
Overview of financial results for the second quarter of the fiscal year ending March 31, 2026

October 31, 2025



MEIWA CORPORATION

Stock code: 8103

2Q FY03/2026 Highlights

- **Net sales (-1.8%) decreased** from the previous period. **Income (+14.4%) increased** from the previous period.
- Net sales within for Business Division 1 was strong. Net sales within for Business Division 3 was on par last year. Net sales for Business Division 2 and Battery & Automotive Division were sluggish.
- Operating income grew due to strong sales of high-margin products despite signs of market calm. In ordinary income, despite decreases in equity in earnings of affiliates and foreign exchange losses, profit increased due to an increase in sales of operating income.
- Progress was largely consistent with forecasts for FY03/26 consolidated results (net income of ¥3.0 billion). The projected dividend (¥38 per share) remains unchanged.

Consolidated companies

Item	End of FY03/25 (A)	End of FY03/26 2Q (B)	Change (B) – (A)	Company name (Reportable segment in parentheses)
Number of consolidated subsidiaries	7 companies	10 companies	+ 3 companies	Tokyo Glasron (Business Division 1) Soken (Business Division 1) Juzen (Business Division 3) Takeda Shoji (Business Division 3) AQEA (Business Division 3) Takaroku Corporation(Business Division 3) ※1 Meiwa (Shanghai) (Various Divisions) Meiwa Vietnam (Various Divisions) Meiwa (Thailand) (Various Divisions) ※2 Thai Meiwa Trading (Various Divisions) ※2
Number of equity-method companies	3 companies	3 companies	±0 companies	Suzuhiko Chemical (Business Division 1) Kumi Kasei (Battery & Automotive Division) P.T. Pakarti Riken Indonesia (Battery & Automotive Division)
Total	10 companies	13 companies	+ 3 companies	

※1: Added from the second quarter

※2: Added from the first quarter

External factors

Item	End of FY03/25 2Q (A)	End of FY03/26 2Q (B)	YoY change (B) – (A)	
Foreign exchange rate	yen/\$	142.73	148.88	+6.15
	yen/CNY	20.46	20.88	+0.42

