

Message from the CEO



Realizing sustainable growth and shareholder returns through materials that shape next-generation industry

The core infrastructure that is vital to society

Chemistry has the power to unleash the potentials of substances. That's why it is the core infrastructure that supports the evolution of civilization from a material vantage. The transformations of next-generation industry, such as physical AI and autonomous driving, will also be impossible to implement throughout society without innovative materials to make them possible. The Toagosei Group is proud to be responsible for the creation of these materials that are the foundation of all innovation. We continue to create value that plays a central role in supporting the society of the future. By steadily supplying the commodity chemicals we have developed through the years, we have become elemental in the frameworks of society and economics. At the same time, we offer irreplaceable high-performance solutions in cutting-edge fields such as the semiconductor, electronic materials, and mobility fields. Going forward, we will go beyond the borders of being a material supplier to further solidify our role as a part of the foundation of a sustainable society (an "operating system" that supports society and industry), contributing to both the global environment and the advanced civilization.

Aiming to achieve sustainable growth

During the previous Medium-Term Management Plan period, the Toagosei Group enhanced its R&D capabilities, suspended its production of general-purpose resin, made improvements to its plants to transition to the next generation, and actively promoted globalization efforts with the aim of achieving sustainable growth. In our R&D, we added an R&D center and personnel and accelerated our development in growth areas. At the same time, we expanded our production facilities for high-value-added products through large-scale capital investment. In our global expansion, we boldly updated our business scheme for the first time in approximately 30 years, switching to independent operation for our instant glue business in the United States and reorganizing our subsidiaries in the Southern China region. Furthermore, as part of our efforts to build our fourth pillar of business, we fully ramped up our initiatives in the medical field. We will learn from these experiences and focus on improving our field capabilities and our rapid decision-making to build a more solid growth foundation for the entire Group.

Accelerating our shareholder-focused management and rapidly improving our capital efficiency

Under our 2028 Medium-Term Management Plan, we will further accelerate our shareholder-focused management, which we set our sights on during the previous Medium-Term Management Plan. Our main mission will be the rapid improvement of our capital efficiency. We have set a PBR of 1.0x or higher as a key goal indicator for 2028 and an ROE of approximately 8% as a key goal indicator for 2030. On the finance front, we will maintain our net worth ratio of approximately 70% and our credit rating of A or above, sustaining our financial soundness as we optimize our capital structure. As for shareholder returns, given the reductions we have made to cash and deposits, we will target our total return ratio at approximately 90% and, by increasing our payment ratio, we will raise our average payout ratio over the period to approximately 70%. Along with these measures, we will maintain the shareholder benefit program we launched in December 2025, create new fans over medium to long term, and establish a stable shareholder base. We will do our utmost to increase our corporate value so that we can maximize our market valuation and meet the expectations of our investors.

Chairman, CEO and Representative Director

Mikishi Takamura