

Toyo Tanso Co., Ltd.

***Results for the Fiscal Year Ended
December 31, 2025***

**February 24, 2026
Toyo Tanso Co., Ltd.**

Summary of Results for the Fiscal Year Ended December 31, 2025

1. Results for the Fiscal Year Ended December 31, 2025

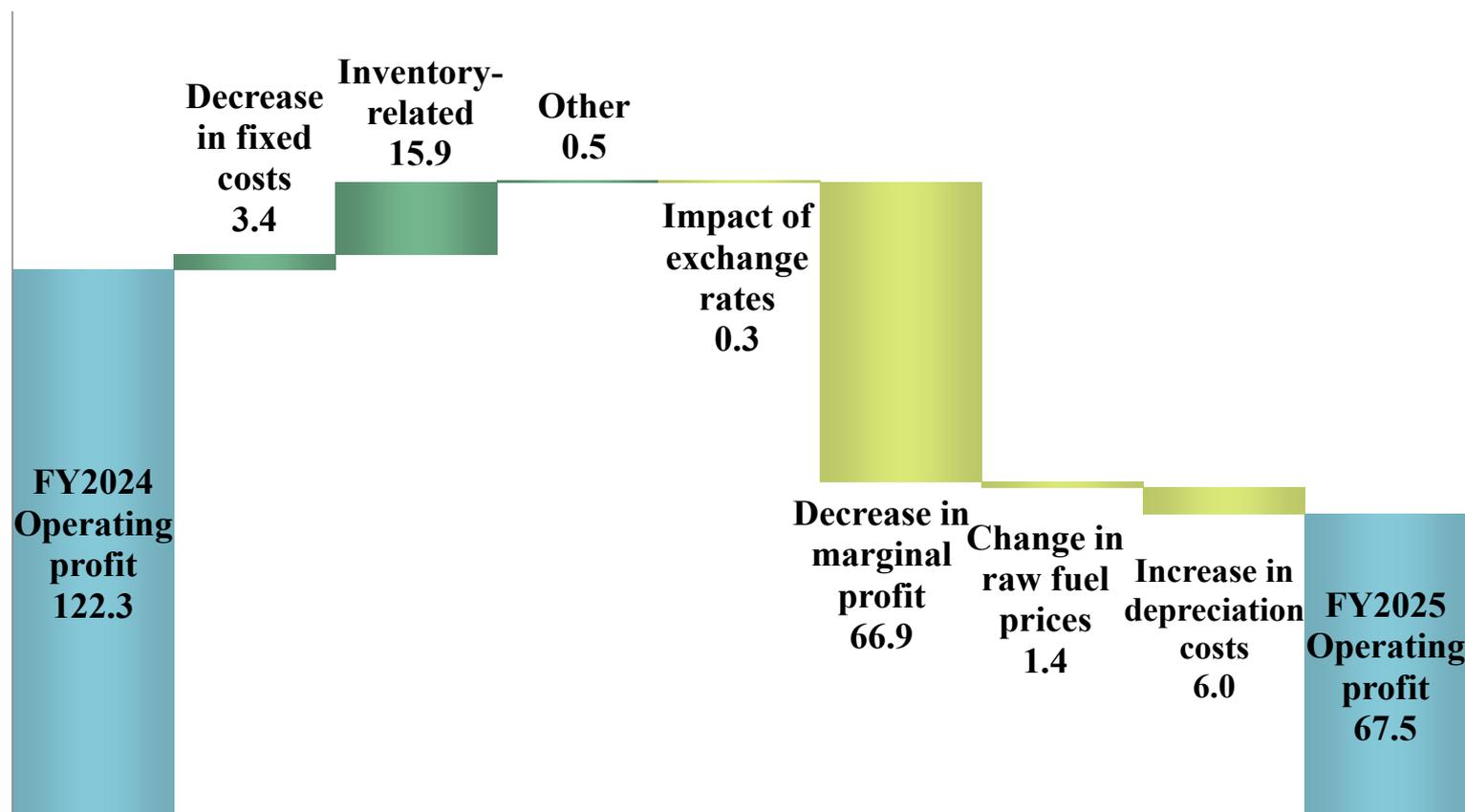
	FY2024	FY2025			
(Unit: Yen, millions)	(A)	(A)	(F)	Year-on-year change	Compared to forecast
Net sales	53,093	46,189	48,000	(6,903) / (13.0) %	(1,810) / (3.8) %
Operating profit	12,238	6,759	7,500	(5,478) / (44.8) %	(740) / (9.9) %
(Ratio of operating profit to net sales)	23.1%	14.6%	15.6%		
Ordinary profit	13,480	8,091	7,000	(5,388) / (40.0) %	+1,091 / +15.6 %
(Ratio of ordinary profit to net sales)	25.4%	17.5%	14.6%		
Profit attributable to owners of parent	9,960	5,464	5,000	(4,495) / (45.1) %	+464 / +9.3 %
Basic earnings per share	474.95yen	260.58yen	238.41yen	We recorded impairment losses and extra retirement payments as extraordinary losses (totaling 656 million yen) due to the restructuring of small carbon brush business at our consolidated subsidiary in China.	
ROE	11.2%	5.7%	5.3%		
Exchange rate	151.6yen/\$ 163.9yen/€ 21.0yen/CNY	149.7yen/\$ 169.0yen/€ 20.8yen/CNY	145yen/\$ 154yen/€ 19.5yen/CNY		

2. Factors Affecting Changes in Operating Profit

(Results for the year ended December 31, 2024 vs. results for the year ended December 31, 2025)

