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Driven.***

**Financial Results Briefing Material for the  
Fiscal Year Ended March 31, 2026**

**May 18, 2026**

**BANDO CHEMICAL INDUSTRIES, LTD.**



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# I . Financial Results for the Fiscal Year Ended March 31, 2026

# Financial Highlight

(Unit : Million Yen, % )

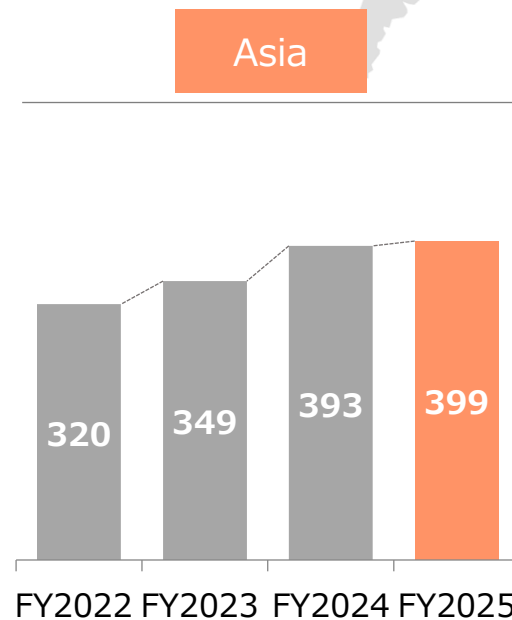
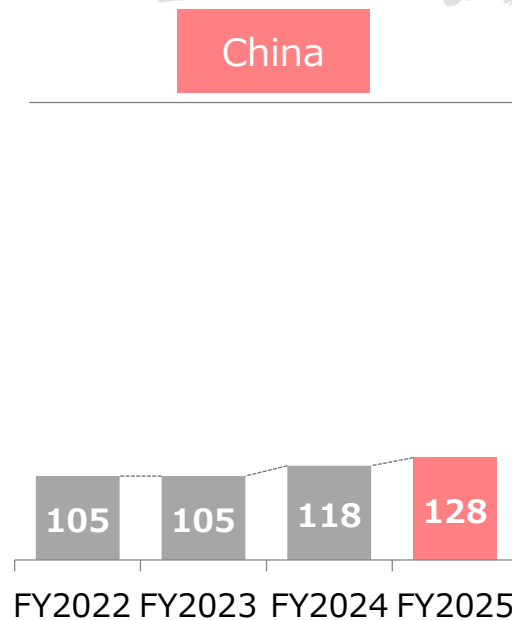
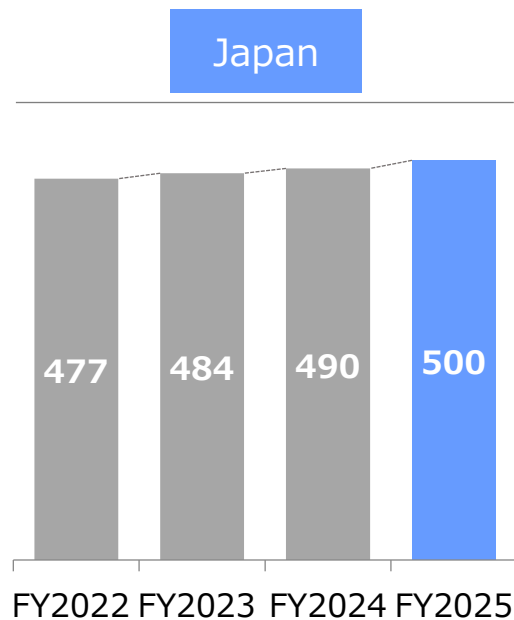
	FY2024			FY2025		
	Result	Result	Change	Forecast	Achieved ratio	
Revenue	115,593	<b>119,257</b>	+3,664	117,000	101.9%	
Core Operating Profit	7,743	<b>9,551</b>	+1,807	8,200	116.5%	
Operating Profit	3,480	<b>12,073</b>	+8,592	10,500	115.0%	
Profit attributable to owners of parent	1,496	<b>10,568</b>	+9,071	7,400	142.8%	
Return on Equity	1.8%	<b>12.1%</b>	+10.3ppt	-	-	
Exchange rate	U S D	152.57	151.06	-	145.00	-
	T H B	4.40	4.68	-	4.40	-
	C N Y	21.13	21.35	-	20.00	-

- Revenue, core operating profit, operating Profit, profit attributable to owners of parent reached a new record high
- Operating profit increased significantly due to the absence of impairment losses related to consolidated subsidiaries recorded in the previous fiscal year and the recognition of insurance claim income of ¥1,524 million for the hail damage that occurred at its Kakogawa Plant in the current fiscal year
- Profit attributable to owners of parent increased due to a reduction of deferred tax expenses of ¥1,228 million

# Revenue by Area for FY2025



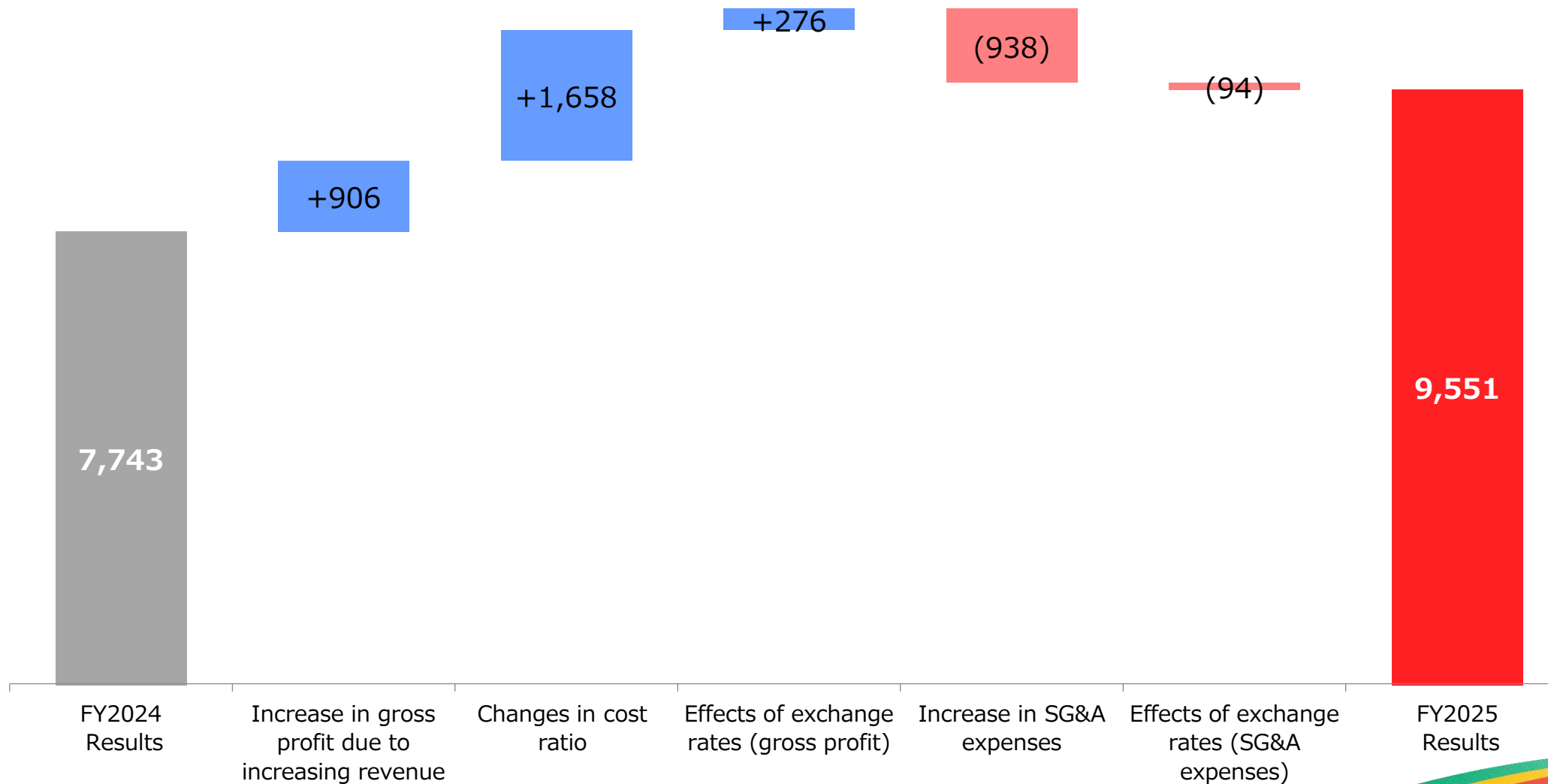
(Unit : 100 Millions Yen)



