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May 14, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange  
 Securities code: 3106  
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 Scheduled date of ordinary general meeting of shareholders: June 26, 2026  
 Scheduled date to commence dividend payments: June 29, 2026  
 Scheduled date to file annual securities report: June 25, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

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

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	143,758	(4.6)	9,182	(11.0)	11,071	(6.1)	12,876	42.8
March 31, 2025	150,660	(0.4)	10,311	12.3	11,784	15.6	9,014	33.8

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥23,997 million [130.0%]  
 For the fiscal year ended March 31, 2025: ¥10,435 million [(46.4)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit/total assets	Operating profit/net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	781.89	–	10.2	5.6	6.4
March 31, 2025	516.19	–	7.6	6.1	6.8

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2026: ¥11 million  
 For the fiscal year ended March 31, 2025: ¥41 million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	201,844	133,674	65.5	8,266.72
March 31, 2025	190,529	121,182	62.9	7,077.11

Reference: Equity  
 As of March 31, 2026: ¥132,193 million  
 As of March 31, 2025: ¥119,805 million

### (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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	14,586	1,366	(15,806)	15,499
March 31, 2025	11,048	(2,989)	(9,038)	15,158

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	60.00	–	120.00	180.00	3,112	34.9	2.6
Fiscal year ended March 31, 2026	–	141.00	–	166.00	307.00	5,042	39.3	4.0
Fiscal year ending March 31, 2027 (Forecast)	–	166.00	–	33.00	–		40.7	

Notes: 1. The Company has changed the fiscal year-end dividend per share for the fiscal year ended March 31, 2026 from ¥141 to ¥166. For more details, please refer to the news release “Notification on Dividends of Surplus (Dividend Increase)” dated today (May 14, 2026).

2. The Company plans to conduct a 5-for-1 stock split of its common shares with the effective date of October 1, 2026. The fiscal year-end dividend per share for the fiscal year ending March 31, 2027 (forecast) shows the amount that takes into account the effect of the stock split, and the total annual dividend is shown as “–.” Without taking into account the stock split, the fiscal year-end dividend for the fiscal year ending March 31, 2027 (forecast) would be ¥165 and the total annual dividends would be ¥331.

### 3. Forecast of consolidated financial results 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 parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	71,000	2.5	3,200	(18.6)	4,200	(13.3)	5,300	(17.5)	66.29
Full year	154,000	7.1	11,200	22.0	12,500	12.9	13,000	1.0	162.59

Note: The forecasted values in basic earnings per share take into account the effect of the stock split described in the notes under “2. Cash dividends.” Without taking into account the stock split, the forecasted basic earnings per share would be ¥331.44 for the six months ending September 30, 2026, and ¥812.96 for the full year.

\* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2026	17,000,000 shares
As of March 31, 2025	18,000,000 shares

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

As of March 31, 2026	1,009,008 shares
As of March 31, 2025	1,071,382 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	16,468,290 shares
Fiscal year ended March 31, 2025	17,463,378 shares

Note: The Company has introduced the Board Benefit Trust, a share-based compensation plan for directors, etc. using a trust, and the Company's shares held by the trust account are included in the number of treasury shares.

**(Reference) Overview of non-consolidated financial results**

**Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	76,173	(3.4)	3,407	(31.7)	5,814	(18.9)	9,500	102.5
March 31, 2025	78,881	5.2	4,988	12.0	7,166	15.5	4,692	(30.9)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	576.89	—
March 31, 2025	268.68	—

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	164,376	101,666	61.9	6,357.76
March 31, 2025	151,980	94,511	62.2	5,582.96

Reference: Equity

As of March 31, 2026: ¥101,666 million  
As of March 31, 2025: ¥94,511 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters  
(Caution regarding forward-looking statements and others)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors. For matters regarding the above earnings forecasts, please refer to "(4) Future outlook" of "1. Overview of operating results and others" on page 4 of the attached materials.

(Regarding the financial results briefing)

The Company plans to hold a financial results briefing for institutional investors and analysts on Thursday, May 28, 2026. The explanatory materials on financial results to be distributed at the briefing will be posted on the Company's website following the briefing.

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## 1. Overview of operating results and others

### (1) Overview of operating results for the fiscal year under review

During the fiscal year ended March 31, 2026, the Japanese economy remained on a moderate recovery trend, supported by resilient consumer spending and corporate capital investment. On the other hand, the global economy generally put in a solid performance, with the headwind of tariff policies in the U.S. being overcome by the growth in investments in AI and other advanced technologies.

Although the semiconductor production-related market, which is the target of our main high-performance plastic products, entered a correction phase and slowed, it gradually trended toward recovery in the final phase of the fiscal year under review. While being affected by additional tariffs on the U.S., the automobile market generally performed solidly, but the pace of recovery in the textile and apparel market and housing and construction materials market was slow.

In this type of environment, the Group has strived to expand priority businesses by targeting the semiconductor production-related market and other growth markets, and to enhance the earning capability of core businesses, primarily through structural reform in the textiles business, based on the basic policy of “enhance corporate value by accelerating the growth of high-profit businesses and efficiently utilizing management resources” in the medium-term management plan “Accelerate '27,” which started in April 2025.

As a result, net sales were ¥143.7 billion (down 4.6% YoY), operating profit was ¥9.18 billion (down 11.0% YoY), ordinary profit was ¥11.07 billion (down 6.1% YoY), and profit attributable to owners of parent was ¥12.87 billion (up 42.8% YoY), mainly due to the recording of extraordinary income from the sale of cross-shareholdings.

Results by segment are as follows.

#### (Chemical Products)

Although high-performance plastic products began trending toward recovery as we entered the fourth quarter, the weak conditions for areas of the semiconductor market other than AI applications that had continued up to the third quarter led to a decline in orders for semiconductor production equipment, and a decrease in revenue.

Functional films experienced a decrease in revenue as orders for automobile decreased in North America, despite solid orders for solar cells.

