SEKISUI KASEI

FASF

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

April 27, 2026

Company Name:	SEKISUI KASEI CO., LTD.
Representative Director:	Yasunobu Furubayashi, President and CEO
Listing:	Tokyo Prime Market
Securities Code:	4228
Inquiries:	Katsumi Sasaki, Director & Senior Managing Executive Officer, Head of Corporate Strategic Headquarters
E-mail:	ir_pr@sekisuikasei.com

Notice Regarding Recognition of Deferred Tax Assets (Consolidated and Individual), Revision of Consolidated Earnings Forecasts, and Revision of Dividend Forecast (Increase in Dividend)

SEKISUI KASEI CO., LTD. (the "Company") hereby announces that it expects to recognize deferred tax assets in its consolidated and individual financial statements for the fiscal year ending March 31, 2026.
Accordingly, the Company has decided to revise the full-year consolidated earnings forecasts for the fiscal year ending March 31, 2026 (April 1, 2025, to March 31, 2026), which were previously disclosed on October 30, 2025, as well as to revise (increase) the year-end dividend forecast for the fiscal year ending March 31, 2026, as described below.

1. Recognition of Deferred Tax Assets

After carefully examining the recoverability of deferred tax assets based on future business performance and other factors, the Company expects to recognize deferred tax assets for the portion deemed recoverable. As a result, the Company expects to record income taxes–deferred of approximately JPY –4.0 billion (negative amounts represent profit) in both its consolidated and individual financial results.

2. Revision of Consolidated Earnings Forecasts

(1) Full-year Consolidated Earnings Forecast (Fiscal year ending March 31, 2026: April 1, 2025, to March 31, 2026)

	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
Previous Forecast (A)	114,000	2,350	1,600	0	0.00
Current Forecast (B)	114,000	2,500	2,000	2,100	46.10
Change Amount (C)	0	150	400	2,100	
Change Rate (%)	-	6.4%	25.0%	-	
Reference Previous Full-Year Results	137,072	641	102	-6,282	-138.28

(2) Reasons for the Revision (Net income attributable to owners of parent)

- Following losses incurred in connection with the transfer of the Proseat Group, a consolidated subsidiary in Europe, conducted in September last year, the Company carefully examined the extent to which future tax burdens could be reduced and, as a result, decided to recognize deferred tax assets of approximately JPY 4.0 billion.
- In addition, delays have occurred in the sale of certain owned assets that were originally scheduled to be recorded in the current consolidated fiscal year, including those disclosed in today's "(Update on Disclosed Matter) Notice Regarding Change in Asset Handover Date and Timing of Recording Extraordinary Income"

3. Revision of Dividend Forecast (Increase in Dividend)

The Company positions shareholder returns as one of its most important management priorities.

For the fiscal year ending March 31, 2026, the recovery of our Group's earnings capacity has progressed, driven by the restructuring of the Proseat business in Europe and ongoing improvements in the profitability structure of our existing businesses, resulting in an improvement in profit levels, primarily from our core operations.

In light of the expected improvement in net income attributable to owners of parent for the fiscal year ending March 31, 2026, resulting from the recognition of deferred tax assets, as well as after comprehensively considering the Company's financial position and future business development, the Company has decided to revise the year-end dividend forecast for the fiscal year ending March 31, 2026 and increase the dividend.

Going forward, the Company will continue to strive to enhance corporate value while maintaining stable shareholder returns.

(Revision of Dividend)

	Annual Dividends per Share		
	End of 2 Q	Fiscal Year-End	Total
Previous Forecast (May 9, 2025)	Yen 0.00	Yen 10.00	Yen 10.00
Current Forecast	-	15.00	15.00
Current Results	0.00		
Previous Result	3.00	0.00	3.00

(Note)

Statements regarding future earnings forecasts and other forward-looking information contained in this document are based on information available as of the date of this announcement. Actual results may differ materially from forecast figures due to various factors in the future.