(※) The above amount was after the elimination of intersegment transactions.

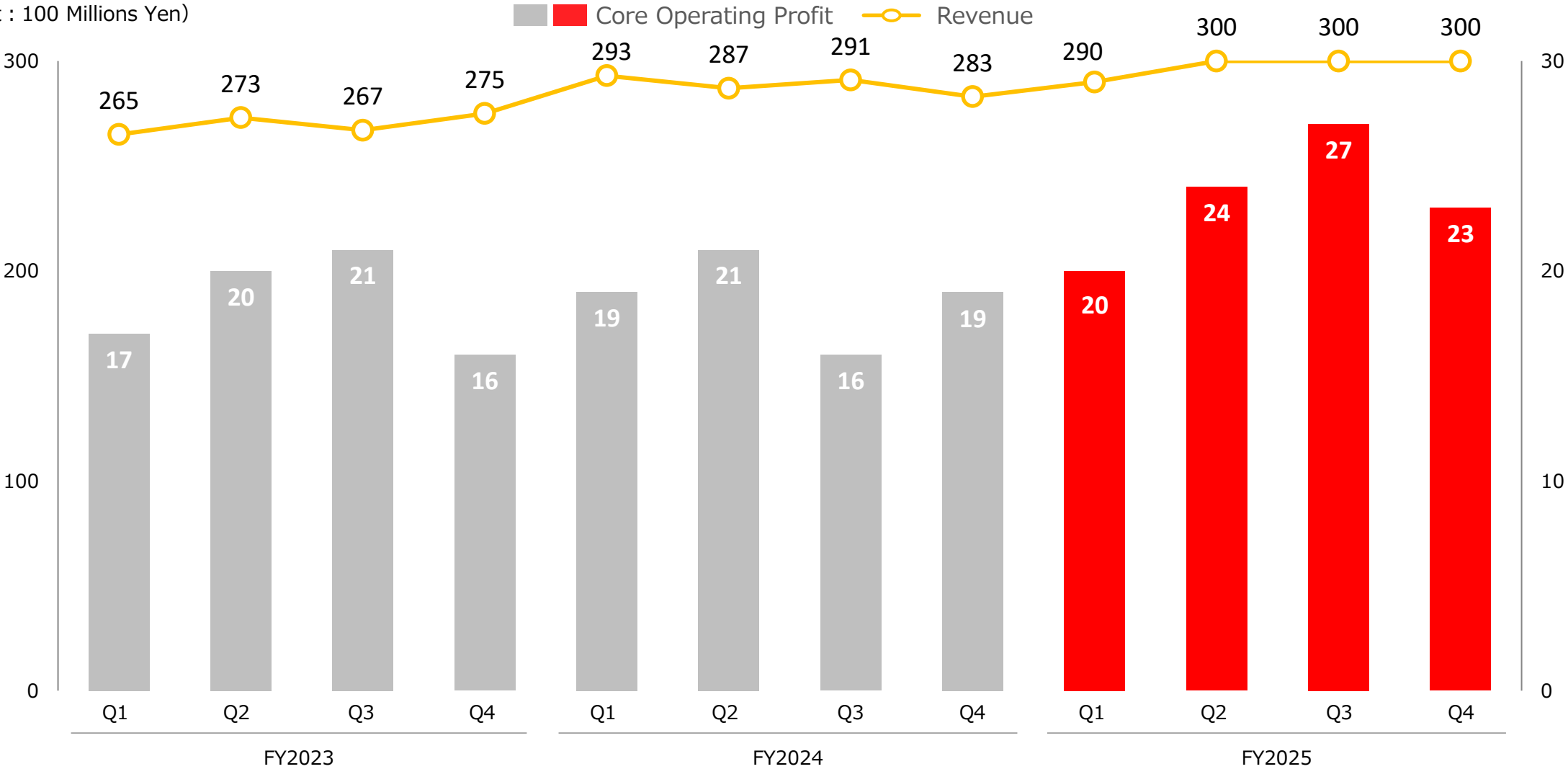
# Analysis of Core Operating Profit

(Unit : Million Yen)



# Quarterly Operating Results (Revenue and Core Operating Profit)

(Unit : 100 Millions Yen)



