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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 <Under Japanese GAAP>

May 8, 2026

Company Name:	SEKISUI KASEI CO., LTD.
Listing:	Tokyo Stock Exchange
Securities Code:	4228
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Scheduled date of annual general meeting of shareholders:	June 23, 2026
Scheduled date to commence dividend payments:	June 24, 2026
Scheduled date to file annual securities report:	June 23, 2026
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes (For securities analysts and institutional investor fund managers)

(Figures rounded down to the nearest million yen)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results (% figures represent changes from 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	%
Fiscal year ended March 31, 2026	113,935	-16.9	2,552	298.0	2,249	-	2,147	-
March 31, 2025	137,072	5.2	641	-49.2	102	-96.2	-6,282	-

Note: Comprehensive Income For the fiscal year ended March 31, 2026: 1,252 million yen (- %)
For the fiscal year ended March 31, 2025: -6,598 million yen (- %)

	Net income Attributable to Owners of Parent per Share	Net income Attributable to Owners of Parent per Share (Diluted)	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	yen	yen	%	%	%
Fiscal year ended March 31, 2026	47.15	-	4.3	1.7	2.2
March 31, 2025	-138.28	-	-12.0	0.1	0.5

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: - million yen
For the fiscal year ended March 31, 2025: - million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity to Asset Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	122,355	50,945	41.0	1,100.56
As of March 31, 2025	136,238	49,670	35.9	1,075.86

Reference: Equity As of March 31, 2026: 50,182 million yen As of March 31, 2025: 48,911 million yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2026	6,654	-4,444	-2,084	9,352
March 31, 2025	4,753	-5,694	-618	9,128

2. Cash Dividends

(Date of Record)	Annual Dividends per Share					Total Cash Dividends (Total)	Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	At the end of 1 st Q	At the end of 2 nd Q	At the end of 3 rd Q	Fiscal year-end	Total			
	yen	yen	yen	yen	yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	3.00	-	0.00	3.00	136	-	0.3
March 31, 2026	-	0.00	-	15.00	15.00	683	31.8	1.4
March 31, 2027 (Forecast)	-	5.00	-	12.00	17.00		31.0	

3. Consolidated Outlook for FY 2026 (April 1, 2026-March 31, 2027)

(% 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	50,500	-23.2	300	-61.6	50	-76.0	1,000	-	21.95
Full Year	105,000	-7.8	3,100	21.5	2,600	15.6	2,500	16.4	54.83

Note: Financial results reports are exempt from audit conducted by certified public accountants or audit corporation.

Note: Proper use of earning forecasts, and other special matters

(Cautionary statement regarding forward-looking statements)

The earnings forecasts and other forward-looking statements contained in this report are based on information available as of the date of this report and on certain assumptions that the Group believes are reasonable.

Forward-looking statements are not guarantees that the Group will achieve the amounts indicated. Various factors can cause actual results to differ materially from those projected.

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1. Summary of Business Results

(1) Consolidated Business Results for FY2025

Summary by Business Segment

<Human Life Segment>

Net sales in the Human Life Segment reached 52,398 million yen (down 4.7% year on year), with a segment income of 3,034 million yen (up 0.9% 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 for heat-resistant containers were sluggish due to factors such as extreme heat. Shipments of environmentally friendly products such as resource-saving materials, and containers for natto (a fermented bean product), were strong. Demand for instant noodle applications remained at the same level as the previous fiscal year.
	<p>“ESLEN Beads”</p> <ul style="list-style-type: none"> Shipments for agricultural applications remained robust despite the impact of weather conditions. Shipments for fresh fish applications were sluggish due to a decline in fish catches. Demand for aquaculture applications also remained weak. Adoption of ReNew⁺, made from recycled materials continued to expand among cooperatives in various regions.
Housing/Energy field	<ul style="list-style-type: none"> Construction-related materials were affected by a decline in housing starts, while shipments for construction projects remained solid. Sales of civil engineering materials remained robust, supported by deliveries for lightweight embankment methods and rainwater storage projects. FJ-Ring, used in sewerage and electrical conduit installation work performed well as project orders increased.

