Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027 [IFRS] (Six Months Ended September 30, 2026)

November 9, 2026

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Scheduled date to file semi-annual securities report: November 11, 2026
Scheduled date of dividend payment: December 7, 2026
Supplementary materials prepared: Yes
Financial results briefing held: Yes (for securities analysts and institutional investors)

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027 (hereafter FY2026) (from April 1, 2026 to September 30, 2026)

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

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2026	233,778	16.8	13,707	52.1	16,853	56.1	12,517	57.1	11,850	55.7	16,164	30.4
Six months ended Sep. 30, 2025	200,197	(3.2)	9,011	(13.8)	10,795	(13.1)	7,967	(15.6)	7,612	(14.7)	12,392	89.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended Sep. 30, 2026	80.19	80.19
Six months ended Sep. 30, 2025	50.43	50.43

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of Sep. 30, 2026	602,236	412,925	402,787	66.9	2,725.67
As of Mar. 31, 2026	580,209	406,587	396,649	68.4	2,684.47

2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2025	–	50.00	–	63.00	113.00
FY2026	–	70.00			
FY2026 (forecast)			–	70.00	140.00

Note: Revisions to the dividends forecast since the latest announcement: None

3. Consolidated Financial Forecasts for the FY2026 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	475,000	18.8	22,000	25.5	27,500	27.9	20,500	22.3	139.38

Note: Revisions to the financial forecasts since the latest announcement: Yes

***Notes**

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

(2) Changes in accounting policies; changes in accounting estimates
1) Changes in accounting policies required by IFRS: None
2) Other changes in accounting policies: None
3) Changes in accounting estimates: None

(3) Number of shares issued and outstanding (common shares)
1) Number of shares issued at the end of the period (including treasury shares)

Sep. 30, 2026: 150,000,000 shares Mar. 31, 2026: 150,000,000 shares

2) Number of treasury shares at the end of the period

Sep. 30, 2026: 2,224,472 shares Mar. 31, 2026: 2,243,116 shares

3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2026: 147,767,549 shares Six months ended Sep. 30, 2025: 150,948,914 shares

Note: The numbers of treasury shares at the end of the periods include shares of the Company held by the trust account set up after the introduction of a Performance-linked Stock Compensation Plan for the Company's Members of the Board and Executive Officers (148,092 shares as of September 30, 2026 and 166,816 shares as of March 31, 2026). Shares of the Company held by the trust account are included in the treasury shares to be deducted in the calculation of the average number of shares outstanding during the period.

* This semi-annual financial results report is outside the scope of review by certified public accountants or an audit firm.

* Appropriate use of financial forecasts and other special items

1. In this document, statements other than historical facts are forward-looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ from those anticipated in these statements. Please refer to "1. Overview of Operating Results, etc. (3) Consolidated Financial Forecasts and Other Forward-looking Statements" on page 4 of the attached materials for the assumptions used in financial forecasts.
2. Supplementary materials will be disclosed through TDnet on Monday, November 9, 2026, and will also be posted on the Company's website.

*This document is translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

The Group's revenue in the six months ended September 30, 2026 (the "period under review") increased 16.8% from the same period of the previous fiscal year to 233,778 million yen, up 33,581 million yen, primarily owing to higher selling prices due mainly to higher raw material prices and improvement in product overseas market conditions, as well as to the ongoing depreciation of the yen, despite a decrease in sales volume.
With regard to profits, operating profit increased 52.1% from the same period of the previous fiscal year to 13,707 million yen, up 4,696 million yen, due to positive factors that increase profit such as inventory valuation losses, which had arisen in the same period of the previous fiscal year, turning into gains in the period under review, the widening of spreads and higher production and sales volumes for Solutions products, in spite of negative factors that reduce profit including lower production and sales volume for Materials products, increases in selling, general and administrative expenses and fixed manufacturing costs, and the recording of an impairment loss resulting from the discontinuation of the technical review of a new manufacturing process.
Profit before tax was 16,853 million yen, an increase of 6,058 million yen or 56.1% from the same period of the previous fiscal year, owing to increases in operating profit and share of profit of investments accounted for using equity method, partially offset by deterioration in foreign exchange loss (gain).
As a result, profit attributable to owners of parent of 11,850 million yen was posted, up 4,238 million yen (55.7%) from the same period of the previous fiscal year.