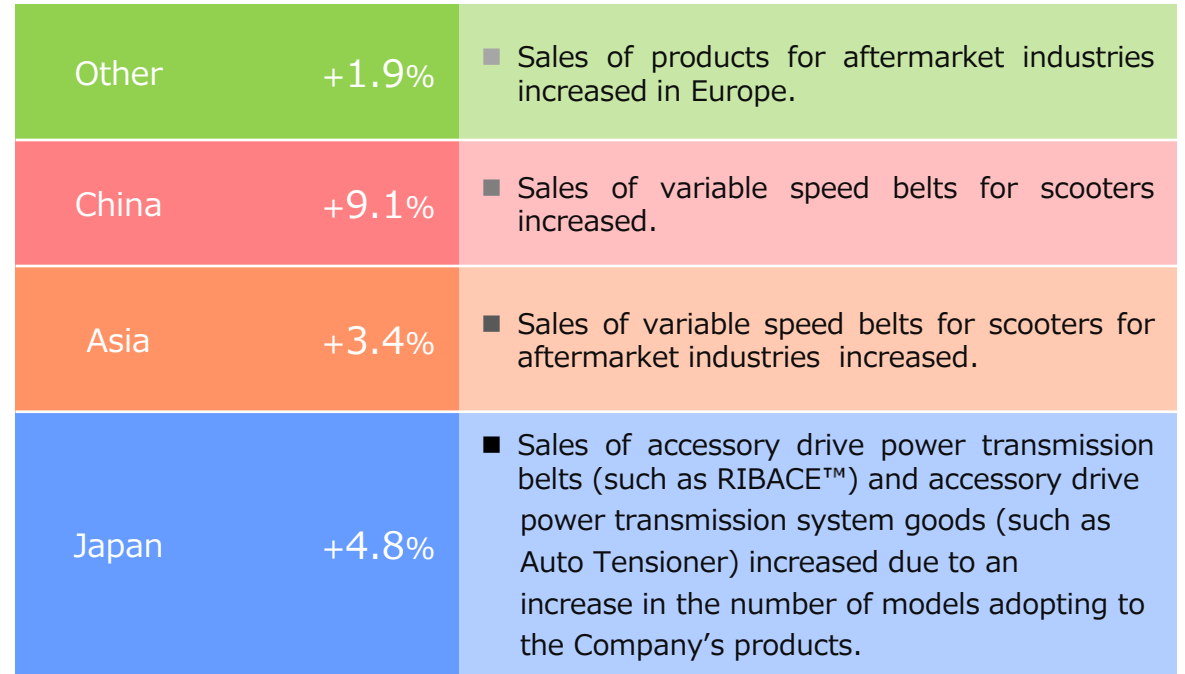
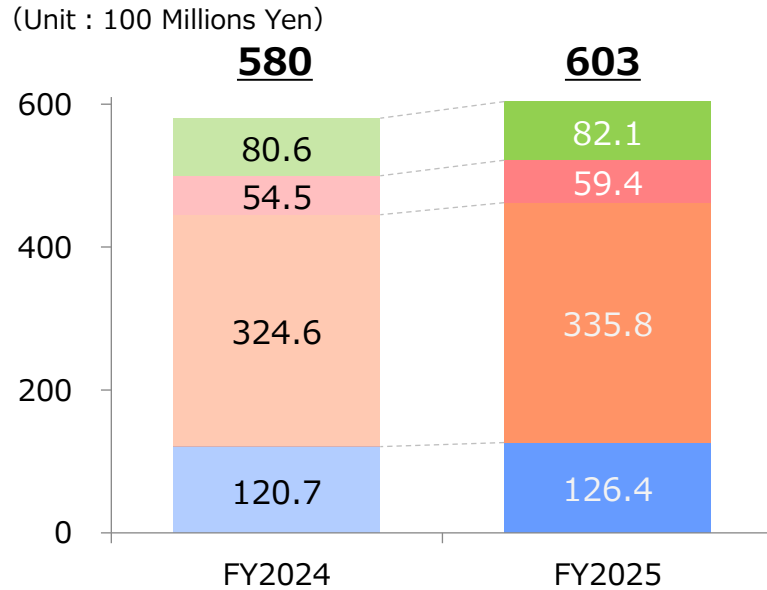
# Operating Results by Segment

(Unit : Million Yen)

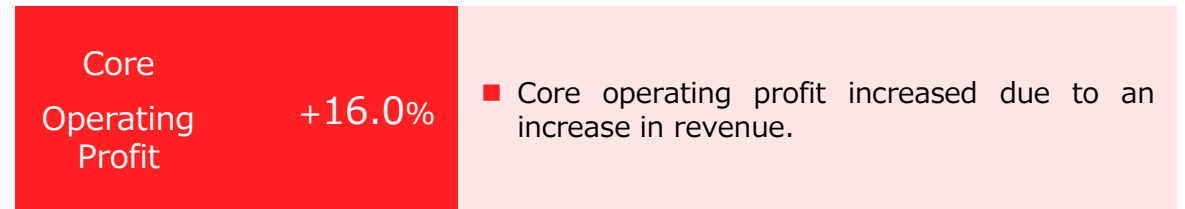
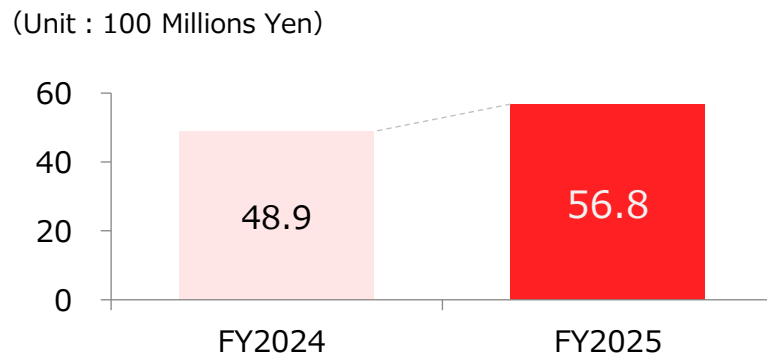
	FY2024	FY2025		
	Result	Result	Change	Change in ratio
<b>Revenue</b>	<b>115,593</b>	<b>119,257</b>	<b>+3,664</b>	<b>+3.2%</b>
Automotive Parts	58,056	60,397	+2,340	+4.0%
Industrial Products	38,100	38,807	+707	+1.9%
Advanced Elastomer Products	14,216	14,423	+207	+1.5%
Other	6,095	6,954	+858	+14.1%
Adjustments	(875)	(1,324)	(449)	-
<b>Core Operating Profit</b>	<b>7,743</b>	<b>9,551</b>	<b>+1,807</b>	<b>+23.3%</b>
Automotive Parts	4,897	5,682	+785	+16.0%
Industrial Products	2,541	3,264	+723	+28.4%
Advanced Elastomer Products	(15)	433	+448	-
Other	296	242	(53)	(18.1)%
Adjustments	23	(72)	(95)	-

# Overview of Automotive Parts

## Revenue by Area



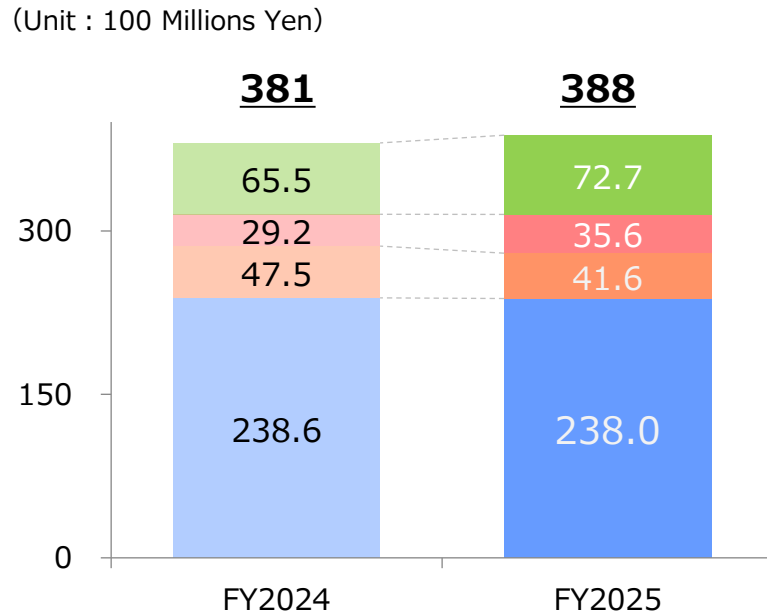
## Core Operating profit



Note: The above amount of revenue was after the elimination of intersegment transactions.