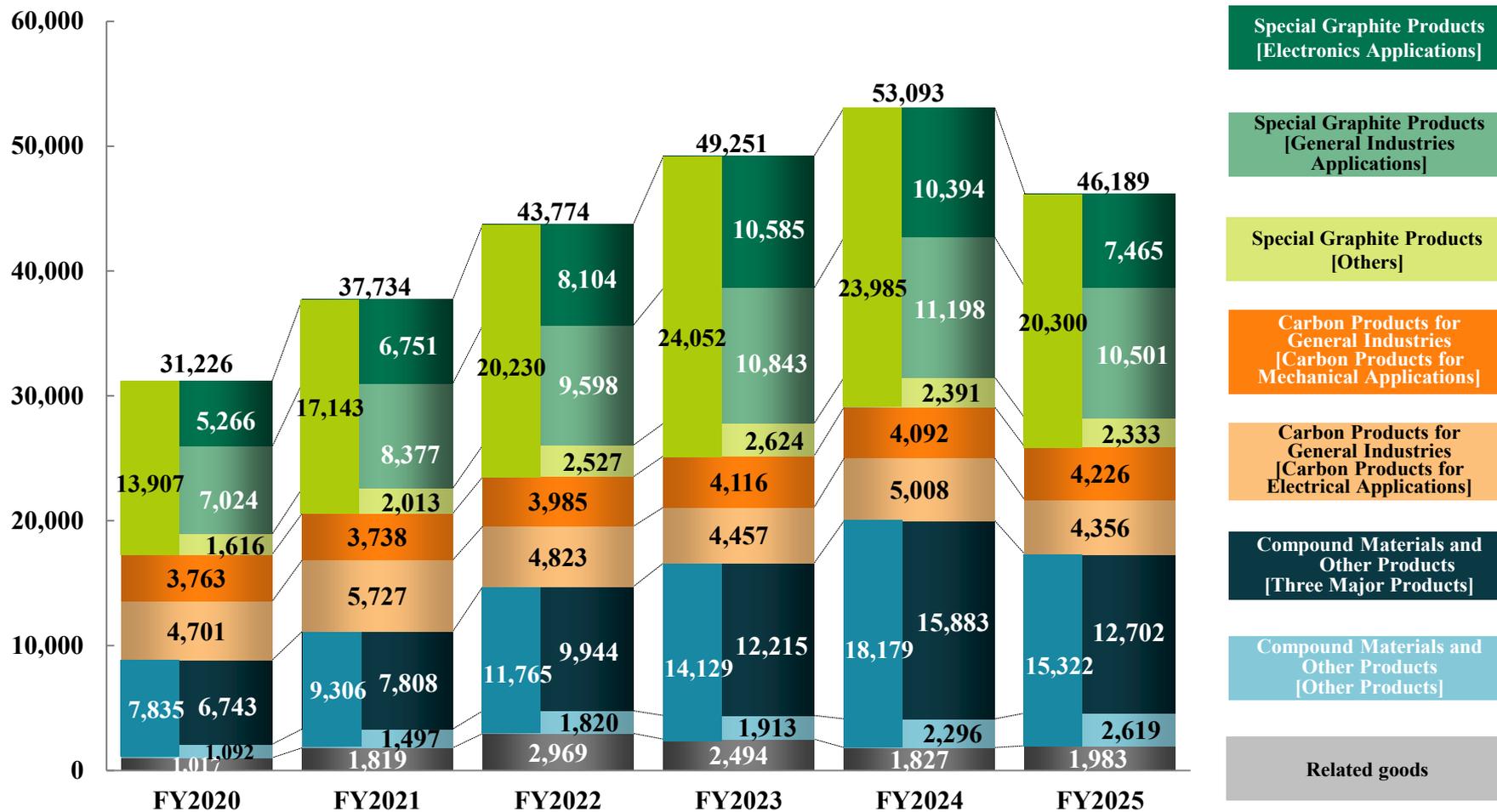
- ✓ Operating profit declined by 44.8% due to a decrease in marginal profit (volumes, product mix) and an increase in depreciation costs.

(Unit: Yen, 100 millions)



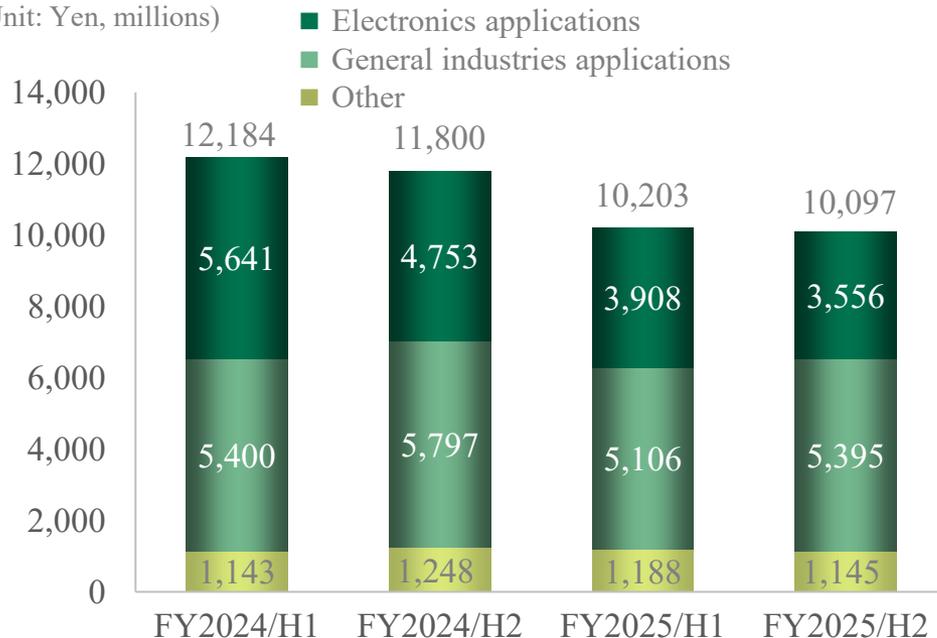
3. Net Sales by Product and Segment

(Unit: Yen, millions)



3. Net Sales by Product and Segment: Special Graphite Products

(Unit: Yen, millions)



[Electronics applications]

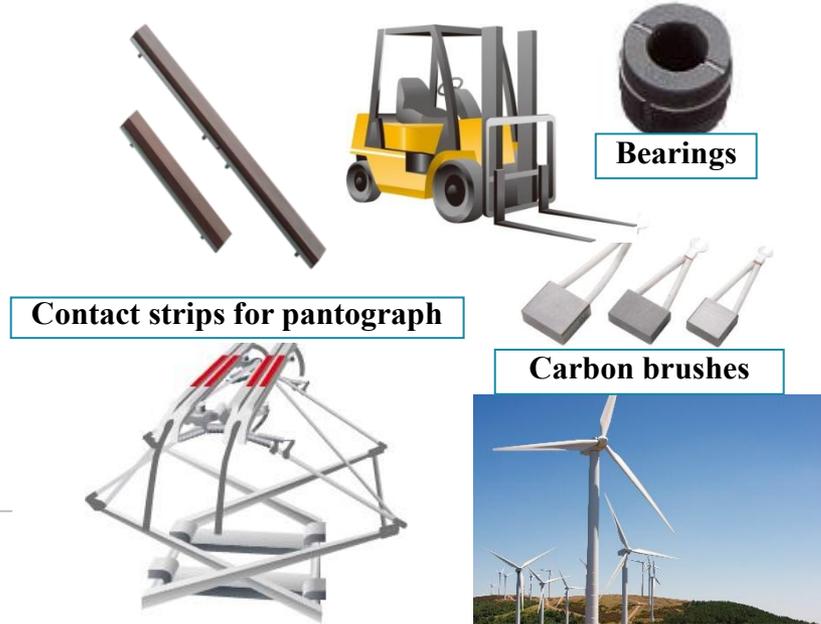
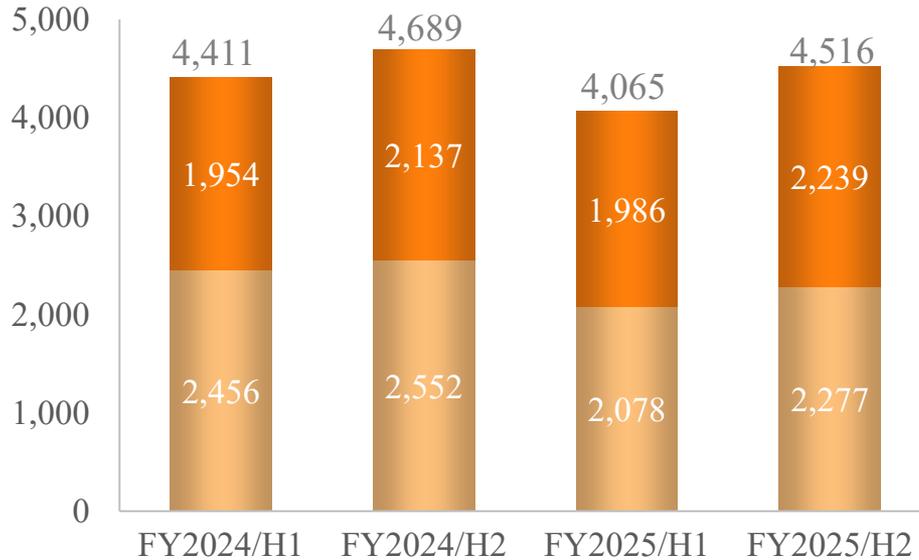
- Sales of products for single-crystal silicon manufacturing applications decreased substantially year on year amid continuing wafer inventory adjustments.
- Sales of products for compound semiconductor manufacturing applications decreased substantially due to a SiC semiconductor market correction amid a slowdown in EV demand.
- The continuing market inventory adjustments had only a slight impact on the sales of products for solar cell manufacturing applications, due to the strategic implementation of selective order acceptance.

