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.

Summary of Consolidated Financial Results for the Year Ended March 31, 2026 [Japanese GAAP]

May 14, 2026

Company name: ADEKA CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 4401
URL: https://www.adeka.co.jp/en/
Representative: HIDETAKA SHIROZUME PRESIDENT & CHIEF EXECUTIVE OFFICER, REPRESENTATIVE DIRECTOR
Inquiries: NAGATOSHI KIKUCHI GENERAL MANAGER, LEGAL AFFAIRS & PUBLICITY DEPARTMENT
Telephone: +81-3-4455-2803

Scheduled date of annual general meeting of shareholders: June 19, 2026
Scheduled date to commence dividend payments: June 22, 2026
Scheduled date to file annual securities report: June 15, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	416,563	2.3	41,614	1.5	42,772	8.7	27,866	11.4
March 31, 2025	407,145	1.8	41,010	15.8	39,346	10.0	25,019	8.9

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 47,507 million [87.3%]
For the fiscal year ended March 31, 2025: ¥ 25,360 million [(35.2)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	277.95	-	9.1	7.8	10.0
March 31, 2025	245.55	-	8.6	7.2	10.1

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended March 31, 2026: ¥ 715 million
For the fiscal year ended March 31, 2025: ¥ 619 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	559,987	371,572	56.0	3,202.99
March 31, 2025	543,118	351,776	54.6	2,916.30

Reference: Equity
As of March 31, 2026: ¥ 313,438 million
As of March 31, 2025: ¥ 296,690 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	40,612	(30,078)	(35,301)	87,884
March 31, 2025	46,235	(12,553)	(22,288)	107,768

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	48.00	-	52.00	100.00	10,225	40.7	3.5
Fiscal year ended March 31, 2026	-	52.00	-	60.00	112.00	11,150	40.3	3.7
Fiscal year ending March 31, 2027 (Forecast)	-	60.00	-	60.00	120.00		40.8	

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	215,000	9.9	21,700	9.8	21,800	9.0	14,200	14.3	145.11
Full year	453,000	8.7	46,800	12.5	46,600	8.9	28,800	3.4	294.30

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	103,768,142 shares
As of March 31, 2025	103,768,142 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	5,910,048 shares
As of March 31, 2025	2,032,620 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	100,257,895 shares
Fiscal Year ended March 31, 2025	101,891,229 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	164,659	2.2	16,200	4.8	28,459	10.2	25,294	17.7
March 31, 2025	161,051	4.8	15,452	18.3	25,817	9.9	21,482	13.9

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	251.22	-
March 31, 2025	209.96	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	300,854	214,343	71.2	2,180.79
March 31, 2025	294,863	208,854	70.8	2,044.29

Reference: Equity

As of March 31, 2026: ¥ 214,343 million

As of March 31, 2025: ¥ 208,854 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Table of Contents – Attachments

1. Overview of Operating Results, etc. 2
(1) Overview of Operating Results for the Fiscal Year under Review 2
(2) Overview of Financial Position for the Fiscal Year under Review 6
(3) Basic Policy on Profit Distribution and Dividends for the Fiscal Year under Review and Next Fiscal Year 8

2. Basic Policy on Selection of Accounting Standards 8

3. Consolidated Financial Statements and Principal Notes 9
(1) Consolidated Balance Sheets 9
(2) Consolidated Statements of Income and Comprehensive Income 11
Consolidated Statements of Income 11
Consolidated Statements of Comprehensive Income 12
(3) Consolidated Statements of Changes in Net Assets 13
(4) Consolidated Statements of Cash Flows 15
(5) Notes to Consolidated Financial Statements 17
(Notes on going concern assumption) 17
(Changes in presentation) 17
(Additional information) 18
(Notes on segment information, etc.) 19
(Per share information) 21
(Significant subsequent events) 21

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2026, the global economy remained on a moderate recovery trend, underpinned by monetary easing and expansion of AI-related investments in various countries. Meanwhile, uncertainty remained high amid the U.S. tariff policy, concerns over a slowdown in demand associated with slower growth in the Chinese economy, and rising resource prices and impacts on logistics resulting from heightened tensions in the Middle East.

Under these circumstances, the financial results for the fiscal year under review were as follows.

Net sales, operating profit, ordinary profit, and profit attributable to owners of parent all reached record highs for the full year.