Operating results by business segment were as follows:

1) Materials Business
Sales of acrylic acid, acrylates, superabsorbent polymers, special esters and ethylene glycol increased owing to higher selling prices due to improvement in product overseas market conditions and higher raw material prices, despite a decrease in sales volume.
Sales of ethylene oxide and maleic anhydride increased attributable to higher selling prices due to a rise in raw material prices as well as to higher sales volume.
Sales of process catalysts increased owing to higher sales volume.
As a result, revenue in the Materials business increased 20.4% from the same period of the previous fiscal year to 168,183 million yen.
Operating profit increased 25.8% from the same period of the previous fiscal year to 6,580 million yen due to positive factors that increase profit such as inventory valuation losses, which had arisen in the same period of the previous fiscal year, turning into gains in the period under review, in spite of negative factors that reduce profit such as lower production and sales volume of some products, increases in selling, general and administrative expenses and fixed manufacturing costs, and the recording of an impairment loss resulting from the discontinuation of the technical review of a new manufacturing process.
Segment income increased 22.3% from the same period of the previous fiscal year to 7,891 million yen owing to increases in operating profit and share of profit of investments accounted for using equity method.

2) Solutions Business
Sales of concrete admixture polymers, ethyleneimine derivatives, electronic and information materials and resins for paints increased attributable to higher selling prices due to a rise in raw material prices and an increase in sales volume.
Sales of water-soluble polymers such as raw materials for detergents and iodine compounds increased attributable to higher selling prices, despite a decrease in sales volume.
Sales of materials for batteries increased due to an increase in sales volume.
Sales of De-NOx catalysts decreased owing to a decrease in sales volume.
As a result, revenue in the Solutions business increased 8.4% from the same period of the previous fiscal year to 65,594 million yen.

Operating profit increased 95.9% from the same period of the previous fiscal year to 6,589 million yen mainly due to inventory valuation losses, which had arisen in the same period of the previous fiscal year, turning into gains in the period under review, the widening of spreads for some products, and an increase in sales volume.
Segment income increased 201.3% from the same period of the previous fiscal year to 8,239 million yen owing to increases in operating profit and share of profit of investments accounted for using equity method.
Note: Segment income = "operating profit" + "Share of profit (loss) of investments accounted for using equity method"

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

1) Assets, Liabilities and Equity

Total assets at the end of the period under review increased by 22,027 million yen from the end of the previous fiscal year to 602,236 million yen. Current assets increased by 12,177 million yen from the end of the previous fiscal year. This was mainly due to increases in trade receivables and inventories primarily owing to higher selling prices and raw material prices, despite a decrease in cash and cash equivalents. Non-current assets increased by 9,850 million yen from the end of the previous fiscal year. This was mainly due to an increase in other financial assets as a result of higher fair values of stocks held and an increase in investments accounted for using equity method.
Total liabilities increased by 15,689 million yen from the end of the previous fiscal year to 189,311 million yen. This was mainly due to an increase in trade payables primarily owing to higher raw material prices, as well as an increase in borrowings due to working capital financing, capital expenditure and other factors.
Total equity increased by 6,338 million yen from the end of the previous fiscal year to 412,925 million yen. This was mainly due to an increase in retained earnings due to the recording of profit and an increase in net change in fair value of financial assets measured at fair value through other comprehensive income as a result of higher fair values of stocks held, despite dividend of surplus.
The ratio of equity attributable to owners of parent decreased by 1.5 percentage points from 68.4% at the end of the previous fiscal year to 66.9%. Equity attributable to owners of parent per share increased by 41.20 yen from the end of the previous fiscal year to 2,725.67 yen.

2) Cash Flows

Cash and cash equivalents at the end of the period under review amounted to 46,039 million yen, a decrease of 5,780 million yen from the end of the previous fiscal year, as the sum of cash flows used in investing activities including capital expenditure and cash flows used in financing activities exceeded the cash flows provided by operating activities.