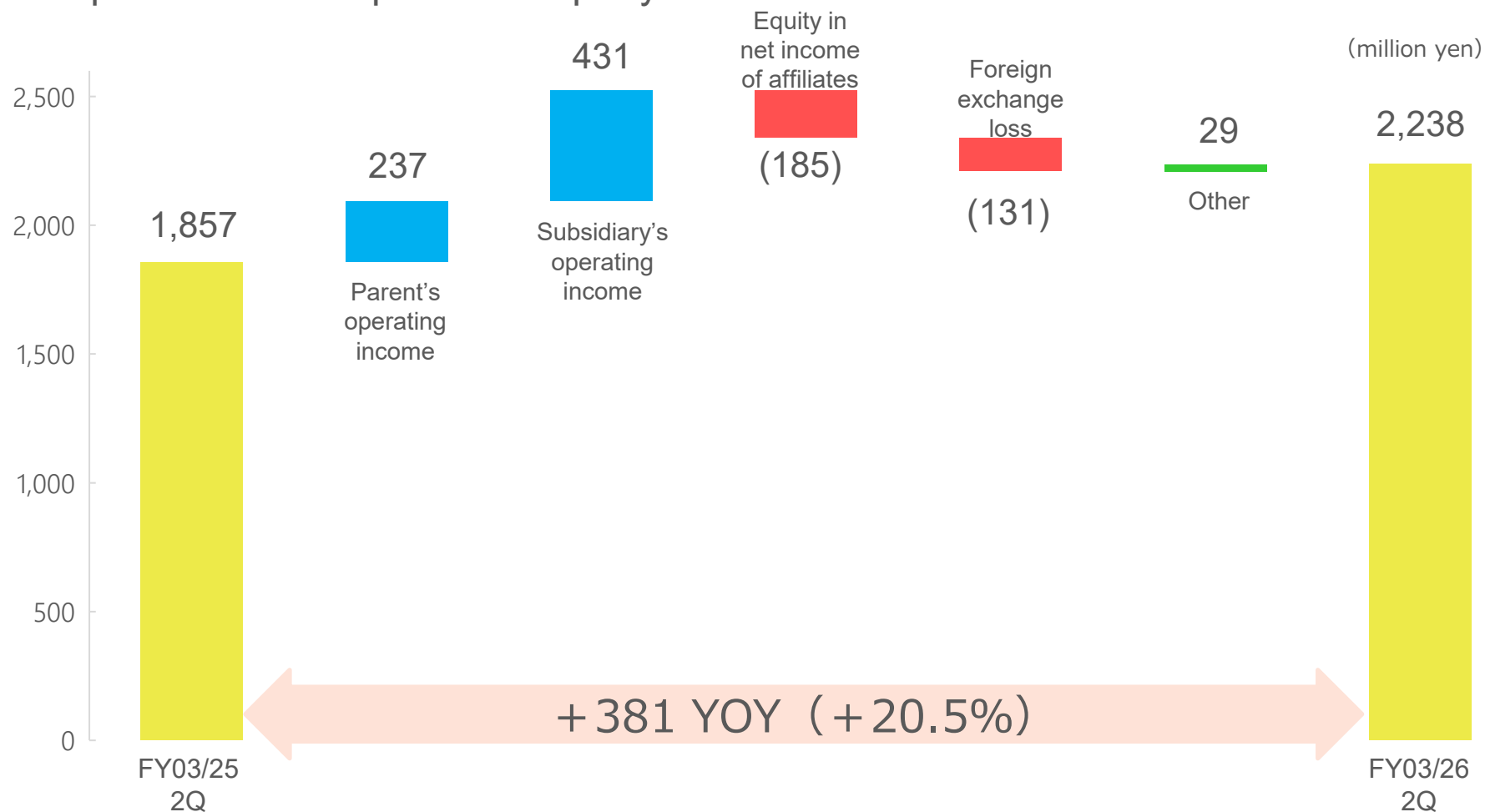
Consolidated statement of income (April 2025-September 2025)

(million yen, unless otherwise indicated)

Item	FY03/25 2Q	FY03/26 2Q	Change	Change (%)	Full year forecast	Achieved
Net sales	78,157	76,713	(1,444)	(1.8%)	160,000	47.9%
Gross income	5,791	6,911	+1,120			
Gross margin	7.40%	9.00%	+ 1.60%			
Selling, general, and administrative expenses	(4,291)	(4,743)	(451)			
Operating income	1,499	2,168	+ 668	+ 44.6%	3,200	67.8%
Net financial income/expense	0	(16)	(17)			
Dividend income	63	84	+ 20			
Equity in earnings/losses of affiliates	241	56	(185)			
Other non-operating income/expense	51	(54)	(106)			
Ordinary income	1,857	2,238	+ 381	+ 20.5%	4,000	56.0%
Extraordinary income/loss	36	21	(14)			
Income before income taxes	1,894	2,260	+ 366			
Corporate, local, and enterprise taxes	(528)	(696)	(168)			
Net income attributable to non-controlling interests	(44)	(51)	(7)			
Net income attributable to owners of parent	1,321	1,512	+ 190	+ 14.4%	3,000	50.4%

