

Translation — Original text in Japanese



**FY03/2026**

**(April 1, 2025 to March 31, 2026)**

## **Financial Results Materials**

**(Highlights)**

**April 28, 2026**

**CHORI CO., LTD.**

# Key Points of the Summary

## POINT

### The Final Fiscal Year of the Medium-Term Management Plan, Chori Innovation Plan 2025 (CIP2025)

- While net sales fell short of the plan, net profit attributable to owners of parent, ROE, and other key indicators met the targets.
- Profitability improved through the promotion of high value-added businesses, resulting in an increase in the gross profit margin.
- Stable operation of SAP was established, and preparations for data-driven management steadily progressed.

## Business results summary

- **Net sales and profit decreased YoY.**
- **Owing to a decrease in income tax expenses, net profit attributable to owners of parent increased.**

## Capital efficiency

- **ROE<sup>\*1</sup> 12.4% CIP2025 achieved.**
- **ROIC<sup>\*2</sup> 11.1% CIP2025 achieved.**

\*1: Net profit attributable to owners of parent basis

\*2: ROIC = Operating profit after income taxes / Invested capital (Equity + Interest-bearing debt) average during the period

## Dividends

- **The year-end dividend increased from the dividend forecast. Continued dividend increase.**

Year-end dividend ¥75 per share (Dividend increase of ¥3 per share from the dividend forecast)

Annual dividend ¥147 per share (Dividend increase of ¥5 per share from the payment for the year ended March 31, 2025)

Consolidated dividend payout ratio: 30.2% Dividend on shareholders' equity (DOE) ratio: 4.1%

## Topics

- **Disclosed the new Medium-Term Management Plan, Chori Innovation Plan 2028 (CIP2028).**

# Business Results Breakdown (YoY Comparison)

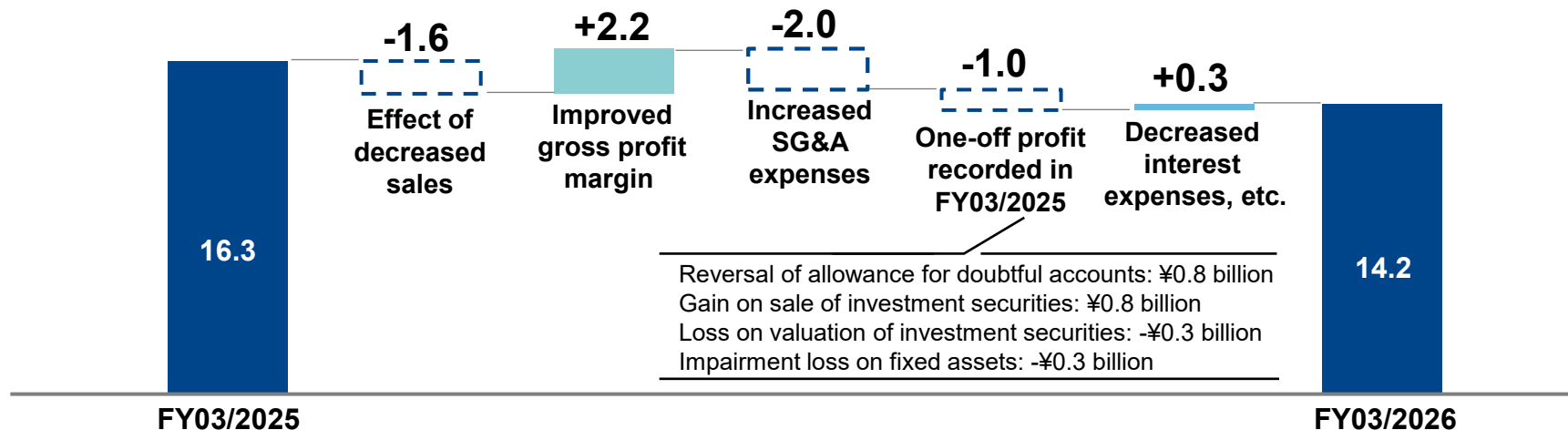
## POINT

- The Japanese economy continues to show a moderate recovery trend, with stable employment and income conditions. The outlook for the global economy is uncertain due to factors such as sluggish growth in domestic demand in China and the deteriorating of the situation in the Middle East.
- Overall sales remained sluggish, resulting in a decline in net sales. Although gross profit increased due to improved profitability, operating profit declined due to the inability to absorb an increase in SG&A expenses, including increased personnel and system-related costs. Income taxes decreased due to the dissolution and debt forgiveness of a consolidated subsidiary, resulting in an increase in net profit attributable to owners of parent.