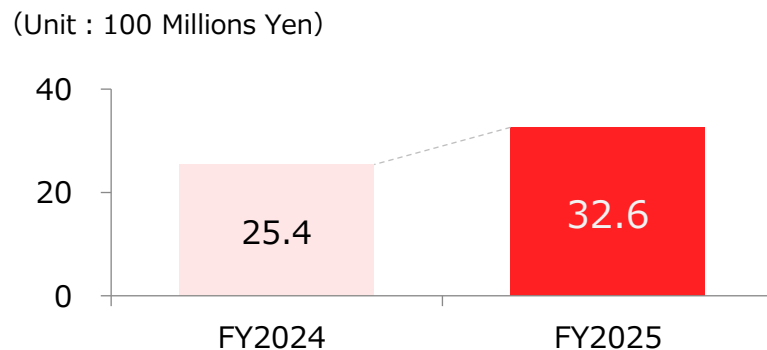
# Overview of Industrial Products

## Revenue by Area



Other	+11.0%	■ Sales of power transmission belts for industrial machinery increased.
China	+21.9%	■ Sales of power transmission belts for agricultural machinery increased.
Asia	(12.3)%	■ Sales of power transmission belts for agricultural machinery decreased.
Japan	(0.3)%	■ Sales of power transmission belts for industrial machinery increased. ■ Although sales of light-duty conveyer belts (such as SUNLINE™ belt) increased, sales of heavy-duty conveyer belts decreased.

## Core Operating Profit

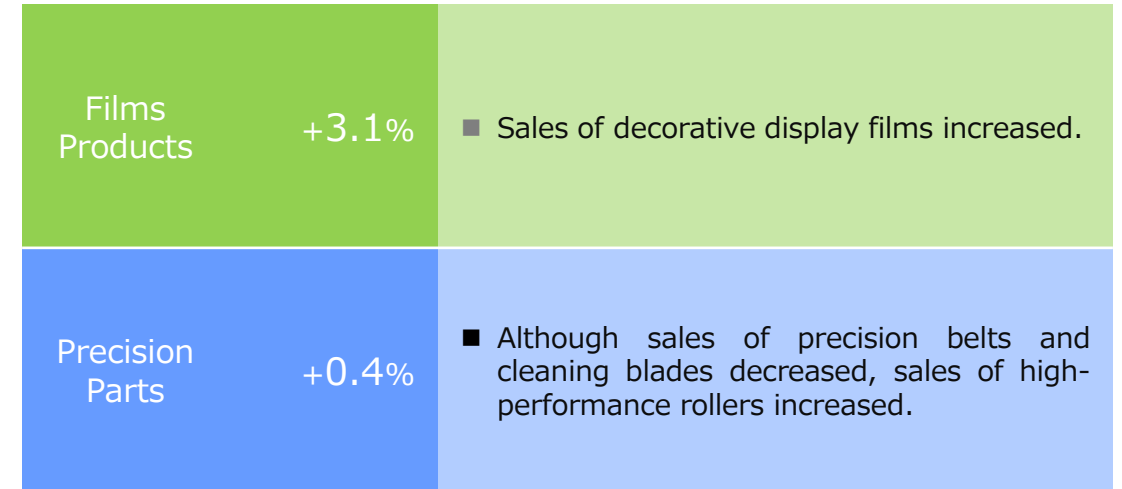
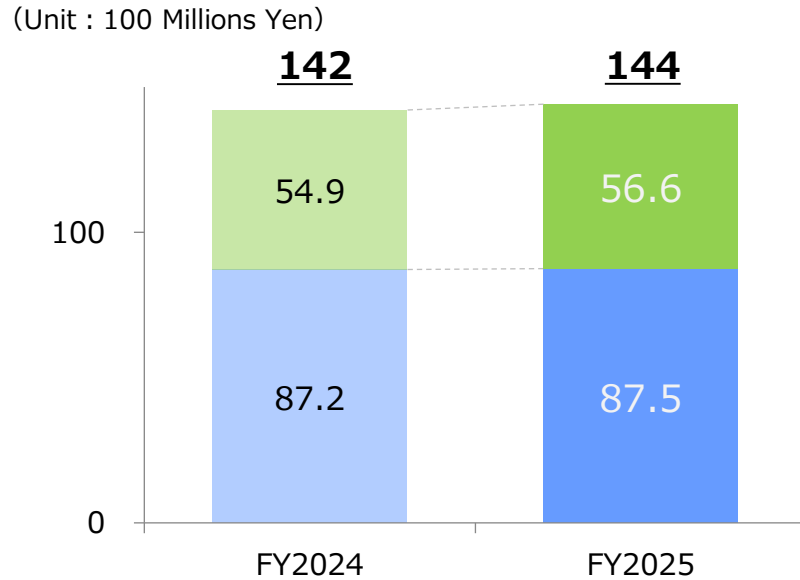


Core Operating Profit	+28.4%	■ Core operating profit increased due to an increase in revenue and changes in sales mix.
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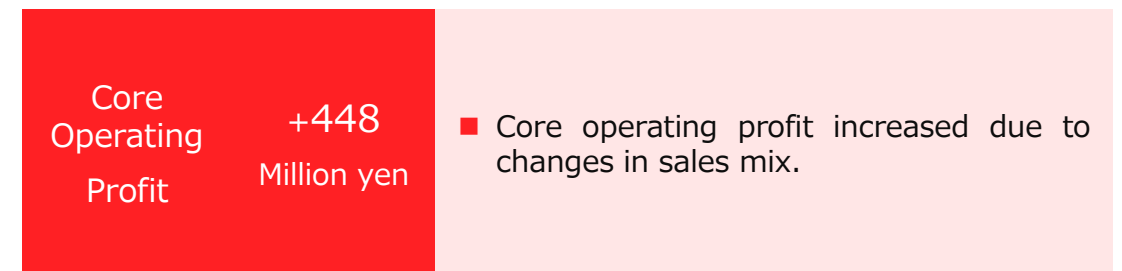
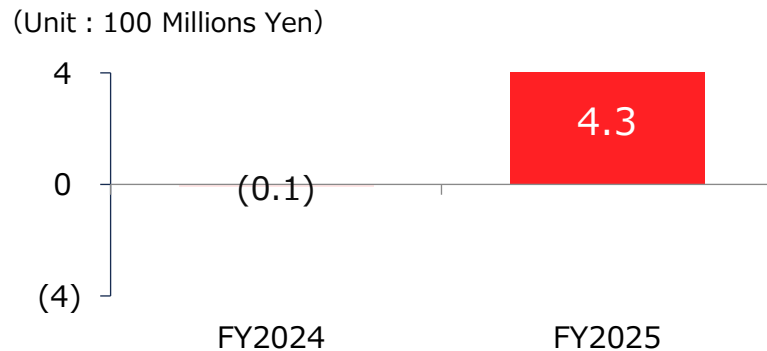
(※) The above amount of revenue was after the elimination of intersegment transactions.

