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Consolidated Financial Results for the Six Months Ended September 30, 2026

(All financial information has been prepared in accordance with Generally Accepted Accounting Principles in Japan)

November 5, 2026

Company name	: DAICEL CORPORATION
Stock Exchange on which the shares are listed	: Tokyo Stock Exchange in Japan
Code number	: 4202
URL	: https://www.daicel.com/en/
Representative	: Yasuhiro Sakaki, President and CEO
Contact person	: Misa Goto, Head of Investor Relations, Corporate Planning & Strategy Office Phone +81-3-6711-8120
Scheduled date for submitting financial statements	: November 9, 2026
Scheduled date for dividend payment	: December 2, 2026
The additional materials of the Financial Results	: Yes
The briefing session of the Financial Results	: Yes (for institutional investors and analysts)

1. Consolidated Financial Results for the Six Months Ended September 30, 2026

(Amounts are rounded down to the nearest million)

(1) Consolidated Operating Results

(% of change from previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Six months ended Sep. 30, 2026	311,993	12.6	28,525	41.8	28,200	38.4	18,452	(1.9)
Six months ended Sep. 30, 2025	277,119	(4.3)	20,121	(36.3)	20,371	(33.7)	18,802	(41.3)

(Note) Comprehensive income: 21,888 millions of yen [(21.5)%] for the Six Months Ended September 30, 2026 and 27,898 millions of yen [15.8%] for the six months ended September 30, 2025

	Profit per share	Diluted profit per share
	Yen	Yen
Six months ended Sep. 30, 2026	72.23	—
Six months ended Sep. 30, 2025	70.90	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of Sep. 30, 2026	841,090	384,149	43.9	1,445.51
As of Mar. 31, 2026	833,929	370,380	42.6	1,392.36

(Reference) Shareholders' equity: 369,602millions of yen as of September 30, 2026 and 355,599 millions of yen as of March 31, 2026

2. Dividends

	Cash dividends per share				
(Reference data)	1st quarter	2nd quarter	3rd quarter	4th quarter	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2026	—	30.00	—	30.00	60.00
Year ending Mar. 31, 2027	—	35.00			
Year ending Mar. 31, 2027 (Forecast)			—	40.00	75.00

(Note) Revisions to the latest announced dividend forecast: Applicable

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2027

(% of change from same period of previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Year ending Mar. 31, 2027	647,000	11.6	50,500	20.0	50,000	10.8	41,000	302.7	160.35

(Note) Revisions to the latest announced forecast of consolidated financial results: Applicable

*Notes

(1) Significant changes in the scope of consolidation during the period: Not applicable

(2) Adoption of specific accounting methods for presenting semi-annual financial statements: Not applicable

(3) Changes in accounting policies, changes in accounting estimates and restatements

i Changes in accounting policies due to revisions of accounting standards: Not Applicable

ii Changes in accounting policies other than (3)-i: Not applicable

iii Changes in accounting estimates: Not applicable

iv Retrospective restatements: Not applicable

(4) Number of issued shares (common share)

i Number of issued shares at the end of each period (including treasury shares)	As of Sep. 30, 2026	256,142,682 shares	As of Mar. 31, 2026	266,942,682 shares
ii Number of treasury shares at the end of each period	As of Sep. 30, 2026	452,607 shares	As of Mar. 31, 2026	11,548,859 shares
iii Average number of shares during each period (Cumulative from the beginning of the fiscal year)	Six months ended Sep. 30, 2026	255,466,653 shares	Six months ended Sep. 30, 2025	265,212,162 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Explanations or other special matters to appropriate use of the forecast of consolidated financial results

The forecast of consolidated financial results and certain other statements contained in this document are forward-looking statements, which are rationally determined based on information currently available to the company. For a variety of reasons, actual performance may differ substantially from these projections.

4. Qualitative Information on the Period under Review

(1) Overview of the Operating Results

During the six months ended September 30, 2026, while economic conditions varied across regions, the global economy remained uncertain due to factors such as energy supply constraints, rising prices, and disruptions in supply chains caused by the escalation of tensions in the Middle East.