Industrial materials experienced decreased revenue partly due to the impact of the transfer in the previous fiscal year of all equity stake of a Chinese subsidiary that was engaged in manufacturing and sales of flexible polyurethane foam for automotive interiors, despite steady orders of flexible polyurethane foam for automotive interiors, heat-insulating materials and nonwoven fabrics for automotive filters.

As a result, net sales were ¥62.6 billion (down 5.1% YoY) with operating profit of ¥4.15 billion (down 17.4% YoY).

#### (Textiles)

Yarns experienced increased revenue due to steady sales of the high-performance product “NaTech,” which leverages raw material reforming technology, and steady sales for denim at a Thai subsidiary, despite weak sales of knitting yarn at a Brazilian subsidiary.

Uniforms experienced increased revenue with orders of products for uniform apparel increasing.

Casual clothing experienced decreased revenue as orders of fabric for domestic SPAs (specialty retailers of private label apparel) decreased.

As a result, net sales were ¥43.2 billion (down 10.8% YoY), and mainly due to the recording of non-recurring operating costs related to the closure of the Anjo Plant, operating loss was ¥0.89 billion (operating profit of ¥0.07 billion in the same period of the previous fiscal year).

#### (Advanced Technology)

Life science & technology businesses experienced decreased revenue with solid orders for factory automation equipment at a subsidiary being outweighed by weakness for mixer/deaerator models caused by U.S. tariff policies.

Electronics businesses experienced increased revenue with solid performance for chemical concentration meters for the semiconductor production lines, and steady performance for AFVI systems for HDI/Flex PCB and infrastructure management systems for the railway industry.

Engineering businesses experienced increased revenue due to steady performances in areas such as exhaust gas treatment facilities and strong sales for silicon wafer cleaning equipment and filter cleaning equipment at a subsidiary.

As a result, net sales were ¥22.7 billion (up 3.5% YoY) with operating profit of ¥3.86 billion (up 15.7% YoY).  
(Food and Services)

Freeze-dried foods experienced increased revenue mainly due to steady sales growth of instant noodle ingredients.

Hotels and their related services experienced increased revenue due to accommodations and restaurants progressing smoothly, fueled by demand from domestic travel and inbound tourism, along with demand for banquets showing signs of recovery.

As a result, net sales were ¥11.1 billion (up 6.6% YoY) with operating profit of ¥0.88 billion (up 22.1% YoY).  
(Real Estate)

Real estate leasing benefited from increased revenue from the opening of a new commercial operation on leased property. Net sales were ¥3.9 billion (up 6.5% YoY), while operating profit was ¥2.29 billion (up 2.5% YoY).

## **(2) Overview of financial position for the fiscal year under review**

(Assets, liabilities and net assets)

Total assets at the end of the fiscal year ended March 31, 2026 increased by ¥11.3 billion from the end of the previous fiscal year to ¥201.8 billion mainly due to an increase in investment securities following a rise in share prices, although there were decreases in inventories, notes and accounts receivable - trade, and contract assets.

Liabilities decreased by ¥1.1 billion from the end of the previous fiscal year to ¥68.1 billion mainly due to decreases in long-term and short-term borrowings, although there were increases in deferred tax liabilities and income taxes payable.

Net assets increased by ¥12.4 billion from the end of the previous fiscal year to ¥133.6 billion mainly due to increases in valuation difference on available-for-sale securities and retained earnings, although there was a decrease due to purchase of treasury shares.

As a result of the above, the equity-to-asset ratio was 65.5%, up 2.6 percentage points.

## **(3) Overview of cash flows for the fiscal year under review**

Cash and cash equivalents (hereinafter “cash”) at the end of the fiscal year ended March 31, 2026 increased by ¥0.34 billion from the end of the previous fiscal year to ¥15.49 billion. The respective cash flow positions and the factors thereof are as follows.

Cash flows from operating activities

Net cash provided by operating activities in the fiscal year ended March 31, 2026 was ¥14.58 billion (compared to ¥11.04 billion in net cash provided by operating activities in the previous fiscal year). This was mainly due to factors that increased cash, such as profit before income taxes of ¥18.17 billion and internal reserves for depreciation of ¥5.01 billion, despite factors that decreased cash, such as gain on sale of short-term and long-term investment securities of ¥6.45 billion and income taxes paid of ¥3.11 billion.

Cash flows from investing activities

Net cash provided by investing activities in the fiscal year under review was ¥1.36 billion (compared to ¥2.98 billion in net cash used in investing activities in the previous fiscal year). This was mainly due to proceeds from sale of investment securities of ¥7.38 billion, despite purchase of property, plant and equipment and intangible assets of ¥6.07 billion.

## Cash flows from financing activities

Net cash used in financing activities in the fiscal year under review was ¥15.8 billion (compared to ¥9.03 billion in net cash used in financing activities in the previous fiscal year). This was mainly due to purchase of treasury shares of ¥7.12 billion and dividends paid of ¥4.39 billion.

(Reference) Trends in cash flow indicators

	Fiscal year ended Mar. 31, 2022	Fiscal year ended Mar. 31, 2023	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025	Fiscal year ended Mar. 31, 2026
Equity-to-asset ratio (%)	57.4	58.2	60.6	62.9	65.5
Equity-to-asset ratio on a market value basis (%)	20.8	27.2	32.6	53.0	66.6
Ratio of interest-bearing debt to cash flows (years)	1.5	6.2	1.0	1.0	0.5
Interest coverage ratio (times)	51.8	7.7	39.1	32.5	75.9

(Notes) Equity-to-asset ratio: Equity / Total assets

Equity-to-asset ratio on a market value basis: Market capitalization / Total assets

Ratio of interest-bearing debt to cash flows: Interest-bearing debt / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

1. All items are calculated using consolidated financial data.
2. Market capitalization is based on the number of issued shares excluding treasury shares.
3. Operating cash flow represents cash flows from operating activities per the consolidated statement of cash flows.
4. Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet for which interest is being paid. In addition, interest payments represent interest paid per the consolidated statement of cash flows.

