

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]



April 30, 2026

Company name: MEIWA CORPORATION  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 8103  
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 Scheduled date of Annual General Meeting of Shareholders: June 26, 2026  
 Scheduled date of commencing dividend payments: June 29, 2026  
 Scheduled date of filing annual securities report: June 19, 2026  
 Availability of supplementary briefing material on annual financial results: Yes  
 Schedule of annual financial results briefing session: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Fiscal Year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	164,927	5.2	4,132	15.8	4,438	(1.8)	3,374	(0.1)
March 31, 2025	156,727	(1.0)	3,568	20.1	4,520	12.1	3,376	22.6

(Note) Comprehensive income : Fiscal Year ended March 31, 2026: ¥ 4,888 million [91.6%]

Fiscal Year ended March 31, 2025: ¥ 2,551 million [36.6%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
Fiscal Year ended	Yen	Yen	%	%	%
March 31, 2026	83.99	—	8.5	5.6	2.5
March 31, 2025	83.28	—	8.8	5.7	2.3

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2026: ¥127 million

Fiscal year ended March 31, 2025: ¥641 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	84,580	42,097	48.9	1,038.19
March 31, 2025	74,634	38,908	51.5	957.04

(Reference) Equity: As of March 31, 2026: ¥41,379 million

As of March 31, 2025: ¥38,468 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	Million yen	Million yen	Million yen	Million yen
March 31, 2026	4,406	(3,193)	959	11,231
March 31, 2025	4,334	350	(5,811)	8,318

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	—	0.00	—	42.00	42.00	1,693	50.4	4.5
Fiscal year ended March 31, 2026	—	0.00	—	42.00	42.00	1,678	50.0	4.2
Fiscal year ending March 31, 2027 (Forecast)		0.00	—	47.00	47.00		50.3	

(Note) Total dividends include dividends paid on the Company's treasury shares held by the stock granting trust related to a performance-linked stock compensation system  
(¥4 million for the fiscal year ended March 31, 2025, ¥4 million for the fiscal year ended March 31, 2026).

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	170,000	3.1	4,200	1.6	4,800	8.1	3,700	9.7	93.53

### \* Notes:

(1) Significant changes in the scope of consolidation during the period under review: Yes

Included company: 3

Takaroku Corporation

Meiwa (Thailand) Co.,Ltd.

Thai Meiwa Trading Co.,Ltd.

Excluded company: No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

Fiscal year ended March 31, 2026: 40,332,400 shares

Fiscal year ended March 31, 2025: 40,332,400 shares

2) Total number of treasury shares at the end of the period:

Fiscal year ended March 31, 2026: 474,913 shares

Fiscal year ended March 31, 2025: 137,204 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2026: 40,174,189 shares

Fiscal year ended March 31, 2025: 40,545,871 shares

(Note) MEIWA CORPORATION (“The Company” or “we”) has introduced a performance linked stock compensation system since fiscal year ended March 31, 2024.

The number of treasury shares excluded in the calculation of the total number of treasury shares at the end of the period and the average number of shares during the period includes 112,548 shares of the Company held by the stock granting trust related to this system.

(Reference) Summary of Non-consolidated Financial Results

1.Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1)Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal Year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	96,288	(4.8)	2,078	(10.7)	2,912	(41.3)	2,711	(34.2)
March 31, 2025	101,139	0.2	2,326	52.4	4,960	61.7	4,120	70.9

	Basic earnings per share	Diluted earnings per share
Fiscal Year ended	Yen	Yen
March 31, 2026	67.49	—
March 31, 2025	101.63	—

(2)Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	48,106	20,696	43.0	519.27
As of March 31, 2025	45,875	20,152	43.9	501.36

(Reference)Equity: As of March 31, 2026: ¥20,696 million

As of March 31, 2025: ¥20,152 million

\* These financial results are outside the scope of audit conducted by a certified public accountant or an audit corporation.

\* Explanation of the proper use of financial results forecast and other notes

The financial results forecast herein are based on information available as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

In addition, in calculating earnings per share attributable to owners of parent stated in “3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026,” the number of treasury shares acquired under the share repurchase program with an acquisition period from March 10, 2026 to October 30, 2026 has been reflected in the calculation of the weighted-average number of shares outstanding based on the number of shares acquired as of the date of this financial results announcement.

○ Index to attached documents

1. Qualitative Information on Quarterly Results .....	1
(1) Overview of operating results of the fiscal year ended March 31, 2026 .....	1
(2) Overview of financial position in the fiscal year ended March 31, 2026 .....	3
(3) Overview of cash flows in the fiscal year ended March 31, 2025 .....	3
(4) Outlook .....	4
2. Basic policy on choice of accounting standards .....	4
3. Consolidated financial statements and major accompanying notes .....	5
(1) Consolidated balance sheet .....	5
(2) Consolidated statement of income and consolidated statement of comprehensive income .....	7
Consolidated statement of income .....	7
Consolidated statement of comprehensive income .....	8
(3) Consolidated statement of changes in equity .....	9
(4) Consolidated statement of cash flows .....	11
(5) Notes on the consolidated financial statements .....	13
(Note concerning going concern assumption) .....	13
(Consolidated Statement of Changes in Net Assets) .....	13
(Notes Related to Business Combinations, etc.) .....	13
(Segment and other information) .....	15
(Per share information) .....	21
(Significant subsequent events) .....	21