[General industries applications]

- Although operating levels in the automotive industries and corporate capital investment remain solid, sales for EDM electrodes declined amid a sense of stagnation due to uncertainty over economic policy. Overall, sales declined year on year, despite a solid performance in metallurgical applications such as industrial furnace applications.

3. Net Sales by Product and Segment: Carbon Products for General Industries

(Unit: Yen, millions) ■ Carbon products for mechanical applications
■ Carbon products for electrical applications



[Carbon products for mechanical applications]

- Sales increased year on year, with firm demand for bearings and contact strips for pantograph.

[Carbon products for electrical applications]

- Sales declined year on year due to a decrease in sales of products mainly for compact motors for home appliances and power tools.
- We steadily expanded sales of large motors for industrial applications.
- The market for small brushes is shrinking amid a progressive shift to brushless motors, and we implemented a workforce reduction at our consolidated subsidiary in China in the fourth quarter of FY2025. As a result, the business scale was reduced to maintain a certain level of profitability.

3. Net Sales by Product and Segment: Compound Materials and Other Products

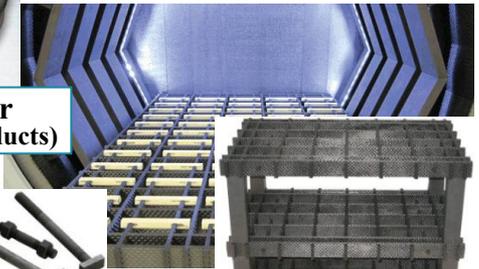
(Unit: Yen, millions)



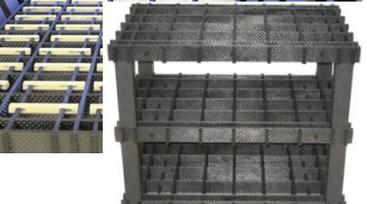
Graphite sheet products



**MOCVD susceptor
(SiC-coated graphite products)**



**Bolts and nuts
(C/C composite products)**



**Three-layered trays
(C/C composite products)**

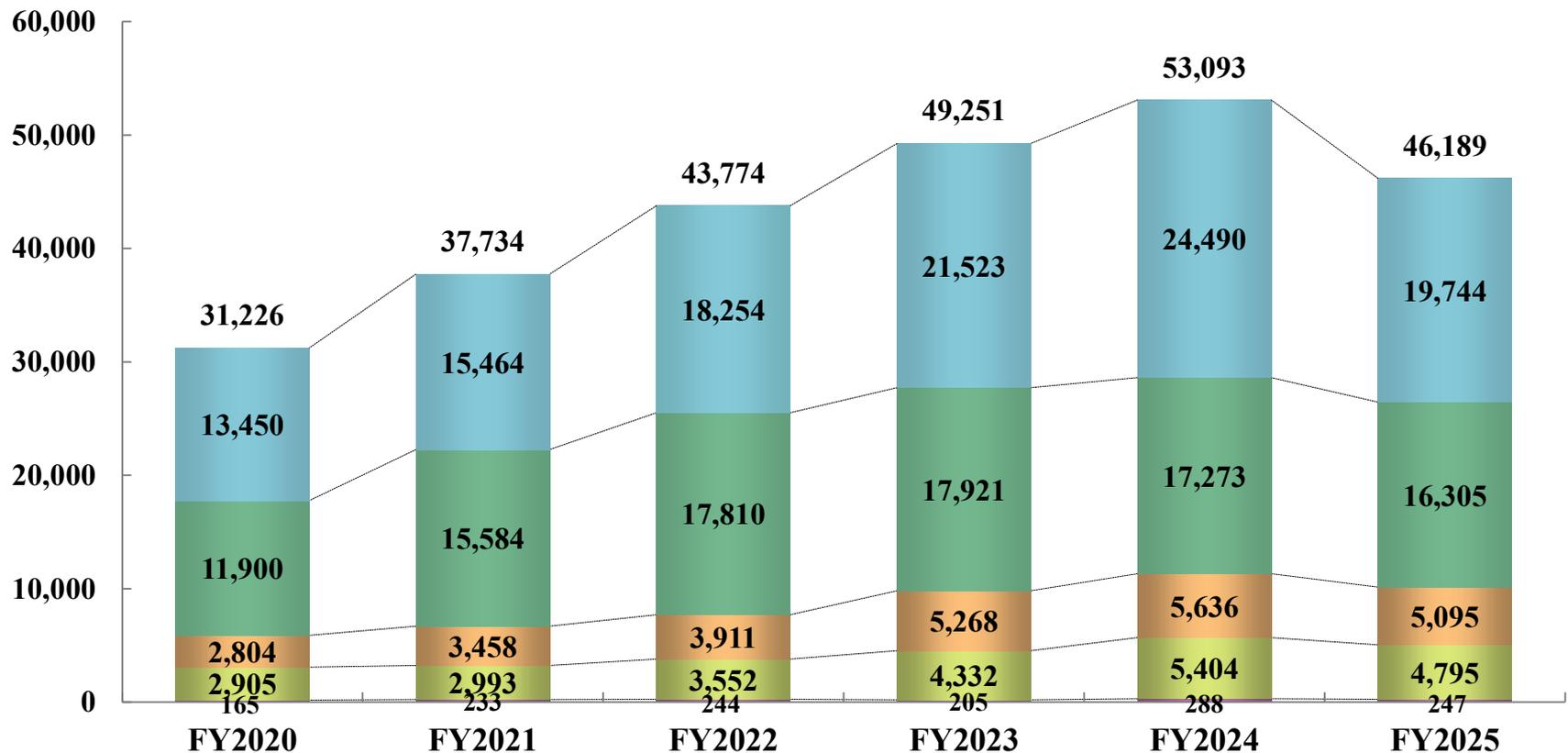
[Three major products]