* ESLEN Sheets: Foamed polystyrene sheets

* ESLEN Beads: Expandable polystyrene beads

* ReNew⁺: Foamed polystyrene products made from recycled materials to reduce environmental impact

* FJ-Ring: Cushioning material made of foamed polystyrene used in pipe jacking construction such as sewerage projects

<Industry Segment>

Net sales in the Industry Segment reached 61,537 million yen (down 25.0% year on year), with a segment income of 2,534 million yen (up 376.3% year on year).

Mobility field	<p>Automotive Components</p> <ul style="list-style-type: none"> Sales remained strong overall, with Japan performing strongly, supported by increased production for existing projects and the launch of new projects, and North America also remaining strong, supported by continued solid performance and the effects of price revisions. <p>Packaging Applications</p> <ul style="list-style-type: none"> Sales were weak overall, while Southeast Asia slightly exceeded the previous year. <p>FRP Parts and Related Materials</p> <ul style="list-style-type: none"> Sales significantly exceeded the previous year, driven by strong demand for truck and bus applications.
	<p>PIOCELAN</p> <ul style="list-style-type: none"> Shipments for LCD panel transport materials declined in Northeast Asia, resulting in sluggish performance. <p>TECHPOLYMER</p> <ul style="list-style-type: none"> Demand for display applications declined, while demand for lighting and coating applications increased, with overall results in line with the previous year.
Medical/Healthcare field	<p>ST-gel</p> <ul style="list-style-type: none"> Exports of gel rolls remained strong, significantly exceeding the previous year.

* PIOCELAN: Polystyrene/polyolefin hybrid resin foam

* TECHPOLYMER: Polymer particles

* ST-gel: Functional high-polymer gel

* FRP parts: Fiber-reinforced plastic

2. Basic Approach to the Selection of Accounting Standards

In order to ensure comparability between reporting periods and among companies, it is the Group's policy to prepare its consolidated financial statements in accordance with Japanese GAAP for the time being. With respect to the application of International Financial Reporting Standards (IFRS), the Group will respond appropriately, taking into account various developments in Japan and overseas.

3. Consolidated Financial Statements and Notes to Consolidated Financial Statement

(1) Consolidated Balance Sheets

	(Millions of Yen)	
	FY2024	FY2025
	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	9,587	9,554
Notes receivable	1,325	432
Accounts receivable	23,834	19,066
Contract assets	1,015	-
Electronically recorded monetary claims-operating	8,539	8,695
Merchandise and finished goods	8,700	7,513
Work in process	1,496	406
Raw materials and supplies	5,153	3,865
Other	3,966	1,824
Allowance for doubtful accounts	(26)	(24)
Total current assets	63,592	51,334
Non-current assets		
Property, plant and equipment		
Buildings and structures	49,680	50,305
Accumulated depreciation	(35,953)	(37,038)
Buildings and structures, net	13,727	13,267
Machinery, equipment and vehicles	95,540	84,019
Accumulated depreciation	(84,202)	(73,148)
Machinery, equipment and vehicles, net	11,337	10,871
Land	21,113	20,697
Construction in progress	1,639	2,145
Other	21,108	14,719
Accumulated depreciation	(19,559)	(12,949)
Other, net	1,549	1,769
Total property, plant and equipment	49,367	48,751
Intangible assets		
Software	1,370	1,159
Other	477	454
Total intangible assets	1,847	1,614
Investments and other assets		
Investments in securities	12,579	10,555
Deferred income taxes	886	2,374
Assets for retirement benefits	7,154	7,156
Other	888	639
Allowance for doubtful accounts	(77)	(69)
Total investments and other assets	21,431	20,655
Total non-current assets	72,646	71,021
Total assets	136,238	122,355

