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November 11, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: Sumitomo Seika Chemicals Company, Limited.
Listing: Tokyo Stock Exchange
Securities code: 4008
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Scheduled date to file semi-annual securities report: November. 12, 2026
Scheduled date to commence dividend payments: December. 4, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for analysts)

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

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sep. 30, 2026	78,487	8.0	5,594	(4.9)	4,842	(13.2)	3,717	13.5
Sep. 30, 2025	72,705	(1.7)	5,881	19.9	5,578	18.0	3,275	(1.6)

Note: Comprehensive income For the Six months ended Sep. 30, 2026: ¥5,083 million [19.0%]
For the Six months ended Sep. 30, 2025: ¥4,272 million [232.0%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
Sep. 30, 2026	57.74	—
Sep. 30, 2025	49.97	—

Note: As of April 1, 2026, Sumitomo Seika Chemicals Company, Limited ("the Company") conducted a stock split at the ratio of 5 shares to 1 share of common stock. “Basic earnings per share” is calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
Sep. 30, 2026	159,565	106,185	66.5
Mar. 31, 2026	152,732	103,621	67.8

Reference: Equity

As of Sep. 30, 2026: ¥106,185 million

As of Mar. 31, 2026: ¥103,621 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2026	—	100.00	—	120.00	220.00
Fiscal year ending Mar. 31, 2027	—	35.00			
Fiscal year ending Mar. 31, 2027 (Forecast)			—	35.00	70.00

Note: 1. Revisions to the forecast of cash dividends most recently announced: None

2. As of April 1, 2026, the Company conducted a stock split at the ratio of 5 shares to 1 share of common stock. The amounts shown for the fiscal year ended March 31, 2026 are the actual amount of dividends paid before the stock split. On the assumption that the stock split had been conducted at the beginning of previous fiscal year, the annual dividends per share for fiscal year ended Mar. 31, 2026 would be 44 yen (second quarter-end of 20 yen and fiscal year-end of 24 yen).

3. Consolidated financial 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 the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Fiscal year ending Mar. 31, 2027	165,000	11.2	11,000	(24.0)	11,200	(26.6)	8,000	4.2	124.37

Note: 1. Revisions to the financial forecasts most recently announced: None

2. The Company resolved to purchase and cancel treasury shares at the meeting of the Board of Directors held on 12 May, 2026.“Basic earnings per share” takes into account the impact of acquisition and cancellation of treasury shares.

*** Notes**

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

(2) Application of specific accounting methods for the preparation of interim consolidated financial statements: Yes

(3) 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

(4) Number of issued shares (common shares)

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

As of Sep. 30, 2026	64,709,285 shares
As of Mar. 31, 2026	69,958,980 shares

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

As of Sep. 30, 2026	739,860 shares
As of Mar. 31, 2026	5,275,195 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended Sep. 30, 2026	64,376,537 shares
Six months ended Sep. 30, 2025	65,539,860 shares

Note: As of April 1, 2026, the Company conducted a stock split at the ratio of 5 shares to 1 share of common stock. “Total number of issued shares at the end of the period (including treasury shares)”, “Number of treasury shares at the end of the period”, and “Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)” are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements such as the forecasts included in this document are based on information available at the time and estimates based on reasonable assumptions, and do not represent a commitment from the Sumitomo Seika Group that they will be achieved. The actual financial results figures may differ from the forecasts due to various factors.

For details of assumptions for financial forecasts, please refer to “1. Interim Information on Financial Results (3) Consolidated Forecasts and Other Forward-Looking Information” on page 3 of the Attachment.

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1. Interim Information on Financial Results

(1) Operating Results

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

Sumitomo Seika Chemicals Co., Ltd. (“the Company”) has announced its consolidated financial results for the six months ended September 30, 2026 as follows:

Net sales were 78,487 million yen, an increase of 8.0% year-on-year.

