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Consolidated Financial Results for the Three Months Ended June 30, 2025 <Under Japanese GAAP>

July 31, 2025

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(Figures rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (% figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	31,960	-5.4	262	-	221	-57.3	311	149.5
June 30, 2024	33,792	9.8	-220	-	517	-	124	-

Note: Comprehensive Income: For the three months ended June 30, 2025: -961 million yen [- %]

For the three months ended June 30, 2024: -1,352 million yen [- %]

	Net income attributable to owners of parent per share	Net income attributable to owners of parent per share (Diluted)
	yen	yen
Three months ended June 30, 2025	6.85	-
June 30, 2024	2.75	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity to asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	135,096	48,708	35.5
As of March 31, 2025	136,238	49,670	35.9

Reference: Equity As of June 30, 2025: 47,947 million yen As of March 31, 2025: 48,911 million yen

2. Dividend Status

	Annual dividends per share				
(Date of record)	At the end of 1st Q	At the end of 2nd Q	At the end of 3rd Q	Fiscal year-end	Total
	yen	Yen	yen	yen	yen
Fiscal year ended March 31, 2025	-	3.00	-	0.00	3.00
March 31, 2026	-				
March 31, 2026 (Forecast)		0.00	-	10.00	10.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Consolidated Outlook for FY2025 (April 1, 2025 to March 31, 2026)

(% figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income attributable to owners of parent per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
1st Half	65,000	-5.9	200	153.2	0	-	-1,500	-	-32.99
Full Year	114,000	-16.8	1,800	180.7	1,400	-	0	-	0.00

Note: Revisions to the forecast of consolidated earnings most recently announced: No

<Human Life Segment>

Net sales in the Human Life Segment reached ¥12,923 million (up 4.9% year on year), with a segment income of ¥567 million (up 382.9% year on year).

Food field	<p>“ESLEN Sheets”</p> <ul style="list-style-type: none"> Shipments of food containers for supermarkets remained at the same level as the previous fiscal year Shipments of environmentally friendly products, such as resource-saving materials, as well as containers for natto (fermented soybeans product), were robust. Shipments for instant noodle applications were strong, supported by a recovering trend in demand.
	<p>“ESLEN Beads”</p> <ul style="list-style-type: none"> Shipments for agricultural applications were sluggish due to adverse weather conditions. Shipments for fresh fish applications remained sluggish due to a decline in fish catches. Demand for aquaculture applications was also weak. Adoption of ReNew⁺ brand made from recycled materials continued to expand among co-operative across various regions.
Housing/Energy field	<ul style="list-style-type: none"> In construction-related materials, insulation materials saw solid performance. In civil engineering materials, sales of EPS blocks exceeded the previous year, supported by the delivery of multiple construction projects FJ-Ring, used in sewerage construction and other applications, also performed well as adoption continued to expand

* ESLEN Sheets: Foamed polystyrene sheets

* ESLEN Beads: Expandable polystyrene beads

<Industry Segment>

Net sales in the Industry Segment reached ¥19,036 million (down 11.3% year on year), with a segment income of ¥369 million (down 40.3% year on year).

Mobility field	<p>“Automotive components”</p> <ul style="list-style-type: none"> Sales remained strong overall, supported by solid performance in North America and the positive impact of price revisions, despite delays in mass production plans for new models in Japan
	<p>“Component packaging applications”</p> <ul style="list-style-type: none"> Although signs of demand recovery were observed in Southeast Asia, Sales remained weak due to sluggish demand overall
	<p>“FRP parts and related materials”</p> <ul style="list-style-type: none"> Sales slightly exceeded the previous year, driven by strong demand in truck and bus applications
	<p>“Proseat Group”</p> <ul style="list-style-type: none"> Operating loss continued, as automobile production in the European market fell below the level of the previous year
Electronics field	<p>“PIOCELAN”</p> <ul style="list-style-type: none"> Shipments for LCD panel transport materials declined due to a shift to alternative materials, and overall sales slightly fell below the level of the previous year.
	<p>“TECHPOLYMER”</p> <ul style="list-style-type: none"> While sales for display applications declined due to inventory adjustments at customers, overall performance was strong, supported by growing demand in lighting and coating applications
Medical/Healthcare field	<p>“ELASTIL”</p> <ul style="list-style-type: none"> Sales of protective footwear remained sluggish due to declining demand <p>“ST-gel”</p> <ul style="list-style-type: none"> Shipments of gel rolls to Northeast Asia were strong, and demand in medical applications also showed signs of recovery, resulting in solid overall performance

* PIOCELAN: Polystyrene/polyolefin hybrid resin foam

* TECHPOLYMER: Polymer particles

* ELASTIL: Thermoplastic elastomer foam

* ST-gel: High-performance polymer gel

* FRP parts: fiber-reinforced plastic

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	9,587	9,280
Notes and accounts receivable, and contract assets	26,174	26,541
Electronically recorded monetary claims - operating	8,539	8,197
Merchandise and finished goods	8,700	8,634
Work in process	1,496	1,812
Raw materials and supplies	5,153	4,676
Other	3,966	4,132
Allowance for doubtful accounts	(26)	(29)
Total current assets	63,592	63,246
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,727	13,536
Machinery, equipment and vehicles, net	11,337	11,125
Land	21,113	20,672
Other, net	3,188	3,693
Total property, plant and equipment	49,367	49,026
Intangible assets		
Other	1,847	1,780
Total intangible assets	1,847	1,780
Investments and other assets		
Investments in securities	12,579	12,199
Assets for retirement benefits	7,154	7,180
Other	1,774	1,739
Allowance for doubtful accounts	(77)	(77)
Total investments and other assets	21,431	21,041
Total non-current assets	72,646	71,849
Total assets	136,238	135,096

