<ul style="list-style-type: none"> <li>Overall chocolate sales decreased on a volume basis, but increased in value due to the impact of price revisions.</li> <li>Sales of both chocolate bars and high cacao chocolate were strong.</li> <li>Nut chocolate sales decreased due to fewer special sales. Although the number of chocolate snack products decreased, sales increased due to the expansion of mainstay products.</li> </ul>	
Frozen Desserts		Increase	<ul style="list-style-type: none"> <li>Sales exceeded the previous year's level due to the effects of new products and promotional efforts.</li> <li>Due to few substitutes and efforts by manufacturers, ice cream has established a market with high customer retention.</li> </ul>	
Instant Noodles		Increase	<ul style="list-style-type: none"> <li>Sales of cup noodles increased on a volume basis, with innovations in noodle textures to match market trends.</li> <li>In the bag-type noodle category, 5-serve packs with low unit prices and 3-serve packs with increased product lineups performed well.</li> </ul>	

 : Positive direction  : Negative direction

# Summary of Consolidated Performance

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- Sales increased and Profit decreased year on year  
Although sales increased in all major regions, profit decreased due to increase in SG&A expenses, etc.
  - Net Sales : increased 1,849 million yen (2.6%) year on year  
Operating Profit : decreased 856 million yen (9.1%) year on year
- (Million Yen)

	FY2024 (Actual)	FY2025 (Target)	FY2025 (Actual)	Change			
				Yr/Yr		Vs. Target	
				Amount	%	Amount	%
Net Sales	71,645	74,300	73,495	1,849	2.6%	△804	△1.1%
Operating Profit	9,371	9,970	8,515	△856	△9.1%	△1,454	△14.6%
Ordinary Profit	9,723	10,450	9,288	△435	△4.5%	△1,161	△11.1%
Net Profit	7,201	7,580	6,921	△280	△3.9%	△658	△8.7%
EBITDA	14,392	15,254	13,938	△454	△3.2%	△1,316	△8.6%

\* Net profit refers to profit attributable to owners of parent.

\* EBITDA=Operating Profit + Depreciation (including amortization of customer-related assets) + Amortization of goodwill

Currency	FY2024	FY2025	Yr/Yr
1US\$	¥150.44	¥149.28	0.8% Yen up
1RMB	¥20.84	¥20.68	0.8% Yen up
1MYR	¥32.37	¥34.38	6.2% Yen down

# Net Sales by Segment

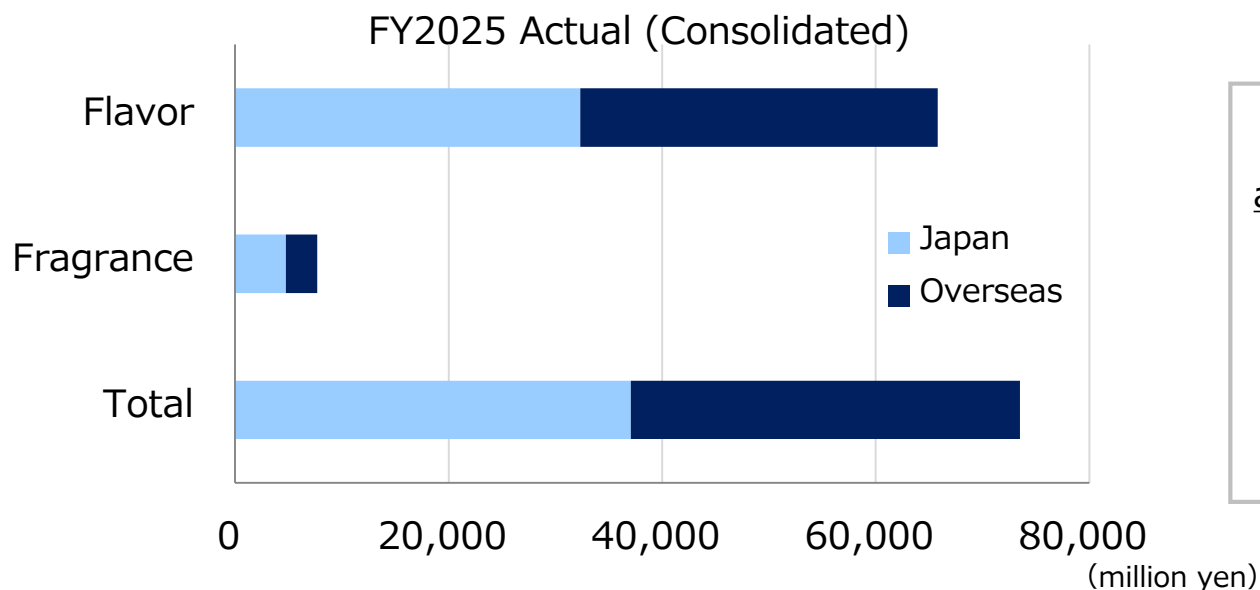
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Flavor : Net sales of Chinese subsidiary increased

Fragrance : Non-consolidated net sales decreased

(Million Yen)

Segment	FY2024 Actual	FY2025 Actual	Change		FY2025 Sales ratio
			Amount	%	
Flavor	63,669	65,828	2,159	3.4%	89.6%
Fragrance	7,975	7,666	△309	△3.9%	10.4%
Total	71,645	73,495	1,849	2.6%	100.0%



Overseas net sales as a percentage of consolidated net sales

FY2025 : 49.6%

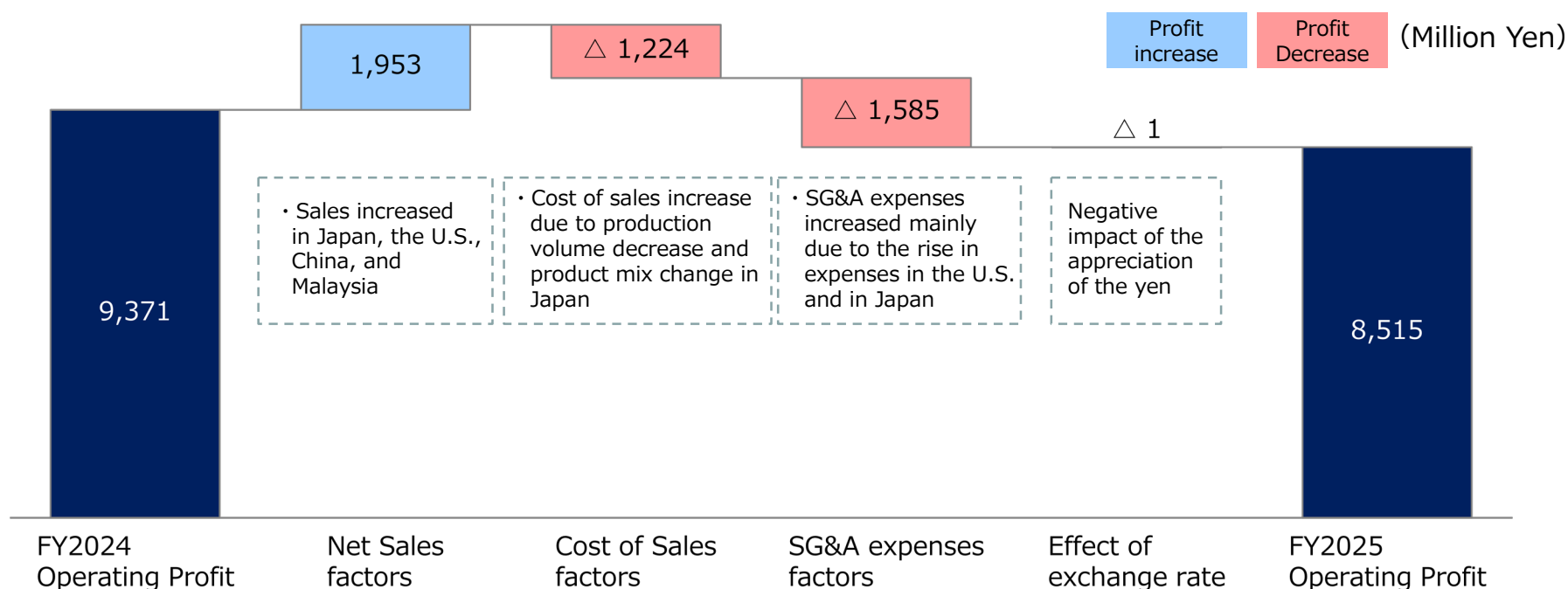
(FY2024 : 48.5%)

# Analysis of Changes in Operating Profit

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- Factors behind the year on year 856 million yen (9.1%) decrease in operating profit

Factor	Impact	Details
Net sales	1,953	Sales increased in all major regions, contributed especially from the consolidation of ABELEI and strong performance in China
Cost of sales	△1,224	The cost of sales increased due to higher sales, and changes in the product mix due to sluggish beverage sales in Japan etc.
SG&A expenses	△1,585	SG&A expenses increased mainly due to the rise in expenses in the U.S. and in Japan
Exchange rate	△1	The yen's appreciation had a negative impact. (Foreign exchange impact on operating profit in the previous year: +439 million yen)





# Performance Overview by Regions

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- Sales increased in all major regions
- In China and Malaysia, profits increased sharply. The U.S. posted an operating loss.

(Billion Yen)

## Japan

Sales increase  Profit decrease 

	FY2024	FY2025	Change Amount	Change %
Net Sales	42.3	42.5	0.1	0.4%
Operating Profit	4.9	3.9	△0.9	△19.9%

- Sales increased in the flavor and decreased in the fragrance business
- Profit decreased due to sluggish sales volumes, mainly to beverage products, which changed the product mix to negatively impact the cost of sales ratio, and an increase in personnel costs, etc.