## (4) Future outlook

As for future economic conditions, while it is expected that gradual growth will continue, the outlook is expected to remain uncertain mainly due to China's rare earth export regulations and developments in U.S. trade policy. Furthermore, supply difficulties for imported fuel and rising prices stemming from growing tensions in the Middle East may seriously affect corporate profits and economic activities.

Under this business environment, the Group is progressing with "Accelerate '27," which is a medium-term management plan, representing the third stage of the "Long-term Vision 2030," where it strives to be a strong corporate group that generates innovation and high profit, and with a basic policy of "Accelerate growth in high-profit businesses and increase corporate value through efficient use of resources," it will accelerate development of its priority businesses in growth markets and strengthen profitability of its core businesses.

In addition to strengthening R&D activities, creating new businesses, and contributing to the realization of a sustainable recycling-oriented society, the Group will also work to establish an organization with high engagement, thereby enhancing its corporate value.

As for the full-year consolidated financial outlook for the fiscal year ending March 31, 2027, we forecast net sales of ¥154.0 billion, operating profit of ¥11.2 billion, ordinary profit of ¥12.5 billion, and profit attributable to owners of parent of ¥13.0 billion.

In addition, the above financial forecasts were prepared based on information available as of the release date of these materials, and actual operating results may differ from the financial forecasts due to various factors in the future.

## 2. Basic policy regarding selection of accounting standards

The Group's policy is to prepare consolidated financial statements under the Japanese GAAP for the time being, for reasons of period-to-period comparability and company-to-company comparability of consolidated financial statements.

Regarding the application of the International Financial Reporting Standards (IFRS), we intend to respond appropriately after giving consideration to domestic and overseas situations.

### 3. Consolidated financial statements and significant notes thereto

#### (1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	15,192	15,533
Notes and accounts receivable - trade, and contract assets	29,699	28,288
Electronically recorded monetary claims - operating	7,480	7,910
Merchandise and finished goods	12,970	12,004
Work in process	7,711	6,506
Raw materials and supplies	8,295	8,446
Other	3,613	3,944
Allowance for doubtful accounts	(127)	(138)
Total current assets	84,835	82,496
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,828	21,062
Machinery, equipment and vehicles, net	7,629	8,697
Land	11,215	11,342
Leased assets, net	587	942
Construction in progress	1,809	1,361
Other, net	1,197	1,227
Total property, plant and equipment	44,268	44,633
Intangible assets	1,533	1,427
Investments and other assets		
Investment securities	55,994	69,523
Deferred tax assets	1,791	1,748
Retirement benefit asset	1,324	1,318
Other	991	927
Allowance for doubtful accounts	(209)	(230)
Total investments and other assets	59,891	73,287
Total non-current assets	105,693	119,348
Total assets	190,529	201,844

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	15,956	15,208
Electronically recorded obligations - operating	3,380	2,144
Short-term borrowings	8,003	6,086
Lease liabilities	147	136
Accrued expenses	3,043	2,461
Income taxes payable	1,630	3,581
Provision for bonuses	1,506	1,511
Other	5,834	5,227
Total current liabilities	39,502	36,357
Non-current liabilities		
Long-term borrowings	2,353	886
Lease liabilities	448	506
Deferred tax liabilities	9,506	14,310
Provision for retirement benefits for directors (and other officers)	175	135
Provision for share-based payments	222	277
Retirement benefit liability	12,120	10,700
Long-term leasehold and guarantee deposits received	4,850	4,847
Other	165	149
Total non-current liabilities	29,843	31,812
Total liabilities	69,346	68,170
<b>Net assets</b>		
Shareholders' equity		
Share capital	22,040	22,040
Capital surplus	15,240	15,240
Retained earnings	67,471	70,568
Treasury shares	(4,240)	(5,948)
Total shareholders' equity	100,511	101,900
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,560	35,779
Deferred gains or losses on hedges	(17)	41
Foreign currency translation adjustment	(7,110)	(6,049)
Remeasurements of defined benefit plans	(139)	521
Total accumulated other comprehensive income	19,293	30,292
Non-controlling interests	1,376	1,481
Total net assets	121,182	133,674
Total liabilities and net assets	190,529	201,844

**(2) Consolidated statement of income and consolidated statement of comprehensive income**  
**Consolidated statement of income**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	150,660	143,758
Cost of sales	119,001	112,882
Gross profit	31,658	30,876
Selling, general and administrative expenses	21,346	21,694
Operating profit	10,311	9,182
Non-operating income		
Interest income	134	195
Dividend income	1,572	1,907
Share of profit of entities accounted for using equity method	41	11
Other	314	394
Total non-operating income	2,063	2,510
Non-operating expenses		
Interest expenses	320	189
Loss on disposal of non-current assets	56	94
Expenses on inactive non-current assets	103	88
Other	111	248
Total non-operating expenses	591	621
Ordinary profit	11,784	11,071
Extraordinary income		
Gain on sale of investment securities	1,779	6,452
Gain on sale of non-current assets	563	816
Subsidy income	74	116
Gain on sale of shares of subsidiaries and associates	694	55
Compensation received for damage	822	-
Total extraordinary income	3,935	7,440
Extraordinary losses		
Loss on disposal of non-current assets	10	128
Loss on tax purpose reduction entry of non-current assets	73	112
Loss on valuation of shares of subsidiaries and associates	-	47
Impairment losses	*	*
Business restructuring expenses	2,753	43
Litigation expenses	877	-
Total extraordinary losses	227	-
Total extraordinary losses	3,942	332
Profit before income taxes	11,776	18,178
Income taxes - current	3,792	4,999
Income taxes - deferred	(1,074)	273
Total income taxes	2,718	5,273
Profit	9,058	12,905
Profit attributable to non-controlling interests	44	29
Profit attributable to owners of parent	9,014	12,876