Cash flow from operating activities
Net cash provided by operating activities in the period under review amounted to 19,893 million yen, a decrease of 5,648 million yen from a cash inflow of 25,540 million yen in the same period of the previous fiscal year. This decrease was mainly because increases in trade receivables and inventories more than offset higher profit before tax and an increase in trade payables due to higher raw material prices.

Cash flow from investing activities
Net cash used in investing activities in the period under review totaled 21,826 million yen, an increase of 1,085 million yen from a cash outflow of 20,741 million yen in the same period of the previous fiscal year. This was mainly due to an increase in purchase of property, plant and equipment and a decrease in proceeds from sale of investment securities, despite a decrease in purchase of shares of subsidiaries resulting in change in scope of consolidation.

Cash flow from financing activities
Net cash used in financing activities in the period under review amounted to 3,334 million yen, a decrease of 10,213 million yen from a cash outflow of 13,547 million yen in the same period of the previous fiscal year. This was mainly due to a decrease in purchase of treasury shares and an increase in proceeds from borrowings.

(3) Consolidated Financial Forecasts and Other Forward-looking Statements

The Group has updated its full-year consolidated financial forecast reflecting the consolidated financial results for the first half of the fiscal year under review and the forecasts for the second half. Compared with the forecasts announced on August 7, 2026 (the "previous forecasts"), revenue has been revised upward to 475,000 million yen and operating profit to 22,000 million yen. Profit before tax and profit attributable to owners of parent have been left unchanged at 27,500 million yen and 20,500 million yen, respectively.

For the second half of the fiscal year under review, as raw material prices are expected to remain high, among other factors, we anticipate revenue to increase by 21,200 million yen from the previous forecasts to 241,200 million yen and operating profit to decrease by 200 million yen from the previous forecasts to 8,300 million yen. In addition, profit before tax is expected to decrease by 1,900 million yen from the previous forecasts to 10,600 million yen due to decreases in operating profit and share of profit of investments accounted for using equity method. Profit attributable to owners of parent is expected to decrease by 1,300 million yen from the previous forecasts to 8,700 million yen.

The consolidated financial forecasts for the second half of the fiscal year assume exchange rates of 158 yen/USD and 175 yen/EUR and a domestic naphtha price of 100,000 yen/kl.

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

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
Previous forecasts (A) (August 7, 2026)	Millions of yen 455,000	Millions of yen 21,000	Millions of yen 27,500	Millions of yen 20,500	Yen 139.71
Announced at this time (B)	475,000	22,000	27,500	20,500	139.38
Increase (decrease) (B-A)	20,000	1,000	-	-	
Change (%)	4.4	4.8	-	-	
(Reference) Actual amounts in the previous fiscal year (FY2025)	399,898	17,530	21,493	16,764	112.15

(Reference)

Assumptions used in financial forecasts

	Domestic naphtha price	Foreign exchange rate	
	Yen/kl	Yen/USD	Yen/EUR
First-half results	108,400	159	184
Second-half forecasts	100,000	158	175
Full-year forecasts	104,200	159	180

Forecasts by reportable segment

(Unit: Billions of yen)

	Materials business			Solutions business			Adjustment	Total		
	Revenue	Operating profit	Segment income	Revenue	Operating profit	Segment income	Segment income	Revenue	Operating profit	Segment income
First-half results	168.2	6.6	7.9	65.6	6.6	8.2	0.5	233.8	13.7	16.7
Second-half forecasts	174.8	6.4	7.5	66.4	1.5	2.5	0.4	241.2	8.3	10.3
Full-year forecasts	343.0	13.0	15.4	132.0	8.1	10.7	0.9	475.0	22.0	27.0

Note: Segment income is calculated with the formula of "operating profit" + "Share of profit (loss) of investments accounted for using equity method."
"Adjustment" includes inter-segment transaction eliminations and corporate profit (loss) not allocated to reportable segments.

While the year-end dividend forecast for the fiscal year ending March 31, 2027 has remained unchanged at 70 yen per share (annual dividend at 140 yen per share), the Company will promptly announce any revisions to the dividend forecast if it determines that such revisions are necessary in light of the future trajectory for the operating results and other factors.