## U.S.

Sales increase  Profit decrease 

	FY2024	FY2025	Change Amount	Change %
Net Sales	15.1	15.8	0.7	5.0%
Operating Profit	0.3	△0.2	△0.6	—

- ABELEI, which was acquired in FY2024, contributed to both net sales and profits
- SG&A expenses increased due to one-time PMI costs etc. Operating loss due to decreased sales to existing customers

## China

Sales increase  Profit increase 

	FY2024	FY2025	Change Amount	Change %
Net Sales	12.0	12.5	0.5	4.8%
Operating Profit	3.3	3.9	0.5	16.1%

- Sales increased significantly, especially in the flavor business, mainly due to the strong performance for beverage industries
- In addition to increased sales, profit increased significantly due to a decrease in SG&A expenses

## Malaysia

Sales increase  Profit increase 

	FY2024	FY2025	Change Amount	Change %
Net Sales	2.1	2.2	0.1	7.6%
Operating Profit	0.4	0.4	0.05	12.3%

- Strong performance to Indonesia subsidiary contributed
- The cost of sales ratio improved because of the product mix due to an increase in sales of high-margin products Double-digit increase in operating profit



: Yr/Yr Increase



: Yr/Yr Decrease

The U.S. posted an operating loss of 288 million yen, but there was a recovery trend in the second half

	FY2025 First Half (Million Yen)	FY2025 Second Half (Million Yen)	FY2025 cumulative (Million Yen)
Net Sales	7,717	8,179	15,896
Operating Profit	△289	1	△288

\* Applied exchange rate: 1US\$ = 149.28 yen (Avg. exchange rate during FY2025)

- Profit decreased mainly due to sluggish sales growth to existing customers and increased SG&A expenses such as one-time PMI expenses  
(SG&A expenses: increased by 1,038 million yen,  
operating profit: decreased by 618 million yen)
- ABELEI performance is progressing over plan, contributing to sales and profit of U.S. subsidiary

FY2025 cumulative net sales	1,615 million yen
FY2025 cumulative operating profit	527 million yen (Operating margin: 33%)

# II . Business Environment

- Worldwide flavor and fragrance sales: Approx. 33.3 billion U.S. dollars (approx. 5 trillion yen)

## Europe, Africa, Middle East

- Market size : Approx. 11.7 billion US dollars (approx. 1,780 billion yen)\*
- Many users have introduced a preferred supplier system, and major flavor and fragrance companies in Europe and the U.S. have established foundations

## North America

- Market size : Approx. 8.3 billion US dollars (approx. 1,270 billion yen)\*
- Many users have introduced a preferred supplier system, and major flavor and fragrance companies in Europe and the U.S. have established foundations
- The Company established a U.S. subsidiary in California in 1978
- 2017,2020:Acquired local flavor companies
- 2024: Acquired ABELEI, INC. It manufactures and sells flavors with strength in the food, beverage, confectionery, and dairy industries

## Asia

- Market size : Approx. 10 billion US dollars (approx. 1,520 billion yen) \*
- Market expansion due to economic growth in China and other emerging markets
- Major global flavor and fragrance companies are entering China
- The Company established subsidiaries in Shanghai (2000), Suzhou (2006), Thailand (2003), Indonesia (2014), Taiwan (2017), and Pinghu (2024)
- Secured a manufacturing base in Malaysia (2014) and Vietnam (2025) through M&A

## South America

- Market size : Approx. 3.2billion US dollars (approx. 500 billion yen)\*
- Mainly imports from North America, Mexico, etc.
- Competition intensifying in the Brazilian market owing to economic growth

\*The Company's estimates for market size by region

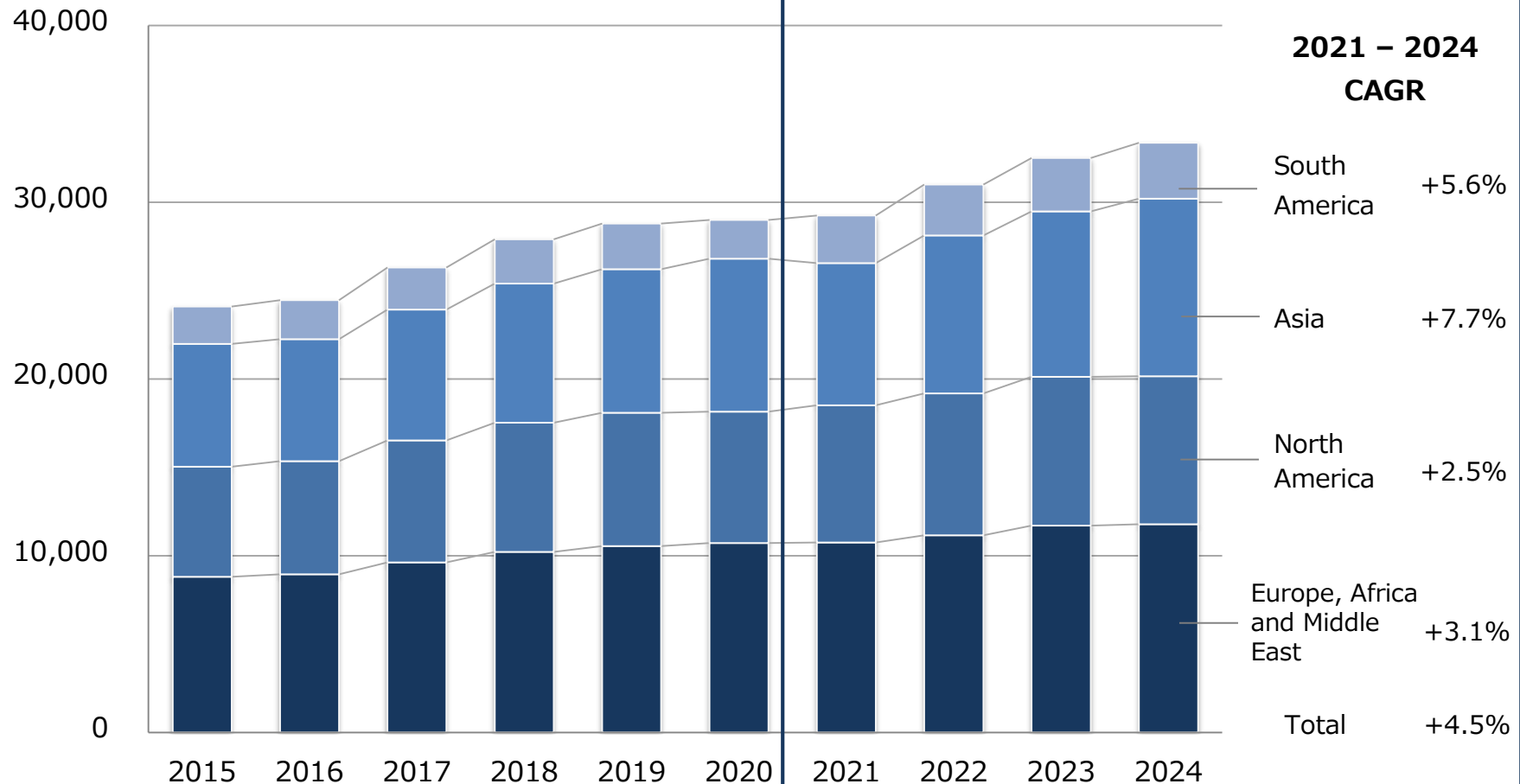
\*Exchange rate : 1US\$=151.6 yen (2024)

● = the Company's base

- Global flavor and fragrance market in 2024: Grew approx. 3% Yr/Yr

Global Flavor and Fragrance Market (Estimated by the Company)

(Million US\$)



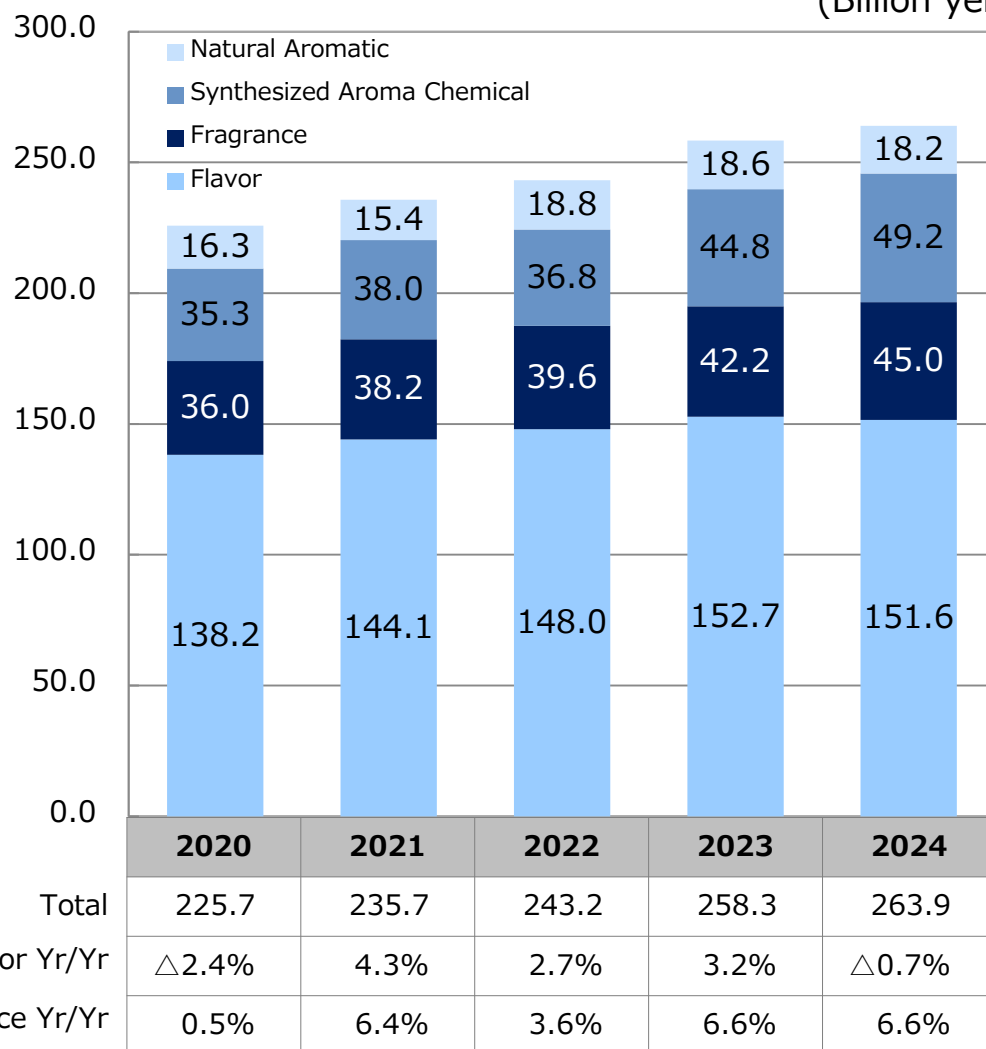
# Japanese Flavor and Fragrance Market Size

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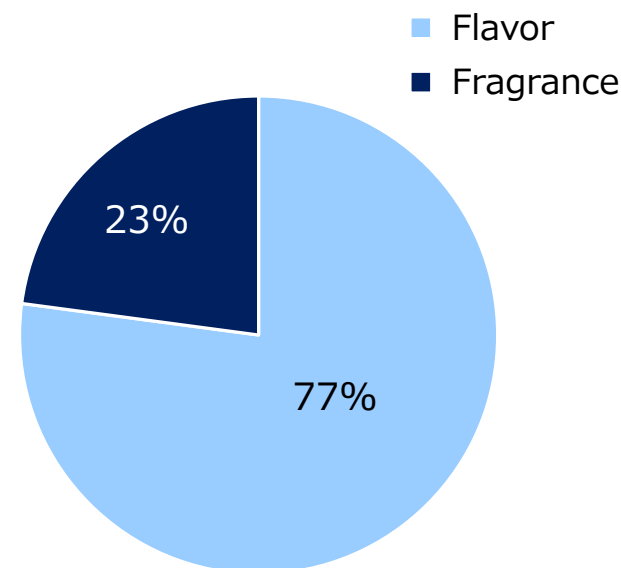
- Flavors account for approximately 80% of the Japanese flavor and fragrance market (approx. 50% in the global market)

Japanese flavor and fragrance market sales

(Billion yen)



Breakdown of flavor and fragrance (FY2024)



2021 - 2024

CAGR
3.8%
1.7%
5.6%

Source of reference :

Japan Flavor & Fragrance Materials Association Magazine

# III. Global Strategy

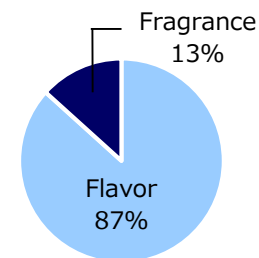
Basic Strategy: Expand market share by anticipating new market demand caused by declining birthrate and aging population, as well as growing health consciousness