Under these circumstances, the Group worked to ensure a stable supply of products. In addition, the Group sought to minimize the impact on its business performance by appropriately passing on increases in raw material procurement and transportation costs to selling prices.

As a result, net sales during the six months ended September 30, 2026 totaled ¥311,993 million (up 12.6% year-on-year). Operating profit amounted to ¥28,525 million (up 41.8% year-on-year), ordinary profit was ¥28,200 million (up 38.4% year-on-year), and profit attributable to owners of parent was ¥18,452 million (down 1.9% year-on-year).

Segment information is summarized as follows.

Effective from the six months ended September 30, 2026, the Group has changed its segment classification.

The Engineering Plastics segment has been renamed the High Performance Polymers segment, and the businesses of Daicel Miraizu Ltd. have been transferred to the Materials segment. In addition, the Medical / Healthcare segment has been renamed the Life Sciences segment, the cosmetics business has been transferred to the Materials segment, and the separation membrane business, which was previously included in the Other Businesses segment, has been transferred to the Life Sciences segment.

For year-on-year comparisons, figures for the previous corresponding period have been reclassified in accordance with the revised segment classification.

[High Performance Polymers]

In the high performance polymers business, which includes polyacetal (POM), polybutylene terephthalate (PBT) resin, and liquid crystal polymer (LCP), net sales increased due to an increase in sales volume of POM resin, which had declined in the same period of the previous fiscal year due to the impact of U.S. tariffs and anti-dumping duties in China, as well as an increase in sales volume of PPS resin and LCP driven by growing demand for AI servers and other applications.

Consequently, overall segment sales amounted to ¥128,412 million (up 21.7% year-on-year). Operating profit was ¥16,796 million (up 43.8% year-on-year) due to factors such as an increase in sales volume and favorable exchange rate effects.

[Materials]

In the acetyl business, net sales of acetate tow decreased due to a decline in sales volume, reflecting transportation disruptions caused by the deterioration of the situation in the Middle East and delays in shipments to certain customers.

Net sales of cellulose acetate increased due to an increase in sales for display material applications and progress in passing on higher raw material costs to selling prices, despite lower demand for fiber applications.

In the chemical business, net sales of acetic acid increased due to progress in passing on higher raw material costs resulting from the deterioration of the situation in the Middle East to selling prices, despite a decrease in sales volume due to reduced production of vinyl acetate, its major application, and a strategic reduction in low-margin export sales volume.

Net sales of other chemical products increased due to progress in passing on higher raw material costs to selling prices, despite shipment adjustments for certain products in response to concerns over raw material procurement arising from the deterioration of the situation in the Middle East and production adjustments by customers.

Consequently, overall segment sales amounted to ¥96,979 million (up 3.0% year-on-year). Operating profit was ¥6,574 million (up 42.5% year-on-year) due to factors such as favorable exchange rate effects.

[Safety]

In the safety business, which produces products such as inflators (gas generators) for automotive airbags, net sales increased due to an increase in sales volume resulting from sales expansion in markets such as India, despite the impact of lower automobile demand in the Chinese market.

Consequently, overall segment sales amounted to ¥54,195 million (up 9.0% year-on-year). Operating profit was ¥2,102 million (down 21.1% year-on-year) due to factors such as changes in the sales mix and an increase in expenses.

[Smart]

In the semiconductor materials business, net sales increased due to increased sales volume of solvents for electronic materials driven by solid semiconductor demand and progress in passing on higher raw material costs to selling prices, despite lower sales volume of resist materials due to a difference in the timing of sales compared with the same period of the previous fiscal year.

In the functional materials business, net sales increased due to progress in passing on higher raw material costs to selling prices and securing new business for caprolactone derivatives, despite shipment adjustments for caprolactone derivatives and epoxy compounds in response to concerns over raw material procurement arising from the deterioration of the situation in the Middle East.

Consequently, overall segment sales amounted to ¥21,680 million (up 19.3% year-on-year). Operating profit was ¥1,599 million (up 295.8% year-on-year) due to factors such as an increase in sales volume of solvents for electronic materials.

[Life Sciences]

In the life sciences business, net sales increased due to an increase in sales volume of chiral columns and health food ingredients.