2. Condensed Semi-annual Consolidated Financial Statements and Related Notes

(1) Condensed Semi-annual Consolidated Statements of Financial Position

(Unit: Millions of yen)

	FY2025 As of Mar. 31, 2026	2Q FY2026 As of Sep. 30, 2026
Assets		
Current assets		
Cash and cash equivalents	51,819	46,039
Trade receivables	91,288	101,070
Inventories	85,758	94,346
Other financial assets	9,101	9,145
Other current assets	9,277	8,820
Total current assets	247,243	259,420
Non-current assets		
Property, plant and equipment	223,128	220,251
Goodwill	3,539	3,539
Intangible assets	6,015	5,385
Investments accounted for using equity method	30,004	31,137
Other financial assets	42,199	47,361
Retirement benefit asset	20,675	21,270
Deferred tax assets	4,616	4,936
Other non-current assets	2,791	8,937
Total non-current assets	332,966	342,816
Total assets	580,209	602,236

(Unit: Millions of yen)

	FY2025 As of Mar. 31, 2026	2Q FY2026 As of Sep. 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	51,659	59,526
Borrowings	23,107	29,799
Other financial liabilities	13,194	10,849
Income taxes payable	2,427	5,489
Provisions	7,020	6,891
Other current liabilities	6,460	4,895
Total current liabilities	103,867	117,450
Non-current liabilities		
Borrowings	35,624	35,941
Other financial liabilities	6,302	5,956
Retirement benefit liability	9,189	9,297
Provisions	4,006	3,960
Deferred tax liabilities	14,510	16,574
Other non-current liabilities	125	133
Total non-current liabilities	69,755	71,861
Total liabilities	173,622	189,311
Equity		
Share capital	25,038	25,038
Capital surplus	22,473	22,469
Treasury shares	(3,854)	(3,823)
Retained earnings	302,831	306,912
Other components of equity	50,160	52,191
Total equity attributable to owners of parent	396,649	402,787
Non-controlling interests	9,939	10,138
Total equity	406,587	412,925
Total liabilities and equity	580,209	602,236

(2) Condensed Semi-annual Consolidated Statements of Profit or Loss and Condensed Semi-annual Consolidated Statements of Comprehensive Income

Condensed Semi-annual Consolidated Statements of Profit or Loss

(Unit: Millions of yen)

	2Q FY2025 Apr. 1, 2025 to Sep. 30, 2025	2Q FY2026 Apr. 1, 2026 to Sep. 30, 2026
Revenue	200,197	233,778
Cost of sales	163,231	188,307
Gross profit	36,965	45,471
Selling, general and administrative expenses	28,579	29,851
Other operating income	1,220	1,374
Other operating expenses	596	3,288
Operating profit	9,011	13,707
Finance income	1,756	1,334
Finance costs	562	1,149
Share of profit (loss) of investments accounted for using equity method	590	2,961
Profit before tax	10,795	16,853
Income tax expense	2,829	4,336
Profit	7,967	12,517
Profit attributable to:		
Owners of parent	7,612	11,850
Non-controlling interests	354	667
Profit	7,967	12,517
Earnings per share:		
Basic earnings per share (Yen)	50.43	80.19
Diluted earnings per share (Yen)	50.43	80.19

Condensed Semi-annual Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	2Q FY2025 Apr. 1, 2025 to Sep. 30, 2025	2Q FY2026 Apr. 1, 2026 to Sep. 30, 2026
Profit	7,967	12,517
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured at fair value through other comprehensive income	3,180	5,697
Share of other comprehensive income of investments accounted for using equity method	1	(5)
Total of items that will not be reclassified to profit or loss	3,181	5,692
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,794	(2,202)
Share of other comprehensive income of investments accounted for using equity method	(550)	156
Total of items that may be reclassified to profit or loss	1,244	(2,046)
Other comprehensive income, net of tax	4,425	3,646
Comprehensive income	12,392	16,164
Comprehensive income attributable to		
Owners of parent	11,896	15,362
Non-controlling interests	495	802
Comprehensive income	12,392	16,164