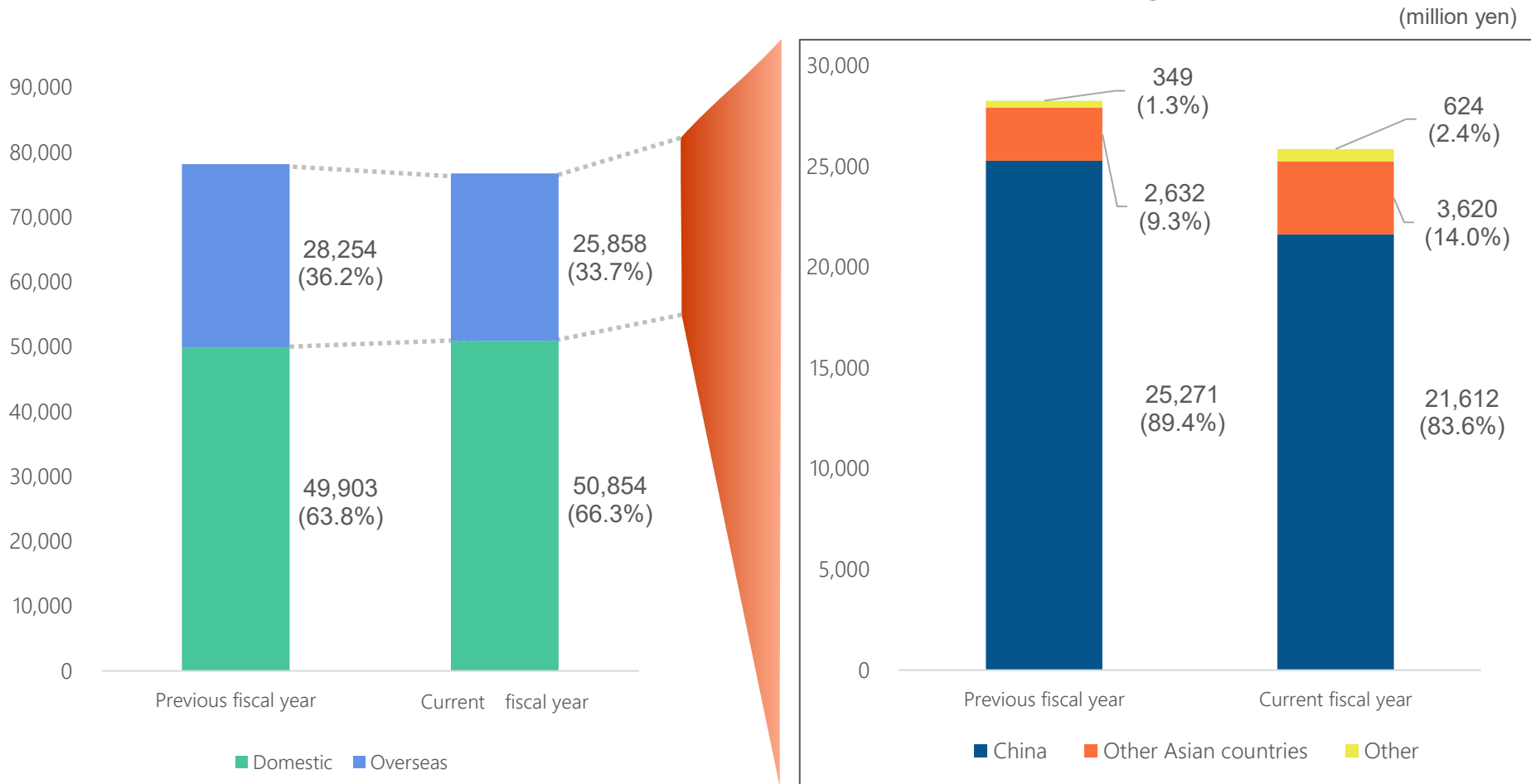
Analysis of YoY change – Ordinary income –

- ◆ Despite the weak performance of equity in net income of affiliates and foreign exchange loss, profit increased by 381 million yen due to the favorable performance of parent company and subsidiaries.