Operating profit was 5,594 million yen, a decrease of 4.9% year-on-year.

Ordinary profit was 4,842 million yen, a decrease of 13.2% year-on-year.

Profit attributable to owners of the parent was 3,717 million yen, an increase of 13.5% year-on-year.

Basic earnings per share were 57.74 yen and the return on equity (ROE) was 3.5 %.

The financial results by business segment for the period were as stated below:

Super Absorbent Polymers

Net sales were 61,873 million yen, an increase of 8.9% year-on-year, and operating profit was 4,033 million yen, a decrease of 17.7% year-on-year. Net sales increased from the same period in the previous fiscal year due mainly to the adjustment of selling prices to reflect the rise in prices of raw materials and fuels and the continued weakening of the yen, although sales volume decreased due to factors such as the impact of supply chain disruptions arising from the deteriorating situation in the Middle East. Despite the positive impact of the weaker yen, operating profit decreased year on year mainly because fixed costs increased as new manufacturing facilities began operation at a consolidated subsidiary’s Singapore site.

Functional Materials

Net sales were 16,493 million yen, an increase of 4.8% year-on-year, and operating profit was 1,545 million yen, an increase of 58.2% year-on-year. Both net sales and operating profit increased from the same period in the previous fiscal year due mainly to higher sales of water-soluble polymers in the field of personal care and for battery material applications and the impact of the weaker yen.

Others

In addition to the above businesses, the Company is engaged in contract manufacturing service and other businesses. In this segment, net sales were 120 million yen, a decrease of 4.4% year-on-year, with operating profit of 14 million yen.

(2) Financial Position

Total assets as of September 30, 2026 increased by 6,832 million yen from the end of the previous fiscal year to 159,565 million yen.

Total current assets increased by 4,967 million yen from the end of the previous fiscal year to 87,330 million yen. This was mainly due to an increase in merchandise and finished goods, despite a decrease in cash and deposits.

Total non-current assets increased by 1,864 million yen from the end of the previous fiscal year to 72,234 million yen. This was mainly due to investment in the construction of a new research building in Japan.

Total liabilities increased by 4,267 million yen from the end of the previous fiscal year to 53,379 million yen. This was mainly due to an increase in short-term borrowings, despite a decrease in accounts payable - other.

Net assets increased by 2,564 million yen from the end of the previous fiscal year to 106,185 million yen.

As a result, the equity-to-asset ratio decreased by 1.3 percentage points from the end of the previous fiscal year to 66.5%.

(3) Consolidated Forecasts and Other Forward-Looking Information

There is no change to the Company's full-year consolidated financial forecasts for the fiscal year ending March 31, 2027 announced on August 6, 2026.

		Fiscal year ended March 31, 2026 (Result)	Fiscal year ending March 31, 2027 (Forecast)	Year-on-year changes
Net Sales	Millions of yen	148,354	165,000	16,646
Operating Profit	Millions of yen	14,464	11,000	(3,464)
Ordinary Profit	Millions of yen	15,249	11,200	(4,049)
Profit Attributable to Owners of the Parent	Millions of yen	7,677	8,000	323
Basic Earnings Per Share	Yen	117.48	124.37	6.89
Return on equity (ROE)	%	7.8	7.6	(0.2pt)
Return on invested capital (ROIC)	%	8.1	6.1	(2.0pt)

The above forecasts are based on the following assumptions: For the third and fourth quarters of the fiscal year ending March 31, 2027, the average exchange rates will be 157.50 JPY/USD and 23.50 JPY/CNY, and the average naphtha price will be 91,000 JPY/KL; and for the full fiscal year, the average exchange rates will be 158.50 JPY/USD and 23.50 JPY/CNY, and the average naphtha price will be 99,000 JPY/KL.

(4) Research and Development Activities

Expenses related to research and development activities for the six months ended September 30, 2026 were 1,949 million yen.