- Sales of SiC-coated graphite products decreased year on year. While sales for silicon semiconductor applications increased significantly, mainly for cutting-edge applications such as generative AI, demand for SiC semiconductor applications declined substantially.
- Sales of C/C composite products decreased year on year due to a decrease in demand for industrial furnace applications, despite firm demand for semiconductor applications.
- Sales of graphite sheet products decreased year on year due to a decrease in demand for special applications, despite firm demand across automobile, semiconductor, and metallurgical applications.

4. Sales by Region

✓ Net sales in Japan decreased substantially, down 19.4%, due to a decline in demand for semiconductor applications.

(Unit:Yen, millions)



5. Consolidated Balance Sheet and Statement of Cash Flows for the Fiscal Year Ended December 31, 2025

Consolidated Balance Sheet	(Unit: Yen, millions)		Consolidated Statement of Cash Flow	(Unit: Yen, millions)	
	December 31, 2024	December 31, 2025		FY2024	FY2025
Total assets	113,190	117,916	Cash and cash equivalents at beginning of period	13,601	14,652
Notes and accounts receivable – trade	17,609	15,945	Net increase (decrease) in cash and cash equivalents	1,051	(2,582)
Inventories	26,817	30,195	Cash and cash equivalents at end of period	14,652	12,069
Property, plant and equipment	42,863	48,101	Net cash provided by operating activities	9,489	6,065
Total liabilities and net assets	113,190	117,916	Net cash provided by (used in) investing activities	(6,312)	(11,314)
Interest-bearing liabilities	-	5,676	Net cash provided by (used in) financing activities	(2,563)	2,398
Share capital	7,947	7,947			
Net assets	94,205	97,551			
Equity ratio	83.2%	82.7%			

Forecasts for the Fiscal Year Ending December 31, 2026

1. Forecasts for the Fiscal Year Ending December 31, 2026

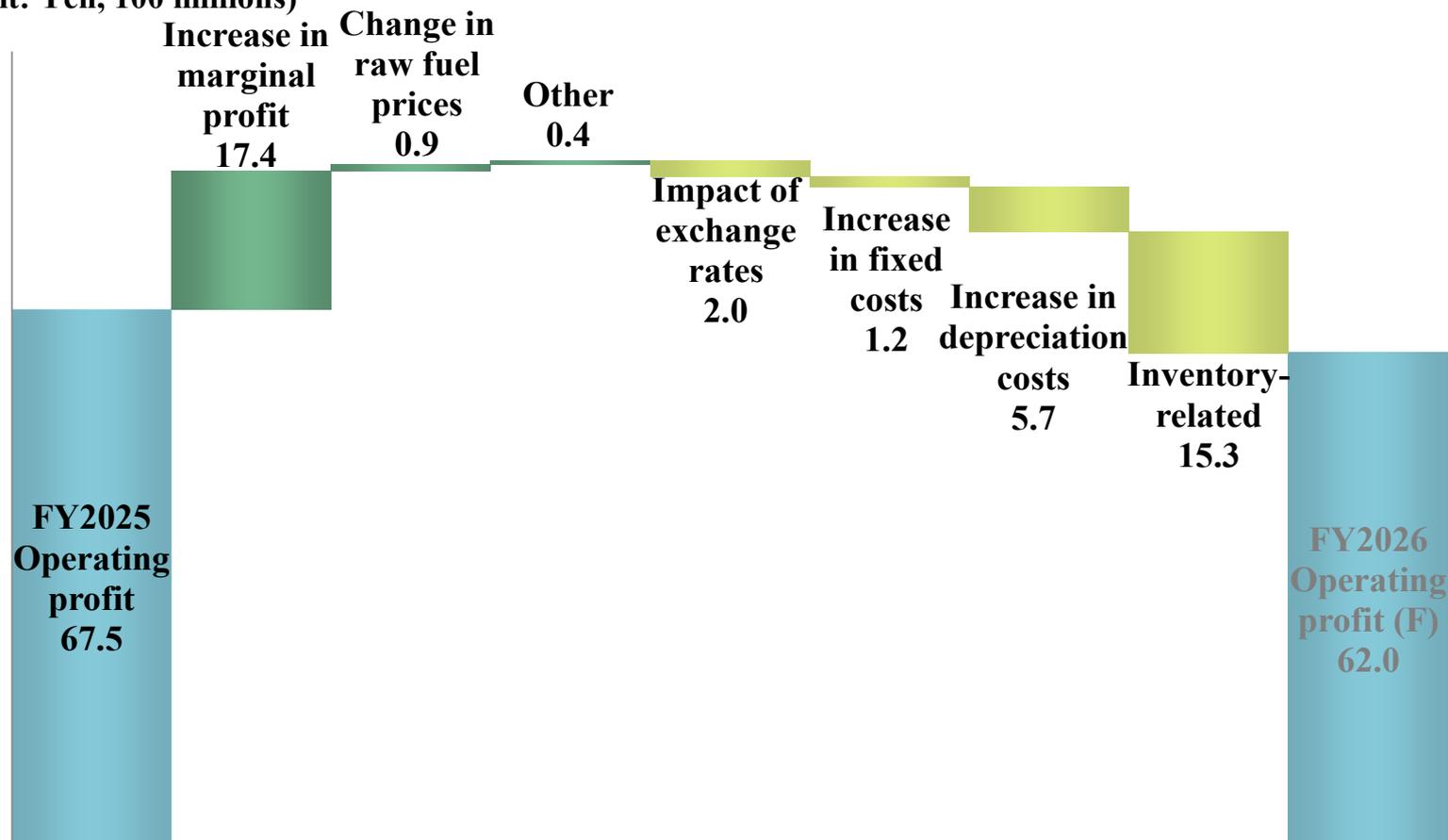
	FY2025			FY2026 (F)			
		Breakdown			Breakdown		Year-on-year change
(Unit: Yen, millions)							
Net sales	46,189	H1	22,980	49,000	H1	22,500	+2,810 / +6.1 %
		H2	23,208		H2	26,500	
Operating profit	6,759	H1	3,840	6,200	H1	2,600	(559) / (8.3) %
		H2	2,918		H2	3,600	
(Ratio of operating profit to net sales)	14.6%			12.7%			
Ordinary profit	8,091	H1	3,789	6,000	H1	2,500	(2,091) / (25.8) %
		H2	4,301		H2	3,500	
(Ratio of ordinary profit to net sales)	17.5%			12.2%			
Profit attributable to owners of parent	5,464	H1	2,681	5,000	H1	2,300	(464) / (8.5) %
		H2	2,783		H2	2,700	
Basic earnings per share	260.58yen	H1	127.85yen	238.41yen	H1	109.67yen	
		H2	132.73yen		H2	128.74yen	
ROE	5.7%			5.1%			
Exchange rate	149.7yen/\$ 169.0yen/€ 20.8yen/CNY			145yen/\$ 176yen/€ 20yen/CNY			