Net sales by region (domestic/overseas)

- ◆ Domestic business remains unchanged year on year, while overseas business remains sluggish (overseas sales ratio is 33.7%)
- The ratio of sales to China to overseas business remains high



Supplementary information on reportable segments

Name of segment	Main businesses	Main products
Business Division 1	Mineral Resource & Environmental Business Flame Retardants Business Construction Materials Business	Rare earth elements, Rare earth metals, Environmental products, metal-related products Flame retardants Heat-insulating materials, waterproof materials, interior trim materials
Business Division 2	Petroleum Products Business	Lubricating oils, base oils, additives
Business Division 3	High Performance Materials Business Functional Chemicals Business Functional Plastics Business Inorganic Chemicals Business	Film products, raw materials for printing Agents for making paper, raw materials for adhesives Functional plastic materials and functional plastics Inorganic chemicals
Battery & Automotive Division	Battery Materials Business Automotive Business	Battery materials Automotive parts-related products

Net sales by reportable segment

(million yen)

Segment	FY03/25 2Q cumulative	FY03/26					Change	Major factors behind change
		1Q	2Q	3Q	4Q	Cumulative		
Business Division 1	20,752	11,216	10,602			21,818	+ 1,066	Flame retardants (+) Metal-related products(-)
Business Division 2	21,336	10,385	9,610			19,996	(1,340)	The base oils for overseas, refrigerant oils (-)
Business Division 3	29,538	14,865	14,986			29,852	+ 313	Functional plastic materials, inorganic chemicals (+) Film products, functional Chemicals, functional plastics (-)
Battery & Automotive Division	6,529	2,361	2,684			5,045	(1,484)	Battery materials (-)
Other	(0)	0	0			0	+ 0	
Total	78,157	38,828	37,884			76,713	(1,444)	

Note: "Other" consists of business segments not included in any reportable segments.

Ordinary income by reportable segment

(million yen)

Segment	FY03/25 2Q cumulative	FY03/26					Change	Major factors behind change
		1Q	2Q	3Q	4Q	Cumulative		
Business Division 1	944	875	532			1,407	+ 463	Flame retardants (+) Metal-related products (-)
Business Division 2	189	219	232			451	+ 262	The base oils and additives for overseas, Refrigerant oils, industrial machinery lubricants(+)
Business Division 3	518	170	129			299	(219)	Functional plastic materials, inorganic chemicals (+) Film products, functional Chemicals, functional plastics, Costs related to the acquisition of shares(-)
Battery & Automotive Division	99	23	(81)			(57)	(157)	Equity in earnings of affiliates (-)
Other	(92)	(66)	(69)			(135)	(43)	
Adjustments	197	179	93			273	+ 75	
Total	1,857	1,401	836			2,238	+ 381	

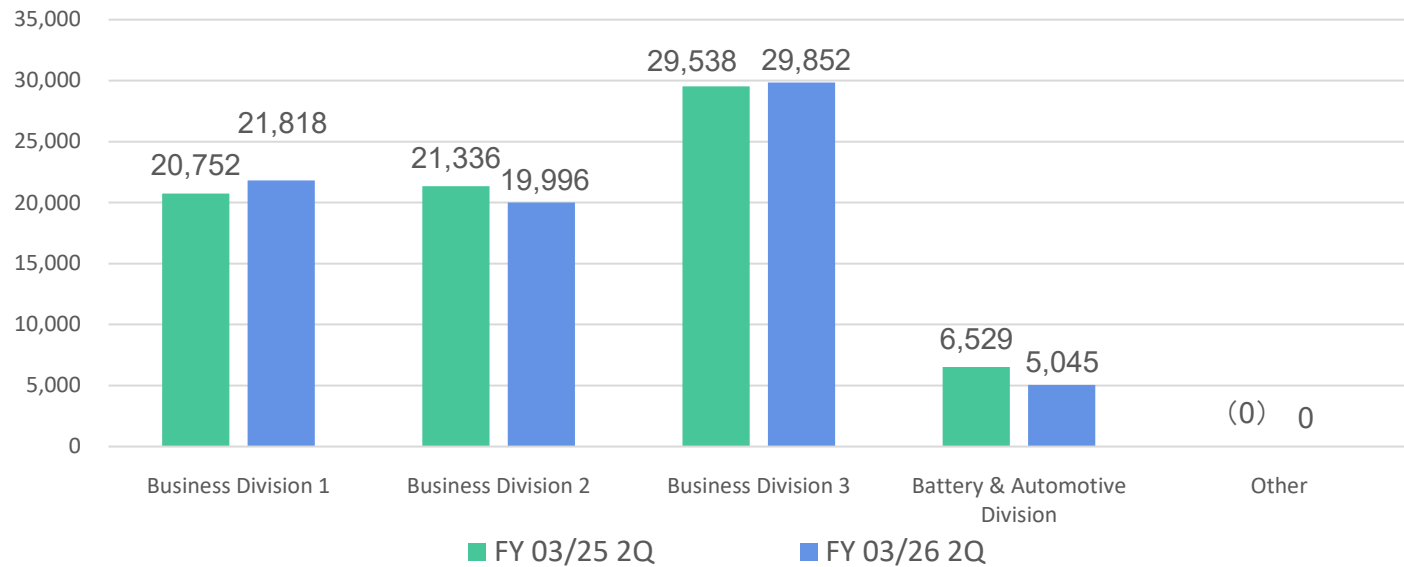
Note 1: "Other" consists of business segments not included in any reportable segments.