Consolidated Operating Results (100 million yen)

	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Change	Change (%)
Net sales	**4,165**	**4,071**	**94**	**2.3**
Chemicals	2,148	2,184	(36)	(1.7)
Polymer Additives	*984*	*1,054*	*(70)*	*(6.7)*
Semiconductor Materials	*360*	*340*	*19*	*5.8*
Environmental Materials	*803*	*789*	*14*	*1.8*
Food Products	830	825	4	0.6
Life Science	1,117	999	118	11.8
Others	69	62	7	11.7
Operating profit (loss)	**416**	**410**	**6**	**1.5**
Chemicals	263	280	(16)	(6.0)
Polymer Additives	*96*	*108*	*(12)*	*(11.6)*
Semiconductor Materials	*74*	*90*	*(16)*	*(17.7)*
Environmental Materials	*92*	*80*	*11*	*14.8*
Food Products	43	43	(0)	(0.6)
Life Science	98	77	20	26.4
Others	10	8	2	30.8
Ordinary profit	**427**	**393**	**34**	**8.7**
Profit attributable to owners of parent	**278**	**250**	**28**	**11.4**

(Notes) Amounts of less than 100 million yen are rounded down. Percentage changes are rounded to the first decimal place.

An overview by reportable segment is as described on page 3 and onward.

Effective from April 1, 2025, we have changed the name of a sub-segment of the Chemicals Business "Electronic Materials" to "Semiconductor Materials." Additionally, Electronics-Related Materials, which was previously included in Electronic Materials, has been reclassified under Environmental Materials. The results for the fiscal year ended March 31, 2025, have also been restated to reflect the new segment classifications for comparison purposes.

(Chemicals Business) Decreased sales and profit

Overviews of the Polymer Additives, Semiconductor Materials, and Environmental Materials that comprise the Chemicals Business are as follows.

1) Polymer Additives: Decreased sales and profit

Sales of flame retardants were weak, particularly in Europe and the United States, due to intensified price competition amid stagnancy in the home appliance and EV markets. In addition, sales of antioxidants used for plastic products in general were sluggish since production was slow in the petrochemical market despite automobile production showing signs of recovery. On the other hand, sales of PVC stabilizers for electrical wires remained strong, supported by increased data center investments.

○ Major contributors

Net sales	Weak	- Flame retardants (home appliance enclosures and automotive parts) - Antioxidants, one-pack granule additives (plastic products in general) - Plasticizers (food packaging materials)
	Strong	- PVC stabilizers (electrical wires and home interior materials)
Operating profit	Negative	- Sales volume - Prices
	Positive	- Fixed costs

2) Semiconductor Materials: Increased sales and decreased profit

Sales of semiconductor lithography materials for advanced photo resists were strong, driven by broader introduction of EUV exposure equipment and increased demand for a transition to PFAS-free alternatives. In addition, sales of high-k materials turned to an expansionary trend from the third quarter and remained firm for the full year due to shipments of new products designed for the launch of production of latest-generation DRAM. Meanwhile, fixed cost burden increased due to upfront investments, including increased research and development personnel and the construction of new production plants.

○ Major contributors

Net sales	Strong	- Semiconductor lithography materials (advanced photo resists)
	Steady	- High-k materials (advanced DRAM)
Operating profit	Negative	- Prices - Fixed costs - Foreign exchange
	Positive	- Sales volume

3) Environmental Materials: Increased sales and profit

Sales of lubricant additives for automotive engine oils and special epoxy resins for electronic components were strong in Asia and the United States. In addition, sales of photo (light) curing resin for displays remained firm. Sales of reactive emulsifiers were solid due to expanding applications, including use in adhesives, despite being affected by sluggish construction demand in China.

○ Major contributors

Net sales	Strong	- Lubricant additives (automotive engine oils) - Special epoxy resins (electronic components)
	Steady	- Photo (light) curing resins (displays) - Reactive emulsifiers (architectural coatings and adhesives)
Operating profit	Positive	- Sales volume - Prices
	Negative	- Foreign exchange

(Food Products Business) Increased sales and decreased profit

In Japan, we focused on improving profitability and expanding the use of eco-friendly products. Sales of high-performance kneading ingredients that contribute to reducing food production losses and ***the Deli-PLANTS series***, centered on plant-based cheese, were steady. Sales of shortenings and margarines used in bread and confectionery products were weak in China, where the economic slowdown continued.

○ Major contributors

Net sales	Steady	- High-performance kneading ingredients (breads, etc.) - ***Deli-PLANTS series*** of plant-based foods (cafes, breads, etc.)
	Weak	- China: Shortenings, margarines (breads, confectionery)
Operating profit	Negative	- Sales volume
	Positive	- Prices

(Life Science Business) Increased sales and profit

Overseas, sales of herbicides for fruits and potatoes performed well in Europe. In addition, sales of insecticides for fruits and nuts remained strong in the United States. In Japan, herbicides, insecticides, etc. for paddy rice were strong, reflecting increased paddy rice planting areas driven by heightened production motivation as a result of rising rice prices.

○ Major contributors

Net sales	Strong	- Europe: Insecticides (active ingredients), herbicides (fruits and potatoes) - North America: Insecticides (fruits and nuts) - Japan: Herbicides, insecticides, etc. (paddy rice)
Operating profit	Positive	- Sales volume - Prices - Foreign exchange
	Negative	- Fixed costs

[Outlook for the fiscal year ending March 31, 2027]

The global economy is expected to grow gradually in the fiscal year ending March 31, 2027. However, uncertainty about the future is expected to remain high due to high uncertainty over resource price trends due to heightened tensions in the Middle East and concerns about risks such as the resurgence of inflation.