	(Millions of yen)	
	FY2024	FY2025
	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable	16,026	10,919
Electronically recorded obligations-operating	7,848	6,857
Short-term loans	22,429	6,970
Bonds Redeemable Within One Year	-	7,000
Accrued expenses	3,230	2,178
Accrued income and enterprise taxes	1,188	1,203
Contract liabilities	402	-
Accrued consumption taxes	289	693
Provision for bonuses to employees	1,116	1,182
Provision for bonuses to directors and audit and supervisory board members	6	31
Notes payable-facilities	102	11
Electronically recorded obligations -non-operating	607	783
Provision for loss on business liquidation	1,061	379
Other	2,530	1,488
Total current liabilities	56,839	39,699
Long-term liabilities		
Bonds payable	7,000	-
Long-term loans	9,649	24,783
Deferred income taxes	4,180	914
Deferred income taxes for land revaluation	1,653	1,544
Provision for product warranty	57	56
Liabilities for retirement benefits	4,174	4,146
Other	3,012	265
Total long-term liabilities	29,728	31,710
Total liabilities	86,567	71,409
Net assets		
Shareholders' equity		
Common stock	16,533	16,533
Capital surplus	16,377	16,311
Retained earnings	10,270	12,398
Treasury stock	(1,230)	(1,121)
Total shareholders' equity	41,950	44,122
Accumulated other comprehensive income		
Net unrealized gains on securities	6,520	5,308
Surplus arising from land revaluation	1,421	1,550
Translation adjustments	(926)	(620)
Retirement benefits liability adjustments	(54)	(177)
Total accumulated other comprehensive income	6,960	6,060
Non-controlling interests	759	763
Total net assets	49,670	50,945
Total liabilities and net assets	136,238	122,355

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

Consolidated Statement of Income

	(Millions of yen)	
	FY2024	FY2025
	(From April 1, 2024 to March 31, 2025)	(From April 1, 2025 to March 31, 2026)
Net sales	137,072	113,935
Cost of sales	109,739	87,343
Gross profit	27,333	26,591
Selling, general and administrative expenses	26,691	24,039
Operating income	641	2,552
Non-operating income		
Interest income	32	32
Dividends income	340	377
Insurance income	28	9
Compensation income	86	-
Subsidy income	11	179
Other	273	459
Total non-operating income	773	1,058
Non-operating expenses		
Interest expenses	888	789
Foreign exchange losses	117	110
Loss on sales and retirement of non-current assets	98	122
Commission expenses	-	181
Other	208	158
Total non-operating expenses	1,312	1,361
Ordinary income	102	2,249
Extraordinary income		
Gain on sales of non-current assets	329	713
Gain on sales of investments in securities	589	709
Total extraordinary income	919	1,423
Extraordinary loss		
Loss on sales of non-current assets	64	-
Impairment loss	4,072	368
Loss on business liquidation	1,110	15
Loss on business transfer	324	3,504
Total extraordinary losses	5,571	3,888
Net income before income taxes	(4,549)	(215)
Income taxes - current	1,446	1,766
Income taxes for prior periods	406	-
Income taxes - deferred	(121)	(4,135)
Total income taxes	1,732	(2,368)
Net income	(6,281)	2,152
Net income attributable to non-controlling interests	0	4
Net income attributable to owners of the parent	(6,282)	2,147

Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	End of FY2024 (From April 1, 2024 to March 31, 2025)	End of FY2025 (From April 1, 2025 to March 31, 2026)
Net income	(6,281)	2,152
Other comprehensive income		
Net unrealized gains on securities	(360)	(1,212)
Translation adjustments	(148)	306
Revaluation Reserve for Land	(57)	129
Retirement benefits liability adjustments	249	(123)
Total other comprehensive income	(316)	(899)
Comprehensive income	(6,598)	1,252
(Breakdown)		
Comprehensive income attributable to owners of the parent	(6,599)	1,247
Comprehensive income attributable to non- controlling interests	0	4

(3) Consolidated Statement of Changes in Net Assets

FY2024 (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance on April 1, 2024	16,533	16,408	17,142	(1,301)	48,783
Changes of items during period					
Dividend of surplus			(590)		(590)
Net income attributable to owners of the parent			(6,282)		(6,282)
Acquisition of treasury stock				(0)	(0)
Disposal of treasury stock		(31)		71	40
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(31)	(6,872)	71	(6,832)
Balance on March 31, 2025	16,533	16,377	10,270	(1,230)	41,950