Note 2: Adjustments mainly represent general and administrative expenses and non-operating income and expenses not attributed to any reportable segments.

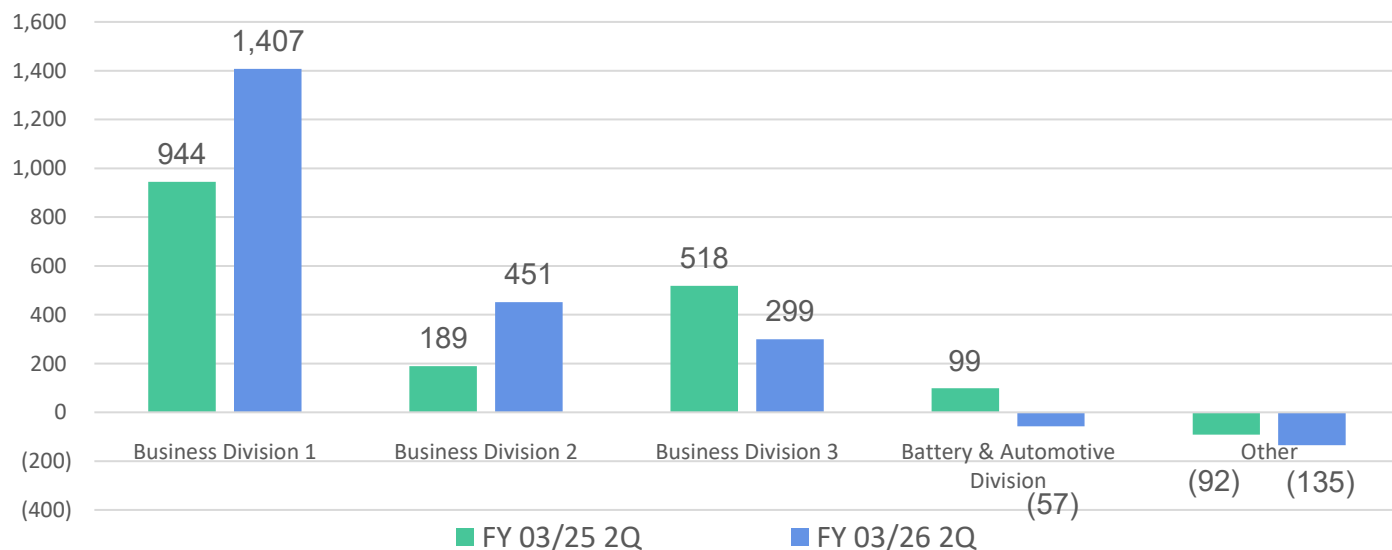
Net sales and income trends by reportable segment

(million yen)

● Net sales



● Income



Consolidated balance sheets

(million yen)