(3) Condensed Semi-annual Consolidated Statements of Changes in Equity

Six months ended September 30, 2025 (Apr. 1, 2025 to Sep. 30, 2025)

(Unit: Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	
					Net change in fair value of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at beginning of period	25,038	22,533	(7,263)	308,770	4,225	–
Profit	–	–	–	7,612	–	–
Other comprehensive income	–	–	–	–	3,181	1
Comprehensive income	–	–	–	7,612	3,181	1
Purchase of treasury shares	–	–	(5,220)	–	–	–
Disposal of treasury shares	–	(18)	86	–	–	–
Share-based payment transactions	–	(36)	–	–	–	–
Dividends	–	–	–	(9,091)	–	–
Transfer from other components of equity to retained earnings	–	–	–	197	(197)	(1)
Other	–	–	–	–	–	–
Total transactions with owners	–	(55)	(5,134)	(8,894)	(197)	(1)
Balance at end of period	25,038	22,478	(12,397)	307,488	7,209	–

	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	29,726	33,951	383,029	9,505	392,533
Profit	–	–	7,612	354	7,967
Other comprehensive income	1,103	4,284	4,284	141	4,425
Comprehensive income	1,103	4,284	11,896	495	12,392
Purchase of treasury shares	–	–	(5,220)	–	(5,220)
Disposal of treasury shares	–	–	68	–	68
Share-based payment transactions	–	–	(36)	–	(36)
Dividends	–	–	(9,091)	(616)	(9,707)
Transfer from other components of equity to retained earnings	–	(197)	–	–	–
Other	–	–	–	–	–
Total transactions with owners	–	(197)	(14,279)	(616)	(14,895)
Balance at end of period	30,829	38,038	380,646	9,384	390,030

Six months ended September 30, 2026 (Apr. 1, 2026 to Sep. 30, 2026)

(Unit: Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	
					Net change in fair value of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at beginning of period	25,038	22,473	(3,854)	302,831	10,384	–
Profit	–	–	–	11,850	–	–
Other comprehensive income	–	–	–	–	5,694	(5)
Comprehensive income	–	–	–	11,850	5,694	(5)
Purchase of treasury shares	–	–	(0)	–	–	–
Disposal of treasury shares	–	0	31	–	–	–
Share-based payment transactions	–	(4)	–	–	–	–
Dividends	–	–	–	(9,309)	–	–
Transfer from other components of equity to retained earnings	–	–	–	1,481	(1,486)	5
Other	–	–	–	58	–	–
Total transactions with owners	–	(4)	31	(7,769)	(1,486)	5
Balance at end of period	25,038	22,469	(3,823)	306,912	14,593	–

	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	39,776	50,160	396,649	9,939	406,587
Profit	–	–	11,850	667	12,517
Other comprehensive income	(2,178)	3,512	3,512	134	3,646
Comprehensive income	(2,178)	3,512	15,362	802	16,164
Purchase of treasury shares	–	–	(0)	–	(0)
Disposal of treasury shares	–	–	32	–	32
Share-based payment transactions	–	–	(4)	–	(4)
Dividends	–	–	(9,309)	(602)	(9,911)
Transfer from other components of equity to retained earnings	–	(1,481)	–	–	–
Other	–	–	58	–	58
Total transactions with owners	–	(1,481)	(9,223)	(602)	(9,826)
Balance at end of period	37,598	52,191	402,787	10,138	412,925