2. Interim Consolidated Financial Statements and Significant Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	18,217	12,698
Notes and accounts receivable - trade, and contract assets	32,998	31,411
Merchandise and finished goods	20,702	32,736
Work in process	588	562
Raw materials and supplies	3,900	4,856
Other	5,974	5,084
Allowance for doubtful accounts	(19)	(20)
Total current assets	82,362	87,330
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,513	24,014
Machinery, equipment and vehicles, net	7,943	24,896
Construction in progress	28,357	2,056
Other, net	7,840	9,757
Total property, plant and equipment	58,655	60,724
Intangible assets	4,200	4,402
Investments and other assets		
Retirement benefit asset	5,080	5,129
Other	2,433	1,979
Total investments and other assets	7,513	7,108
Total non-current assets	70,370	72,234
Total assets	152,732	159,565
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,308	15,453
Short-term borrowings	2,978	13,023
Accounts payable - other	6,538	2,178
Income taxes payable	2,860	1,356
Provision for bonuses	1,069	1,161
Other	3,051	2,930
Total current liabilities	32,807	36,103
Non-current liabilities		
Long-term borrowings	14,500	14,500
Retirement benefit liability	728	831
Other	1,075	1,944
Total non-current liabilities	16,304	17,276
Total liabilities	49,111	53,379

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Net assets		
Shareholders' equity		
Share capital	9,742	9,758
Capital surplus	7,596	7,613
Retained earnings	74,740	72,701
Treasury shares	(4,203)	(999)
Total shareholders' equity	87,876	89,073
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	388	101
Foreign currency translation adjustment	12,303	14,151
Remeasurements of defined benefit plans	3,052	2,858
Total accumulated other comprehensive income	15,744	17,111
Total net assets	103,621	106,185
Total liabilities and net assets	152,732	159,565

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	72,705	78,487
Cost of sales	56,468	61,435
Gross profit	16,236	17,052
Selling, general and administrative expenses		
Freight-out	3,050	3,309
Employees' salaries and bonuses	1,650	1,698
Provision for bonuses	385	455
Retirement benefit expenses	52	(9)
Research and development expenses	1,409	1,923
Other	3,807	4,081
Total selling, general and administrative expenses	10,355	11,458
Operating profit	5,881	5,594
Non-operating income		
Interest income	201	153
Dividend income	18	9
Compensation income	—	296
Subsidy income	133	189
Other	36	37
Total non-operating income	389	685
Non-operating expenses		
Foreign exchange losses	499	1,214
Interest expenses	133	181
Other	59	41
Total non-operating expenses	692	1,437
Ordinary profit	5,578	4,842
Extraordinary income		
Gain on sale of investment securities	821	549
Gain on sale of non-current assets	—	0
Insurance claim income	3	—
Total extraordinary income	824	550
Extraordinary losses		
Loss on retirement of non-current assets	48	73
Impairment losses	218	53
Expense related to mischarging	1,284	—
Total extraordinary losses	1,550	127
Profit before income taxes	4,852	5,264
Income taxes	1,577	1,547
Profit	3,275	3,717
Profit attributable to owners of the parent	3,275	3,717

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	3,275	3,717
Other comprehensive income		
Valuation difference on available-for-sale securities	(325)	(287)
Deferred gains or losses on hedges	126	—
Foreign currency translation adjustment	1,160	1,847
Remeasurements of defined benefit plans, net of tax	36	(193)
Total other comprehensive income	997	1,366
Comprehensive income	4,272	5,083
Comprehensive income attributable to		
Owners of the parent	4,272	5,083