	Unit: billions of yen			
	FY03/2025	FY03/2026	Difference	Ratio
Net sales	311.5	299.3	-12.3	-3.9%
Gross profit	40.5	41.1	+0.6	+1.5%
Selling, general and administrative expenses	26.0	28.1	+2.0	+7.9%
Operating profit	14.5	13.1	-1.4	-9.9%
Ordinary profit	16.2	14.2	-2.0	-12.4%
Profit before income taxes	16.3	14.2	-2.1	-13.0%
Net profit attributable to owners of parent	11.7	12.0	+0.4	+3.0%

## Reasons for Changes in Profit before Income Taxes

Unit: billions of yen



## Trends in Business Performance

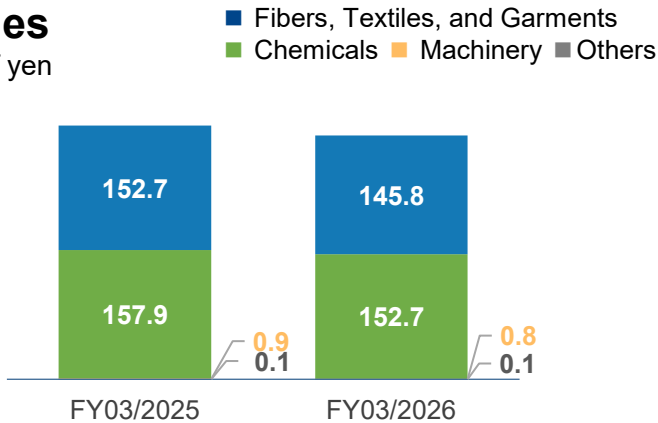
	FY03/2025					FY03/2026				
	1Q	2Q	3Q	4Q	Full-year total	1Q	2Q	3Q	4Q	Full-year total
Net sales	77.0	77.5	75.8	81.3	311.5	71.6	73.4	76.6	77.7	299.3
Profit (loss) before income taxes	5.6	3.7	3.4	3.6	16.3	3.2	3.6	3.9	3.4	14.2
Fibers, Textiles, and Garments	2.6	1.8	1.7	1.6	7.7	1.5	1.8	1.9	1.9	7.1
Chemicals	2.8	1.8	2.2	2.2	8.9	2.0	1.9	2.2	1.8	8.0
Machinery	0.1	0.2	0.1	0.2	0.6	0.1	0.1	0.1	0.1	0.3
Others*	0.1	-0.0	-0.6	-0.4	-0.9	-0.4	-0.2	-0.2	-0.4	-1.2
Net profit attributable to owners of parent	4.2	2.9	2.1	2.5	11.7	2.5	2.6	2.5	4.4	12.0

\*\*"Others" includes adjustments.

# Segment Results

## Net sales

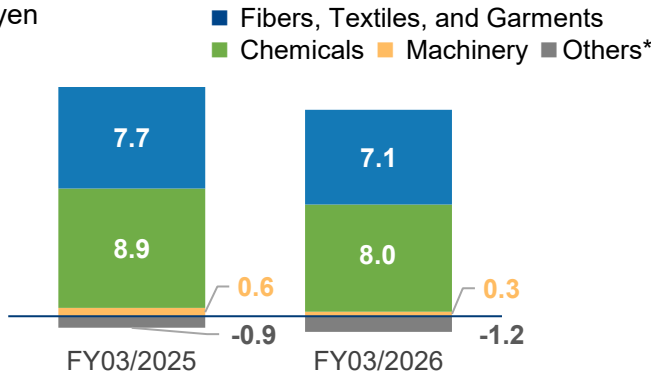
Unit: billions of yen



	FY03/2025	FY03/2026	Difference
Fibers, Textiles, and Garments	152.7	145.8	-7.0
Chemicals	157.9	152.7	-5.2
Machinery	0.9	0.8	-0.1
Others	0.1	0.1	-0.0
<b>Total</b>	<b>311.5</b>	<b>299.3</b>	<b>-12.3</b>

## Profit (loss) before income taxes

Unit: billions of yen



	FY03/2025	FY03/2026	Difference
Fibers, Textiles, and Garments	7.7	7.1	-0.6
Chemicals	8.9	8.0	-0.9
Machinery	0.6	0.3	-0.3
Others*	-0.9	-1.2	-0.3
<b>Total</b>	<b>16.3</b>	<b>14.2</b>	<b>-2.1</b>

\*\*“Others” includes adjustments.