**Consolidated statement of comprehensive income**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	9,058	12,905
Other comprehensive income		
Valuation difference on available-for-sale securities	1,504	9,237
Deferred gains or losses on hedges	(66)	58
Foreign currency translation adjustment	(37)	1,120
Remeasurements of defined benefit plans, net of tax	(79)	660
Share of other comprehensive income of entities accounted for using equity method	55	15
Total other comprehensive income	1,376	11,091
Comprehensive income	10,435	23,997
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,246	23,875
Comprehensive income attributable to non-controlling interests	188	122

**(3) Consolidated statement of changes in equity**

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	22,040	15,237	64,164	(2,654)	98,788
Changes during period					
Dividends of surplus			(2,148)		(2,148)
Profit attributable to owners of parent			9,014		9,014
Purchase of treasury shares				(5,165)	(5,165)
Disposal of treasury shares		0		20	20
Cancellation of treasury shares		(3,558)		3,558	–
Transfer from retained earnings to capital surplus		3,558	(3,558)		–
Change in ownership interest of parent due to transactions with non-controlling interests		2			2
Net changes in items other than shareholders' equity					
Total changes during period	–	2	3,307	(1,586)	1,723
Balance at end of period	22,040	15,240	67,471	(4,240)	100,511

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	25,054	49	(6,982)	(60)	18,061	1,225	118,074
Changes during period							
Dividends of surplus							(2,148)
Profit attributable to owners of parent							9,014
Purchase of treasury shares							(5,165)
Disposal of treasury shares							20
Cancellation of treasury shares							–
Transfer from retained earnings to capital surplus							–
Change in ownership interest of parent due to transactions with non-controlling interests							2
Net changes in items other than shareholders' equity	1,506	(66)	(128)	(79)	1,232	151	1,384
Total changes during period	1,506	(66)	(128)	(79)	1,232	151	3,107
Balance at end of period	26,560	(17)	(7,110)	(139)	19,293	1,376	121,182

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	22,040	15,240	67,471	(4,240)	100,511
Changes during period					
Dividends of surplus			(4,406)		(4,406)
Profit attributable to owners of parent			12,876		12,876
Purchase of treasury shares				(7,124)	(7,124)
Disposal of treasury shares				43	43
Cancellation of treasury shares		(5,373)		5,373	-
Transfer from retained earnings to capital surplus		5,373	(5,373)		-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,096	(1,707)	1,388
Balance at end of period	22,040	15,240	70,568	(5,948)	101,900

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	26,560	(17)	(7,110)	(139)	19,293	1,376	121,182
Changes during period							
Dividends of surplus							(4,406)
Profit attributable to owners of parent							12,876
Purchase of treasury shares							(7,124)
Disposal of treasury shares							43
Cancellation of treasury shares							-
Transfer from retained earnings to capital surplus							-
Change in ownership interest of parent due to transactions with non-controlling interests							-
Net changes in items other than shareholders' equity	9,218	58	1,061	660	10,998	104	11,103
Total changes during period	9,218	58	1,061	660	10,998	104	12,491
Balance at end of period	35,779	41	(6,049)	521	30,292	1,481	133,674

**(4) Consolidated statement of cash flows**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	11,776	18,178
Depreciation	5,157	5,017
Impairment losses	2,753	43
Increase (decrease) in retirement benefit liability	(176)	(500)
Increase (decrease) in provision for share-based payments	44	54
Increase (decrease) in allowance for doubtful accounts	81	4
Interest and dividend income	(1,707)	(2,103)
Interest expenses	320	189
Compensation received for damage	(822)	–
Litigation expenses	227	–
Foreign exchange losses (gains)	(3)	(17)
Share of loss (profit) of entities accounted for using equity method	(41)	(11)
Loss (gain) on sale of property, plant and equipment and intangible assets	(570)	(909)
Loss on retirement of property, plant and equipment and intangible assets	19	50
Loss (gain) on sale of short-term and long-term investment securities	(1,779)	(6,452)
Loss (gain) on valuation of short-term and long-term investment securities	–	47
Loss (gain) on sale of shares of subsidiaries and associates	(694)	(55)
Decrease (increase) in accounts receivable - trade, and contract assets	2,392	1,263
Decrease (increase) in inventories	911	2,252
Increase (decrease) in trade payables	(2,797)	(2,059)
Other, net	(1,343)	651
<b>Subtotal</b>	<b>13,746</b>	<b>15,644</b>
Interest and dividends received	1,724	2,114
Interest paid	(339)	(192)
Subsidies received	80	130
Amount of compensation for damage received	822	–
Litigation expenses paid	(227)	–
Income taxes paid	(4,757)	(3,111)
<b>Net cash provided by (used in) operating activities</b>	<b>11,048</b>	<b>14,586</b>

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from investing activities</b>		
Decrease (increase) in time deposits	(0)	(0)
Purchase of property, plant and equipment and intangible assets	(5,585)	(6,075)
Proceeds from sale of property, plant and equipment and intangible assets	631	953
Purchase of investment securities	(5)	(1,006)
Proceeds from sale of investment securities	1,971	7,387
Proceeds from sale of shares of subsidiaries and associates	–	63
Loan advances	(1)	(0)
Proceeds from collection of loans receivable	111	241
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(30)	–
Other, net	(80)	(196)
Net cash provided by (used in) investing activities	(2,989)	1,366
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(1,486)	(3,183)
Proceeds from long-term borrowings	500	182
Repayments of long-term borrowings	(658)	(344)
Purchase of treasury shares	(5,165)	(7,124)
Proceeds from sale of treasury shares	0	–
Repayments of lease liabilities	(126)	(473)
Dividends paid	(2,141)	(4,390)
Other, net	39	(472)
Net cash provided by (used in) financing activities	(9,038)	(15,806)
Effect of exchange rate change on cash and cash equivalents	14	194
Net increase (decrease) in cash and cash equivalents	(964)	340
Cash and cash equivalents at beginning of period	16,123	15,158
Cash and cash equivalents at end of period	15,158	15,499

## **(5) Notes to consolidated financial statements**

### **(Notes on premise of going concern)**

Not applicable.

### **(Notes on changes in presentation)**

#### **(Consolidated statement of income)**

“Loss on disposal of non-current assets,” which was included in “Other” under non-operating expenses in the previous fiscal year, has been presented separately from the fiscal year under review due to its increasing materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year were restated.