The semiconductor sector, which is a primary target of ADEKA group (the Group), is on an expansionary trend in the advanced memory and logic fields against the backdrop of increased AI and data center investments. In the automotive, food, agriculture, and other sectors, medium- to long-term growth opportunities are expected in all areas against the backdrop of global population growth, while the business environment is expected to remain highly uncertain due to factors such as geopolitical risks and fluctuations in raw material market conditions.

In this business environment, the Mid-Term Management Plan, ***ADX 2026***, enters its final year. The Group will continue to steadily implement various measures to strengthen its earning power, promote sustainability initiatives, and build a resilient supply chain capable of flexibly responding to changes in the external environment, as outlined in its basic strategy, towards achieving the co-creation of social value and profits.

The following table shows the forecast for the next fiscal year and outlook by reportable segment.

The impact of the situation in the Middle East on our business has not been factored into the consolidated forecast because it is difficult to calculate reasonably at this time.

(Reference) Forex Assumptions and Sensitivities

Assumptions of the beginning of the FY ending March 2027		Impact on operating profit of the yen appreciating per one yen
USD	153.00	Approx. (0.11) bn yen
EUR	178.00	Approx. (0.06) bn yen

(Impact of the current situation in the Middle East on businesses and financial results)

The Group conducts its business operations using raw materials derived from Naphtha for certain products. Although tightness in the supply of certain raw materials has arisen at present due to heightened tensions in the Middle East, the Group expects to be able to maintain its supply system for the time being. On the other hand, depending on future developments, increases in raw material and packaging material prices, disruptions in the supply chain, and other issues may arise. In such a case, while the Group will strive to minimize the impact by taking measures such as passing on costs to product prices, there is a possibility that this may have a certain impact on the Group's businesses and financial results.

Consolidated forecast for the fiscal year ending March 31, 2027 (100 million yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Fiscal year ending March 31, 2027	4,530	468	466	288
Fiscal year ended March 31, 2026	4,165	416	427	278
Change (%)	8.7%	12.5%	8.9%	3.4%

Outlook by reportable segment

Business	YoY change in net sales / operating profit	Contributing factors
Chemical Products	Up / Up	
Polymer Additives	Up / Up	Sale of new clarifying agents to expand in Japan and overseas. Sales of flame retardants for home appliances, nucleating agents for automobiles, and light stabilizers to expand.
Semiconductor Materials	Up / Up	Sales of high-k materials and semiconductor lithography materials to expand. Research and development capabilities to be enhanced through the operation of the new research building and production facilities to be expanded.
Environmental Materials	Up / Up	Sales for lubricant additives for automobiles to expand primarily overseas. Sales of reactive emulsifiers for architectural coatings and photo (light) curing resin for optical film to expand in Asia.
Food Products	Up / Up	Sales of high-performance products and plant-based foods to expand. Sales in the China market to recover. Sales prices to be optimized in response to increases in raw material and packaging material costs.
Life Science	Up / Up	Sales of agricultural chemicals to continue to be steady in North America and Japan. Measures to improve profitability to be promoted in Brazil and India. In Europe, market penetration to deepen.

(Note) The statements on forecasts in this document, including earnings forecasts and other forward-looking statements, contain projections based on assumptions, outlooks, and plans related to the future as of the date of this document's release. Please note that actual results may differ from these figures due to risks and uncertainties associated with economic conditions surrounding the Group's business, market trends, exchange rate fluctuations, and other factors.

(2) Overview of Financial Position for the Fiscal Year under Review

1) Assets, Liabilities and Net Assets

Consolidated Financial Position (100 million yen)

	March 31, 2026	March 31, 2025	Change	Change (%)
Total assets	5,599	5,431	168	3.1
Total liabilities	1,884	1,913	(29)	(1.5)
Total net assets	3,715	3,517	197	5.6

(Notes) Amounts of less than 100 million yen are rounded down. Percentage changes are rounded to the first decimal place.

○ Major contributors

- Total assets: An increases in merchandise and finished goods as well as investment securities
- Total liabilities: A decrease in short-term borrowings
- Total net assets: An increase in retained earnings

2) Cash flows

Consolidated Cash Flows (100 million yen)

	March 31, 2026	March 31, 2025	Change	Change (%)
Cash flows from operating activities	406	462	(56)	(12.2)
Cash flows from investing activities	(300)	(125)	(175)	139.6
Cash flows from financing activities	(353)	(222)	(130)	58.4

(Notes) Amounts of less than 100 million yen are rounded down. Percentage changes are rounded to the first decimal place.