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable	16,026	16,457
Electronically recorded obligations - operating	7,848	7,375
Short-term loans	22,429	19,963
Accrued income and enterprise taxes	1,188	800
Provision for bonuses to employees	1,116	630
Provision for bonuses to directors and audit and supervisory board members	6	17
Other	8,223	9,242
Total current liabilities	56,839	54,487
Long-term liabilities		
Bonds payable	7,000	7,000
Long-term loans	9,649	12,128
Liabilities for retirement benefits	4,174	4,144
Provision for product warranty	57	57
Other	8,846	8,570
Total long-term liabilities	29,728	31,899
Total liabilities	86,567	86,387
Net assets		
Shareholders' equity		
Common stock	16,533	16,533
Capital surplus	16,377	16,377
Retained earnings	10,270	10,581
Treasury stock	(1,230)	(1,230)
Total shareholders' equity	41,950	42,261
Accumulated other comprehensive income		
Net unrealized gains on securities	6,520	6,259
Surplus arising from land revaluation	1,421	1,421
Translation adjustments	(926)	(1,935)
Retirement benefits liability adjustments	(54)	(59)
Total accumulated other comprehensive income	6,960	5,685
Non-controlling interests	759	761
Total net assets	49,670	48,708
Total liabilities and net assets	136,238	135,096

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

Quarterly Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	33,792	31,960
Cost of sales	27,544	25,388
Gross profit	6,248	6,572
Selling, general and administrative expenses	6,468	6,309
Operating income (loss)	(220)	262
Non-operating income		
Interest income	12	9
Dividend income	196	212
Foreign exchange gain	788	-
Other	62	61
Total non-operating income	1,060	282
Non-operating expenses		
Interest expenses	259	241
Foreign exchanges loss	-	6
Loss on sales and retirement of non-current assets	9	31
Other	52	44
Total non-operating expenses	322	323
Ordinary income	517	221
Extraordinary income		
Gain on sales of property, plant and equipment	-	713
Total extraordinary income	-	713
Extraordinary loss		
Impairment loss	16	155
Commission expenses	-	298
Total extraordinary loss	16	454
Net income before income taxes	501	480
Income taxes	373	166
Net income	127	314
Net income attributable to non-controlling interests	3	2
Net income attributable to owners of the parent	124	311

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	127	314
Other comprehensive income		
Net unrealized gains on securities	(752)	(260)
Translation adjustments	(741)	(1,008)
Retirement benefits liability adjustments	13	(5)
Total other comprehensive income	(1,480)	(1,275)
Comprehensive income	(1,352)	(961)
(Breakdown)		
Comprehensive income attributable to owners of the parent	(1,355)	(963)
Comprehensive income attributable to non-controlling Interests	3	2

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Net income before income taxes	501	480
Impairment loss	16	155
Depreciation and amortization	1,475	1,259
Increase (decrease) in allowance for doubtful accounts	(7)	0
Interest and dividend income	(208)	(221)
Interest expense	259	241
Interest (decrease) in provision for bonuses to employees	(434)	(485)
Interest (decrease) in provision for product warranty	(0)	(0)
Increase (decrease) in net liabilities for retirement benefits	(9)	(47)
Loss (gain) on sales and retirement of property, plant, equipment	5	(683)
Decrease (increase) in notes and accounts receivable	(835)	(87)
Decrease (increase) in inventories	(107)	202
Increase (decrease) in notes and accounts payable	(209)	(5)
Other, net	(374)	208
Subtotal	69	1,016
Interest and dividends received	208	221
Interest paid	(248)	(241)
Proceeds from casualty insurance claims	2	3
Income taxes (paid) refunded	(718)	(554)
Net cash provided by (used in) operating activities	(685)	445
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,065)	(1,093)
Proceeds from sales of property, plant and equipment	3	1,251
Purchases of investments in securities	(0)	(0)
Increase in short-term and long-term loans receivable	(2)	(1)
Collection of short-term and long-term loans receivable	7	1
Other, net	(74)	186
Net cash provided by (used in) investing activities	(1,131)	343
Cash flows from financing activities		
Net increase (decrease) in short-term loans	1,800	(1,543)
Proceeds from long-term loans	2,200	4,100
Repayment of long-term loans	(3,534)	(3,219)
Dividends paid	(434)	(0)
Dividends paid to non-controlling shareholders	(1)	(1)
Other, net	(242)	(262)
Net cash provided by (used in) financing activities	(213)	(927)
Effect of exchange rate change on cash and cash equivalents	(242)	34
Net increase (decrease) in cash and cash equivalents	(2,273)	(104)
Cash and cash equivalents at the beginning of period	10,867	9,128
Cash and cash equivalents at the end of period	8,594	9,024