As a result, ¥168 million that was presented in “Other” under non-operating expenses in the consolidated statement of income for the previous fiscal year was reclassified as ¥56 million of “Loss on disposal of non-current assets” and ¥111 million of “Other” under non-operating expenses.

### **(Notes on additional information)**

#### **(Share-based compensation plan for directors and other officers)**

The Company has introduced a share-based compensation plan using a trust (hereinafter the “Plan”) for directors (excluding outside directors, directors who are audit and supervisory committee members and residents outside Japan; the same shall apply hereinafter) and executive officers (excluding residents outside Japan; hereinafter collectively referred to as “Directors, etc.”) in order to raise their consciousness of contributing to improvement in business performance over the medium to long term and enhancement of corporate value by making the linkage between remuneration of Directors, etc. and the Company’s operating results and share value clearer and having Directors, etc. share gains and risks of stock price fluctuations with shareholders.

##### **(1) Overview of the transaction**

The Plan is a share-based compensation plan in which a trust established by the Company’s contribution of money (hereinafter the “Trust”) acquires the Company’s shares, and the Company’s shares are delivered to each Director, etc. through the Trust in the number corresponding to the number of points granted by the Company to each Director, etc. The timing when each Director, etc. receives delivered shares of the Company is the time of retirement of the Director, etc. from his or her position in principle.

##### **(2) The Company’s own shares remaining in the trust**

Shares of the Company remaining in the trust have been recorded as treasury shares in net assets at the carrying amount (excluding the amount of incidental costs) in the trust. The carrying amount and number of these treasury shares were ¥365 million and 152 thousand shares in the previous fiscal year, and ¥672 million and 186 thousand shares in the fiscal year under review.

### **(Notes on consolidated balance sheet)**

#### **(Contingent liabilities)**

On June 30, 2022, a fire broke out at the logistics facility Ami No. 2 Logistics Center of SBS Flec Co., Ltd. (location: 6-1 Hoshinosato, Ami-machi, Inashiki-gun, Ibaraki) at which the Company’s Chemical Products Division had conducted heat-insulating work. The fire was extinguished on July 5, 2022. Regarding this fire accident (hereinafter the “Fire Accident”), on September 6, 2023, SBS Flec Co., Ltd. filed a lawsuit seeking compensation for damages against three companies related to the Fire Accident, including the Company, for around ¥4.4 billion in damages concerning entrusted cargo, etc. that perished, and on October 24, 2024, there was an application for amending the damages claim to around ¥4.0 billion.

In addition, on March 31, 2025, Sompo Japan Insurance Inc. filed a lawsuit seeking compensation for damages against three companies related to the Fire Accident, including the Company, for around ¥3.6 billion in damages based on insurance subrogation for damages concerning buildings and other assets that were destroyed or damaged by the Fire Accident (hereinafter the “Lawsuit”).

The Company had previously announced that in relation to the fact that SBS Flec Co., Ltd., the owner of the logistics facility involved, had received an insurance payment of approximately ¥5.2 billion from an insurance

company for damages related to buildings and other assets destroyed or damaged by the Fire Accident, there was a possibility of the Company being pursued for recovery by that insurance company. The Lawsuit was filed on the grounds that Sampo Japan Insurance Inc. acquired part of SBS Flec Co., Ltd.'s right to claim damages related to the Fire Accident through subrogation, after SBS Flec Co., Ltd. received an insurance payment based on a jointly underwritten insurance policy with Sampo Japan Insurance Inc. and others for the buildings and assets affected by the Fire Accident.

The Company has evaluated the details of these claims in these lawsuits seeking compensation for damages and is responding as appropriate through our attorneys.

Based on the jointly underwritten insurance policy entered into by SBS Flec Co., Ltd., and other insurance companies, there is a possibility that the Company will also be pursued for recovery by other insurance companies.

Furthermore, related to the Fire Accident, for around ¥1.1 billion initially estimated for the demolition costs for the Ami No. 2 Logistics Center, we received a notification from the relevant companies that around ¥0.68 billion in costs had been incurred at the end of April 2023. Depending on the future proceedings of the lawsuits for compensation for damages and the results of discussion, the Company could incur damages.

**(Notes on additional information)**

We believe that the incurrence of damages to the Company related to the lawsuits for compensation for damages as well as the impact on earnings will become clear as a result of the future proceedings of the lawsuits for compensation for damages and the results of discussion, and the details and amounts of any damages to the Company from the Fire Accident have not been determined at this point in time. The Company will announce any specific impact on earnings in the future as soon as it becomes clear.

**(Notes on consolidated statement of income)**

**\*Impairment losses**

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

The Group has recorded impairment losses in relation to the following asset groups.

(1) Overview of the asset group in which impairment loss was recognized

Use	Category	Location	Impairment losses (Millions of yen)
Power generation facilities	Buildings and structures, machinery, equipment and vehicles, etc.	Anan City, Tokushima Prefecture	1,639
Product manufacturing facilities	Buildings and structures, machinery, equipment and vehicles, etc.	Anjo City, Aichi Prefecture	1,097
Product manufacturing facilities	Machinery and equipment	Yokkaichi City, Mie Prefecture	15

(2) Background to the recognition of impairment loss

In the case of the power generation facilities in Anan City, Tokushima Prefecture, a deterioration in the business environment has led to a decline in profitability, so we have written down the carrying amount to the recoverable amount, and recorded the reduction as an impairment loss under extraordinary losses.

The breakdown of that figure is buildings and structures ¥268 million, machinery, equipment and vehicles ¥1,347 million, intangible assets ¥21 million, and other ¥2 million.

Moreover, although recoverable amounts are measured based on values in use, because future cash flows cannot be expected the recoverable amount has been valued at zero.

In the case of the product manufacturing facilities in Anjo City, Aichi Prefecture, following the decision to close the Anjo Plant we wrote down the carrying amount for buildings, etc. that were scheduled to be scrapped to the recoverable amount, and recorded the reduction as an impairment loss under extraordinary losses.