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains on securities	Surplus arising from land revaluation	Translation adjustments	Retirement benefits liability adjustments	Total accumulated other comprehensive income		
Balance on April 1, 2024	6,880	1,479	(778)	(304)	7,277	760	56,821
Changes of items during period							
Dividend of surplus							(590)
Net income attributable to owners of the parent							(6,282)
Acquisition of treasury stock							(0)
Disposal of treasury stock							40
Net changes of items other than shareholders' equity	(360)	(57)	(148)	249	(316)	(1)	(317)
Total changes of items during period	(360)	(57)	(148)	249	(316)	(1)	(7,150)
Balance on March 31, 2025	6,520	1,421	(926)	(54)	6,960	759	49,670

FY2025 (from April 1, 2025, to March 31, 2026)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	
Balance on April 1, 2025	16,533	16,377	10,270	(1,230)	41,950
Changes of items during period					
Net income(loss) attributable to owners of the parent			2,147		2,147
Acquisition of treasury stock				(0)	(0)
Disposal of treasury stock		(65)		109	43
Reversal of revaluation reserve for land			(19)		(19)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(65)	2,128	109	2,171
Balance on March 31, 2026	16,533	16,311	12,398	(1,121)	44,122

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains on securities	Surplus arising from land revaluation	Translation adjustments	Retirement benefits liability adjustments	Total accumulated other comprehensive income		
Balance on April 1, 2025	6,520	1,421	(926)	(54)	6,960	759	49,670
Changes of items during period							
Net income(loss) attributable to owners of the parent							2,147
Acquisition of treasury stock							(0)
Disposal of treasury stock							43
Reversal of revaluation reserve for land							(19)
Net changes of items other than shareholders' equity	(1,212)	129	306	(123)	(899)	3	(896)
Total changes of items during period	(1,212)	129	306	(123)	(899)	3	1,275
Balance on March 31, 2026	5,308	1,550	(620)	(177)	6,060	763	50,945

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2025 (From April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Net income before income taxes	(4,549)	(215)
Depreciation and amortization	6,077	5,061
Impairment loss	4,072	368
Increase (decrease) in allowance for doubtful accounts	(6)	(11)
Interest and dividend income	(373)	(410)
Interest expenses	888	789
Increase (decrease) in provision for bonuses to employees	35	63
Increase (decrease) in provision for product warranty	(0)	(0)
Increase (decrease) in net liabilities for retirement benefits	155	(27)
Loss (gain) on business transfer	324	3,504
Loss (gain) on sales of investments in securities	(589)	(709)
Loss (gain) on sales and retirement of property, plant and equipment	(179)	(619)
Increase (decrease) in provision for loss on business liquidation	937	(739)
Decrease (increase) in notes and accounts receivable	3,590	1,153
Decrease (increase) in inventories	1,011	819
Increase (decrease) in notes and accounts payable	(3,113)	(1,391)
Other, net	(1,186)	2,321
Subtotal	7,093	9,955
Interest and dividends received	373	410
Interest paid	(928)	(780)
Proceeds from casualty insurance claims	28	9
Income taxes (paid) refunded	(1,488)	(1,376)
Other, net	(324)	(1,562)
Net cash provided by (used in) operating activities	4,753	6,654
Cash flows from investing activities		
Payments for deposits in time deposits	(440)	(180)
Proceeds from withdrawal of time deposits	-	489
Purchases of property, plant and equipment	(6,146)	(4,215)
Proceeds from sales of property, plant and equipment	590	1,348
Purchases of investments in securities	(4)	(4)
Proceeds from sales of investments in securities	667	968
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(2,723)
Increase in short-term and long-term loans receivable	(4)	(14)
Collection of short-term and long-term loans receivable	12	5
Other, net	(368)	(117)
Net cash provided by (used in) investing activities	(5,694)	(4,444)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	5,036	(11,465)
Proceeds from long-term loans	2,200	25,600
Repayment of long-term loans	(6,240)	(15,418)
Dividends paid	(590)	(0)
Dividends paid to non-controlling shareholders	(1)	(1)
Other, net	(1,021)	(798)
Net cash provided by (used in) financing activities	(618)	(2,084)
Effect of exchange rate change on cash and cash equivalents	(180)	97
Net increase (decrease) in cash and cash equivalents	(1,738)	223
Cash and cash equivalents at the beginning of the period	10,867	9,128
Cash and cash equivalents at the end of the period	9,128	9,352