## Japan

- **Promote the Fukaya Plant project and reinforcement of production system through DX of production division**
- **Promote human capital management**  
⇒Maximize the value of human resources to increase the mid- to long-term corporate value
- Strengthen collaboration between sales, research, and marketing departments under the Business Solutions Division  
⇒Strengthen sales activities, start on the acquisition of new customers and untapped areas
- **Speed up R&D, Create new value**
- **Focusing on the development of flavors and ingredients to replace the raw materials for food products** in association with soaring raw material prices and resource depletion  
⇒Reinforcement of customer success and SDGs

	2023	2024	2025 (Actual)	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	39.7	42.3	42.5	43.9	45.0	46.1
Operating Profit	4.5	4.9	3.9	4.5	4.7	4.9
EBITDA	6.2	6.7	5.7	6.4	6.7	6.8
Sales Yr/Yr	1.4%	6.7%	0.4%	3.2%	2.5%	2.5%
Operating Profit to Net Sales	11.4%	11.6%	9.3%	10.3%	10.6%	10.7%
EBITDA to Net Sales	15.7%	15.9%	13.6%	14.8%	14.9%	14.9%

(Billion yen)



(Billion yen)

	FY2025		
	Amount	Yr/Yr	Vs Target
Net Sales	<b>42.5</b>	0.1	△0.5
Operating Profit	<b>3.9</b>	△0.9	△1.1
EBITDA	<b>5.7</b>	△0.9	△1.2



## Basic Strategy: Increase sales in the savory, health, and beverage industries

\*Savory : Snacks, dressings, seasonings, and other salty products

### U.S.

- **Acquisition of ABELEI, a flavor company in Illinois, U.S. Aim to create synergies**  
⇒PMI (Post Merger Integration) was completed as of the end of September 2025 as planned  
⇒ABELEI non-consolidated sales progressing over plan
- Review and strengthen systems for the improvement of production efficiency at multiple plants
- **Continue to promoted the utilization and deployment of Japanese technologies, which have been positively received by clients**
- **Start on cost reductions in examination, transportation, and packaging materials**

(Million US\$)

	2023	2024	2025 (Actual)	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	91.5	100.6	106.4	110.0	114.9	120.1
Operating Profit	△1.2	2.1	△1.9	0.1	2.3	3.3
EBITDA	13.1	16.8	16.2	19.5	22.0	22.9
Sales Yr/Yr	△6.3%	10.0%	5.8%	3.3%	4.5%	4.5%
Operating Profit to Net Sales	–	2.2%	–	0.2%	2.0%	2.8%
EBITDA to Net Sales	14.4%	16.7%	15.3%	17.8%	19.1%	19.1%

Flavor  
100%

	FY2025					
	US\$ basis (Million US\$)			Yen basis (Billion yen)		
	Amount	Yr/Yr	Vs Target	Amount	Yr/Yr	Non- Exchange
Net Sales	<b>106.4</b>	5.8	△7.7	<b>15.8</b>	0.7	0.8
Operating Profit	△ <b>1.9</b>	△4.1	△4.1	△ <b>0.2</b>	△0.6	△0.7
EBITDA	<b>16.2</b>	△0.5	△3.6	<b>2.4</b>	△0.1	

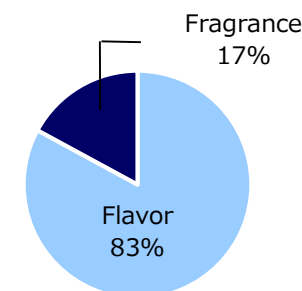
Basic Strategy: Grow earnings through various measures based on a stronger organizational foundation

## China

- **In order to increase capacity, working on a project to build a new plant that will become our third production base in China, with operations scheduled to start in FY2027**
- **Improvement of the quality of sales activities through collaboration between sales, research and marketing**
- Utilize marketing functions and ensure management of sales activities to strengthen sales systems
- Start on measures that will increase the frequency of sales activities for further increase of flavor sales, especially targeting beverages industries

(Million RMB)

	2023	2024	2025 (Actual)	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	542.3	576.2	608.6	637.5	665.3	695.0
Operating Profit	139.2	163.0	190.7	192.5	193.6	177.0
EBITDA	172.5	197.1	224.6	223.4	228.7	233.6
Sales Yr/Yr	4.6%	6.3%	5.6%	4.8%	4.3%	4.5%
Operating Profit to Net Sales	25.7%	28.3%	31.3%	30.2%	29.1%	25.5%
EBITDA to Net Sales	31.8%	34.2%	36.9%	35.0%	34.4%	33.6%



	FY2025					
	RMB basis (Million RMB)			Yen basis (Billion yen)		
	Amount	Yr/Yr	Vs Target	Amount	Yr/Yr	Non-Exchange
Net Sales	<b>608.6</b>	32.3	4.1	<b>12.5</b>	0.5	0.6
Operating Profit	<b>190.7</b>	27.7	10.3	<b>3.9</b>	0.5	0.5
EBITDA	<b>224.6</b>	27.4	11.5	<b>4.6</b>	0.5	

## Acquisition of Vietnamese flavor company Hoang Anh (November 10, 2025)



※FY2024

Net Sales	1,332 million yen
Operating Profit	275 million yen
EBITDA	342 million yen
Acquisition price	4,474 million yen

Name	Hoàng Anh Flavors and Food Ingredients Joint Stock Company
Location	Ho Chi Minh City, Vietnam
Business description	Manufacturing and sales company for flavors and food ingredients. Established a strong customer base as the first flavor company in Vietnam
Expected synergies	<ul style="list-style-type: none"> <li>Secure a sales, R&amp;D and manufacturing base in the fast-growing Vietnamese market (real GDP growth rate of 7% in 2024)</li> <li>Expansion of customer network, cross-selling, securing of excellent human resources</li> <li>This acquisition will serve as a stepping stone to expand the Southeast Asia business sales to 10 billion yen</li> </ul>

Basic Strategy: Expansion of sales through collaboration between manufacturing and sales bases in Malaysia and Vietnam and sales bases in Thailand and Indonesia

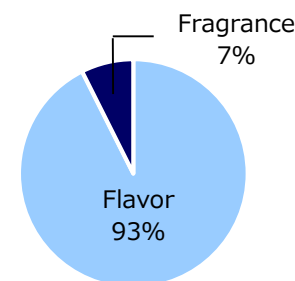
## Southeast Asia

- **Advance the PMI of Hoang Anh for it to collaborate with other bases in Southeast Asia as a new manufacturing and sales base**
- **Promote the construction of a new plant at Enstek Industrial Park in Malaysia (operations scheduled to start in December 2026)**  
⇒Meet growing demand in the Asian and Halal markets
- **Improve efficiency by promoting the utilization of application laboratories, expanding library and utilizing flavor kits**  
⇒Speed up response to customers, enhance capabilities
- Promote efficient R&D by systemizing operations

	2023	2024	2025 (Actual)	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	4.0	4.6	4.9	6.2	6.8	7.4
Operating Profit	0.6	0.7	0.8	0.9	0.6	0.7
EBITDA	0.8	0.9	0.9	1.1	1.3	1.4
Sales Yr/Yr	10.2%	14.4%	6.8%	24.8%	11.0%	7.5%
Operating Profit to Net Sales	16.5%	16.8%	16.1%	15.8%	9.4%	10.1%
EBITDA to Net Sales	20.6%	20.7%	19.8%	19.3%	19.0%	19.0%

\* Net sales are calculated by summing net export sales to Southeast Asia, which are included in the Company's non-consolidated net sales

(Billion yen)



(Billion yen)

	FY2025		
	Amount	Yr/Yr	Vs Target
Net Sales	<b>4.9</b>	0.3	0.1
Operating Profit	<b>0.8</b>	0.01	0.0
EBITDA	<b>0.9</b>	0.01	0.02

- Develop the businesses based on three basic strategies: **(1) Expand Compounded Flavors and Fragrances Business, (2) Secure Profits in Japanese Market, and (3) Growth in Overseas Market**

- Achieve abundant and healthy living through aromas and contribute to the creation of a sustainable society

☐ Entered   ☒ Not Entered

	Earnings foundation	Growth drivers			
	Japan	U.S.	China	Southeast Asia	
<b>Flavor Business</b>  Providing flavors that make food delicious	<ul style="list-style-type: none"> <li>➢ Broad usage in the beverage and food industries</li> <li>➢ Strengthen response to SDGs                             <ul style="list-style-type: none"> <li>• Development of flavors and ingredients to replace raw materials for food products</li> </ul> </li> <li>➢ Strengthen measures in new sectors                             <ul style="list-style-type: none"> <li>• Health foods, medical foods, etc.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➢ Usage mainly in savory foods, beverages, and health industries</li> <li>➢ Trade mainly with local companies</li> <li>➢ Expand business through M&amp;A                             <ul style="list-style-type: none"> <li>• Strengthen sweet flavors from M&amp;A in 2020</li> <li>• Strengthen the Midwest region through M&amp;A in 2024</li> </ul> </li> <li>➢ Strengthen collaboration with R&amp;D in Japan</li> </ul>	<ul style="list-style-type: none"> <li>➢ Usage mainly in beverages and instant noodle industries</li> <li>➢ Trade mainly with international and local companies</li> <li>➢ Tap unentered areas and potential demand                             <ul style="list-style-type: none"> <li>• Focus on large and midsize local companies</li> <li>• Expand area of sales by utilizing agents</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➢ Usage mainly flavor powders and flavors for beverages                             <ul style="list-style-type: none"> <li>• Target further expansion in beverage industries</li> </ul> </li> <li>➢ Strengthen collaboration between bases                             <ul style="list-style-type: none"> <li>• Increase sales in Malaysia, Thailand, and Indonesia</li> <li>• Implement PMI in Vietnam</li> </ul> </li> <li>➢ Expand operations into countries around bases                             <ul style="list-style-type: none"> <li>• Expand into the Philippines</li> </ul> </li> </ul>	
<b>Fragrance Business</b>  Providing fragrances that add color to various aspects of life	<ul style="list-style-type: none"> <li>➢ Broad usage in household items and cosmetic industries</li> <li>➢ Strengthen measures in new sectors                             <ul style="list-style-type: none"> <li>• Address need to mask odors in day-to-day life</li> <li>• Propose ways to resolve discomfort with fragrances</li> </ul> </li> <li>➢ Strengthen response to SDGs                             <ul style="list-style-type: none"> <li>• Develop environmentally-friendly fragrances</li> </ul> </li> </ul>	T. Hasegawa Group has yet to enter	<ul style="list-style-type: none"> <li>➢ Usage mainly in household item industries</li> <li>➢ Trade mainly with local companies</li> <li>➢ Focus on expansion among toiletry makers</li> <li>➢ Strengthen collaboration with R&amp;D in Japan</li> </ul>	Production	<ul style="list-style-type: none"> <li>➢ Address with exports from Japan</li> <li>⇒ Consider local production based on business development</li> </ul>
				Sales	<ul style="list-style-type: none"> <li>➢ Usage mainly among body care product makers</li> <li>➢ Focus on acquiring new customers</li> </ul>