○ Major contributors

- Cash flows from operating activities: A decrease in proceeds from changes in accounts receivable - trade, and contract assets
- Cash flows from investing activities: An increase in purchase of property, plant and equipment
- Cash flows from financing activities: An increase in purchase of treasury shares

The balance of cash and cash equivalents at the end of the fiscal year under review increased by 19,883 million yen (down 18.5% year on year) to 87,884 million yen mainly due to the effect of exchange rate change on cash and cash equivalents, as well as the above factors.

(Reference) Changes in cash flow-related indicators

	Fiscal Year ended March 31, 2022	Fiscal Year ended March 31, 2023	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025	Fiscal Year ended March 31, 2026
Equity ratio (%)	52.6	52.2	52.5	54.6	56.0
Equity ratio based on market value (%)	58.6	46.3	60.6	50.4	63.1
Cash flow to interest-bearing debt ratio (years)	2.8	4.0	1.9	1.5	1.6
Interest coverage ratio	26.4	8.3	13.0	10.9	11.2

(Notes)

Equity ratio: Equity/ Total assets

Equity ratio based on market value: Market capitalization/ Total assets

Cash flow to interest-bearing debt ratio: Interest-bearing debt/Operating cash flow

Interest coverage ratio: Operating cash flows/Interest payments

1. All indicators are calculated based on consolidated financial figures
2. Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the total number of shares issued and outstanding at the end of the fiscal year.
   Operating cash flow is the cash flow from operating activities shown in the consolidated statements of cash flows.
   Interest-bearing debt covers all liabilities on the consolidated balance sheets for which interest is paid. Interest payments are based on the amount of interest paid in the consolidated statements of cash flows.
3. Effective from the fiscal year ended March 31, 2023, income and expenses of certain overseas subsidiaries are translated into yen at the average exchange rate during the period, instead of the spot exchange rate prevailing at the balance sheet date of the overseas subsidiaries. As a result, cash flow-related indicators for the fiscal year ended March 31, 2022 have been retroactively adjusted.

(3) Basic Policy on Profit Distribution and Dividends for the Fiscal Year under Review and Next Fiscal Year

We recognize that the appropriate return of profits to shareholders is one of the most important management issues.

In our Mid-Term Management Plan, ***ADX 2026***, we have set a goal of achieving a dividend payout ratio of 40% or more, based on the concept of maintaining stable dividends. Retained earnings will be used to invest in growth areas including, among others, Semiconductor Materials Business, reinforce management foundation, and make investments that contribute to the environment toward achieving carbon neutrality.

Taking into consideration the consolidated financial results and financial position for the fiscal year under review, we plan to pay a year-end dividend for the fiscal year under review at 60 yen per share, an increase of 8 yen from the initial forecast of 52 yen per share. Combined with the interim dividend of 52 yen per share already paid, the annual dividend will be 112 yen per share (100 yen per share for the previous fiscal year).

For the next fiscal year, we plan to pay an annual dividend of 120 yen per share (including the interim dividend of 60 yen per share).

2. Basic Policy on Selection of Accounting Standards

For the time being, the Group has decided to adopt Japanese GAAP. The Group will consider the application of IFRS (International Financial Reporting Standards), taking into account various circumstances.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	110,117	96,536
Notes and accounts receivable - trade, and contract assets	110,057	116,772
Securities	5,493	8,993
Merchandise and finished goods	61,507	69,412
Work in process	8,427	8,749
Raw materials and supplies	43,431	41,382
Other	12,231	14,085
Allowance for doubtful accounts	(1,375)	(1,579)
Total current assets	349,889	354,352
Non-current assets		
Property, plant and equipment		
Buildings and structures	100,832	106,117
Accumulated depreciation	(62,379)	(65,315)
Buildings and structures, net	38,452	40,801
Machinery, equipment and vehicles	193,139	204,212
Accumulated depreciation	(158,634)	(167,420)
Machinery, equipment and vehicles, net	34,504	36,792
Land	29,882	30,135
Leased assets	1,765	2,044
Accumulated depreciation	(1,275)	(1,334)
Leased assets, net	489	709
Construction in progress	14,334	14,191
Other	44,094	46,552
Accumulated depreciation	(35,892)	(37,434)
Other, net	8,201	9,118
Total property, plant and equipment	125,866	131,748
Intangible assets		
Technical assets	3,481	3,241
Customer-related assets	2,168	2,007
Goodwill	-	757
Software	5,845	5,284
Leased assets	10	18
Other	3,140	4,042
Total intangible assets	14,645	15,352
Investments and other assets		
Investment securities	42,803	49,745
Long-term loans receivable	1,108	677
Retirement benefit asset	2,440	2,321
Deferred tax assets	2,258	2,493
Other	4,796	4,084
Allowance for doubtful accounts	(690)	(790)
Total investments and other assets	52,716	58,533
Total non-current assets	193,228	205,634
Total assets	543,118	559,987