### Fibers, Textiles, and Garments

Decreased sales and profit

**Steady**

Career Apparel & Workwear

**Sluggish**

Industrial textiles  
Textile sales to the Middle East  
Apparel

### Chemicals

Decreased sales and profit

**Steady**

Inorganic Fine Materials  
Fine chemicals

**Sluggish**

Performance chemicals

**Decreased**

Absence of the reversal of  
allowance for doubtful  
accounts

### Machinery

Decreased sales and profit

**Sluggish**

Automotive sales for Europe

# Net Sales by Operation

## POINT

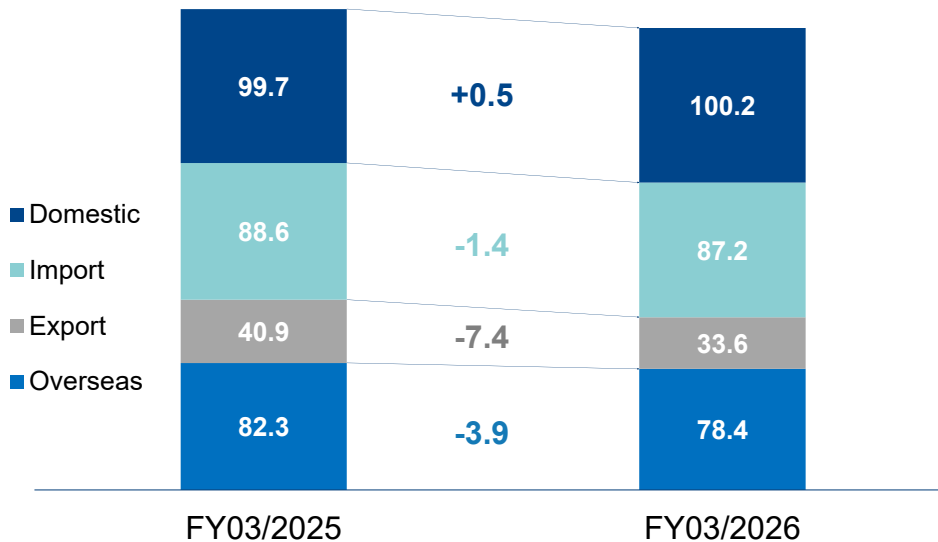
- Overseas sales (export and overseas) decreased due to weak market conditions, including the inflow of low-priced products from China in the Chemicals business.
- Trade ratio: 66.5% 1.5pt decrease YoY

Unit: billions of yen

<b>Net sales</b>	<b>311.5</b>	<b>Net sales</b>	<b>299.3</b>
<b>Overseas transactions</b>	<b>211.8</b>	<b>Overseas transactions</b>	<b>199.1</b>
<b>Trade ratio</b>	<b>68.0%</b>	<b>Trade ratio</b>	<b>66.5%</b>



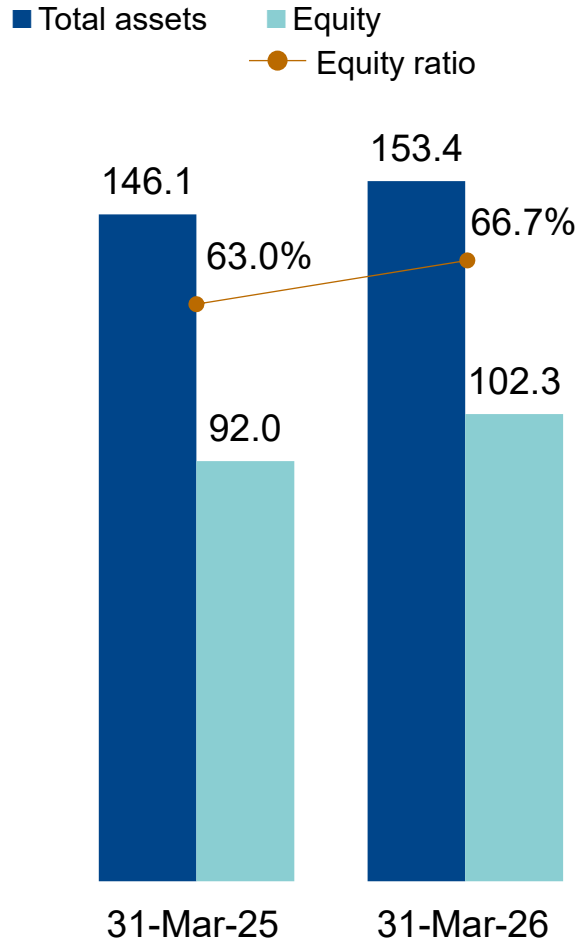
<b>Net sales</b>	<b>-12.3</b>
<b>Overseas transactions</b>	<b>-12.7</b>
<b>Trade ratio</b>	<b>-1.5pt</b>