# IV. Business Outlook

- Increases in both net sales and profit are expected on a consolidated basis
- Increase in profit expected due to renewed sales growth in all regions

(Million yen)

	FY2025 (Actual)	FY2026 (Plan)	Change	
			Amount	%
Net Sales	73,495	76,500	3,004	4.1%
Operating Profit	8,515	9,430	914	10.7%
Ordinary Profit	9,288	10,050	761	8.2%
Net Profit	6,921	7,320	398	5.8%
(reference) EBITDA	13,938	15,157	1,219	8.7%

\* Net profit refers to profit attributable to owners of parent

\* EBITDA=Operating Profit + Depreciation (including amortization of customer-related assets) + Amortization of goodwill

Currency	FY2025	FY2026	Yr/Yr
1US\$	¥149.28	¥145.00	2.9% Yen up
1RMB	¥20.68	¥20.50	0.9% Yen up
1MYR	¥34.38	¥34.00	1.1% Yen up

# FY2026 Factors Affecting Changes in Operating Profit

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- Profit growth is expected due to increased net sales and improvements in the cost of sales ratio

Increase  
in sales

Improvement  
in cost of sales  
ratio

Increase in  
personnel  
expenses

Impact of Yen  
appreciation

(Million yen)

Profit  
increase

Profit  
decrease

1,519

716

△ 1,272

△ 47

8,515

9,430

FY2025  
Operating Profit

Net Sales  
factors

Cost of Sales  
factors

SG&A expenses  
factors

Effect of  
exchange rate

FY2026  
Operating Profit



# Medium-Term Three-Year Plan (Consolidated)

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T.HASEGAWA  
non-  
consolidated

Expect to **expand sales through the promotion of solution sales** by strengthening collaboration among sales, research, and marketing. Promote the **strengthening of production systems** to meet increasing demand

U.S.

Expect to **increase sales in the savory, health and beverage industries**, while expanding sales channels in the Midwest of the U.S. through synergies with the acquired ABELEI. **Strengthen production systems** by promoting the second plant project

China

**Promote the strengthening of research and production systems.** Further, utilize marketing functions and deepen collaboration among sales, research, and marketing to strengthen sales systems, and tap unentered sectors and potential demand, in order to expand sales

Southeast Asia

Sales are expected to increase **through collaboration between manufacturing and sales bases in Malaysia and Vietnam and sales bases in Thailand and Indonesia**

(Million yen)

	FY25 (Actual)	FY26 (Plan)	FY27 (Plan)	FY28 (Plan)
Net Sales	73,495	76,500	79,500	82,400
Cost of Sales	43,147	44,190	46,400	48,440
Operating Profit	8,515	9,430	9,500	9,600
Ordinary Profit	9,288	10,050	9,860	9,910
Net Profit	6,921	7,320	7,100	7,150
EBITDA	13,938	15,157	15,869	16,377
Exchange Rate	¥149.28/\$ ¥20.68/RMB	¥145.00/\$ ¥20.50/RMB	¥145.00/\$ ¥20.50/RMB	¥145.00/\$ ¥20.50/RMB

Sales Yr/Yr	2.6%	4.1%	3.9%	3.6%
Cost of Sales to Net Sales	58.7%	57.8%	58.4%	58.8%
Operating Profit to Net Sales	11.6%	12.3%	11.9%	11.7%
Ordinary Profit to Net Sales	12.6%	13.1%	12.4%	12.0%
Net Profit to Net Sales	9.4%	9.6%	8.9%	8.7%
EBITDA to Net Sales	19.0%	19.8%	20.0%	19.9%
Overseas net sales as a percentage of consolidated net sales	49.6%	50.3%	50.5%	51.2%

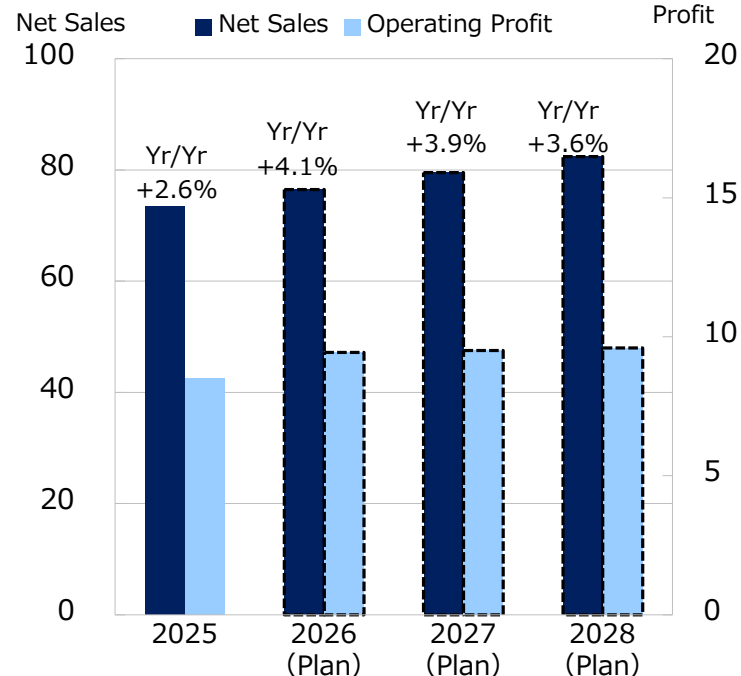
\* The Group's medium-term three-year plan is revised each fiscal year. See page 49 for details

\* Net profit in the table refers to profit attributable to owners of parent

\* Savory: Snacks, dressings, seasonings, and other salty products

Net Sales and Operating Profit of  
T. Hasegawa consolidated

(Billion yen)  
Operating  
Profit



Approx. 36.8 billion yen of capital investment is planned over three years for organic business expansion

## • Major Capital Investments

(Billion yen)

	Location	~FY2025 (Actual)	FY2026 (Plan)	FY2027 (Plan)	FY2028 (Plan)	Three-year Plan Total
DX promotion and IT reform	Japan	2.8	1.9	1.1	1.1	4.1
Fukaya plant	Japan	-	-	3.9	3.9	7.8
U.S. second plant	U.S.	3.5	0.7	0.5	1.2	2.4
China third plant (Pinghu)	China	0.6	2.0	4.5	-	6.5
Malaysia new plant	Southeast Asia	1.3	4.5	0.2	0.1	4.8
Others		-	4.4	3.9	2.9	11.2
Total		-	13.5	14.1	9.2	36.8

## • R&D expenses will be maintained at a level of 8% of consolidated net sales

	FY2025 (Actual)	FY2026 (Plan)	FY2027 (Plan)	FY2028 (Plan)	Three-year Plan Total	(Million yen)
Capital Investment	5,164	13,541	14,146	9,169	36,856	
Depreciation & Amortization	4,226	4,360	4,952	5,360	14,672	
R&D Expenses	5,783	6,010	6,228	6,463	18,701	

# V. Capital Policy

## Basic Policy

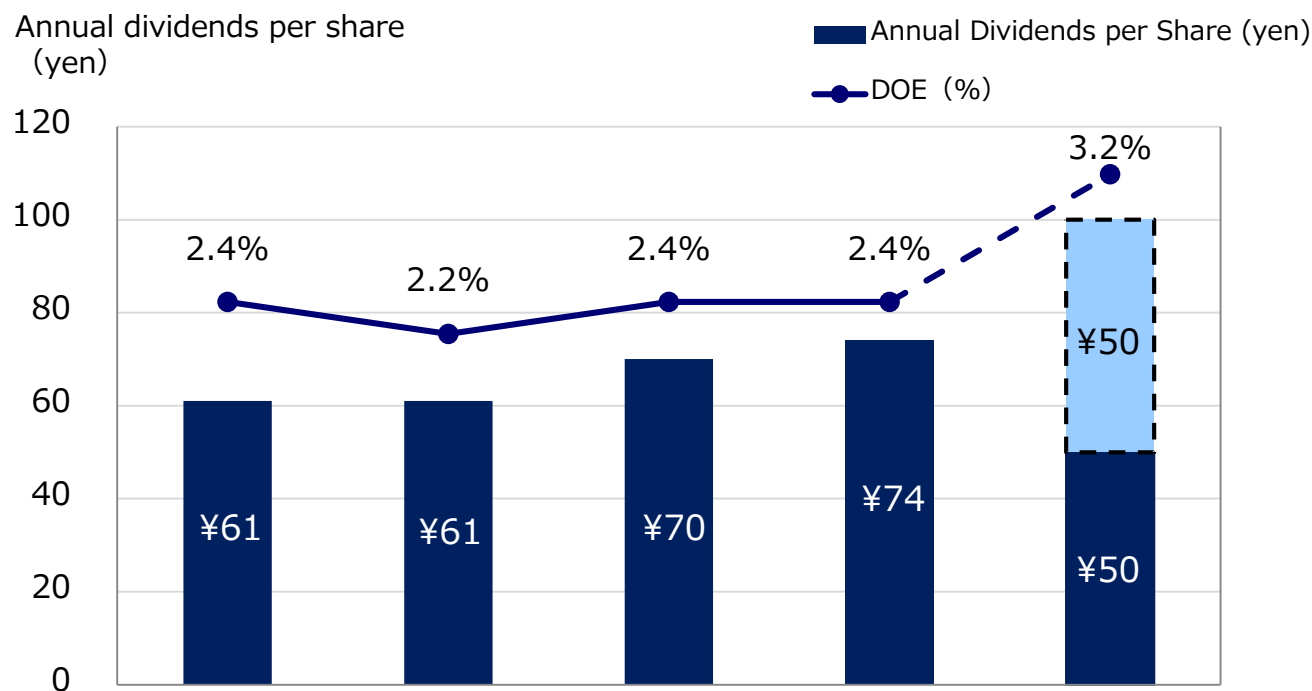
- Maintain a level of shareholders' equity that will enable the company to execute growth investments and appropriately respond to risks, in order to achieve sustainable growth in corporate value and maximize it going forward

## Policy on Use of Funds

- Appropriately use funds, taking into consideration factors such as the maintenance of a sound financial position and enhancement of capital efficiency
- **Dividends**  
Implement the stable return of profits to shareholders, while also securing the necessary internal reserves to further strengthen the Group's management foundations and engage in future business development  
Pay dividends from surplus twice a year as interim and year-end dividends
- **Capital investment**  
Investment to increase production capacity for growth, as well as renewal and maintenance of existing facilities
- **M&A**  
Give active consideration and judge comprehensively from the perspectives of market size, business risk, and acquisition price, etc.  
Achieve M&A with expected synergies in terms of customer networks, technology, human resources, etc.
- **Share buybacks**  
Consider if conditions (PBR etc.) set by the Company are met