(4) Condensed Semi-annual Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	2Q FY2025 Apr. 1, 2025 to Sep. 30, 2025	2Q FY2026 Apr. 1, 2026 to Sep. 30, 2026
Cash flows from operating activities		
Profit before tax	10,795	16,853
Depreciation and amortization	15,894	16,616
Loss (gain) on sale of property, plant and equipment	(3)	(1)
Impairment losses	–	2,792
Interest and dividend income	(1,278)	(1,201)
Interest expenses	531	483
Share of loss (profit) of investments accounted for using equity method	(590)	(2,961)
Decrease (increase) in trade receivables	6,030	(10,175)
Decrease (increase) in inventories	2,337	(9,129)
Increase (decrease) in trade payables	(6,756)	8,195
Other	(26)	(2,371)
Subtotal	26,935	19,101
Interest and dividends received	3,208	2,616
Interest paid	(464)	(427)
Income taxes refund (paid)	(4,138)	(1,398)
Net cash provided by (used in) operating activities	25,540	19,893
Cash flows from investing activities		
Purchase of property, plant and equipment	(21,155)	(25,290)
Proceeds from sale of property, plant and equipment	4	1
Purchase of intangible assets	(396)	(274)
Purchase of investments	(52)	(101)
Proceeds from sale and redemption of investments	6,886	3,294
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(7,261)	–
Other	1,232	544
Net cash provided by (used in) investing activities	(20,741)	(21,826)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(8,074)	8,418
Proceeds from long-term borrowings	12,483	5,534
Repayments of long-term borrowings	(2,146)	(6,574)
Repayments of lease liabilities	(883)	(801)
Purchase of treasury shares	(5,220)	(0)
Dividends paid	(9,091)	(9,309)
Dividends paid to non-controlling interests	(616)	(602)
Net cash provided by (used in) financing activities	(13,547)	(3,334)
Effect of exchange rate changes on cash and cash equivalents	35	(512)
Net increase (decrease) in cash and cash equivalents	(8,713)	(5,780)
Cash and cash equivalents at beginning of period	54,565	51,819
Cash and cash equivalents at end of period	45,851	46,039

(5) Notes Concerning Condensed Semi-annual Consolidated Financial Statements

(Going Concern Assumption)

Not applicable.

(Segment Information)

1. Outline of Reportable Segments

The Group's reportable segments are divisions of the Group for which separate financial information is available, and whose operating results are reviewed regularly by the Board of Directors of the Company in order to allocate management resources and assess financial results.

The Group's main business lines are divided based on similarity in the type and nature of business, among other factors, and the Group prepares the comprehensive strategy and conducts the business activities corresponding to the products handled by each business line.

Accordingly, the Group is comprised of reportable segments by product type based on the classified businesses and does not aggregate these business segments. The two reportable segments of the Group are the Materials business and the Solutions business.

In the Materials business, acrylic acid, acrylates, ethylene oxide, ethylene glycol, ethanolamine, special esters, superabsorbent polymers, maleic anhydride, process catalysts, etc. are manufactured and sold. In the Solutions business, concrete admixture polymers, glycol ethers, water-soluble polymers such as raw materials for detergents, intermediates for pharmaceuticals, electronic and information materials, iodine compounds, resins for adhesives/paints, ethyleneimine derivatives, processed adhesive products, De-NOx catalysts, dioxin decomposition catalysts, equipment for waste gas treatment, wastewater treatment catalysts for catalytic wet air oxidation, materials for batteries, etc. are manufactured and sold.

2. Information Concerning Revenue and Income or Loss by Reportable Segment

Six months ended September 30, 2025 (Apr. 1, 2025 to September 30, 2025) (Unit: Millions of yen)

	Reportable segments			Adjustment (Note)	Total
	Materials	Solutions	Total		
Revenue					
Revenue to third parties	139,672	60,525	200,197	–	200,197
Intergroup revenue and transfers	7,799	1,280	9,080	(9,080)	–
Total	147,471	61,806	209,276	(9,080)	200,197
Segment income					
Operating profit	5,231	3,364	8,594	416	9,011
Share of profit (loss) of investments accounted for using equity method	1,220	(630)	590	–	590
Total	6,450	2,734	9,184	416	9,601
Finance income	–	–	–	–	1,756
Finance costs	–	–	–	–	562
Profit before tax	–	–	–	–	10,795

Note: The “Segment income” adjustment of 416 million yen includes inter-segment transaction eliminations and corporate profit (loss) not allocated to reportable segments.