2. Factors Affecting Changes in Operating Profit

(fiscal year ended December 2025 vs. fiscal year ending December 2026)

- ✓ Operating profit is forecast to decline by 8.3% due to an increase in depreciation and the impact of inventories, despite a rise in marginal profit associated with the increase in sales

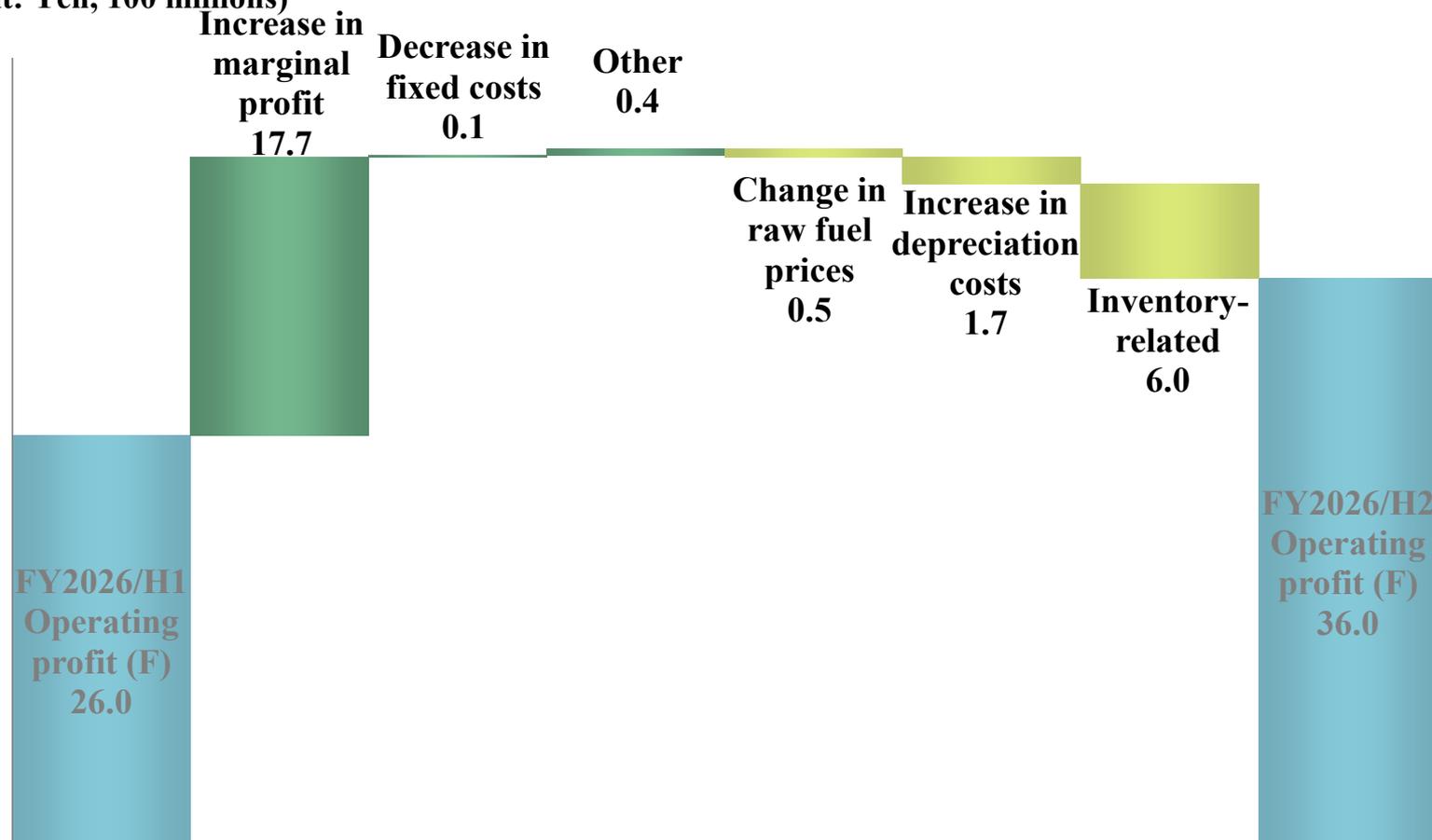
(Unit: Yen, 100 millions)



2. Factors Affecting Changes in Operating Profit (first half vs. second half of fiscal year ending December 2026)

- ✓ Operating profit is forecast to increase by 38.5% due to the rise in marginal profit associated with the increase in sales

(Unit: Yen, 100 millions)