## Shareholder Returns

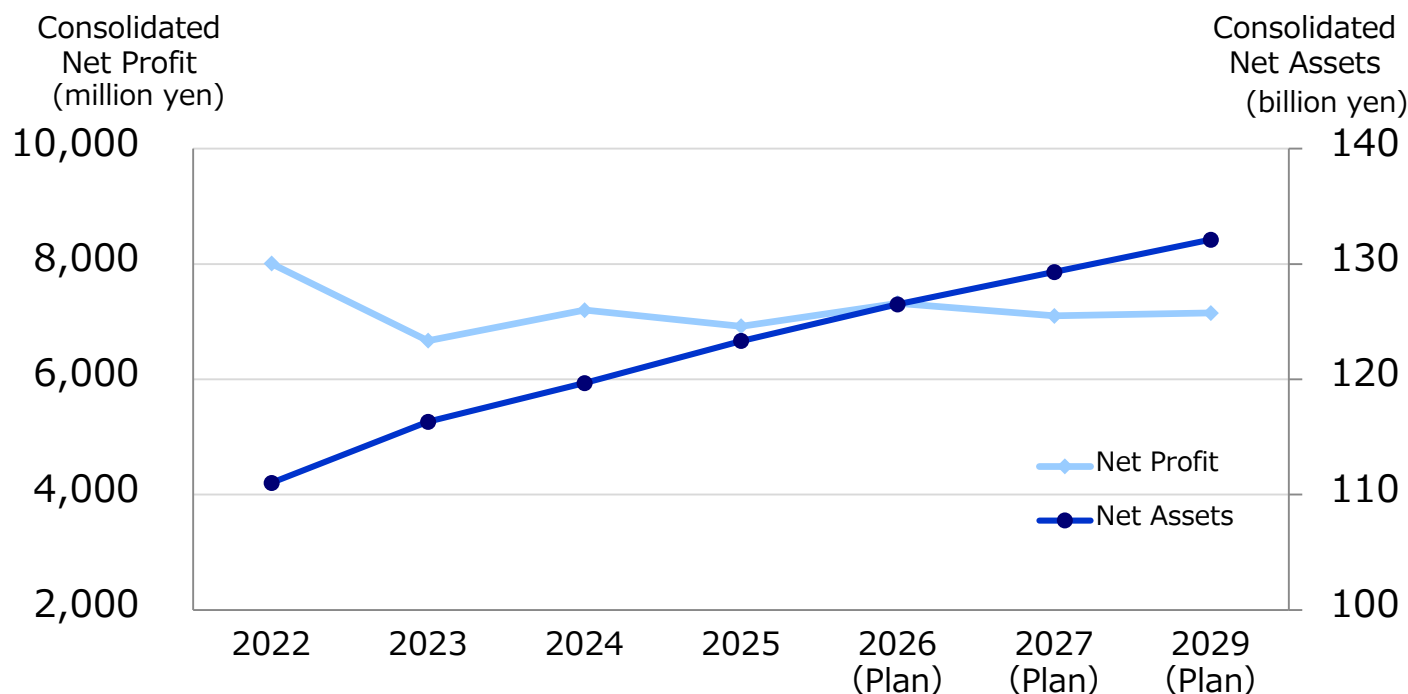
- Revised the dividend policy from the existing consolidated dividend payout ratio of around 40% to provide high level and stable dividends based on a consolidated dividend on equity (DOE) of 3% or more (to apply from the interim dividend for FY2026)
- For FY2026, a dividend increase is expected, with earnings per share projected at 100 yen
- Conducted a share buyback approx. 2.2 billion yen in FY2025



	2022	2023	2024	2025	2026
(reference) Payout Ratio	31.3%	37.6%	40.0%	43.7%	55.3%

## Reason for the change in dividend policy

- As the Company is carrying out large capital investments and M&A for steady future growth, **consolidated net profit will temporarily remain flat due to the impact of depreciation, amortization of goodwill and other expenses**. EBITDA is planned to show steady growth.
- In order to deliver strong returns to our shareholders, we will **change to a dividend policy based on DOE**.
- Plan to increase dividends significantly in FY2026 with policy to provide high-level and stable dividends.



## Investment Securities

- Reduce the total number of shares held from the perspective of improving capital efficiency, etc.
- Each year, the Board of Directors verifies the appropriateness of holding shares from a medium- to long-term perspective, based on the holding purpose, economic rationality, and other factors

- Investment securities sales for FY2025

Reason : Review of investment securities

Gain on sale : 814 million yen (Recorded as extraordinary profit in FY2025)

(Reference)

Ratio of investment securities to consolidated net assets

FY2023	FY2024	FY2025
10.7%	10.0%	8.7%

## Stock-based compensation plan

### 【Changes to the stock-based compensation plan】

We intend to introduce a restricted stock compensation plan in place of the current stock compensation-type stock option plan to provide incentives for directors to hold shares and increase the company's corporate value sustainably, and to promote further value sharing with shareholders.

(Introduction is conditional on approval being passed at the 64th Annual General Meeting of Shareholders to be held on December 18, 2025)

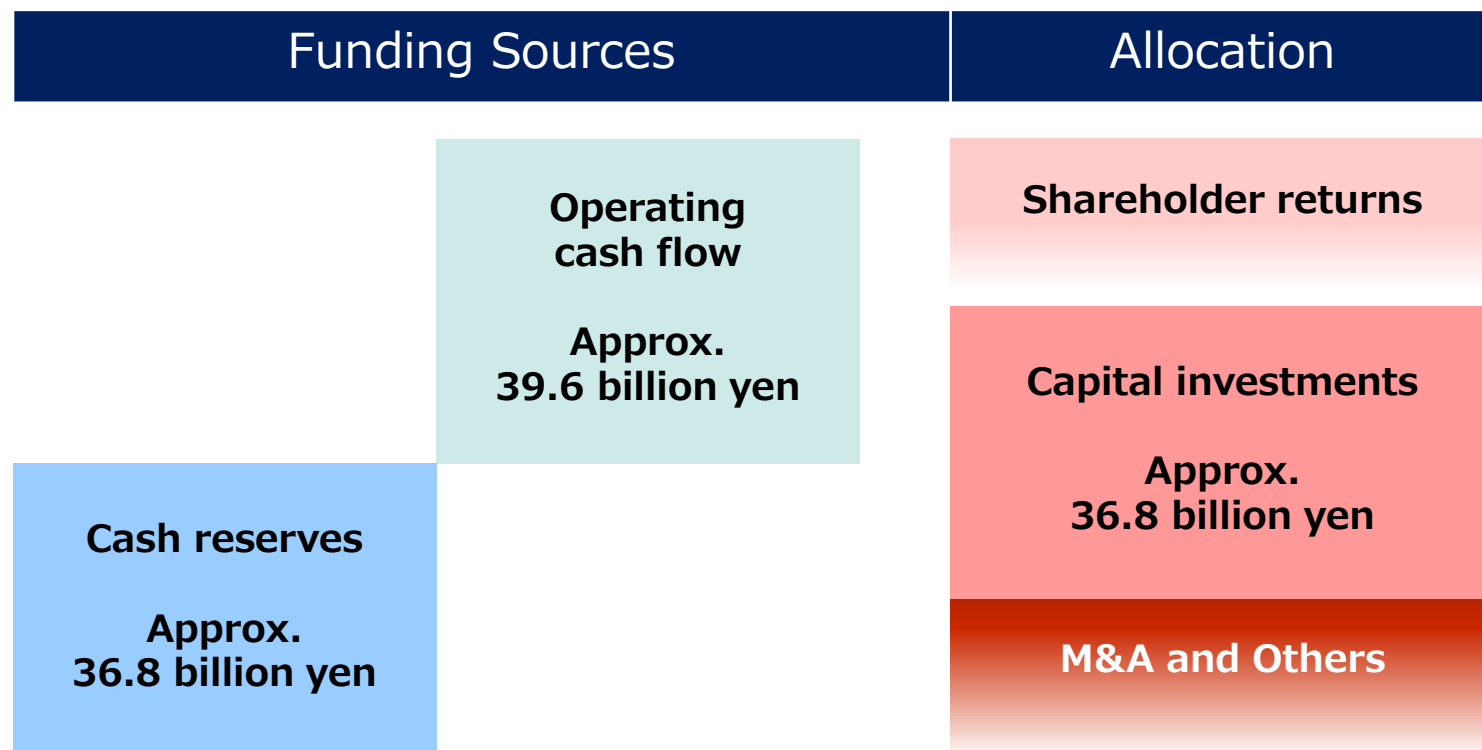
### 【Expansion of officers eligible for the granting of stock-based compensation】

We intend to expand the scope of eligibility for stock-based compensation to include the Company's Senior Vice Presidents, Group Senior Vice Presidents (residents of Japan), and Fellows to further enhance corporate value by granting them the same restricted stock.



## Cash Allocation

Using operating cash flow and cash reserves as funding sources, approximately 36.8 billion yen in capital investments is planned over the three-year period from FY2026 to FY2028. Additionally, funds will be utilized for proactive shareholder returns and M&A activities



\* Operating cash flow : Sum of net profit, depreciation, and amortization of goodwill

\* Cash reserves : Sum of cash and deposits, and marketable securities as of September 30, 2025

# VI. Accompanying Materials



Continue to examine and take improvement measures, considering **human resources as capital**  
⇒ Maximize **the value of human resources to increase the mid- to long-term corporate value**

## Combination of management strategies and HR strategies

- Implement HR system reform  
⇒ Operate HR development and evaluation under the new HR system introduced in FY2023
- Conduct engagement survey  
⇒ Assess the current situation and consider countermeasures

## Promotion of human resource education programs

- Implementation of education programs for overseas human resources  
⇒ Promote the selection and development of talents
- Systematically conduct layer-specific training
- Launch in-house business school
- Conduct OJT and job rotation

## Promote human capital management

## Development of a comfortable work environment

- Conduct a company-wide risk survey  
⇒ Identify human rights-related risks and take a countermeasures
- Consider and introduce various systems to develop a more comfortable work environment (Introduced telecommuting system)
- Promote labor safety and health measures

## Enhancement of disclosure

- Set KPIs for “Human Rights and Labor” in the CSR policy  
⇒ To be disclosed in the Sustainability Report