Consequently, overall segment sales amounted to ¥9,947 million (up 17.0% year-on-year). Operating profit was ¥969 million (up 161.2% year-on-year) due to factors such as an increase in sales volume.

[Other Businesses]

In the other businesses, net sales amounted to ¥778 million (down 21.5% year-on-year). Operating profit was ¥482 million (up 23.0% year-on-year).

(2) Overview of Financial Position for the Period under Review

1. Assets, Liabilities and Net Assets

Total assets were ¥841,090 million, an increase of ¥7,161 million from the end of the previous fiscal year, due to increases in inventories, property, plant and equipment, and other assets.

Total liabilities were ¥456,941 million, a decrease of ¥6,608 million from the end of the previous fiscal year, due to decreases in short-term borrowings and other liabilities.

Total net assets were ¥384,149 million. Total shareholders' equity, which is calculated as net assets minus non-controlling interests, was ¥369,602 million. Shareholders' equity ratio was 43.9%.

2. Overview of Cash Flow for the Period under Review

Cash and cash equivalents ("Cash") as of September 30, 2026 amounted to ¥54,964 million.

Cash flow from operating activities

Cash flow from operating activities during the six months ended September 30, 2026 was +¥39,151 million (vs. +¥32,755 million in the same period of the previous fiscal year). The increases in cash flow were mainly attributable to ¥25,747 million of profit before income taxes and ¥21,414 million of depreciation. Meanwhile, the main factor for the decrease in cash flow was ¥3,962 million of income taxes paid.

Cash flow from investing activities

Cash flow from investing activities during the six months ended September 30, 2026 was -¥24,882 million (vs. -¥26,530 million in the same period of the previous fiscal year). The main factor for the increase in cash flow was ¥917 million of proceeds from the sale and redemption of investment securities. The main factor for the decrease in cash flow was expenditures of ¥25,571 million for the purchase of property, plant and equipment.

Cash flow from financing activities

Cash flow from financing activities during the six months ended September 30, 2026 was -¥26,037 million (vs. -¥7,835 million in the same period of the previous fiscal year). The increase in cash flow was mainly attributable to ¥11,500 million of net

increase in short-term bonds payable. The main factors for the decrease in cash flow were ¥22,124 million of net decrease in short-term borrowings and ¥7,656 million in dividends paid.

(3) Explanation regarding Future Forecast Information of Consolidated Financial Results

Based on recent business performance and other factors, the Company has revised its consolidated earnings forecasts announced on May 12, 2026. For details, please refer to the "Notice Regarding Differences between Consolidated Financial Forecast and Actual Results for Six-month Period ended September 30, 2026, and Revision to Consolidated Financial Forecast for Fiscal Year ending March 31, 2027" released on November 5, 2026.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of Yen)

	As of Mar. 31, 2026	As of Sep. 30, 2026
Assets		
Current assets		
Cash and deposits	68,811	55,396
Notes and Accounts receivable - trade	117,308	117,676
Inventories	174,515	193,131
Other	42,578	37,674
Allowance for doubtful accounts	(48)	(57)
Total current assets	403,166	403,820
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	102,937	104,668
Machinery, equipment and vehicles, net	133,612	137,605
Land	31,116	31,056
Construction in progress	59,895	56,864
Other, net	6,800	6,747
Total property, plant and equipment	334,363	336,942
Intangible assets		
Goodwill	52	42
Other	11,030	10,851
Total intangible assets	11,082	10,893
Investments and other assets		
Investment securities	45,453	50,441
Deferred tax assets	4,970	5,324
Retirement benefit asset	18,298	18,433
Other	16,617	15,253
Allowance for doubtful accounts	(22)	(18)
Total investments and other assets	85,317	89,433
Total non-current assets	430,763	437,269
Total assets	833,929	841,090

(Unit: Millions of Yen)