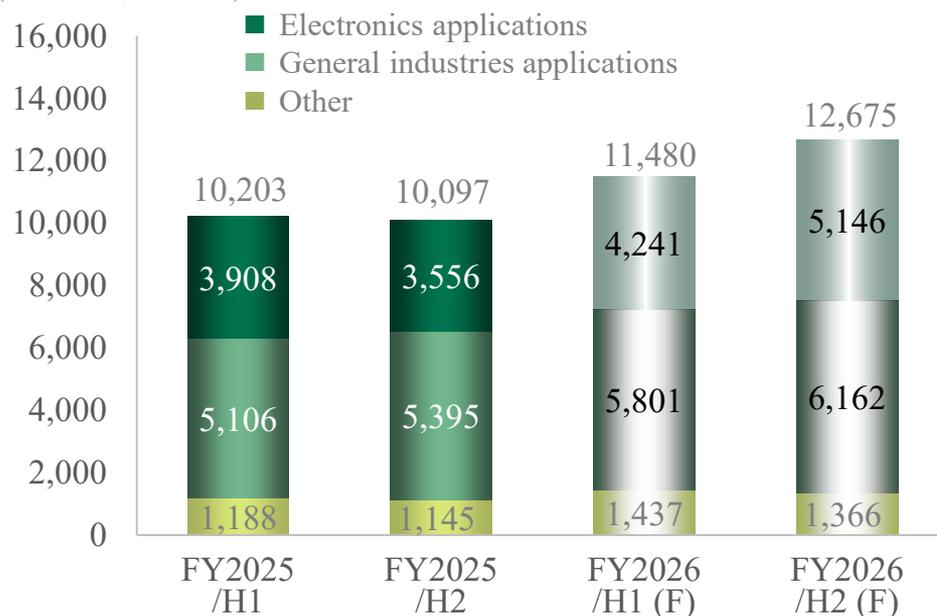
3. Net Sales by Product and Segment

Product and Segment (Unit: Yen, millions)	FY2025			FY2026 (F) <small>Changes indicate year-on-year increases or decreases</small>					
	H1	H2	Full year	H1	Changes	H2	Changes	Full year	Changes
Special Graphite Products	10,203	10,097	20,300	11,480	+12.5%	12,675	+25.5%	24,156	+19.0%
Electronics Applications	3,908	3,556	7,465	4,241	+8.5%	5,146	+44.7%	9,388	+25.8%
General Industries Applications	5,106	5,395	10,501	5,801	+13.6%	6,162	+14.2%	11,964	+13.9%
Others	1,188	1,145	2,333	1,437	+20.9%	1,366	+19.3%	2,803	+20.1%
Carbon Products for General Industries [Carbon Products for Mechanical Applications]	1,986	2,239	4,226	1,929	(2.9)%	2,153	(3.8)%	4,082	(3.4)%
Carbon Products for General Industries [Carbon Products for Electrical Applications]	2,078	2,277	4,356	2,186	+5.2%	2,295	+0.8%	4,481	+2.9%
Compound Materials and Other Products	7,910	7,412	15,322	6,376	(19.4)%	8,653	+16.7%	15,030	(1.9)%
Three Major Products	6,596	6,106	12,702	5,357	(18.8)%	7,445	+21.9%	12,802	+0.8%
Other Products	1,313	1,306	2,619	1,019	(22.4)%	1,208	(7.5)%	2,227	(15.0)%
Related goods	800	1,182	1,983	527	(34.2)%	721	(39.0)%	1,248	(37.1)%
Total	22,980	23,208	46,189	22,500	(2.1)%	26,500	+14.2%	49,000	+6.1%

3. Net Sales by Product and Segment: Special Graphite Products

Product and Segment (Unit: Yen, millions)	FY2025			FY2026 (F) <small>Changes indicate year-on-year increases or decreases</small>					
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(Unit: Yen, millions)



[Electronics applications]

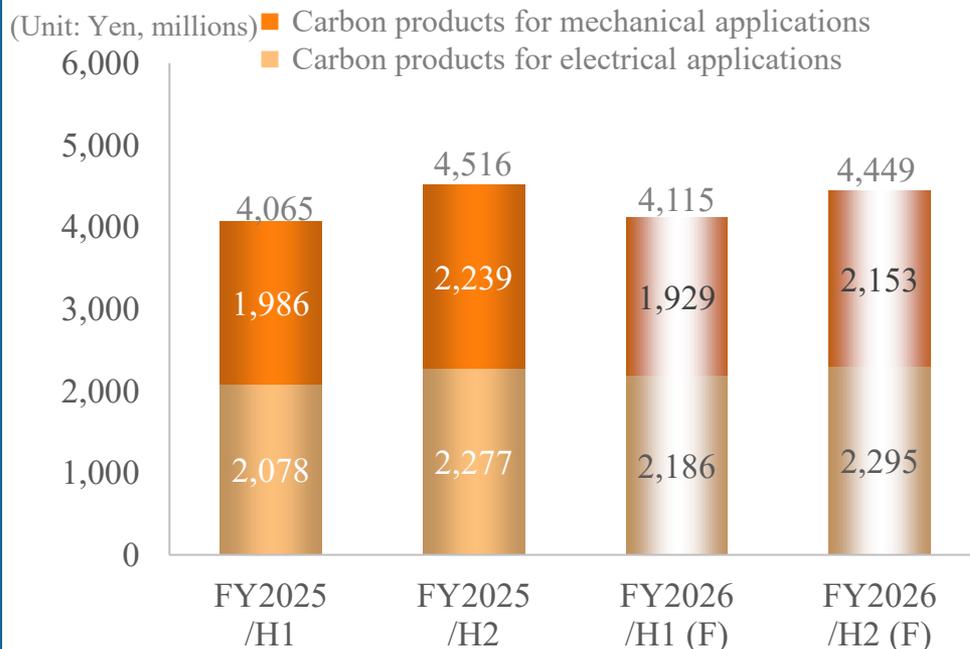
- Demand is forecast to remain sluggish for compound semiconductor manufacturing applications for SiC semiconductors. In contract, sales are expected to increase significantly year on year due to increased demand for silicon semiconductor applications such as single-crystal silicon manufacturing applications and other manufacturing materials.

[General industries applications]

- Sales are forecast to increase year on year amid continued firm demand for applications such as industrial furnaces and continuous casting.

3. Net Sales by Product and Segment: Carbon Products for General Industries

Product and Segment (Unit: Yen, millions)	FY2025			FY2026 (F) <small>Changes indicate year-on-year increases or decreases</small>					
	H1	H2	Full year	H1	Changes	H2	Changes	Full year	Changes
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[Carbon products for mechanical applications]

- A generally stable level of demand is forecast for bearings, sealing rings, and contact strips for pantograph sliders.

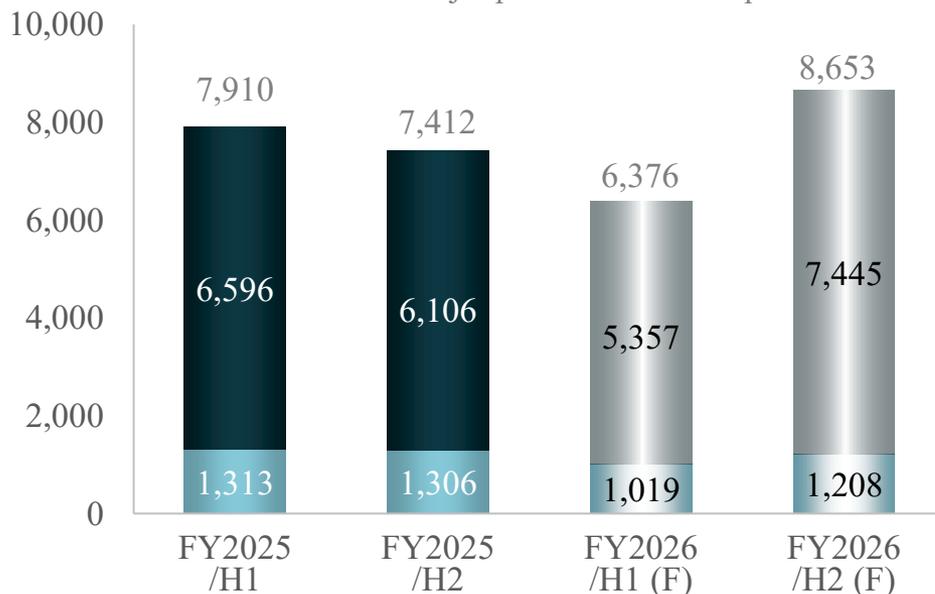
[Carbon products for electrical applications]

- No major change is expected in market conditions for compact motors for home appliances and power tools, and sales are expected to be on par with the previous fiscal year.
- We have strengthened our sales structure for large-motor applications, including renewable energy applications such as wind power generation and industrial machinery applications, and we will proceed to develop new markets.