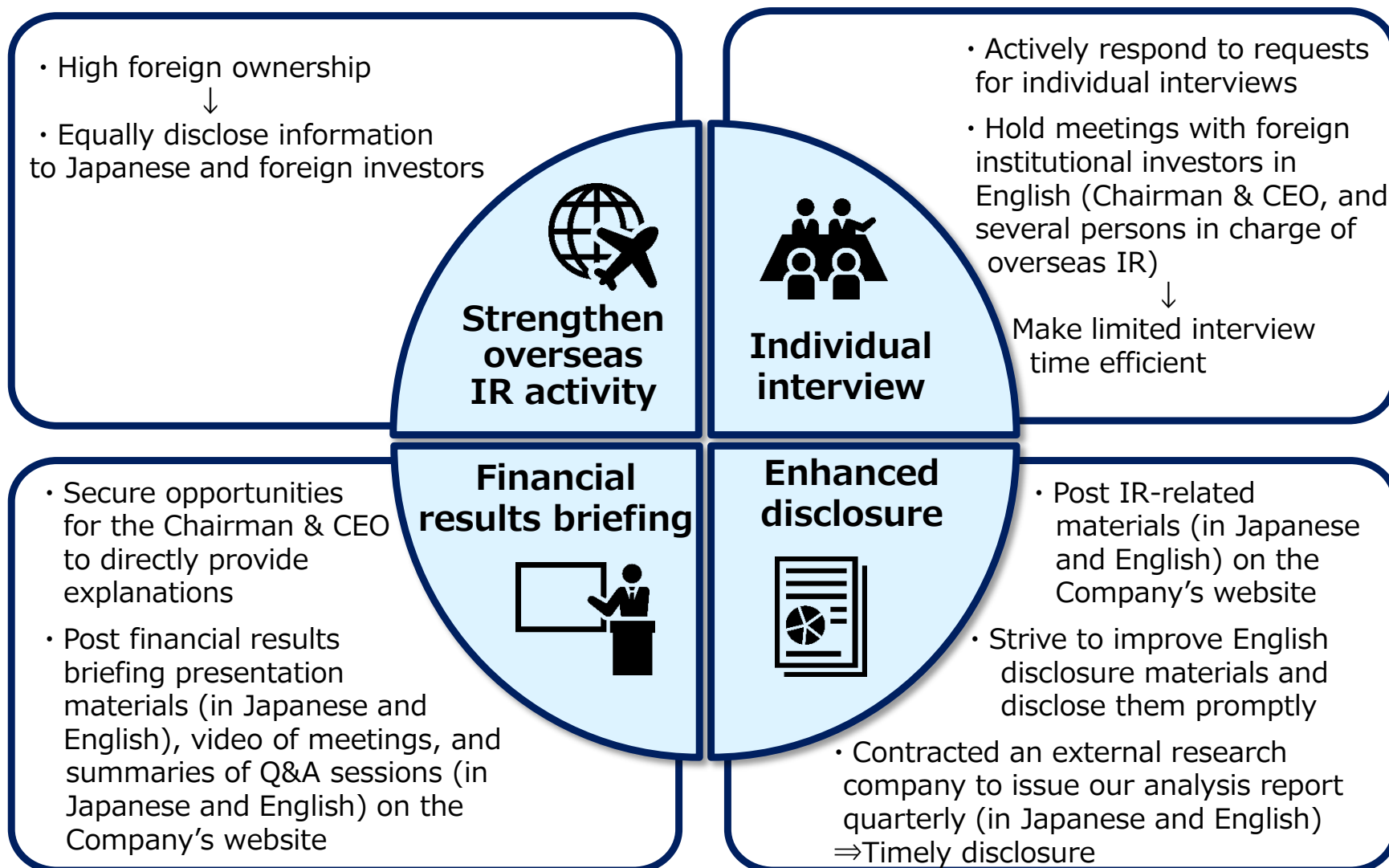
\*KPI

Percentage of women, mid-careers, and foreign employees in managerial positions, and evaluation interviews performed for setting job targets

## Basic Policy

Established IR department in Corporate Planning Division to strengthen IR activities and secured opportunities for proactive dialogues

## The Company's Initiatives



(Million US\$)

	Company name	Country	Sales(2024Yr)	Market Share
1	Givaudan	Switzerland	8,422	21.4%
2	IFF	U.S.	8,311	21.1%
3	dsm-firmenich	Switzerland, Netherlands	7,822	19.8%
4	Symrise	Germany	5,423	13.7%
5	ADM	U.S.	3,944	10.0%
6	Mane SA	France	2,110	5.3%
7	Takasago	Japan	1,294	3.3%
8	Robertet SA	France	854	2.2%
9	Sensient Technologies	U.S.	794	2.0%
10	T.Hasegawa	Japan	476	1.2%
Total			39,449	100.0%

\* Estimated by the Company based on information disclosed by each company

\* Excluding the following segments

dsm-firmenich: Health Nutrition & Care, Animal Nutrition & Health, and Corporate

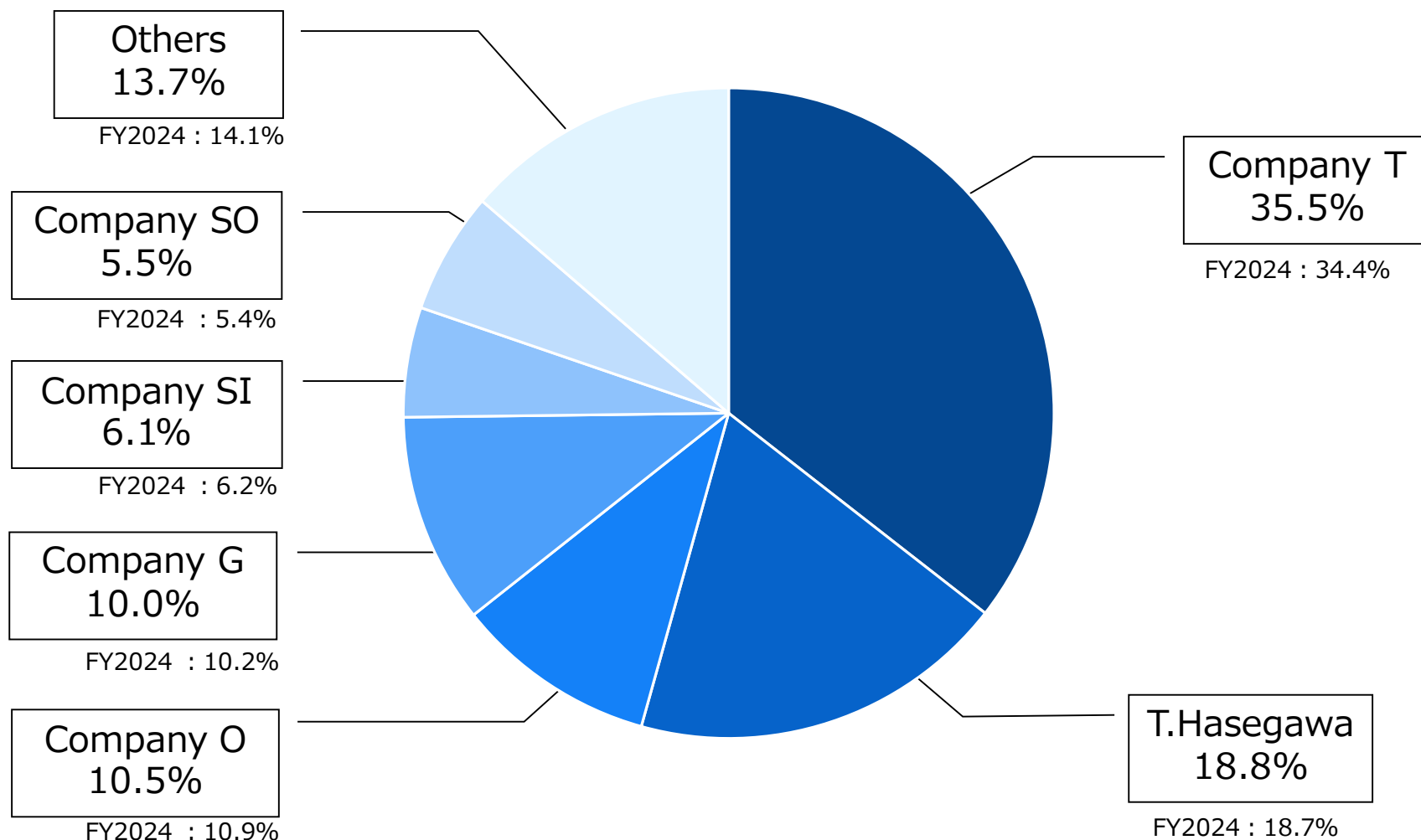
Takasago: Real Estate Segment; Robertet: Les actifs; Sensient Technologies: ColorGroup, AsiaPacificGroup

\* IFF is Nourish Segment and Scent Segment only, also ADM is Human Nutrition only

# Top 10 Companies by Share of Net Sales in the Japanese Flavor and Fragrance Market

38

(As of Mar. 2025)



\* Market shares calculated by taking the total non-consolidated net sales of the top 10 companies as 100, based on data from a private research organization

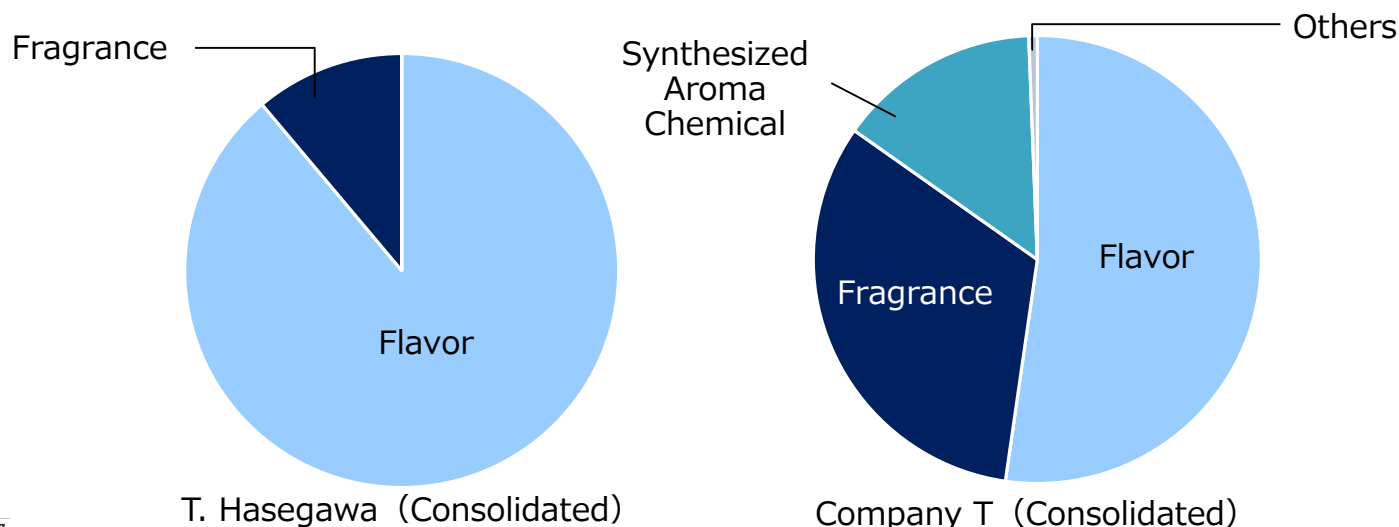
\* The Company's FYE in September; T, SO, and SI in March; and G and O in December  
The Company's net sales in the above graph are calculated for the period from April 2024 to March 2025

- The Company specializes in high value-added compounded flavors and fragrances
- High-mix production: Sales of approximately 12,000 flavors and fragrances per year

	T. Hasegawa (Consolidated)		Company T (Consolidated)	
	FYE in Sep. 2025		FYE in Mar. 2025	
	Sales	Share	Sales	Share
Flavor	65,828	89.6%	119,834	52.3%
Fragrance	7,666	10.4%	74,471	32.5%
Synthesized Aroma Chemical	—	—	33,492	14.6%
Others	—	—	1,408	0.6%
Total	73,495	100.0%	229,207	100.0%
Ratio of gross profit to sales	41.3%		33.8%	
Ratio of operating profit to sales	11.6%		6.7%	

(Million yen)

\*Synthesized Aroma Chemicals for Company T shows the total amount from the aroma ingredients and fine chemicals segments