Six months ended September 30, 2026 (Apr. 1, 2026 to September 30, 2026) (Unit: Millions of yen)

	Reportable segments			Adjustment (Note)	Total
	Materials	Solutions	Total		
Revenue					
Revenue to third parties	168,183	65,594	233,778	–	233,778
Intergroup revenue and transfers	10,322	1,533	11,855	(11,855)	–
Total	178,505	67,127	245,633	(11,855)	233,778
Segment income					
Operating profit	6,580	6,589	13,169	538	13,707
Share of profit (loss) of investments accounted for using equity method	1,311	1,650	2,961	–	2,961
Total	7,891	8,239	16,130	538	16,668
Finance income	–	–	–	–	1,334
Finance costs	–	–	–	–	1,149
Profit before tax	–	–	–	–	16,853

Note: The “Segment income” adjustment of 538 million yen includes inter-segment transaction eliminations and corporate profit (loss) not allocated to reportable segments.

(Significant Subsequent Events)

(Purchase of treasury shares)

At a meeting of its Board of Directors held on October 29, 2026, the Company resolved to acquire treasury shares in accordance with Article 156 of the Companies Act as applied mutatis mutandis pursuant to Article 165, Paragraph 3 of the same Act. For details, please refer to the "Notice Regarding Purchase of Treasury Shares (Purchase of Treasury Shares under the provisions of the Articles of Incorporation pursuant to Article 165, Paragraph 2, of the Companies Act)" announced on October 29, 2026.

(Business Combination by Acquisition)

On November 2, 2026, the Company acquired all shares of GOO Chemical Co., Ltd. ("GOO Chemical") from MCP V, LPS and other individual shareholders, thereby making GOO Chemical a subsidiary of the Company.

(1) Outline of Business Combination

1. Name and business description of acquired company

Name	GOO Chemical Co., Ltd.
Business description	Manufacture and sale of specialty chemical industrial products (Oiling agents and sizing agents for textiles, resin for the electronics industry, resin for cosmetics, other industrial resins, etc.)

2. Acquisition date

November 2, 2026

3. Proportion of acquired capital equity with voting right

100%

4. Main reasons for business combination

Under the Company's Medium-term Management Plan 2027, the Company and its group companies (the "Group") are actively allocating management resources to the Solutions Business, with the aim of expanding the scale and improving the profitability of growth areas such as electronics and specialty chemicals. In the electronics field, in addition to further expanding earnings from display-related materials, including acrylic resins for optical films, fine particles, and various resist resins, which constitute its core product groups, the Group is working to expand its semiconductor materials business, including fine particles and photosensitive resins, which constitute its growth product groups. In the specialty chemicals field, the Group is working to expand sales of product groups that leverage its distinctive materials and technologies and contribute to addressing social issues, including the reduction of VOC and CO2 emissions.

GOO Chemical is a specialty chemical manufacturer that develops and manufactures electronic materials, industrial resins, and cosmetic materials, with emulsification, polymerization, and photosensitive technologies as its core technologies. In the electronics field, GOO Chemical offers resist materials and insulating protective materials that utilize its proprietary resin synthesis and formulation technologies, and has established customer and technological bases in the semiconductor and electronic components fields. In the life materials field, GOO Chemical offers various coating materials that utilize its highly distinctive water-soluble polyester resins and contribute to reducing environmental impact, and these products have the potential for expansion into a broad range of applications.

Through this share acquisition, in the electronics field, the Company aims to strengthen its comprehensive proposal capabilities in response to customer needs by combining the materials and technologies of both companies, and in particular, to accelerate development for semiconductor applications and create high-value-added products. In the specialty chemicals field, the Company will expand its highly distinctive product portfolio and mutually leverage the domestic and overseas sales channels and customer networks of both companies to accelerate the expansion of its global customer base, the development of new applications and markets, and the creation of new products.

Through these initiatives, the Company will strengthen the business foundations and competitiveness of both

companies and further accelerate the growth of the Solutions Business.

5. Method of acquiring control of acquired company
Acquisition of shares by cash consideration

(2) Acquisition price
Cash consideration: 20,000 million yen

As the initial accounting for the business combination has not yet been completed, the acquisition-date allocation of the purchase price, including the fair values of identifiable assets acquired and liabilities assumed, goodwill, acquisition-related costs and other related information, has not yet been finalized.

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