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	60,212	64,349
Short-term borrowings	18,549	15,600
Current portion of long-term borrowings	7,226	6,667
Lease liabilities	242	274
Income taxes payable	4,888	4,638
Provision for bonuses	3,848	4,233
Provision for bonuses for directors (and other officers)	126	200
Provision for environmental measures	809	309
Other	26,341	19,156
Total current liabilities	122,244	115,429
Non-current liabilities		
Bonds payable	11,505	15,924
Long-term borrowings	26,142	23,703
Lease liabilities	373	552
Deferred tax liabilities	2,327	5,455
Deferred tax liabilities for land revaluation	3,103	3,103
Provision for retirement benefits for directors (and other officers)	84	96
Provision for environmental measures	927	618
Provision for share awards	349	348
Retirement benefit liability	19,361	17,774
Other	4,922	5,407
Total non-current liabilities	69,097	72,984
Total liabilities	191,341	188,414
Net assets		
Shareholders' equity		
Share capital	23,048	23,048
Capital surplus	20,348	20,463
Retained earnings	228,109	245,544
Treasury shares	(4,667)	(18,995)
Total shareholders' equity	266,838	270,060
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,249	18,589
Revaluation reserve for land	3,240	3,240
Foreign currency translation adjustment	14,010	20,380
Remeasurements of defined benefit plans	351	1,166
Total accumulated other comprehensive income	29,852	43,377
Non-controlling interests	55,085	58,134
Total net assets	351,776	371,572
Total liabilities and net assets	543,118	559,987

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	407,145	416,563
Cost of sales	292,279	297,860
Gross profit	114,865	118,703
Selling, general and administrative expenses	73,855	77,088
Operating profit	41,010	41,614
Non-operating income		
Interest income	2,172	2,609
Dividend income	1,076	1,181
Share of profit of entities accounted for using equity method	619	715
Gain on valuation of derivatives	1,395	-
Foreign exchange gains	-	1,261
Other	1,073	2,137
Total non-operating income	6,336	7,905
Non-operating expenses		
Interest expenses	3,445	3,588
Loss on valuation of derivatives	-	2,334
Foreign exchange losses	3,715	-
Other	839	824
Total non-operating expenses	8,000	6,747
Ordinary profit	39,346	42,772
Extraordinary income		
Gain on sale of non-current assets	1,423	125
Gain on sale of investment securities	199	2,065
Gain on sale of shares of subsidiaries and associates	-	323
Gain on sale of investments in capital of subsidiaries and associates	1,572	-
Total extraordinary income	3,195	2,513
Extraordinary losses		
Loss on abandonment of non-current assets	1,194	946
Impairment losses	72	381
Loss on valuation of investment securities	22	-
Loss on sale of shares of subsidiaries and associates	43	-
Environmental expenses	1,984	6
Settlement payments	-	1,072
Other	310	-
Total extraordinary losses	3,627	2,408
Profit before income taxes	38,914	42,878
Income taxes - current	11,015	11,591
Income taxes - deferred	(617)	(429)
Total income taxes	10,397	11,161
Profit	28,516	31,716
Profit attributable to non-controlling interests	3,496	3,850
Profit attributable to owners of parent	25,019	27,866

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	28,516	31,716
Other comprehensive income		
Valuation difference on available-for-sale securities	(49)	5,728
Revaluation reserve for land	(89)	-
Foreign currency translation adjustment	(3,587)	8,125
Remeasurements of defined benefit plans, net of tax	(108)	719
Share of other comprehensive income of entities accounted for using equity method	679	1,217
Total other comprehensive income	(3,155)	15,791
Comprehensive income	25,360	47,507
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	22,708	41,438
Comprehensive income attributable to non-controlling interests	2,652	6,069

(3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,048	20,181	213,125	(3,375)	252,979
Changes during period					
Dividends of surplus			(10,035)		(10,035)
Profit attributable to owners of parent			25,019		25,019
Change in scope of consolidation					-
Purchase of treasury shares				(1,771)	(1,771)
Disposal of treasury shares		116		479	595
Change in treasury shares arising from change in equity in entities accounted for using equity method					-
Change in ownership interest of parent due to transactions with non-controlling interests		50			50
Net changes in items other than shareholders' equity					-
Total changes during period	-	166	14,984	(1,292)	13,858
Balance at end of period	23,048	20,348	228,109	(4,667)	266,838

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,665	3,330	17,147	20	32,163	54,539	339,682
Changes during period							
Dividends of surplus					-		(10,035)
Profit attributable to owners of parent					-		25,019
Change in scope of consolidation					-		-
Purchase of treasury shares					-		(1,771)
Disposal of treasury shares					-		595
Change in treasury shares arising from change in equity in entities accounted for using equity method					-		-
Change in ownership interest of parent due to transactions with non-controlling interests					-		50
Net changes in items other than shareholders' equity	583	(89)	(3,136)	331	(2,311)	546	(1,764)
Total changes during period	583	(89)	(3,136)	331	(2,311)	546	12,094
Balance at end of period	12,249	3,240	14,010	351	29,852	55,085	351,776