# Overview of Advanced Elastomer Products

## Revenue by Products



## Core Operating Profit

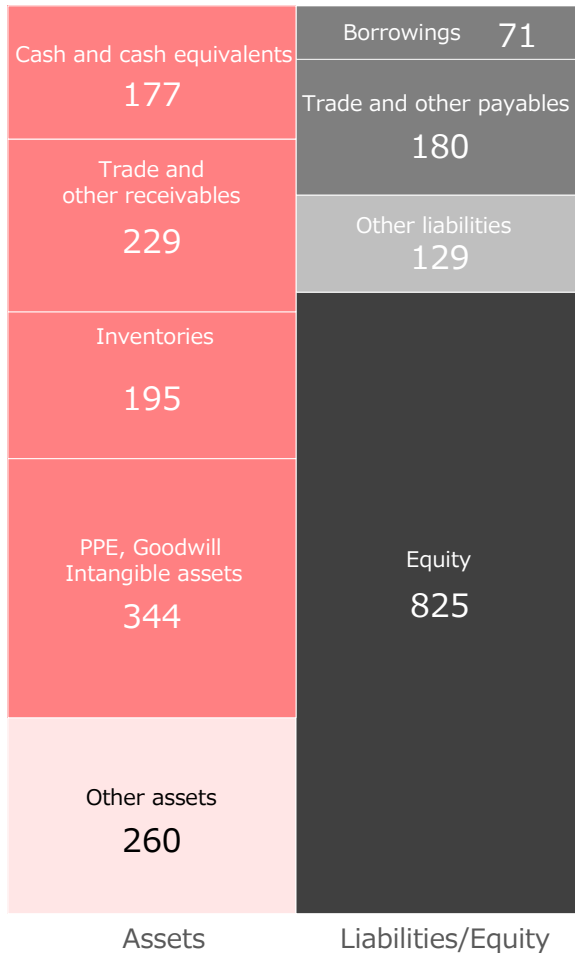


(※) The above amount of revenue was after the elimination of intersegment transactions.

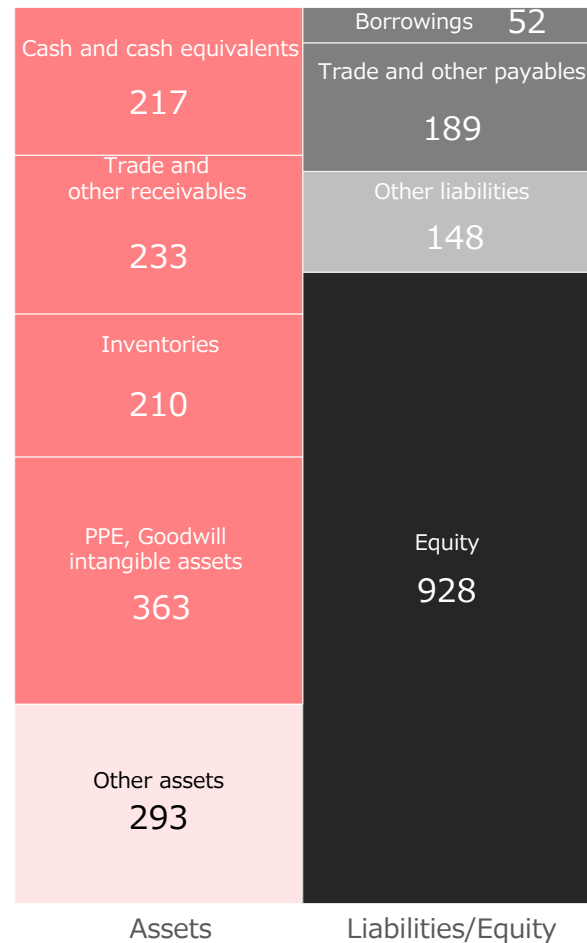
# Statements of Financial Position

(Unit : 100 Millions Yen) **1,206**

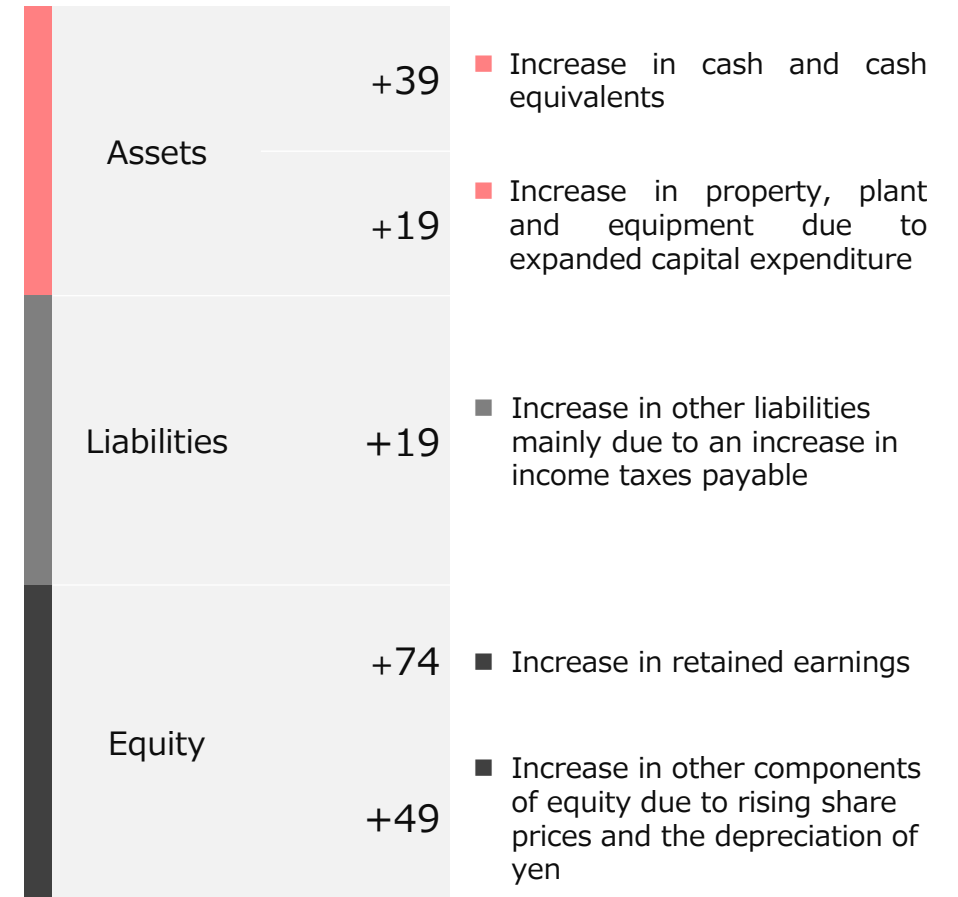
**1,318**



FY2024 Year-end



FY2025 Year-end



## II . Forecast for the Fiscal Year Ending March 31, 2027

# Financial results forecast

(Unit : Million yen, % )

		FY2025	FY2026		
		Result	Forecast	Change	
Revenue		119,257	<b>120,000</b>	+742	+0.6%
Core Operating Profit		9,551	<b>9,600</b>	+48	+0.5%
Operating Profit		12,073	<b>11,000</b>	(1,073)	(8.9)%
Profit attributable to owners of parent		10,568	<b>8,000</b>	(2,568)	(24.3)%
Capital Expenditure		7,089	<b>8,000</b>	+910	+12.8%
Depreciation and amortization		5,450	<b>5,600</b>	+149	+2.7%
Exchange rate	U S D	151.06	<b>150.00</b>	-	-
	T H B	4.68	<b>4.65</b>	-	-
	C N Y	21.35	<b>21.50</b>	-	-

※The consolidated financial results forecast for the fiscal year does not reflect the impact of the situation in the Middle East.