The breakdown of that figure is buildings and structures ¥944 million, machinery, equipment and vehicles ¥146 million, intangible assets ¥1 million, and other ¥4 million.

Furthermore, the recoverable amount is calculated based on the net selling price, and the carrying amount is written down to the memorandum value.

In the case of the product manufacturing facilities in Yokkaichi City, Mie Prefecture, because we made the decision to scrap them we wrote down the carrying amount to the recoverable amount, and recorded the reduction as an impairment loss under extraordinary losses.

The breakdown of that figure is machinery and equipment ¥15 million.

Furthermore, the recoverable amount is calculated based on the net selling price, and the carrying amount is written down to the memorandum value.

(3) Method for grouping assets

The Group conducts asset grouping in accordance with classifications used for management accounting for operating assets, and performs grouping at the level of individual properties for idle assets.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

The Group has recorded impairment losses in relation to the following asset groups.

(1) Overview of the asset group in which impairment loss was recognized

Use	Category	Location	Impairment losses (Millions of yen)
Product manufacturing facilities	Machinery, equipment and vehicles	Tangerang, Indonesia	43

(2) Background to the recognition of impairment loss

Following the relocation of manufacturing bases, for assets for which there was no prospect of future use we wrote down the carrying amount to the recoverable amount, and recorded the reduction as an impairment loss under extraordinary losses.

The recoverable amount is measured using the net selling price based on a reasonable valuation calculated by third parties.

(3) Method for grouping assets

The Group conducts asset grouping in accordance with classifications used for management accounting for operating assets, and performs grouping at the level of individual properties for idle assets.

**(Notes on segment information, etc.)**

**[Segment information]**

1. Overview of reportable segments

The Company's reportable segments are components of the Group's businesses on which separate financial information is available and which are examined regularly by the Board of Directors to decide allocation of managerial resources and assess business performance.

The Company has established a division (or responsible department) by product/service, and for the Food and Services segment, consolidated subsidiaries have been established. These divisions, etc. formulate domestic and overseas strategies for products and services that they handle and conduct business activities.

Accordingly, the Group's businesses consist of segments classified by product/service based on divisions, etc., and five segments of "Chemical Products," "Textiles," "Advanced Technology," "Food and Services" and "Real Estate" are reportable segments.

The description of main businesses that belong to each reportable segment is as follows.

Reportable segments	Description of business
Chemical Products	Manufacturing, processing and sales of high-performance plastic products, functional films, and industrial materials (flexible polyurethane foam, synthetic wood, inorganic building materials, rigid polyurethane foam, nonwoven fabrics, and functional materials)
Textiles	Manufacturing, processing and sales of yarns, uniforms, and casual clothing
Advanced Technology	Manufacturing, sales and maintenance for life science & technology businesses (bio-related products, robot vision, automation equipment) Manufacturing, sales and maintenance of electronics (information system equipment related to color/production control, etc., and inspection/measurement systems) Engineering (design, production, construction and sales of various plants related to environment and energy, etc., and biomass power generation business)
Food and Services	Manufacturing and sales of freeze-dried foods Operation of hotels, driving schools, etc.
Real Estate	Real estate leasing

2. Method of calculating the amounts of sales, profit or loss, assets and other items by reportable segment

The method of accounting for reported operating segments is basically the same as the method of accounting treatment employed to prepare the consolidated financial statements.

Profit of reportable segments represents figures based on operating profit.

Intersegment revenue and transfers are based on prevailing market prices.

3. Information on the amounts of sales, profit or loss, assets and other items by reportable segment

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments						Adjustments (Note 1)	Amount recorded in the consolidated financial statements (Note 2)
	Chemical Products	Textiles	Advanced Technology	Food and Services	Real Estate	Total		
Sales								
Sales to outside customers	66,002	48,532	21,943	10,458	3,723	150,660	–	150,660
Intersegment sales or transfers	35	53	251	42	436	820	(820)	–
Total	66,037	48,586	22,194	10,501	4,160	151,480	(820)	150,660
Segment profit	5,030	75	3,341	724	2,243	11,415	(1,104)	10,311
Segment assets	66,736	52,952	21,394	11,781	12,837	165,702	24,826	190,529
Other items								
Depreciation	2,103	1,314	633	429	626	5,107	50	5,157
Amortization of goodwill	–	–	6	–	–	6	–	6
Investments in entities accounted for using equity method	–	488	–	498	–	987	–	987
Increase in property, plant and equipment and intangible assets	5,023	798	441	305	555	7,123	33	7,156

- (Notes)
1. (1) The segment profit adjustment of negative ¥1,104 million includes company-wide expenses of negative ¥1,104 million and other adjustments of ¥0 million. Company-wide expenses are mainly R&D expenses not attributable to the reportable segment.
  - (2) The segment assets adjustment of ¥24,826 million includes corporate assets of ¥38,035 million and other adjustments of negative ¥13,208 million. Corporate assets are mainly surplus operating funds (cash and deposits) and long-term investment funds (investment securities) at the parent company.
  - (3) The depreciation adjustment of ¥50 million in other items includes company-wide expenses of ¥62 million and other adjustments of negative ¥12 million. Company-wide expenses represent depreciation of corporate assets that is not attributable to the reportable segment.
  - (4) The adjustment of increase in property, plant and equipment and intangible assets of ¥33 million in other items includes an increase in corporate assets of ¥38 million and other adjustments of negative ¥5 million. The increase in corporate assets represents the amount of capital investment not attributable to the reportable segment.
2. Segment profit is adjusted with operating profit in the consolidated financial statements.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments						Adjustments (Note 1)	Amount recorded in the consolidated financial statements (Note 2)
	Chemical Products	Textiles	Advanced Technology	Food and Services	Real Estate	Total		
Sales								
Sales to outside customers	62,654	43,276	22,716	11,145	3,965	143,758	–	143,758
Intersegment sales or transfers	138	55	1,268	41	435	1,938	(1,938)	–
Total	62,793	43,332	23,984	11,186	4,400	145,697	(1,938)	143,758
Segment profit (loss)	4,154	(897)	3,867	885	2,299	10,308	(1,126)	9,182
Segment assets	71,897	47,008	24,846	12,100	13,063	168,916	32,928	201,844
Other items								
Depreciation	2,440	1,050	383	428	655	4,958	59	5,017
Amortization of goodwill	–	–	6	–	–	6	–	6
Investments in entities accounted for using equity method	–	515	–	497	–	1,012	–	1,012
Increase in property, plant and equipment and intangible assets	2,134	1,588	389	572	369	5,053	22	5,075