3. Net Sales by Product and Segment: Compound Materials and Other Products

Product and Segment (Unit: Yen, millions)	FY2025			FY2026 (F) <small>Changes indicate year-on-year increases or decreases</small>					
	H1	H2	Full year	H1	Changes	H2	Changes	Full year	Changes
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Three Major Products	6,596	6,106	12,702	5,357	(18.8)%	7,445	+21.9%	12,802	+0.8%
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(Unit: Yen, millions) ■ Three major products ■ Other products



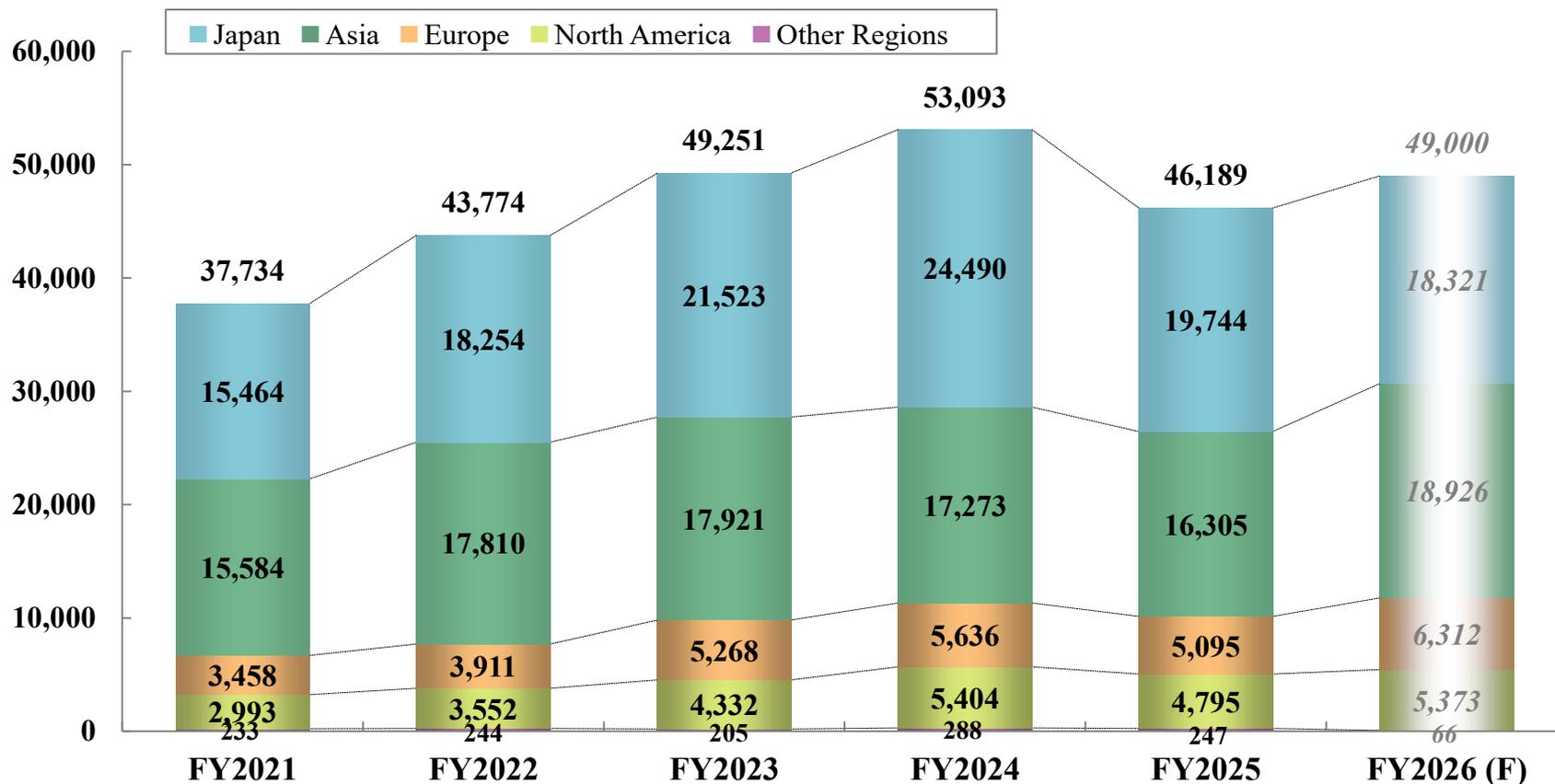
[Three major products]

- Full-year sales of SiC-coated graphite products are forecast to decrease slightly year on year. Although demand for SiC semiconductor applications remains weak and the first half is expected to be sluggish due to advance sales recorded in the previous fiscal year, growth in demand for silicon semiconductor applications in the second half is expected to offset these impacts.
- Sales of C/C composite products are expected to increase year on year, with strong demand forecast for both industrial furnace applications and semiconductor applications.
- Sales of graphite sheet products are expected to decline year on year, with a slight decrease for metallurgical and automobile applications, despite firm demand for semiconductor applications.

4. Sales by Region

✓ Although demand will take time to recover in Japan, a year-on-year increase in sales is forecast amid stable demand in Europe, North America, and Asia.

(Unit: Yen, millions)