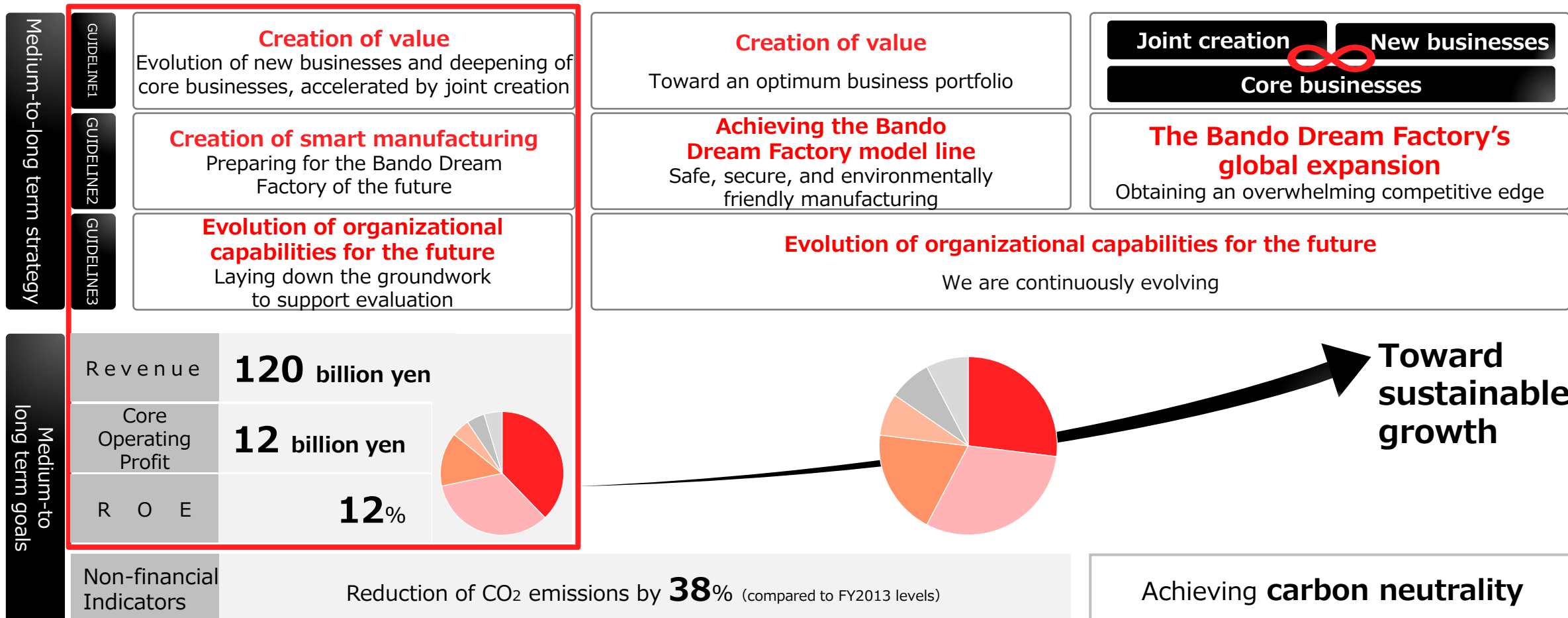
# III. Engagement for Mid-to Long-Term Management Plan “Creating New Value for the Future” 1<sup>st</sup> Stage

# Overview of Mid-to Long-Term Management Plan

FY2023 ←--- CV-1 ---→ FY2026 FY2027 ←--- CV-2 ---→ FY2030 FY2050

**Vision 2050 Best Partner, supporting people and society, connecting the present and future**

## Creating New Value for the Future



# Strengthening Profitability①

## ▶▶ Automotive Parts

### Sales expansion in the global aftermarket

- Promote sales expansion in key regions such as India

### Business expansion in the personal mobility market

- Expand sales of products for EVs
- Expand sales of high-load double cog belts for ATVs and UTVs expanded



## ▶▶ Industrial Products

### Sales expansion in the large agricultural machinery market

- Expand sales of repair parts in new markets

### Deepening growth markets for synchronous belts

- Expand sales in key markets such as robots and semiconductors, etc



# Strengthening Profitability②

## ▶▶ Advanced Elastomer Products

Sales expansion of decorative films with low environmental impact and superior design

- Further expand sales of decorative film by leveraging design capabilities

Deepening growth markets for synchronous belts

- Expand sales in key markets such as robots and semiconductors, etc



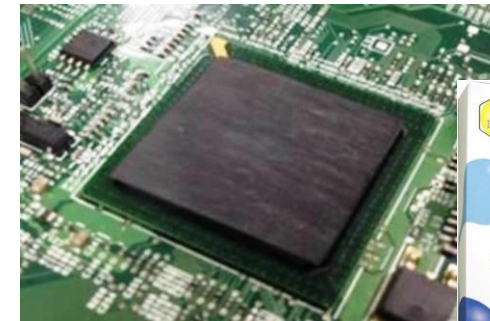
## ▶▶ Other Business

Commercialization of the Electronic Products Business

- Expand sales of precision abrasive "TOPX™"
- Promote development of thermal management products for semiconductor markets, etc

Continuous launch into the medical and healthcare device market

- Further expand sales of resorbable bone regeneration material "e=Bone™"



# Improve Capital Efficiency

## Basic Policy

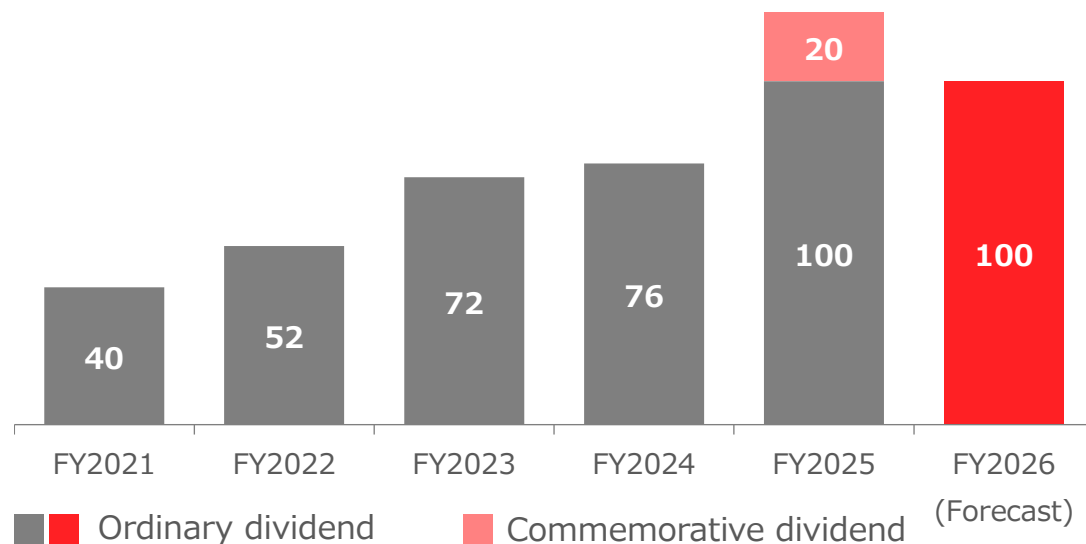
The Company's basic policy of shareholder returns is to endeavor to enhance returns, with dividends as the foundation, considering consolidated earnings and financial position. **The target annual dividends amount has been set at ¥26 or a consolidated dividend payout ratio 50%, whichever is higher.** In addition, the Company will consider agile acquisition of treasury shares, comprehensively taking into account its medium- to long-term investment plan, market environment and capital conditions.