Item	End of FY03/25	End of FY03/26 2Q	Change
Cash and deposits	8,382	10,108	+ 1,726
Receivables-trade	41,420	43,101	+ 1,680
Merchandise	7,019	7,810	+ 790
Other current assets	760	898	+ 138
Allowance for doubtful accounts	(164)	(190)	(26)
Total current assets	57,418	61,728	+ 4,309
Property, plant, and equipment	1,329	2,134	+ 805
Goodwill	–	1,842	+ 1,842
Other intangible fixed assets	77	169	+ 92
Investments in securities	14,453	14,908	+ 455
Retirement benefit assets	288	353	+ 64
Other fixed assets	1,091	1,151	+ 59
Allowance for doubtful accounts	(24)	(17)	+ 6
Total fixed assets	17,215	20,541	+ 3,325
Total assets	74,634	82,269	+ 7,635

Item	End of FY03/25	End of FY03/26 2Q	Change
Payables-trade	28,471	30,032	+ 1,561
Short-term borrowings	1,011	7,000	+ 5,988
Other current liabilities	2,801	2,593	(207)
Total current liabilities	32,284	39,626	+ 7,342
Long-term borrowings	521	76	(444)
Retirement benefit liabilities	84	168	+ 84
Other fixed liabilities	2,836	2,910	+ 73
Total fixed liabilities	3,442	3,155	(286)
Total liabilities	35,726	42,781	+ 7,055
Common stock and additional paid-in capital	6,817	6,817	–
Retained earnings	25,083	25,060	(22)
Treasury stock	(83)	(78)	+ 4
Total shareholder equity	31,817	31,799	(17)
Valuation difference on available-for-sale securities	2,876	3,189	+ 313
Foreign currency translation adjustments, etc.	3,775	3,862	+ 87
Total accumulated other comprehensive income	6,651	7,051	+ 400
Non-controlling interests	439	636	+ 196
Total net assets	38,908	39,487	+ 579
Total liabilities and net assets	74,634	82,269	+ 7,635

Equity ratio	51.5%	47.2%	(4.3%)
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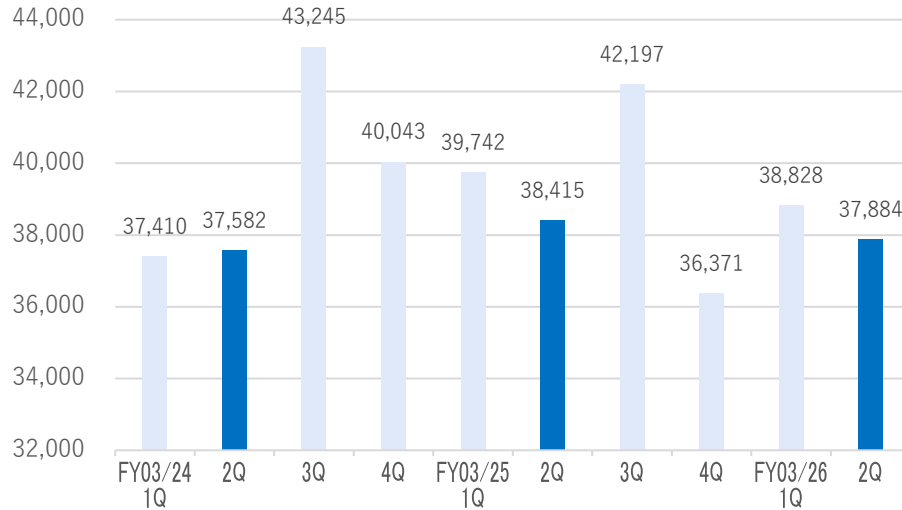
Consolidated statement of cash flows

(million)