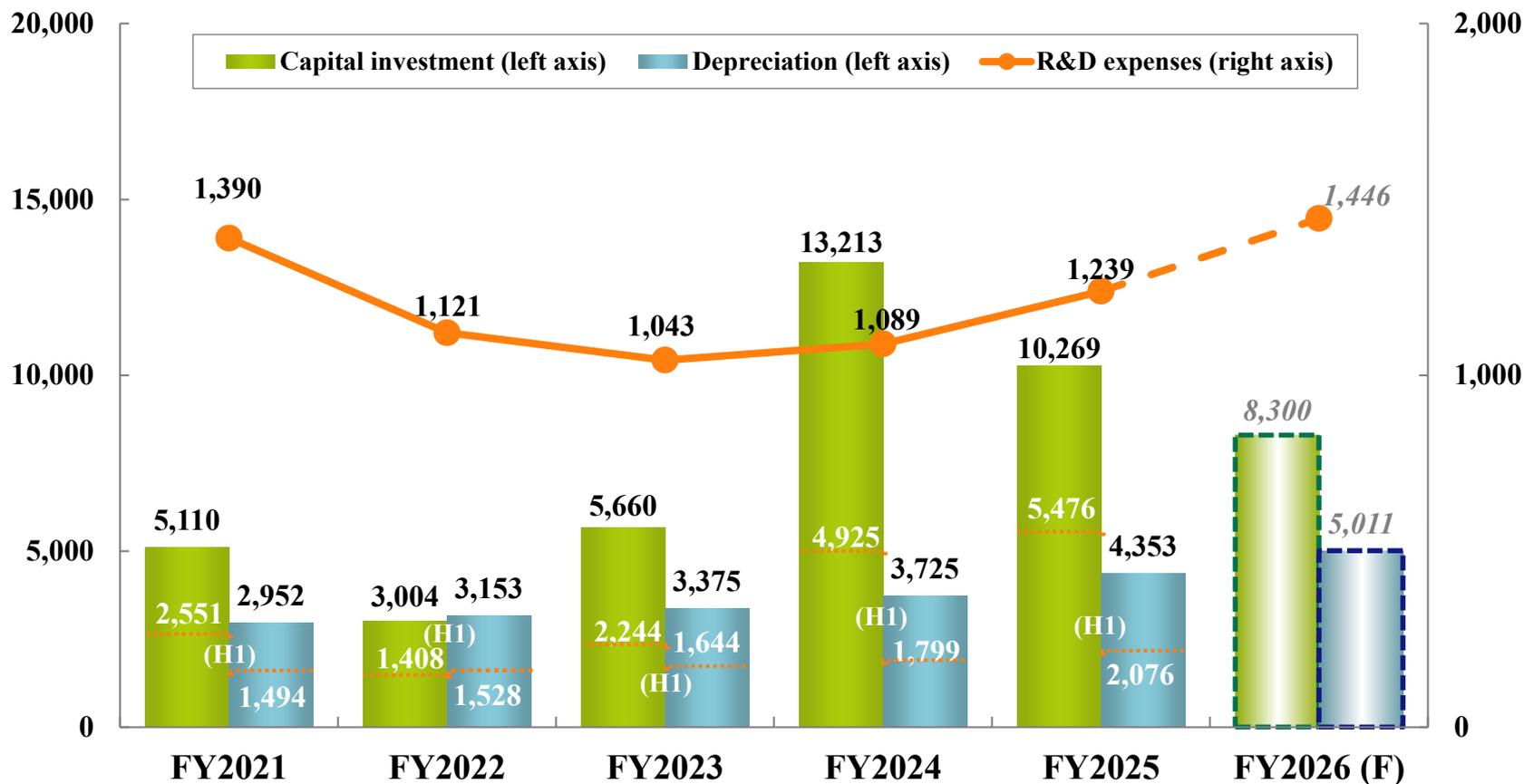


5. Capital Investment, Depreciation, and R&D Expenses

- ✓ We invest mainly in high-value-added processes such as enhancing purification, SiC/TaC coatings, etc.

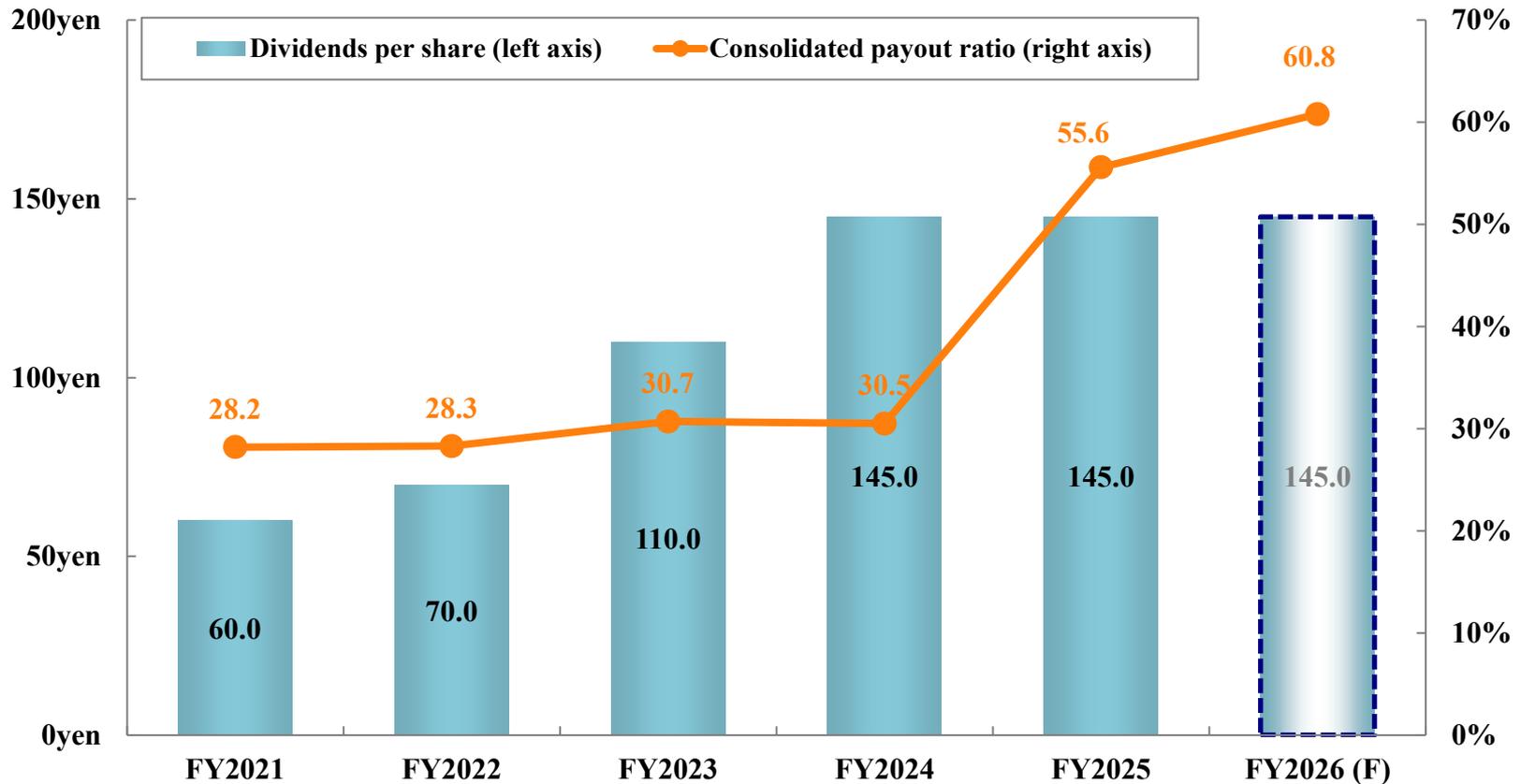
(Unit: Yen, millions)

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6. Dividend

- ✓ We have revised the dividend policy, raising the dividend payout ratio benchmark to 40%.
We will maintain the same level of dividend as in FY2025, focusing on stability.



TOYO TANSO



Inspiration for Innovation

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

This presentation contains “forward-looking statements” and forecasts of business results. These statements are not historical facts but instead represent the Company’s beliefs regarding future events, many of which, by their nature, are inherently uncertain and beyond the Company’s control. It is possible that the Company’s actual results may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements.

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