## Engagement

Annual dividend per share for the fiscal year ended March 31, 2026 is planned to be ¥120, including commemorative dividend of ¥20 for the Company's 120th anniversary of founding  
 Annual dividend per share for the fiscal year ending March 31, 2027 is expected to be ¥100, equivalent to the ordinary dividend for the previous fiscal year  
 Resolved the acquisition of treasury shares in the stock market (Max 1.3 Million Shares, ¥2 Billion, From May 15, 2026 to April 30, 2027)

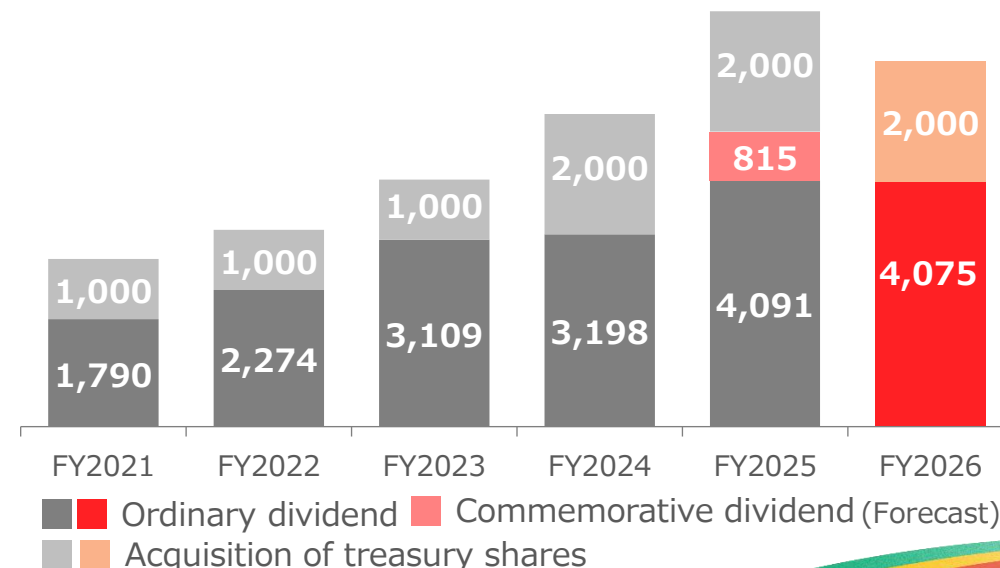
### Dividends per share

(Unit : Yen)



### Total shareholder returns

(Unit : Million yen)



Note: The above amount is after elimination of dividends paid to BIP trusts.

## Facing climate change risks and contributing to social development



- Sequentially introduce solar power generation systems, energy-saving equipment, etc. in Japan and overseas
- Plan to newly establish a Group-wide CO<sub>2</sub> reduction target, in addition to the CO<sub>2</sub> reduction target on a non-consolidated basis



Bando Manufacturing (Vietnam) Co., Ltd.

## Improving engagement



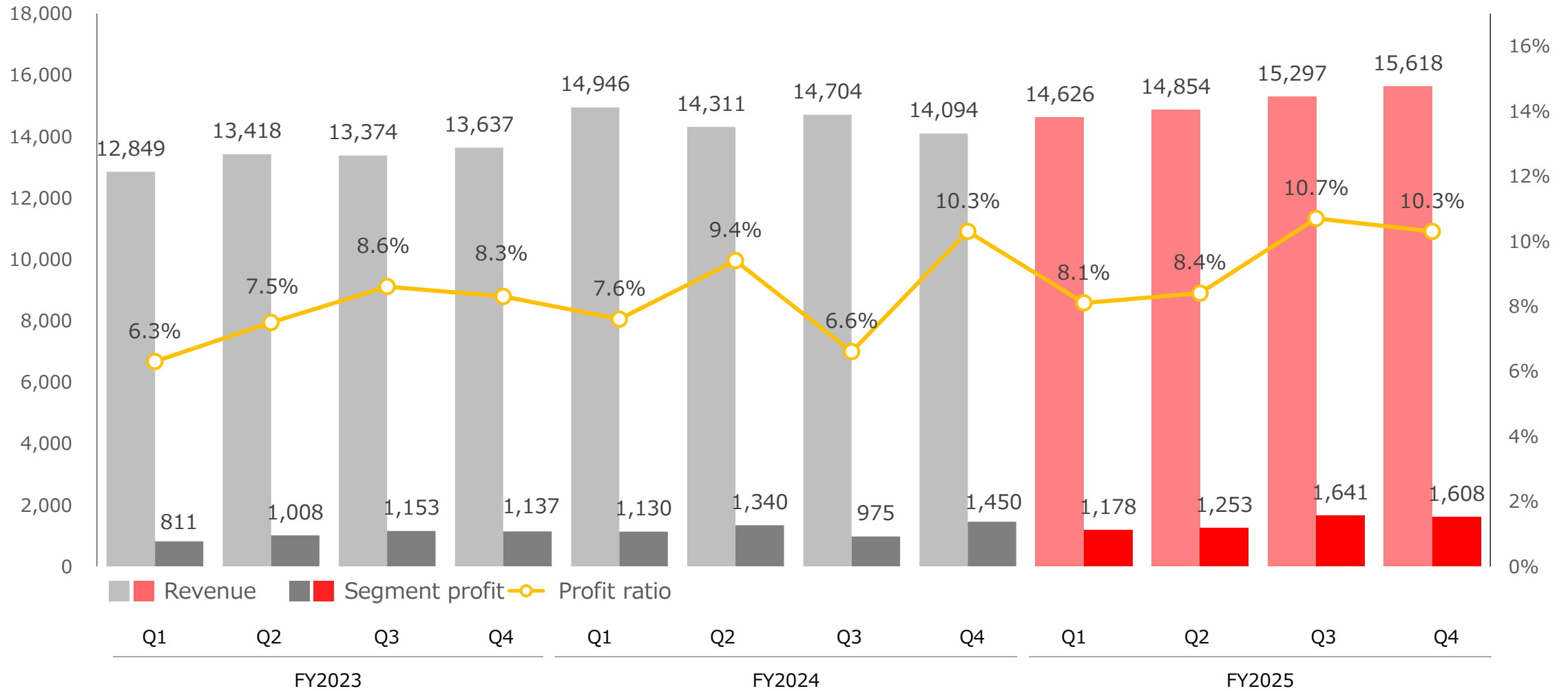
- Certified as a “Health & Productivity Management Outstanding Organization 2026 (Large Enterprise Category)”
- Selected as a constituent of the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index