- (Notes)
1. (1) The segment profit or loss adjustment of negative ¥1,126 million includes company-wide expenses of negative ¥1,097 million and other adjustments of negative ¥28 million. Company-wide expenses are mainly R&D expenses not attributable to the reportable segment.
  - (2) The segment assets adjustment of ¥32,928 million includes corporate assets of ¥51,070 million and other adjustments of negative ¥18,141 million. Corporate assets are mainly surplus operating funds (cash and deposits) and long-term investment funds (investment securities) at the parent company.
  - (3) The depreciation adjustment of ¥59 million in other items includes company-wide expenses of ¥73 million and other adjustments of negative ¥14 million. Company-wide expenses represent depreciation of corporate assets that is not attributable to the reportable segment.
  - (4) The adjustment of increase in property, plant and equipment and intangible assets of ¥22 million in other items includes an increase in corporate assets of ¥52 million and other adjustments of negative ¥30 million. The increase in corporate assets represents the amount of capital investment not attributable to the reportable segment.
2. Segment profit or loss is adjusted with operating profit in the consolidated financial statements.

**[Information about impairment losses of non-current assets by reportable segment]**

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments						Adjustments	Total
	Chemical Products	Textiles	Advanced Technology	Food and Services	Real Estate	Total		
Impairment losses	16	1,096	1,639	–	–	2,753	–	2,753

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments						Adjustments	Total
	Chemical Products	Textiles	Advanced Technology	Food and Services	Real Estate	Total		
Impairment losses	–	43	–	–	–	43	–	43

**[Information about amortization and unamortized balance of goodwill by reportable segment]**

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

The information is omitted as it is immaterial.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

The information is omitted as it is immaterial.

**[Information about gain on bargain purchase by reportable segment]**

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Not applicable.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

Not applicable.

**(Notes on revenue recognition)**

## Information on disaggregation of revenue from contracts with customers

As a result of organizational changes implemented on April 1, 2025, from the fiscal year ended March 31, 2026, the types of goods and services that belong to the Chemical Products segment have changed from “flexible polyurethane foam,” “functional resin products (functional films and high-performance plastic products),” “housing construction products (synthetic wood, inorganic building materials, and rigid polyurethane foam),” and “others (nonwoven fabrics and functional materials)” to “high-performance plastic products,” “functional films,” and “industrial materials (flexible polyurethane foam, synthetic wood, inorganic building materials, rigid polyurethane foam, nonwoven fabrics, and functional materials).” The types of goods and services that belong to the Textiles segment have changed from “yarns,” “fabrics,” and “textile products” to “yarns,” “uniforms,” and “casual clothing.” The types of goods and services that belong to the Advanced Technology segment have changed from “electronics,” “engineering,” and “others (bio-related products)” to “life science & technology businesses (bio-related products, robot vision, and automation equipment),” “electronics businesses,” and “engineering businesses.” Note that the breakdown by type of goods or services for the fiscal year ended March 31, 2025 has been presented based on the new segment classification.

[Breakdown by type of goods or services]

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments					Total
	Chemical Products	Textiles	Advanced Technology	Food and Services	Real Estate	
High-performance plastic products	16,747	–	–	–	–	16,747
Functional films	10,317	–	–	–	–	10,317
Industrial materials	44,907	–	–	–	–	44,907
Yarns	–	18,154	–	–	–	18,154
Uniforms	–	11,047	–	–	–	11,047
Casual clothing	–	24,361	–	–	–	24,361
Life science & technology businesses	–	–	6,485	–	–	6,485
Electronics businesses	–	–	7,757	–	–	7,757
Engineering businesses	–	–	9,589	–	–	9,589
Freeze-dried foods	–	–	–	7,472	–	7,472
Services	–	–	–	3,028	–	3,028
Intersegment sales	(5,970)	(5,031)	(1,890)	(42)	–	(12,935)
Revenue from contracts with customers	66,002	48,532	21,943	10,458	–	146,936
Other revenue	–	–	–	–	3,723	3,723
Sales to outside customers	66,002	48,532	21,943	10,458	3,723	150,660

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments					Total
	Chemical Products	Textiles	Advanced Technology	Food and Services	Real Estate	
High-performance plastic products	15,430	–	–	–	–	15,430
Functional films	10,042	–	–	–	–	10,042
Industrial materials	43,576	–	–	–	–	43,576
Yarns	–	18,389	–	–	–	18,389
Uniforms	–	11,399	–	–	–	11,399
Casual clothing	–	19,313	–	–	–	19,313
Life science & technology businesses	–	–	5,824	–	–	5,824
Electronics businesses	–	–	7,780	–	–	7,780
Engineering businesses	–	–	11,225	–	–	11,225
Freeze-dried foods	–	–	–	7,847	–	7,847
Services	–	–	–	3,339	–	3,339
Intersegment sales	(6,394)	(5,825)	(2,113)	(41)	–	(14,375)
Revenue from contracts with customers	62,654	43,276	22,716	11,145	–	139,793
Other revenue	–	–	–	–	3,965	3,965
Sales to outside customers	62,654	43,276	22,716	11,145	3,965	143,758

**(Notes on per share information)**

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Net assets per share	¥7,077.11	¥8,266.72
Basic earnings per share	¥516.19	¥781.89

(Notes) 1. The amount of diluted earnings per share is not presented because there are no shares with dilutive effect.