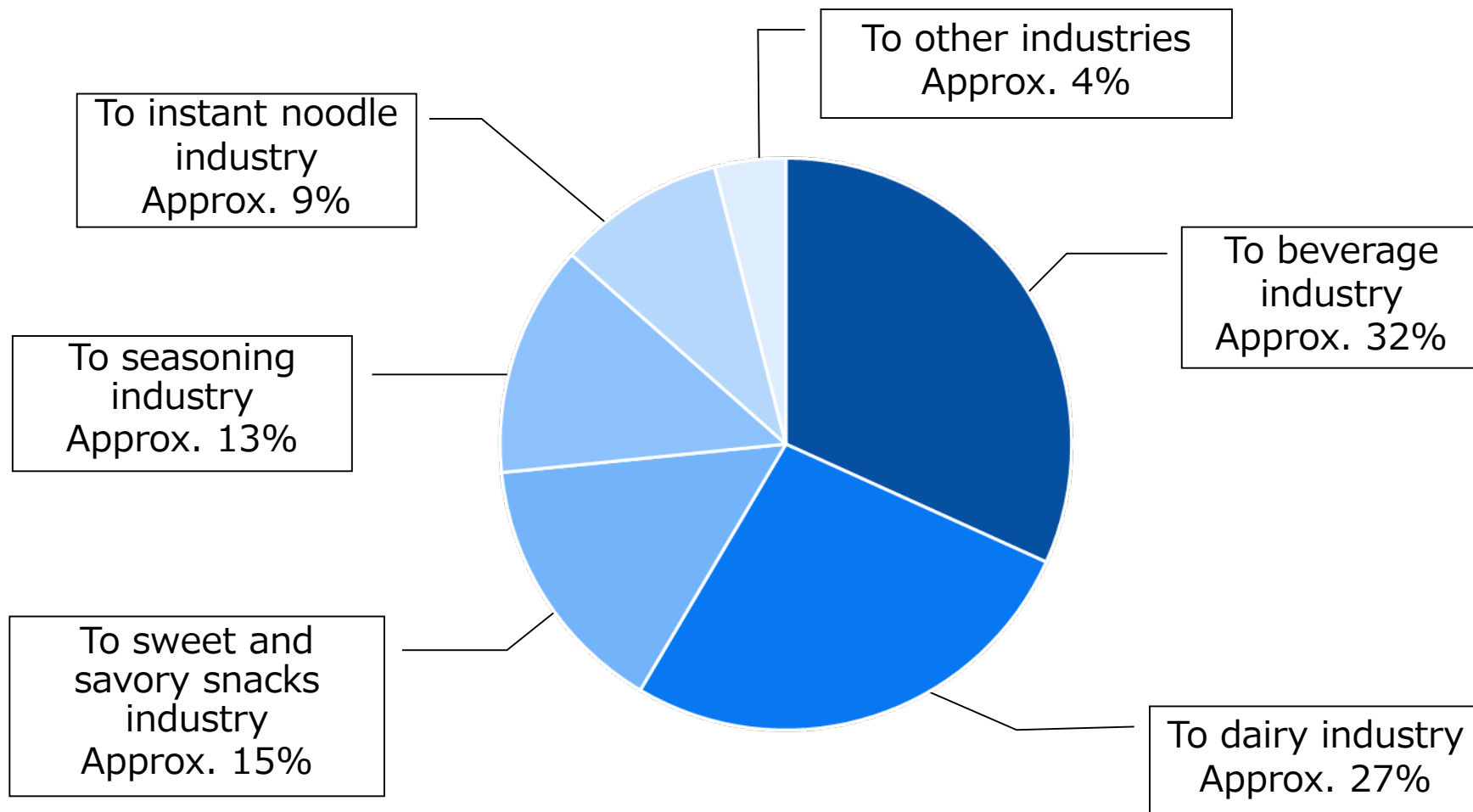




# Breakdown of Flavor Segment Customers by Industry

40

- Many sales are to the beverage industry, and sales are seasonal



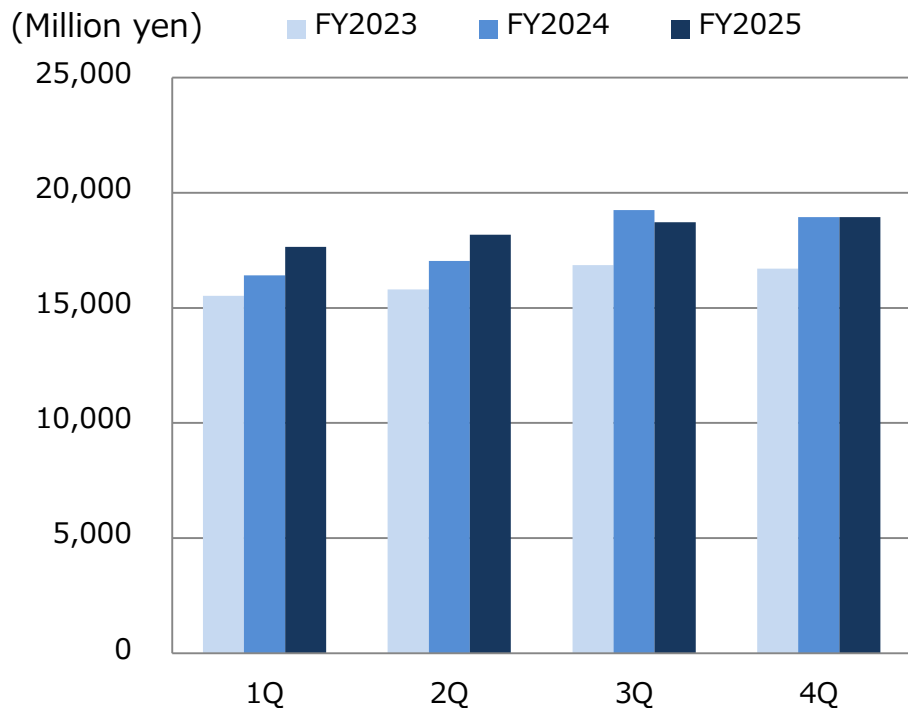
Note: Reference data is calculated by taking the cumulative total net sales (non-consolidated) of customers classifiable by industry for FYE September 2025 as 100

# Trends in Quarterly Net Sales and Operating Profit

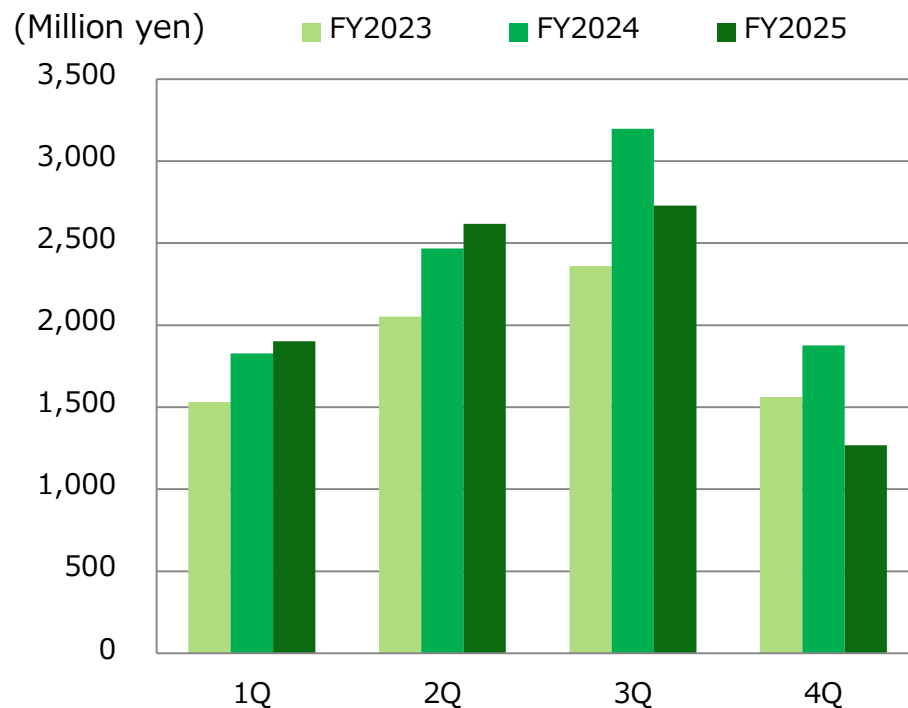
41

- The Company's Sales tends to grow in the second half

## Consolidated Sales for a Quarter



## Consolidated Profit for a Quarter



	1Q	2Q	3Q	4Q
<b>FY2023</b>	15,515	15,798	16,852	16,709
Progress	23.9%	48.3%	74.2%	100%
<b>FY2024</b>	16,414	17,039	19,252	18,939
Progress	22.9%	46.7%	73.6%	100%
<b>FY2025</b>	17,643	18,181	18,724	18,947
Progress	23.7%	48.2%	74.2%	100%

	1Q	2Q	3Q	4Q
<b>FY2023</b>	1,532	2,053	2,360	1,562
Progress	20.4%	47.8%	79.2%	100%
<b>FY2024</b>	1,828	2,467	3,198	1,878
Progress	19.5%	45.8%	80.0%	100%
<b>FY2025</b>	1,901	2,617	2,729	1,267
Progress	22.3%	53.1%	85.1%	100%

(Million yen)

	FY2024 (Actual)		FY2025 (Actual)		Change		Factor
					Amount	%	
Net sales	71,645	100.0%	73,495	100.0%	1,849	2.6%	Sales increased in all segments in Japan, North America, and Asia The net increase from ABELEI, which acquired in the U.S., was 1.6 billion yen
Cost of sales	42,001	58.6%	43,147	58.7%	1,146	2.7%	The cost to sales ratio increased on a non-consolidated basis, but decreased at major subsidiaries in the U.S., China, and Malaysia, resulting in an overall cost to sales ratio almost unchanged from the previous year
Gross profit	29,643	41.4%	30,347	41.3%	703	2.4%	
SG&A expenses	20,272	28.3%	21,832	29.7%	1,559	7.7%	The net increase from the acquisition of ABELEI plus the amortization of goodwill and integration-related expenses totaled 1,024 million yen
Operating profit	9,371	13.1%	8,515	11.6%	△856	△9.1%	
Ordinary profit	9,723	13.6%	9,288	12.6%	△435	△4.5%	(Foreign exchange gains) FY2024: Foreign exchange losses: 171 million yen FY2025: Foreign exchange gains: 98 million yen (Improvement of +270 million yen) *Additionally, interest income and dividend income increased by 75.7 million yen in total
Profit before income taxes	10,170	14.2%	9,794	13.3%	△375	△3.7%	(Extraordinary losses) Loss on valuation of investment securities: 100 million yen Provision settlement payment: 149 million yen
Net profit	7,201	10.1%	6,921	9.4%	△280	△3.9%	

\* Net profit refers to profit attributable to owners of parent

# Analysis of Changes in Consolidated Balance Sheet

43

(Million yen)