## IV. Appendix

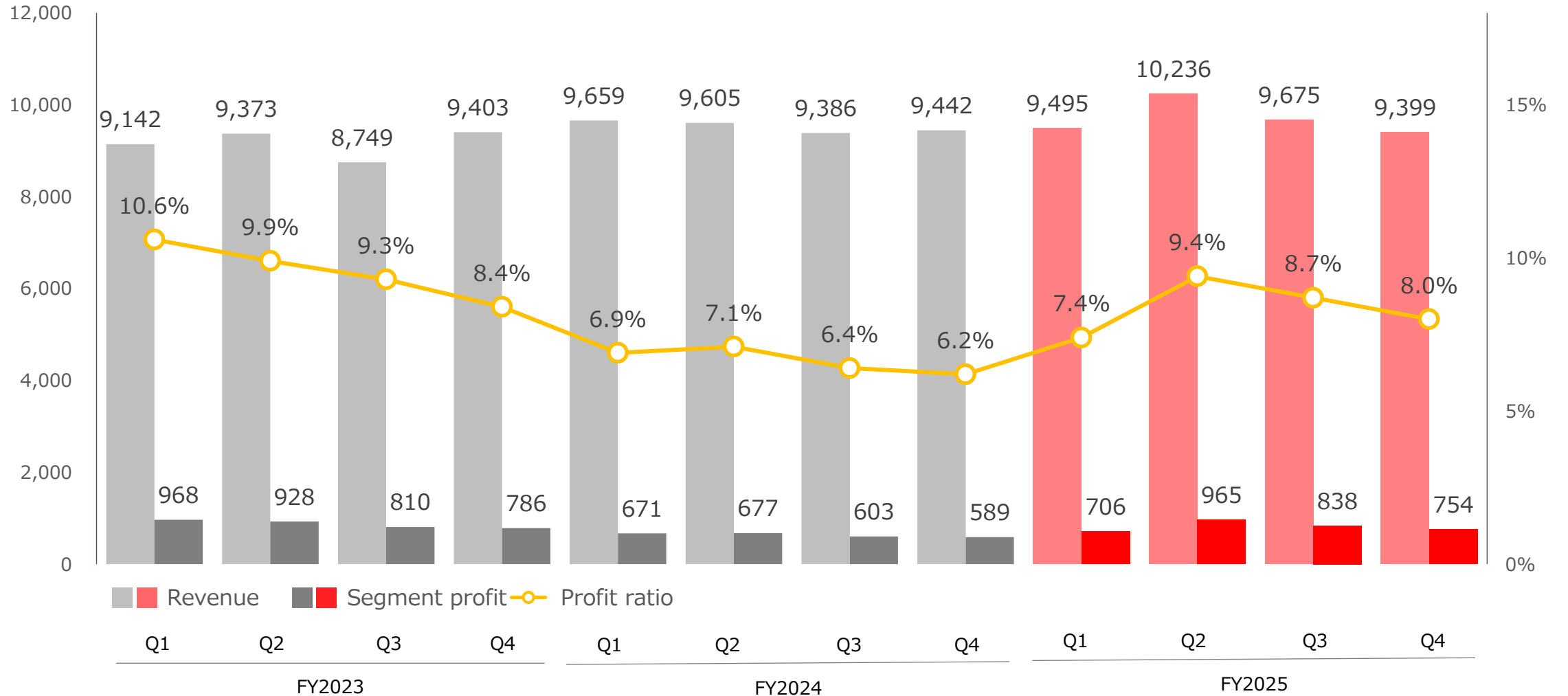
# Quarterly Operating Results for Automotive Parts

(Unit : Million Yen)

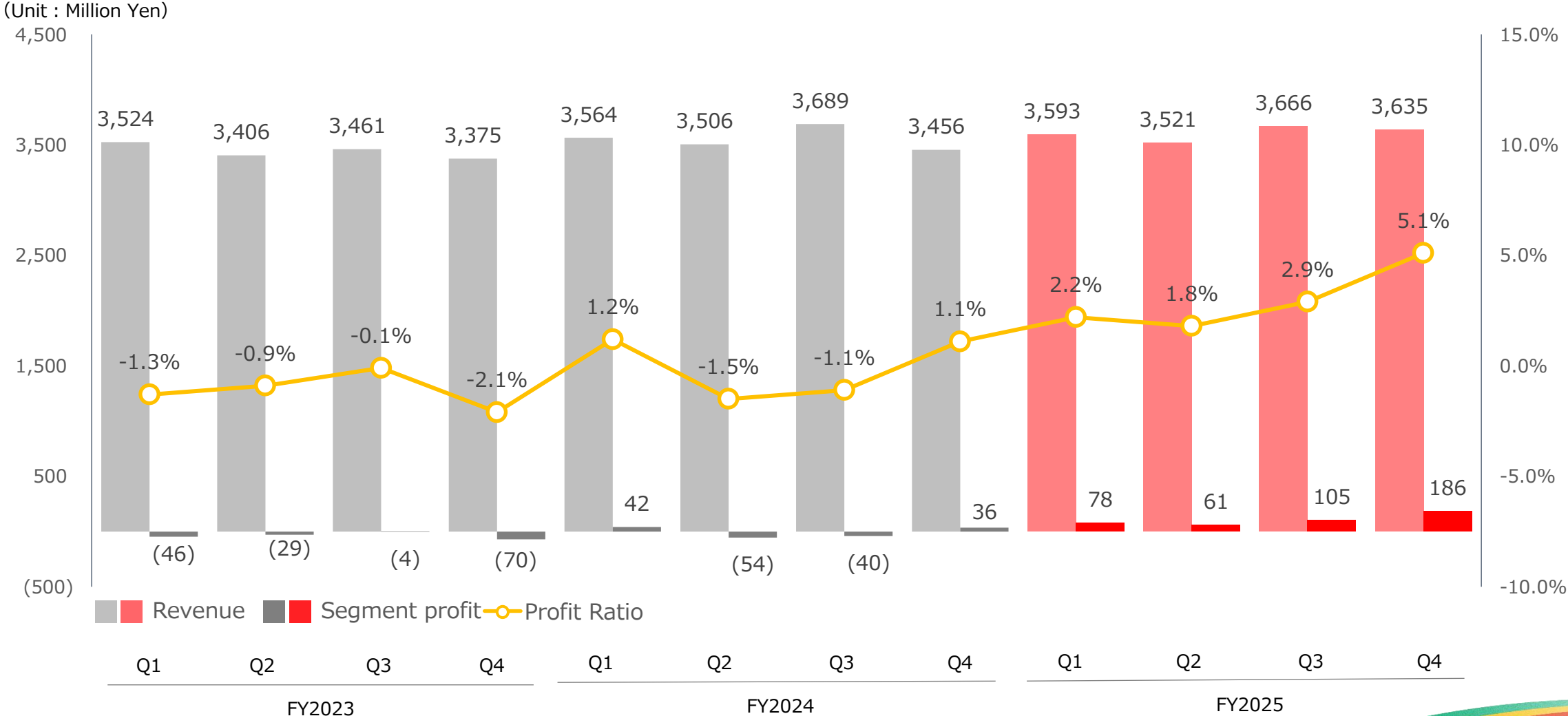


# Quarterly Operating Results for Industrial Products

(Unit : Million Yen)



# Quarterly Operating Results for Advanced Elastomer Products



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