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,048	20,348	228,109	(4,667)	266,838
Changes during period					
Dividends of surplus			(10,565)		(10,565)
Profit attributable to owners of parent			27,866		27,866
Change in scope of consolidation			133		133
Purchase of treasury shares				(14,501)	(14,501)
Disposal of treasury shares		1		172	174
Change in treasury shares arising from change in equity in entities accounted for using equity method				1	1
Change in ownership interest of parent due to transactions with non-controlling interests		113			113
Net changes in items other than shareholders' equity					-
Total changes during period	-	115	17,434	(14,327)	3,221
Balance at end of period	23,048	20,463	245,544	(18,995)	270,060

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	12,249	3,240	14,010	351	29,852	55,085	351,776
Changes during period							
Dividends of surplus					-		(10,565)
Profit attributable to owners of parent					-		27,866
Change in scope of consolidation					-		133
Purchase of treasury shares					-		(14,501)
Disposal of treasury shares					-		174
Change in treasury shares arising from change in equity in entities accounted for using equity method					-		1
Change in ownership interest of parent due to transactions with non-controlling interests					-		113
Net changes in items other than shareholders' equity	6,340	-	6,369	814	13,525	3,048	16,574
Total changes during period	6,340	-	6,369	814	13,525	3,048	19,796
Balance at end of period	18,589	3,240	20,380	1,166	43,377	58,134	371,572

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	38,914	42,878
Depreciation	17,555	18,835
Impairment losses	72	381
Gain on sales of investments in capital of subsidiaries and associates	(1,572)	-
Share of loss (profit) of entities accounted for using equity method	(619)	(715)
Increase (decrease) in retirement benefit liability	(271)	(375)
Increase (decrease) in provision for environmental measures	1,736	(809)
Interest and dividend income	(3,248)	(3,790)
Interest expenses	3,445	3,588
Foreign exchange losses (gains)	1,185	(1,226)
Loss (gain) on sale of non-current assets	(1,423)	(125)
Loss on abandonment of non-current assets	1,194	946
Loss (gain) on sale of investment securities	(199)	(2,065)
Loss (gain) on sale of shares of subsidiaries and associates	-	(323)
Decrease (increase) in accounts receivable - trade, and contract assets	3,953	(1,860)
Decrease (increase) in inventories	(1,952)	(1,816)
Increase (decrease) in trade payables	(2,815)	(1,411)
Other, net	571	323
Subtotal	56,525	52,435
Interest and dividends received	3,736	3,855
Interest paid	(4,224)	(3,630)
Income taxes paid	(10,983)	(12,086)
Income taxes refund	1,181	38
Net cash provided by (used in) operating activities	46,235	40,612
Cash flows from investing activities		
Purchase of securities	(17,986)	(32,980)
Proceeds from sale and redemption of securities	17,992	29,480
Purchase of property, plant and equipment	(14,046)	(20,082)
Proceeds from sale of property, plant and equipment	2,643	43
Purchase of intangible assets	(2,181)	(2,287)
Purchase of investment securities	(21)	(32)
Proceeds from sale of investment securities	485	2,681
Payments into time deposits	(3,574)	(7,409)
Proceeds from sale of shares of subsidiaries and associates	-	236
Purchase of shares of subsidiaries and associates	(45)	(24)
Proceeds from sales of investments in affiliated companies	1,795	-
Long-term loan advances	(225)	(190)
Other, net	2,612	485
Net cash provided by (used in) investing activities	(12,553)	(30,078)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(7,505)	(3,137)
Proceeds from long-term borrowings	11,560	3,907
Repayments of long-term borrowings	(12,120)	(7,389)
Proceeds from issuance of bonds	1,619	4,284
Redemption of bonds	(1,768)	(4,284)

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Purchase of treasury shares	(1,599)	(14,498)
Dividends paid	(10,032)	(10,556)
Dividends paid to non-controlling interests	(2,068)	(2,846)
Other, net	(374)	(780)
Net cash provided by (used in) financing activities	(22,288)	(35,301)
Effect of exchange rate change on cash and cash equivalents	(1,384)	3,994
Net increase (decrease) in cash and cash equivalents	10,009	(20,772)
Cash and cash equivalents at beginning of period	96,901	107,768
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	857	889
Cash and cash equivalents at end of period	107,768	87,884

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in presentation)

(Consolidated Statements of Cash Flows)

"Loss (gain) on sale of investment securities" included in "other, net" under "cash flows from operating activities" in the fiscal year ended March 31, 2025 is presented as a separate account in the fiscal year under review due to its increased financial materiality. The annual consolidated financial statements for the fiscal year ended March 31, 2025 have been reclassified in order to reflect this change in presentation.

As a result, in the Annual Consolidated Statements of Cash Flows for the fiscal year ended March 31, 2025, 371 million yen presented as "other, net" under "cash flows from operating activities" is reclassified as "loss (gain) on sale of investment securities" of (199) million yen and "other, net" of 571 million yen.