Domestic sales	Amount of domestic sales from domestic suppliers
<b>Overseas transactions</b>	
Import sales	Amount of net sales from overseas to Japan
Export sales	Amount of net sales from Japan to overseas
Overseas sales	Amount of net sales from overseas business

# Financial Position

Unit: billions of yen



## Financial soundness

	31-Mar-25	31-Mar-26	Difference
Total assets	146.1	153.4	+7.3
Equity	92.0	102.3	+10.3
Equity ratio	63.0%	66.7%	+3.7pt

## Profitability/Capital efficiency

	31-Mar-25	31-Mar-26	Difference
ROA <sup>*1</sup>	8.1%	8.0%	-0.1pt
ROE <sup>*1</sup>	13.4%	12.4%	-1.0pt
ROIC <sup>*2</sup>	11.1%	11.1%	+0.0pt
(Reference) ROA (Ordinary profit basis)	11.2%	9.5%	-1.7pt

\*1: Net profit attributable to owners of parent basis

\*2: ROIC = Operating profit after income taxes

/ Invested capital (Equity + Interest-bearing debt) average during the period

## Cash Flows

## POINT

- Operating activities: Provided ¥11.5 billion due to profit before income taxes (+¥14.2 billion), the payment of income taxes (-¥4.7 billion) and others
- Investing activities: Used ¥1.8 billion due to purchase of property, plant and equipment and intangible assets (-¥1.0 billion) and others
- Financing activities: Used ¥5.0 billion due to dividend payments (-¥3.8 billion) and others

(+: cash in, -: cash out)

Unit: billions of yen

	FY03/2025	FY03/2026	Difference
Cash flows from operating activities	7.1	11.5	+4.4
Cash flows from investing activities	-1.0	-1.8	-0.8
Cash flows from financing activities	-4.8	-5.0	-0.2
Effect of exchange rate change on cash and cash equivalents	0.8	0.3	-0.5
Total cash flows	2.1	5.0	+2.9
Cash and cash equivalents at end of period	23.2	28.2	+5.0

## POINT

- Launched the new Medium-Term Management Plan, Chori Innovation Plan 2028 (CIP2028). Promoting its basic policy Advancing Expertise, Globalization, and Strategic Business Investment to realize a Trading Company That Continues to Be Chosen.
- For FY03/2027, both net sales and profits are expected to increase YoY. Net profit attributable to owners of parent is expected to decrease due to the absence of the decline in income tax expenses recorded in FY03/2026.

Unit: billions of yen		FY03/2026 Result	FY03/2027 Forecast	Difference	Ratio	FY03/2029 Plan
Net sales		299.3	320.0	+20.7	+6.9%	350.0
	Fibers, Textiles, and Garments	145.8	155.0	+9.2	+6.3%	165.0
	Chemicals	152.7	164.5	+11.8	+7.8%	184.5
	Others	0.9	0.5	-0.4	—	0.5
Operating profit		13.1	14.5	+1.4	+11.1%	17.5
	Fibers, Textiles, and Garments	7.2	7.5	+0.3	+4.0%	9.0
	Chemicals	7.5	8.0	+0.5	+7.0%	10.0
	Others*	-1.6	-1.0	+0.6	—	-1.5
Net profit attributable to owners of parent		12.0	10.5	-1.5	-12.6%	—

\* "Others" includes adjustments.

# Dividend

## Dividend policy

From FY03/2027, the dividend policy has been revised to a consolidated dividend payout ratio of 40% or more\* and a dividend on equity (DOE) ratio based on net assets of 3.5% or more.

\* Raised from a consolidated dividend payout ratio of 30% or more.

## FY03/2026 Year-end dividend

Based on the FY03/2026 consolidated results, the year-end dividend will be ¥75 per share, an increase of ¥3 per share from the previous forecast of ¥72 per share. Combined with the interim dividend of ¥72 per share, the annual dividend is ¥147 per share (dividend increase of ¥5 per share from the payment for the year ended March 31, 2025).