2. The basis for calculation of basic earnings per share is as follows:

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (Millions of yen)	9,014	12,876
Profit not attributable to common shareholders (Millions of yen)	–	–
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	9,014	12,876
Average number of common shares outstanding during the period (Thousands of shares)	17,463	16,468

3. The basis for calculation of net assets per share is as follows:

	As of March 31, 2025	As of March 31, 2026
Total net assets (Millions of yen)	121,182	133,674
Amounts deducted from total net assets (Millions of yen)	1,376	1,481
[Of the above, non-controlling interests (Millions of yen)]	[1,376]	[1,481]
Net assets pertaining to common shares at the end of the period (Millions of yen)	119,805	132,193
Number of common shares at the end of the period used to calculate net assets per share (Thousands of shares)	16,928	15,990

4. The Company has introduced the Board Benefit Trust, a share-based compensation plan for directors, etc. using a trust. For the calculation of net assets per share, the Company's shares held by the trust account are included in the number of treasury shares deducted in the calculation of the total number of shares outstanding at the end of the period. (152 thousand shares in the previous fiscal year; 186 thousand shares in the fiscal year under review)

In addition, for the calculation of basic earnings per share, these shares are included in treasury shares deducted in the calculation of the average number of shares outstanding during the period. (154 thousand shares in the previous fiscal year; 177 thousand shares in the fiscal year under review)

**(Notes on significant subsequent events)**

**(Stock split and partial amendment of the articles of incorporation in connection with stock split)**

The Company has resolved at a meeting of the Board of Directors held on May 14, 2026, to conduct a stock split and partially amend the articles of incorporation.

1. Stock split

(1) Purpose of the stock split

The purpose of the stock split is to reduce the investment unit price for the Company's shares, with the aim of enhancing the liquidity of the stock and expanding the investor base.

(2) Method of stock split

A split of 5 shares for each common share of the Company held by shareholders listed or recorded in the most recent shareholder register of the Company as of the record date of September 30, 2026.

(3) Increase in the number of shares as a result of the stock split

Total number of issued shares before stock split	17,000,000 shares
Increase in the number of shares as a result of this split	68,000,000 shares
Total number of issued shares after stock split	85,000,000 shares
Total number of authorized shares after stock split	340,000,000 shares

(4) Schedule of stock split

Announcement date of record date	September 14, 2026 (scheduled)
Record date	September 30, 2026
Effective date	October 1, 2026

(5) Impact on per share information

Per share information assuming that the stock split had been conducted at the beginning of the previous fiscal year is as follows:

(Yen)

	As of March 31, 2025	As of March 31, 2026
Net assets per share	1,415.42	1,653.34

(Yen)

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Basic earnings per share	103.24	156.38
Diluted earnings per share	—	—

2. Partial amendment of the articles of incorporation in connection with stock split

(1) Reason for amendment of articles of incorporation

In connection with this stock split, the articles of incorporation of the Company will be amended with an effective date of October 1, 2026, in accordance with a resolution of the Board of Directors pursuant to the provisions of Article 184, Paragraph (2) of the Companies Act.

(2) Details of partial amendment of articles of incorporation

(Underline indicates amended sections)

Current articles of incorporation	Articles of incorporation after amendment
(Total number of authorized shares) Article 6 The total number of authorized shares of the Company shall be <u>97,701,100</u> shares.	(Total number of authorized shares) Article 6 The total number of authorized shares of the Company shall be <u>340,000,000</u> shares.

(3) Schedule of amendment of articles of incorporation

Date of resolution of Board of Directors	May 14, 2026
Effective date	October 1, 2026

3. Others

(1) Amount of share capital

There will be no change in the amount of share capital as a result of the stock split.

(2) Dividends

The stock split will take effect on October 1, 2026. Therefore, the fiscal year-end dividend for the fiscal year ended March 31, 2026, with a record date of March 31, 2026, and the interim dividend for the fiscal year ending March 31, 2027, with a record date of September 30, 2026, will be based on the number of shares before the stock split.

#### 4. Others

##### (1) Changes of officers (effective as of June 26, 2026)

The information was separately disclosed in the “Notification on Changes of Directors and Executive Officers” on May 14, 2026.

##### (2) Reference information

###### i) Changes in the number of employees (consolidated)

	(Persons)
As of Mar. 31, 2024	3,899
As of Mar. 31, 2025	3,881
As of Mar. 31, 2026	3,714

Note: In addition to the above, there are also temporary employees and part-timers (921 as of Mar. 31, 2026).

###### ii) Changes in the balance of interest-bearing debt (consolidated)

	(Millions of yen)
As of Mar. 31, 2024	11,645
As of Mar. 31, 2025	10,356
As of Mar. 31, 2026	6,972

Note: Total amount of long-term and short-term borrowings.

###### iii) Trends in amount of capital investment and depreciation (consolidated)

	(Millions of yen)	
	Amount of capital investment	Depreciation
Fiscal year ended Mar. 31, 2024	4,959	5,086
Fiscal year ended Mar. 31, 2025	7,156	5,157
Fiscal year ended Mar. 31, 2026	5,075	5,017
Fiscal year ending Mar. 31, 2027 (Forecast)	7,600	5,300

iv) Forecast of full-year financial results for the fiscal year ending March 31, 2027 (consolidated)

(Millions of yen)

		Fiscal year ended Mar. 31, 2026	Fiscal year ending Mar. 31, 2027 (Forecast)
Net sales	Chemical Products	62,654	68,000
	Textiles	43,276	45,600
	Advanced Technology	22,716	25,000
	Food and Services	11,145	11,500
	Real Estate	3,965	3,900
	Total	143,758	154,000
Operating profit	Chemical Products	4,154	5,500
	Textiles	(897)	400
	Advanced Technology	3,867	3,400
	Food and Services	885	900
	Real Estate	2,299	2,200
	Eliminations and corporate	(1,126)	(1,200)
	Total	9,182	11,200
Ordinary profit		11,071	12,500
Profit attributable to owners of parent		12,876	13,000