"Payments into time deposits" included in "other, net" under "cash flows from investing activities" in the fiscal year ended March 31, 2025 is presented as a separate account in the fiscal year under review due to its increased financial materiality. The annual consolidated financial statements for the fiscal year ended March 31, 2025 have been reclassified in order to reflect this change in presentation.

As a result, in the Annual Consolidated Statements of Cash Flows for the fiscal year ended March 31, 2025, (962) million yen presented as "other, net" under "cash flows from investing activities" is reclassified as "payments into time deposits" of (3,574) million yen and "other, net" of 2,612 million yen.

"Purchase of treasury shares" included in "other, net" under "cash flows from financing activities" in the fiscal year ended March 31, 2025 is presented as a separate account in the fiscal year under review due to its increased financial materiality. The annual consolidated financial statements for the fiscal year ended March 31, 2025 have been reclassified in order to reflect this change in presentation.

As a result, in the Annual Consolidated Statements of Cash Flows for the fiscal year ended March 31, 2025, (1,973) million yen presented as "other, net" under "cash flows from financing activities" is reclassified as "purchase of treasury shares" of (1,599) million yen and "other, net" of (374) million yen.

(Additional Information)

(Occurrence of a disputed incident)

A claim for damages was filed against Sipcam Nichino Brasil S.A. ("SNB"), a consolidated subsidiary of the Company, by FMC QUÍMICA DO BRASIL LTDA. ("FMC") in connection with an incident in which products that SNB had been packaging in fulfillment of a contract with FMC were stolen by a heavily armed robbery. On December 31, 2025, at the meeting of the Board of Directors of NIHON NOHYAKU CO., LTD. ("Nihon Nohyaku"), a consolidated subsidiary of the Company and the parent company of SNB, Nihon Nohyaku resolved that SNB would enter into a settlement with FMC.

1. Summary of the process from litigation to settlement

On July 26, 2023, a heavily armed robbery took place at SNB, during which products that SNB had been packaging in fulfillment of a contract with FMC were stolen. In response, FMC filed a claim for damages of 45 million reais against SNB on October 10, 2023. On May 14, 2025, the court ordered SNB to pay 45 million reais along with interest on this amount and the cost of the litigation. As stated in Nihon Nohyaku's "Notice Regarding Judgment in Damages Claim against Our Consolidated Subsidiary and Our Decision to Appeal" dated June 24, 2025, the Group decided to appeal against the judgment, based on the understanding that there were differences in opinion regarding the contractual scope of liabilities. After comprehensively considering the terms of the proposed settlement, the Nihon Nohyaku determined that resolving the matter through a settlement would be the most reasonable course of action. Accordingly, at the meeting of its Board of Directors held on December 31, 2025, Nihon Nohyaku resolved that SNB would enter into a settlement with FMC. As a result, all litigation related to this matter has been concluded.

2. Details of the plaintiff

(1) Name: FMC QUÍMICA DO BRASIL LTDA.

(2) Address: Avenida Doutor José Bonifácio Coutinho Nogueira, No. 150, Commercial Complexes 103, 105, 107, 108 and 109, Jardim Madalena District, in the municipality of Campinas, State of São Paulo, CEP 13091-611

3. Recognition of extraordinary losses due to the settlement

As a result of this matter, the Company recognized an extraordinary loss of 1,072 million yen for the fiscal year ended March 31, 2026.

(Notes on segment information, etc.)

a. Segment information

1. Summary of reportable segments

(1) Method of determining reportable segments

The Group's reportable segments are the segments for which discrete financial information is available among the components of the Group and which are subject to periodic review by the Company's Board of Directors to determine the allocation of management resources and evaluate their performance.

The Group is composed mainly of segments classified by products and services based on business divisions, and aggregates multiple business segments based on similarities in the economic characteristics, nature, manufacturing methods, and markets of the products and services. Accordingly, the Group has three reportable segments: "Chemicals Business," "Food Products Business," and "Life Science Business."

(2) Major products and services belonging to each reportable segment

The major products and services belonging to each reportable segment are as follows.

Reportable segment	Major products and services
Chemicals Business	Additives for polyolefins, stabilizers and plasticizers for PVC, flame retardants, high purity semiconductor materials, photoacid generators, electronic circuit board etching equipment and agents, photo curing resins, photo initiators, imaging materials, epoxy resins, polyurethanes, water-borne resins, surfactants, lubricant additives, kitchen detergent, cosmetic ingredients, propylene glycols, hydrogen peroxide and derivatives, water-swelling sealing materials, battery materials, etc.
Food Products Business	Margarines, shortenings, fats and oils for chocolate, frying and cooking fats and oils, plant-based foods, whipping cream, kneading cream, fillings, mayonnaise dressing, functional foods, etc.
Life Science Business	Agrochemicals, pharmaceuticals, quasi-drugs, veterinary drugs, wood chemicals, medical materials, etc.