	As of Mar. 31, 2026	As of Sep. 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	60,445	73,756
Short-term borrowings	50,099	27,546
Short-term bonds payable	—	11,500
Current portion of bonds payable	—	10,000
Current portion of long-term borrowings	14,168	15,775
Income taxes payable	4,176	4,147
Provision for repairs	573	2,468
Other	68,119	64,041
Total current liabilities	197,583	209,235
Non-current liabilities		
Bonds payable	70,000	60,000
Long-term borrowings	169,984	161,657
Deferred tax liabilities	12,467	13,091
Provision for repairs	1,305	864
Retirement benefit liability	2,606	2,748
Asset retirement obligations	1,222	1,216
Other	8,380	8,127
Total non-current liabilities	265,965	247,705
Total liabilities	463,549	456,941
Net assets		
Shareholders' equity		
Share capital	36,275	36,275
Capital surplus	0	0
Retained earnings	234,253	230,349
Treasury shares	(15,727)	(614)
Total shareholders' equity	254,802	266,010
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,823	25,966
Deferred gains or losses on hedges	(8)	(5)
Foreign currency translation adjustment	69,414	69,692
Remeasurements of defined benefit plans	8,567	7,938
Total accumulated other comprehensive income	100,796	103,591
Non-controlling interests	14,780	14,546
Total net assets	370,380	384,149
Total liabilities and net assets	833,929	841,090

(2) Consolidated Statements of Income

(Unit: Millions of Yen)

	Six months ended Sep. 30, 2025	Six months ended Sep. 30, 2026
Net sales	277,119	311,993
Cost of sales	205,058	229,089
Gross profit	72,060	82,903
Selling, general and administrative expenses	51,939	54,377
Operating profit	20,121	28,525
Non-operating income		
Interest income	422	273
Dividend income	1,168	485
Share of profit of entities accounted for using equity method	1,414	1,543
Other	1,233	1,010
Total non-operating income	4,239	3,313
Non-operating expenses		
Interest expenses	1,547	1,712
Foreign exchange losses	1,606	980
Bond issuance costs	0	0
Other	834	945
Total non-operating expenses	3,988	3,638
Ordinary profit	20,371	28,200
Extraordinary income		
Gain on disposal of non-current assets	8	7
Gain on sale of investment securities	5,077	798
Gain on bargain purchase	512	—
Subsidy income	1,224	—
Total extraordinary income	6,824	805
Extraordinary losses		
Loss on retirement of non-current assets	833	1,824
Loss on step acquisitions	179	—
Compensation for claims	—	1,434
Total extraordinary losses	1,012	3,258
Profit before income taxes	26,183	25,747
Income taxes		
Income taxes - current	7,894	7,748
Income taxes - deferred	(888)	(911)
Total income taxes	7,006	6,836
Profit	19,176	18,911
Profit attributable to non-controlling interests	374	459
Profit attributable to owners of parent	18,802	18,452

(3) Consolidated Statement of Comprehensive Income

(Unit: Millions of Yen)

	Six months ended Sep. 30, 2025	Six months ended Sep. 30, 2026
Profit	19,176	18,911
Other comprehensive income		
Valuation difference on available-for-sale securities	4,754	3,143
Deferred gains or losses on hedges	3	3
Foreign currency translation adjustment	4,214	373
Remeasurements of defined benefit plans, net of tax	(390)	(639)
Share of other comprehensive income of entities accounted for using equity method	138	96
Total other comprehensive income	8,721	2,977
Comprehensive income	27,898	21,888
Comprehensive income attributable to		
owners of parent	27,064	21,247
non-controlling interests	833	641

(4) Consolidated Statement of Cash Flows

(Unit: Millions of Yen)

	Six months ended Sep. 30, 2025	Six months ended Sep. 30, 2026
Cash flows from operating activities		
Profit before income taxes	26,183	25,747
Depreciation	20,425	21,414
Amortization of goodwill	8	9
Increase (decrease) in provision for repairs	(2,233)	1,453
Interest and dividend income	(1,590)	(759)
Interest expenses	1,547	1,712
Share of loss (profit) of entities accounted for using equity method	(1,414)	(1,543)
Loss (gain) on sale and retirement of non-current assets	824	1,817
Gain on sale of investment securities	(5,077)	(798)
Decrease (increase) in trade receivables	12,866	(1,164)
Decrease (increase) in inventories	(5,736)	(19,644)
Increase (decrease) in trade payables	5,574	13,938
Gain on bargain purchase	(512)	—
Loss (gain) on step acquisitions	179	—
Subsidy income	(1,224)	—
Other, net	(2,538)	1,377
Subtotal	47,280	43,561
Interest and dividends received	2,263	1,288
Interest paid	(1,497)	(1,736)
Income taxes paid	(15,290)	(3,962)
Net cash provided by (used in) operating activities	32,755	39,151
Cash flows from investing activities		
Net decrease (increase) in time deposits	101	1,544
Purchase of property, plant and equipment	(35,429)	(25,571)
Proceeds from sale of property, plant and equipment	5,795	29
Purchase of intangible assets	(1,304)	(980)
Purchase of investment securities	(75)	(0)
Proceeds from sale and redemption of investment securities	5,803	917
Purchase of shares of subsidiaries and associates	(714)	—
Other, net	(707)	(821)
Net cash provided by (used in) investing activities	(26,530)	(24,882)