## 1. Qualitative Information on Quarterly Results

### (1) Overview of operating results of the fiscal year ended March 31, 2026

Net sales for the fiscal year ending March 31, 2026, grew by 8,200 million yen, or 5.2%, from the same period of the previous fiscal year to 164,927 million yen. Operating income grew by 563 million yen, or 15.8%, to 4,132 million yen. Ordinary income declined by 81 million yen, or 1.8%, to 4,438 million yen. Net income attributable to owners of parent declined by 2 million yen, or 0.1%, from the same period of the previous fiscal year to 3,374 million yen.

This resulted in basic earnings per share for the fiscal year ended March 2026 of 83.99 yen and return on equity of 8.5%.

The major factors contributing to these results were as follows:

- Net sales grew due to strong sales in the Business Division 1 and Battery & Automotive Division, and the contribution of the performance of Takaroku Corporation, whose shares were acquired, in Business Division 3, despite weak sales in Business Division 2.
- Operating income grew due to an increase in net sales.
- Ordinary income declined due to decrease in equity method investment gains and foreign exchange losses on some transactions.
- Net income attributable to owners of the parent decreased due to the above results, despite an increase in extraordinary income from the sale of strategically held shares.

The operating results by segment are described below.

The main businesses and products handled by each segment are as follows:

Name of segment	Main businesses	Main products
Business Division 1	Mineral Resource & Environmental Business Flame Retardants Business Construction Materials Business	Rare earth elements, rare earth metals, environmental products, metal-related products Flame retardants Heat-insulating materials, waterproof materials, interior trim materials
Business Division 2	Petroleum Products Business	Lubricating oils, base oils, additives
Business Division 3	High Performance Materials Business Functional Chemicals Business Functional Plastics Business Inorganic Chemicals Business	Film products, raw materials for printing Agents for making paper, raw materials for adhesives Functional plastic materials, functional plastics products Inorganic chemicals
Battery & Automotive Division	Battery Materials Business Automotive Business	Battery materials Automotive parts-related products

① Business Division 1

Net sales grew by 2,357 million yen, or 5.6%, from the same period of the previous fiscal year to 44,698 million yen. Segment income grew by 130 million yen, or 5.5%, to 2,500 million yen.

These results were due mainly to the performance, described below, of the respective businesses.

- In Mineral Resource & Environmental Business, the performance of rare earth elements and rare earth metals was strong, and the environmental business remained largely unchanged from the same period of the previous fiscal year; the performance of the metal-related business was sluggish.
- The Flame Retardants Business was strong despite the market showing signs of settling down.
- In the Construction Materials Business, the performance of Heat-insulating materials, Waterproof materials and Interior trim materials remained largely unchanged from the same period of the previous fiscal year.

② Business Division 2

Net sales declined by 3,355 million yen, or 7.7%, from the same period of the previous fiscal year to 40,435 million yen. Segment income grew by 120 million yen, or 15.0%, to 925 million yen.

These results were due mainly to the performance, described below, of the respective businesses.

- The domestic base oils business was sluggish.
- The base oils business for overseas markets was strong
- In the Chinese lubricant business, the performance of refrigerant oils and industrial machinery lubricants was strong.

③ Business Division 3

Net sales grew by 7,078 million yen, or 11.8%, from the same period of the previous fiscal year to 66,959 million yen. Segment income declined by 77 million yen, or 7.5%, to 953 million yen.

These results were due mainly to the performance, described below, of the respective businesses.

- In the High Performance Materials Business, the performance of raw materials for printing was strong, while the performance of film products was sluggish due to reactionary decline.
- In the Functional Chemicals Business, the performance of Agents for making paper and raw materials for adhesives was sluggish.
- In the Functional Plastics Business, the performance of Takaroku Corporation, whose shares were acquired, contributed to the sales growth. Although raw materials for functional plastics performed favorably, functional plastics products transitioned sluggishly.

In addition, the recording of expenses related to the acquisition of shares of Takaroku Corporation in the first quarterly consolidated accounting period also contributed to the decrease in segment profit.

- The Inorganic Chemicals Business was strong.

④ Battery & Automotive Division

Net sales grew by 2,119 million yen, or 19.8%, from the same period of the previous fiscal year to 12,834 million yen. Segment income declined by 384 million yen, or 94.2%, to 23 million yen.

These results were due mainly to the performance, described below, of the respective businesses.

- In the Battery Materials Department, sales of battery materials for automobiles in China remained strong.
- In the Automotive Business, income declined due to the sluggish performance of the equity method affiliate.

## (2) Overview of financial position in the fiscal year ended March 31, 2026

Total assets at the end of the fiscal year ending March 31, 2026, were 84,580 million yen, an increase of 9,946 million yen, or 13.3%, from the end of the previous fiscal year. Liabilities rose by 6,756 million yen, or 18.9%, from the end of the previous fiscal year to 42,483 million yen. Net assets grew by 3,189 million yen, or 8.2%, from the end of the previous fiscal year to 42,097 million yen.