2. Calculation of net sales, profit or loss, assets, and other items by reportable segment

The accounting methods used for the reported business segments are generally the same as those used in the preparation of the consolidated financial statements.

Profits of reportable segments are based on operating profit.

Intersegment revenues and transfers are based on prevailing market prices.

3. Information on Sales, Profit or Loss, Assets, and Other Items by Reporting Segment

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Chemicals Business	Food Products Business	Life Science Business	Total				
Net sales								
(1) Net sales to outside customers	218,426	82,540	99,954	400,922	6,222	407,145	–	407,145
(2) Inter-segment net sales or transfers	193	139	11	344	17,072	17,417	(17,417)	–
Total	218,620	82,680	99,966	401,267	23,295	424,562	(17,417)	407,145
Segment profit	28,028	4,390	7,770	40,189	714	40,903	107	41,010
Segment assets	247,403	60,604	153,321	461,330	19,110	480,440	62,677	543,118
Other items								
Depreciation (Note 4)	11,686	2,991	3,046	17,725	125	17,850	(295)	17,555
Investments in equity-method affiliates	7,595	–	6,130	13,726	–	13,726	–	13,726
Increase in property, plant and equipment and intangible assets (Note 5)	13,374	2,310	2,872	18,557	334	18,891	(208)	18,683

(Notes) 1. "Others" refers to business segments not included in the reportable segments and includes construction and construction management, logistics, and real estate businesses.
2. The details of the adjustments are as follow
The segment profit adjustment of 107 million yen includes the elimination of inter-segment transactions.
Adjustment of segment assets of 62,677 million yen mainly includes surplus funds under management (cash deposits and marketable securities) as well as long-term investment funds (investment securities) possessed by the Company.
3. Segment profit is adjusted with operating profit in the consolidated statements of income.
4. Depreciation includes amortization of long-term prepaid expenses.
5. Increases in property, plant and equipment and intangible assets include an increase in long-term prepaid expenses.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Chemicals Business	Food Products Business	Life Science Business	Total				
Net sales								
(1) Net sales to outside customers	214,810	83,003	111,797	409,611	6,951	416,563	–	416,563
(2) Inter-segment net sales or transfers	183	102	25	310	12,908	13,218	(13,218)	–
Total	214,993	83,106	111,822	409,922	19,860	429,782	(13,218)	416,563
Segment profit	26,353	4,363	9,823	40,541	1,046	41,587	27	41,614
Segment assets	268,912	61,634	154,218	484,765	21,627	506,392	53,594	559,987
Other items								
Depreciation (Note 4)	12,618	2,950	3,425	18,994	135	19,129	(293)	18,835
Investments in equity-method affiliates	8,686	–	4,018	12,704	–	12,704	–	12,704
Increase in property, plant and equipment and intangible assets (Note 5)	15,612	2,022	3,419	21,054	841	21,896	(221)	21,674

(Notes) 1. "Others" refers to business segments not included in the reportable segments and includes construction and construction management, logistics, and real estate businesses.
2. The details of the adjustments are as follow
The segment profit adjustment of 27 million yen includes the elimination of inter-segment transactions.
Adjustment of segment assets of 53,594 million yen mainly includes surplus funds under management (cash deposits and marketable securities) as well as long-term investment funds (investment securities) possessed by the Company.
3. Segment profit is adjusted with operating profit in the consolidated statements of income.
4. Depreciation includes amortization of long-term prepaid expenses.
5. Increases in property, plant and equipment and intangible assets include an increase in long-term prepaid expenses.

b. Information on impairment losses on fixed assets by reportable segment

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) (Million yen)

	Chemicals Business	Food Products Business	Life Science Business	Others	Company-wide/ Elimination	Total
Impairment loss	72	–	–	–	–	72

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026) (Million yen)

	Chemicals Business	Food Products Business	Life Science Business	Others	Company-wide/ Elimination	Total
Impairment loss	–	296	85	–	–	381

(Per share information)

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Net assets per share (yen)	2,916.30	3,202. 99
Basic earnings per share (yen)	245.55	277.95
Diluted earnings per share	Not shown because there were no potential shares.	Not shown because there were no potential shares.

(Notes) 1. The basis for calculating basic earnings per share is as follows.

2. The shares of the Company held by Custody Bank of Japan, Ltd. (Trust E Account) as trust property of the employee stock ownership plan (J-ESOP) are included in treasury shares deducted from the number of shares issued at the end of the period for the purpose of calculating net asset value per share. In addition, they are included in treasury shares deducted from the average number of shares during the period for the purpose of calculating basic earnings per share.

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	25,019	27,866
Amount not attributable to common stockholders (Million yen)	–	–
Profit attributable to owners of the parent for common stock (Million yen)	25,019	27,866
Average number of shares of common stock outstanding during the period (thousand shares)	101,891	100,257

(Significant subsequent event)

Not applicable.