(3) Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	4,852	5,264
Depreciation	2,631	4,227
Expense related to mischarging	1,284	—
Impairment losses	218	53
Loss on retirement of non-current assets	5	13
Decrease (increase) in retirement benefit asset	(59)	(331)
Increase (decrease) in retirement benefit liability	57	103
Loss (gain) on sale of investment securities	(821)	(549)
Interest and dividend income	(219)	(162)
Subsidy income	(133)	(189)
Interest expenses	133	181
Decrease (increase) in trade receivables	(1,228)	1,590
Decrease (increase) in inventories	1,325	(12,662)
Increase (decrease) in trade payables	(1,840)	(1,040)
Other, net	2,242	2,410
Subtotal	8,448	(1,090)
Interest and dividends received	217	162
Subsidies received	133	189
Interest paid	(123)	(180)
Compensation paid for damage	—	(4,661)
Payments associated with disaster loss	(43)	—
Income taxes paid	(1,749)	(2,997)
Net cash provided by (used in) operating activities	6,882	(8,577)
Cash flows from investing activities		
Purchase of non-current assets	(6,225)	(5,470)
Proceeds from sale of investment securities	1,031	617
Decrease (increase) in time deposits	—	129
Other, net	646	89
Net cash provided by (used in) investing activities	(4,546)	(4,634)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,136)	10,139
Proceeds from long-term borrowings	2,200	—
Purchase of treasury shares	—	(999)
Repayments of lease liabilities	(99)	(133)
Dividends paid	(1,308)	(1,552)
Net cash provided by (used in) financing activities	(1,344)	7,453
Effect of exchange rate change on cash and cash equivalents	213	381
Net increase (decrease) in cash and cash equivalents	1,205	(5,377)
Cash and cash equivalents at beginning of period	16,099	17,989
Cash and cash equivalents at end of period	17,304	12,612

(4) Notes to Interim Consolidated Financial Statements

Notes on Going Concern Assumptions

Not applicable

Notes on Significant Changes in the Amount of Shareholders' Equity

(Acquisition of Treasury Shares)

The Company purchased 739,800 shares of treasury shares during the six months ended September 30, 2026 based on a resolution of the Board of Directors meeting held on May 12, 2026. As a result, treasury shares were increased by 999 million in the six months ended September 30, 2026.

(Cancellation of Treasury Shares)

The Company cancelled 5,275,195 shares of treasury shares as of May 26, 2026 based on a resolution of the Board of Directors meeting held on May 12, 2026. As a result, retained earnings and treasury shares were decreased by 4,203 million yen respectively in the six months ended September 30, 2026.

As a result, retained earnings amounted to 72,701 million yen, treasury shares to 999 million yen respectively as of September 30,2026.

Application of Specific Accounting Methods for the Preparation of Interim Consolidated Financial Statements

(Deferment of cost variance)

Cost variance caused by seasonal changes in operation rates, etc. is deferred because it is expected to be eliminated for the most part by the end of the cost accounting period.

(Calculation of tax expenses)

Income tax expenses were calculated by multiplying profit before income taxes by an effective tax rate that was reasonably estimated after application of tax effect accounting to the profit before income taxes for the fiscal year.
Furthermore, income taxes - deferred are included in income taxes.

Notes on Interim Consolidated Statement of Income

(Impairment losses)

The Company recognized impairment losses related to manufacturing facilities, etc. for Powdered Polyethylene and Gas Products at its Chiba Works.

Notes on Segment Information, etc.

[Segment information]

Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

(1) Information on net sales, profit or loss by reportable segment

(Millions of yen)

	Reportable Segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount on Interim Consolidated Statements of Income (Note 3)
	Super Absorbent Polymers	Functional Materials	Total				
Net sales							
Sales to external customers	56,840	15,738	72,579	126	72,705	—	72,705
Intersegment sales/transfers	0	25	25	391	417	(417)	—
Total	56,841	15,763	72,605	518	73,123	(417)	72,705
Segment profit (loss)	4,904	976	5,881	0	5,881	0	5,881

Notes: 1 “Others” represents operating segment that is not included in any reportable segment. “Others” includes contract manufacturing service and other services.

2 Segment profit (loss) in “Adjustment” refers to inter-segment elimination.

3 Total amount of segment profit (loss) has been adjusted with operating profit in the interim consolidated statements of income.