(Unit: Millions of Yen)

	Six months ended Sep. 30, 2025	Six months ended Sep. 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(14,256)	(22,124)
Net increase (decrease) in short-term bonds payable	(0)	11,500
Proceeds from long-term borrowings	22,856	—
Repayments of long-term borrowings	(6,468)	(5,921)
Dividends paid	(7,950)	(7,656)
Dividends paid to non-controlling interests	(1,238)	(875)
Repayments of lease liabilities	(778)	(958)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(7,835)	(26,037)
Effect of exchange rate change on cash and cash equivalents	1,263	(98)
Net increase (decrease) in cash and cash equivalents	(347)	(11,866)
Cash and cash equivalents at beginning of period	64,767	66,830
Cash and cash equivalents at the end of period	64,419	54,964

(5) Notes to Consolidated Financial Statements

(Note concerning Assumption of Going Concern)

Not applicable

(Note on Significant Changes in the Amount of Shareholders' Equity)

Not applicable

(Segment Information)

[Segment Information]

I Six months ended Sep. 30, 2025

1. Sales and Profit (Loss) by Reportable Segment

(Unit: Millions of Yen)

	High Performance Polymers	Materials	Safety	Smart	Life Sciences	Others	Total	Corporate and eliminations	Consolidated
Net sales									
Outside customers	105,532	94,196	49,723	18,171	8,503	991	277,119	—	277,119
Intersegment sales	1	4,585	—	67	16	7,302	11,973	△11,973	—
Total	105,533	98,782	49,723	18,239	8,519	8,294	289,092	△11,973	277,119
Operating profit	11,677	4,612	2,663	404	371	392	20,121	—	20,121

(Note) 1. The category of "Others" is a business segment not included in reportable segments and includes the transportation warehousing business, among others.

2. There is no difference between total operating profit and operating profit in the consolidated statements of income.

2. Information on Impairment Losses of Non-Current Assets by Reportable Segment

Not applicable.

II Six months ended Sep. 30, 2026

1. Sales and Profit (Loss) by Reportable Segment

(Unit: Millions of Yen)

	High Performance Polymers	Materials	Safety	Smart	Life Sciences	Others	Total	Corporate and eliminations	Consolidated
Net sales									
Outside customers	128,412	96,979	54,195	21,680	9,947	778	311,993	—	311,993
Intersegment sales	17	8,119	—	87	10	7,866	16,101	△16,101	—
Total	128,429	105,099	54,195	21,767	9,957	8,645	328,094	△16,101	311,993
Operating profit	16,796	6,574	2,102	1,599	969	482	28,525	—	28,525

(Note) 1. The category of "Others" is a business segment not included in reportable segments and includes the transportation warehousing business, among others.

2. There is no difference between total operating profit and operating profit in the consolidated statements of income.

2. Information on Impairment Losses of Non-Current Assets by Reportable Segment

Not applicable.

3. Matters Regarding the Changes in Reportable Segment

From the six-month period ended September 30, 2026, we made changes in reportable segments. The former "Medical & Healthcare" segment has been renamed to the "Life Sciences" segment, and the former "Engineering Plastics" segment has been renamed to the "High Performance Polymers" segment. Furthermore, certain businesses previously included in the "Medical & Healthcare," "Engineering Plastics," and "Other" segments have been reclassified to the "Materials" and "Life Sciences" segments.

The segment information for the six-month period ended September 30, 2025, is presented based on the reclassified segments.