Item	FY03/25 2Q	FY03/26 2Q	Change	Major factors behind change
Cash flows from operating activities	2,535	737	(1,798)	Profit attributable to owners of parent + 366 Decrease (increase) in receivables-trade (5,766) Decrease (increase) in inventories (705) Increase (decrease) in trade payables + 4,582
Cash flows from investing activities	53	(3,346)	(3,399)	Long-term loans payable (1,937) Changes in the scope of consolidation Purchase of subsidiaries' shares (769) Purchase of equity investments (212)
Cash flows from financing activities	(5,454)	3,707	+ 9,161	Net increase (decrease) in short-term borrowings + 8,433 Purchase of treasury stock + 939 Decrease in dividend payments (275)
Effect of exchange rate changes	(95)	38	+ 134	
Change during the period	(2,961)	1,137	+ 4,098	
Cash and cash equivalents at end of period	6,567	9,852	+ 3,285	

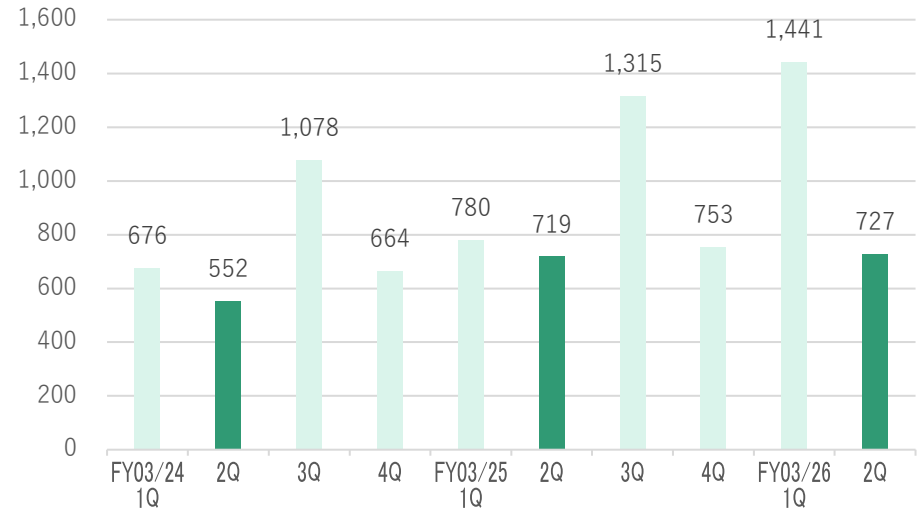
Quarterly consolidated performance trend

Net sales

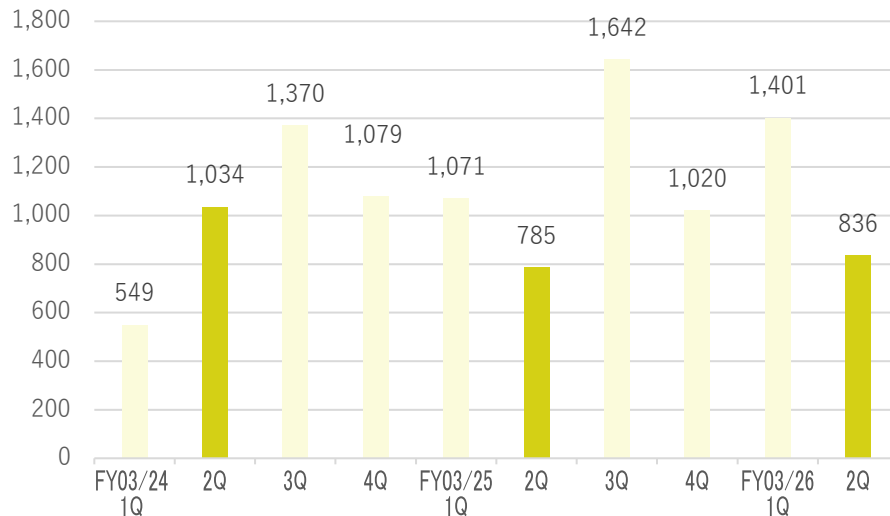


Operating income

(million yen)



Ordinary income



Net income attributable to owners of parent