(2) Information regarding impairment losses of non-current assets or goodwill, etc. by reportable segment

In the Functional Materials segment, the Company recognized impairment losses of 218 million yen related to manufacturing facilities, etc. for Powdered Polyethylene at its Chiba Works, as the carrying amounts of the relevant assets were reduced to their recoverable amounts.

Six months ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(1) Information on net sales, profit or loss by reportable segment

(Millions of yen)

	Reportable Segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount on Interim Consolidated Statements of Income (Note 3)
	Super Absorbent Polymers	Functional Materials	Total				
Net sales							
Sales to external customers	61,873	16,493	78,367	120	78,487	—	78,487
Intersegment sales/transfers	—	26	26	400	427	(427)	—
Total	61,873	16,520	78,393	521	78,915	(427)	78,487
Segment profit (loss)	4,033	1,545	5,579	14	5,594	(0)	5,594

Notes: 1 “Others” represents operating segment that is not included in any reportable segment. “Others” includes contract manufacturing service and other services.

2 Segment profit (loss) in “Adjustment” refers to inter-segment elimination.

3 Total amount of segment profit (loss) has been adjusted with operating profit in the interim consolidated statements of income.

(2) Information regarding impairment losses of non-current assets or goodwill, etc. by reportable segment

In the Functional Materials segment, the Company recognized impairment losses of 53 million yen related to manufacturing facilities, etc. for Powdered Polyethylene and Gas Products at its Chiba Works, as the carrying amounts of the relevant assets were reduced to their recoverable amounts.

Revenue Recognition

Breakdown of revenue from contracts with customers

Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

(Millions of yen)

	Reportable Segment			Others (Note)	Total	Adjustment	Amount on Interim Consolidated Statements of Income
	Super Absorbent Polymers	Functional Materials	Total				
Japan	11,282	8,841	20,124	81	20,206	—	20,206
Asia	8,844	4,104	12,948	—	12,948	—	12,948
China	20,289	992	21,282	44	21,326	—	21,326
Europe	5,994	1,170	7,165	—	7,165	—	7,165
North America	5,682	296	5,979	—	5,979	—	5,979
Others	4,746	332	5,079	—	5,079	—	5,079
Revenue from contracts with customers	56,840	15,738	72,579	126	72,705	—	72,705
Other revenue	—	—	—	—	—	—	—
Sales to external customers	56,840	15,738	72,579	126	72,705	—	72,705

(Millions of yen)

	Reportable Segment			Others (Note)	Total	Adjustment	Amount on Interim Consolidated Statements of Income
	Super Absorbent Polymers	Functional Materials	Total				
Goods and services transferred at a point in time	56,840	14,382	71,222	126	71,349	—	71,349
Goods and services transferred over time	—	1,356	1,356	—	1,356	—	1,356
Revenue from contracts with customers	56,840	15,738	72,579	126	72,705	—	72,705
Other revenue	—	—	—	—	—	—	—
Sales to external customers	56,840	15,738	72,579	126	72,705	—	72,705

Note: “Others” represents operating segment that is not included in any reportable segment. “Others” includes contract manufacturing service and other services.

Six months ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(Millions of yen)

	Reportable Segment			Others (Note)	Total	Adjustment	Amount on Interim Consolidated Statements of Income
	Super Absorbent Polymers	Functional Materials	Total				
Japan	9,477	8,325	17,802	56	17,859	—	17,859
Asia	9,779	4,950	14,729	—	14,729	—	14,729
China	23,529	1,302	24,831	63	24,895	—	24,895
Europe	6,775	1,414	8,190	—	8,190	—	8,190
North America	6,992	346	7,339	—	7,339	—	7,339
Others	5,319	153	5,473	—	5,473	—	5,473
Revenue from contracts with customers	61,873	16,493	78,367	120	78,487	—	78,487
Other revenue	—	—	—	—	—	—	—
Sales to external customers	61,873	16,493	78,367	120	78,487	—	78,487