	Sep. 30, 2024	Sep. 30, 2025	Change	Factor
Current assets	72,241	74,997	2,755	<ul style="list-style-type: none"> <li>• Increase in cash and deposits 7,458 million yen</li> <li>• Decrease in securities <math>\Delta</math>4,997 million yen</li> </ul>
Non-current assets	72,262	72,154	$\Delta$ 108	<ul style="list-style-type: none"> <li>• Increase in leasehold rights 572 million yen</li> <li>• Increase in software in progress 1,017 million yen</li> <li>• Decrease in goodwill <math>\Delta</math>843 million yen</li> <li>• Decrease in investment securities <math>\Delta</math>1,253 million yen</li> </ul>
Total assets	144,504	147,151	2,646	
Current liabilities	14,771	14,611	$\Delta$ 159	<ul style="list-style-type: none"> <li>• Difference in association with changes in various allowances 438 million yen</li> <li>• Decrease in accounts payable <math>\Delta</math>512 million yen</li> </ul>
Non-current liabilities	10,051	9,215	$\Delta$ 836	<ul style="list-style-type: none"> <li>• Decrease in liabilities related to retirement benefits <math>\Delta</math>902 million yen</li> </ul>
Total liabilities	24,822	23,826	$\Delta$ 996	
Net assets	119,681	123,324	3,643	<ul style="list-style-type: none"> <li>• Net profit 6,921 million yen</li> <li>• Increase in foreign currency translation adjustment 2,223 million yen</li> <li>• Dividends of surplus <math>\Delta</math>3,116 million yen</li> <li>• Purchase of treasury shares <math>\Delta</math>2,238 million yen</li> <li>• Decrease in valuation difference on available-for-sale securities <math>\Delta</math>864 million yen</li> </ul>
Total liabilities and net assets	144,504	147,151	2,646	

# Consolidated Statement of Cash Flows

44

(Million yen)

	FY2024 (Actual)	FY2025 (Actual)	Change	Major items in FY2025
Cash flows from operating activities	13,947	11,247	△ 2,699	<ul style="list-style-type: none"> <li>• Net profit before income taxes 9,794 million yen</li> <li>• Depreciation 4,226 million yen</li> <li>• Decrease in trade receivable 628 million yen</li> <li>• Amortization of goodwill 1,195 million yen</li> <li>• Income taxes paid △3,184 million yen</li> <li>• Increase in inventory △476 million yen</li> <li>• Decrease in provision for bonuses △49 million yen</li> </ul>
Cash flows from investing activities	△ 9,386	△ 6,914	2,471	<ul style="list-style-type: none"> <li>• Net change in time deposits △3,064 million yen</li> <li>• Purchase of property, plant and equipment △2,932 million yen</li> <li>• Purchase of intangible fixed assets △1,700 million yen</li> </ul>
Cash flows from financing activities	△ 2,699	△ 5,489	△ 2,789	<ul style="list-style-type: none"> <li>• Dividends paid △3,113 million yen</li> <li>• Purchase of treasury shares △2,238 million yen</li> </ul>
Effect of exchange rate change on cash and cash equivalents	133	470	337	
Net increase (decrease) in cash and cash equivalents	1,995	△ 684	△ 2,680	
Cash and cash equivalents at beginning of period	29,957	31,952	1,995	
Cash and cash equivalents at end of period	31,952	31,267	△ 684	

(Million yen)

	FY2024 (Actual)		FY2025 (Plan)		FY2025 (Actual)		Change			
	Amount	Share	Amount	Share	Amount	Share	Yr/Yr		Vs Target	
							Amount	%	Amount	%
Net Sales	42,366	100.0%	43,100	100.0%	42,543	100.0%	176	0.4%	△556	△1.3%
Cost of Sales	26,067	61.5%	25,940	60.2%	26,663	62.7%	595	2.3%	723	2.8%
Gross Profit	16,298	38.5%	17,160	39.8%	15,879	37.3%	△418	△2.6%	△1,280	△7.5%
SG&A Expenses	11,383	26.9%	12,090	28.1%	11,942	28.1%	558	4.9%	△147	△1.2%
Operating Profit	4,915	11.6%	5,070	11.8%	3,937	9.3%	△977	△19.9%	△1,132	△22.3%
Ordinary Profit	9,541	22.5%	10,520	24.4%	9,656	22.7%	115	1.2%	△863	△8.2%
Profit Before Income Taxes	10,006	23.6%	10,800	25.1%	10,321	24.3%	314	3.1%	△478	△4.4%
Net Profit	8,003	18.9%	8,740	20.3%	8,453	19.9%	450	5.6%	△286	△3.3%

- Sales increased in the flavor and decreased in fragrance business
- The cost of sales ratio deteriorated due to increased sales and changes in the product mix
- SG&A expenses increased mainly due to an increase in personnel costs

# Consolidated U.S. subsidiary (Actual)

46

\*Statement of profit of T. HASEGAWA U.S.A., INC .

(Million yen)

Yen Basis	FY2024		FY2025		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	15,146	100.0%	15,896	100.0%	750	5.0%
Cost of Sales	9,387	62.0%	9,718	61.1%	330	3.5%
Gross Profit	5,759	38.0%	6,178	38.9%	419	7.3%
SG&A Expenses	5,428	35.8%	6,467	40.7%	1,038	19.1%
Operating Profit	330	2.2%	△288	-	△618	-
Ordinary Profit	431	2.8%	△147	-	△578	-
Net Profit	343	2.3%	△267	-	△611	-

1US\$=¥150.44

1US\$=¥149.28

(Yen up 0.8%)

(Thousand US\$)

US\$ Basis	FY2024		FY2025		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	100,680	100.0%	106,490	100.0%	5,809	5.8%
Cost of Sales	62,399	62.0%	65,099	61.1%	2,699	4.3%
Gross Profit	38,281	38.0%	41,391	38.9%	3,110	8.1%
SG&A Expenses	36,087	35.8%	43,326	40.7%	7,239	20.1%
Operating Profit	2,193	2.2%	△ 1,935	-	△ 4,129	-
Ordinary Profit	2,865	2.8%	△ 985	-	△ 3,850	-
Net Profit	2,283	2.3%	△ 1,795	-	△ 4,078	-

- While the commencement of the consolidation of ABELEI contributed to net sales, SG&A expenses increased due to the increases in personnel costs and amortization of goodwill, resulting in the posting of an operating loss
- While ABELEI's performance were strong, the U.S. market stagnated, resulting in lower sales and profits for all but ABELEI's portion

# Consolidated Chinese Subsidiaries (Actual)

47

\*Consolidated statements of profit of the Company's three consolidated subsidiaries in China (T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD., T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD., and T. HASEGAWA FLAVOURS (PINGHU) CO., LTD. )

(Million yen)

Yen Basis	FY2024		FY2025		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	12,009	100.0%	12,586	100.0%	577	4.8%
Cost of Sales	6,256	52.1%	6,367	50.6%	111	1.8%
Gross Profit	5,753	47.9%	6,218	49.4%	465	8.1%
SG&A Expenses	2,354	19.6%	2,273	18.1%	△81	△3.5%
Operating Profit	3,398	28.3%	3,945	31.3%	547	16.1%
Ordinary Profit	3,515	29.3%	4,065	32.3%	550	15.7%
Net Profit	2,628	21.9%	3,065	24.4%	437	16.7%

1RMB=¥20.84

1RMB=¥20.68

Yen up 0.8%

(Thousand RMB)

RMB Basis	FY2024		FY2025		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	576,276	100.0%	608,636	100.0%	32,360	5.6%
Cost of Sales	300,209	52.1%	307,917	50.6%	7,707	2.6%
Gross Profit	276,066	47.9%	300,719	49.4%	24,652	8.9%
SG&A Expenses	112,992	19.6%	109,924	18.1%	△3,067	△2.7%
Operating Profit	163,074	28.3%	190,794	31.3%	27,720	17.0%
Ordinary Profit	168,674	29.3%	196,608	32.3%	27,934	16.6%
Net Profit	126,112	21.9%	148,250	24.4%	22,138	17.6%

- Sales increased due to the strong performance of the flavor business, particularly for beverages
- Operating profit increased significantly by 17.0% (on a local currency basis) due to increased sales and improvement of the cost of sales ratio and SG&A ratio



\* Statement of profit of T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD.

(Million yen)

Yen Basis	FY2024		FY2025		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	2,130	100.0%	2,291	100.0%	161	7.6%
Cost of Sales	1,151	54.1%	1,159	50.6%	7	0.7%
Gross Profit	978	45.9%	1,132	49.4%	153	15.7%
SG&A Expenses	559	26.2%	661	28.9%	102	18.3%
Operating Profit	419	19.7%	470	20.5%	51	12.3%
Ordinary Profit	386	18.1%	551	24.1%	165	42.9%
Net Profit	288	13.6%	413	18.0%	124	43.2%

1MYR=¥32.37

1MYR=¥34.38

Yen down 6.2%

(Thousand MYR)

MYR Basis	FY2024		FY2025		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	65,808	100.0%	66,658	100.0%	850	1.3%
Cost of Sales	35,585	54.1%	33,726	50.6%	△1,858	△5.2%
Gross Profit	30,222	45.9%	32,931	49.4%	2,709	9.0%
SG&A Expenses	17,270	26.2%	19,239	28.9%	1,968	11.4%
Operating Profit	12,951	19.7%	13,692	20.5%	740	5.7%
Ordinary Profit	11,931	18.1%	16,050	24.1%	4,119	34.5%
Net Profit	8,924	13.6%	12,031	18.0%	3,106	34.8%

- Net sales increased mainly due to increased sales to Southeast Asia (Indonesia, etc.)
- Cost of sales ratio improved due to product mix by increasing sales of high-margin products. Operating profit increased by double digits.

# Medium-Term Three-Year Plan (Consolidated)

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(Million yen)

	FY2025 (Actual)			FY2026 (Plan)			FY2027 (Plan)			FY2028 (Plan)		
	Amount	Share	Yr/Yr	Amount	Share	Yr/Yr	Amount	Share	Yr/Yr	Amount	Share	Yr/Yr
Net Sales	73,495	100.0%	2.6%	76,500	100.0%	4.1%	79,500	100.0%	3.9%	82,400	100.0%	3.6%
Cost of Sales	43,147	58.7%	2.7%	44,190	57.8%	2.4%	46,400	58.4%	5.0%	48,440	58.8%	4.4%
Gross Profit	30,347	41.3%	2.4%	32,310	42.2%	6.5%	33,100	41.6%	2.4%	33,960	41.2%	2.6%
SG&A Expenses	21,832	29.7%	7.7%	22,880	29.9%	4.8%	23,600	29.7%	3.1%	24,360	29.6%	3.2%
Operating Profit	8,515	11.6%	△9.1%	9,430	12.3%	10.7%	9,500	11.9%	0.7%	9,600	11.7%	1.1%
Ordinary Profit	9,288	12.6%	△4.5%	10,050	13.1%	8.2%	9,860	12.4%	△1.9%	9,910	12.0%	0.5%
Profit Before Income Taxes	9,794	13.3%	△3.7%	10,350	13.5%	5.7%	10,220	12.9%	△1.3%	10,270	12.5%	0.5%
Net Profit	6,921	9.4%	△3.9%	7,320	9.6%	5.8%	7,100	8.9%	△3.0%	7,150	8.7%	0.7%

\* Net profit in the table refers to profit attributable to owners of parent

This presentation is based on data as of November 20, 2025, and was created with the intention of providing information on future management plans and results for the fiscal year ending September 30, 2025.

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