## FY03/2027 Dividend forecast

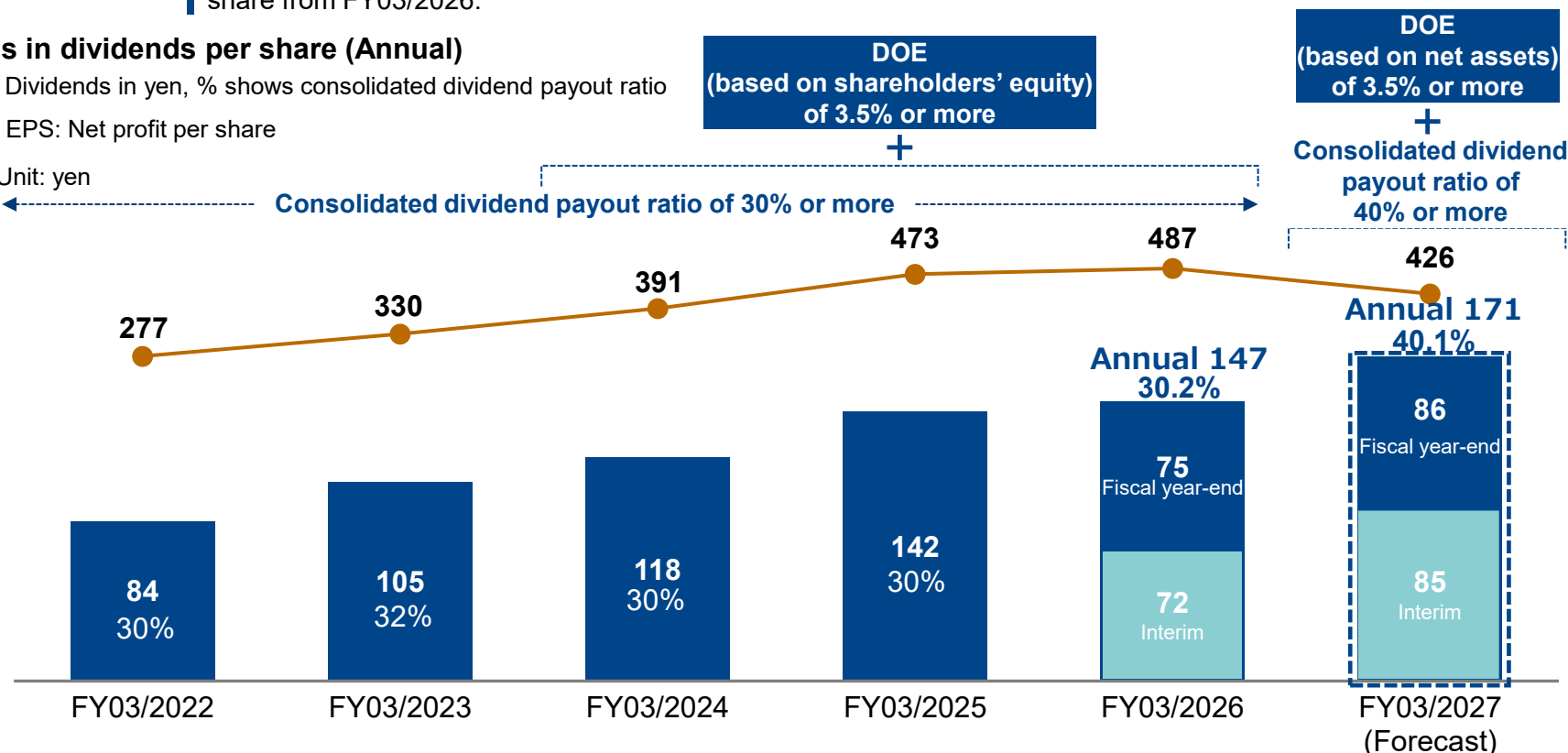
Based on the full-year business results forecast and the dividend policy above, the annual dividend forecast is ¥171 per share (interim dividend of ¥85 per share, year-end dividend of ¥86 per share), an increase of ¥24 per share from FY03/2026.

## Trends in dividends per share (Annual)

■ Dividends in yen, % shows consolidated dividend payout ratio

— EPS: Net profit per share

Unit: yen





**Making your dreams come true**

**CHORI CO.,LTD.**

Forecasts of operational performance, as well as future predictions described in this document, were prepared based on information available as of the day on which this document was released. This document in no way guarantees the condition and operational performance of the Company in the future.