(Millions of yen)

	Reportable Segment			Others (Note)	Total	Adjustment	Amount on Interim Consolidated Statements of Income
	Super Absorbent Polymers	Functional Materials	Total				
Goods and services transferred at a point in time	61,873	16,092	77,966	120	78,087	—	78,087
Goods and services transferred over time	—	400	400	—	400	—	400
Revenue from contracts with customers	61,873	16,493	78,367	120	78,487	—	78,487
Other revenue	—	—	—	—	—	—	—
Sales to external customers	61,873	16,493	78,367	120	78,487	—	78,487

Note: “Others” represents operating segment that is not included in any reportable segment. “Others” includes contract manufacturing service and other services.

Major Subsequent Events

(Cancellation of Treasury Shares)

The Company resolved to conduct a cancellation of treasury shares in accordance with Article 178 of the Companies Act.at its meeting of the Board of Directors held on September 28, 2026.

1.Reason for the Cancellation of Treasury Shares

The Company aims to improve capital efficiency, enhance shareholder returns and implement capitalization strategies with flexibility.

2. Details of Cancellation

(1) Type of shares to be cancelled: Common stock of the Company

(2) Total number of shares to be cancelled: 739,800 shares

(3) Cancellation date: October 30, 2026

3. Summary of Consolidated Financial Results for the Six Months Ended September 30, 2026

(1) Consolidated Results

		Six months ended September. 30		Year-on-year changes	FY 2026 ending March 31, 2027 (Forecast)
		FY 2025	FY 2026		
Net Sales	Million ¥	72,705	78,487	5,782	165,000
Operating Profit	Million ¥	5,881	5,594	(287)	11,000
Ordinary Profit	Million ¥	5,578	4,842	(735)	11,200
Profit Attributable to Owners of the Parent	Million ¥	3,275	3,717	441	8,000
Basic Earnings Per Share	¥	49.97	57.74	7.77	124.37
ROE	%	3.4	3.5	0.1pt	7.6
Debt / Equity Ratio	Times	0.20	0.27	0.07	―
Average Exchange Rate	¥/USD	146.04	159.38	―	158.50
Average Exchange Rate	¥/CNY	20.30	23.53	―	23.50
Naphtha Price	¥/KL	64,800	108,400	―	99,000

Note: As of April 1, 2026, the Company conducted a stock split at the ratio of 5 shares to 1 share of common stock. “Basic earnings per share” is calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

The above forecasts are based on the following assumptions: For the third and fourth quarters of the fiscal year ending March 31, 2027, the average exchange rates will be 157.50 JPY/USD and 23.50 JPY/CNY, and the average naphtha price will be 91,000 JPY/KL; and for the full fiscal year, the average exchange rates will be 158.50 JPY/USD and 23.50 JPY/CNY, and the average naphtha price will be 99,000 JPY/KL.

(2) Net Sales and Operating Profit by Business Segment

		Six months ended September. 30		Year-on-year changes	FY 2026 ending March 31, 2027 (Forecast)
		FY 2025	FY 2026		
Super Absorbent Polymers					
Net Sales	Million ¥	56,840	61,873	5,033	131,200
Operating Profit	Million ¥	4,904	4,033	(870)	7,700
Functional Materials					
Net Sales	Million ¥	15,738	16,493	754	33,500
Operating Profit	Million ¥	976	1,545	568	3,200
Others					
Net Sales	Million ¥	126	120	(5)	300
Operating Profit	Million ¥	0	14	14	100
Adjustment					
Net Sales	Million ¥	―	―	―	―
Operating Profit	Million ¥	0	(0)	(0)	―
Total					
Net Sales	Million ¥	72,705	78,487	5,782	165,000
Operating Profit	Million ¥	5,881	5,594	(287)	11,000