This resulted in an equity ratio of 48.9%.

The main contributing factors were as follows:

- Current assets grew by 5,427 million yen, or 9.5%, from the end of the previous fiscal year due to increases in cash and deposits and trade receivables. Fixed assets grew by 4,518 million yen, or 26.2%, from the end of the previous fiscal year due to increases in property, plant and equipment and goodwill associated with the acquisition of shares of Takaroku Corporation. As a result of these factors, total assets increased.
- Liabilities saw a grow in current liabilities of 4,355 million yen, or 13.5%, from the end of the previous fiscal year, due mainly to increase in trade payables and short-term borrowings.
- Net assets saw an increase in retained earnings of 1,839 million yen, or 7.3%, from the end of the previous fiscal year, due mainly to an increase in surplus.

## (3) Overview of cash flows in the fiscal year ended March 31, 2025

(million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Cash flows from operating activities	4,334	4,406	71
Cash flows from investing activities	350	(3,193)	(3,544)
Cash flows from financing activities	(5,811)	959	6,771
Cash and cash equivalents at end of period	8,318	11,231	2,913

Cash and cash equivalents at the end of the fiscal year ended March 2026 were 11,231 million yen, an increase of 2,913 million yen, or 35.0%, from the end of the previous fiscal year.

Cash flows from operating activities increased by 71 million yen, or 1.7%, from previous fiscal year, resulting in an increase in cash and cash equivalents of 4,406 million yen.

These results were due to an increase in cash and cash equivalents of 4,781 million yen resulting from net income before taxes of 5,091 million yen, adjusted for non-cash income and expenses and other items; an increase in cash and cash equivalents of 2,617 million yen, due mainly to a decrease in trade receivables and a decrease in inventories; and decreases in cash and cash equivalents of 699 million yen due to a decrease in trade payables and 1,584 million yen for the payment of income and other taxes.

Cash flows from investing activities decreased by 3,544 million yen from the previous fiscal year, resulting in a decrease in cash and cash equivalents of 3,193 million yen.

These results were due mainly to a decrease in funds resulting from expenditures of 1,945 million yen for long-term loans and 769 million yen for the acquisition of shares in a subsidiary that resulted in a change in the scope of consolidation.

Cash flows from financing activities increased by 6,771 million yen, from the previous fiscal year, resulting in an increase in cash and cash equivalents of 959 million yen.

These results were due mainly to an increase in funds of 3,027 million yen due to proceed from borrowings, 1,688 million yen due to dividend payment, and 279 million yen due to the purchase of treasury stock.

## (4) Outlook

### ① Outlook for the next fiscal year

The prolonged geopolitical risks, including the situation in Iran, as well as concerns over persistently high energy prices resulting from these factors, are expected to continue creating an uncertain outlook going forward.

Based on this outlook, the Company expects the Group's financial results for the next fiscal year to be net sales of 170.0 billion yen (up 3.1% from the preceding fiscal year); operating income of 4.2 billion yen (up 1.6% from the preceding fiscal year); ordinary income of 4.8 billion yen (up 8.1% from the preceding fiscal year); and net income of 3.7 billion yen (up 9.7% from the preceding fiscal year).

The outlook for the next fiscal year is based on information currently available. Actual results may differ for various reasons, including economic trends and exchange rate trends.

If it is deemed necessary to revise the forecast due to future changes in the situation, we will promptly disclose the revision.

	(million yen)			
	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent
Fiscal year 2026-forecast	170,000	4,200	4,800	3,700
Fiscal year 2025-actual	164,927	4,132	4,438	3,374
Change (%)	3.1%	1.6%	8.1%	9.7%

### ② Basic policy on the distribution of profits and dividends for the current and subsequent fiscal years

In the Medium-Term Management Plan 2025, the three-year plan with fiscal 2026 as the final year, the Company's basic policy for the distribution of profits to shareholders is to distribute profits in a stable and sustainable manner. While maintaining financial soundness, the Company will pursue flexible shareholder returns based on a consolidated dividend payout ratio of 50%. The basic policy for the subsequent period is scheduled to be disclosed in the next medium-term management plan to be formulated. Based on this basic policy, the year-end dividend for the fiscal year ended March 31, 2026, will be an ordinary dividend of 42 yen per share.

In addition, we plan to pay an annual dividend of 47 yen per share in the next fiscal year.

## 2. Basic policy on choice of accounting standards

The Group applies Japanese accounting standards, taking into consideration the comparability of consolidated financial statements between periods and companies.

Regarding the application of IFRS, we intend to respond appropriately, duly accounting for adoption by companies within the same industry in Japan, the ratio of foreign shareholders, and other factors.

### 3. Consolidated financial statements and major accompanying notes

#### (1) Consolidated balance sheet

(million yen)

	Previous fiscal year (March 31, 2025)	Current fiscal year (March 31, 2026)
<b>Assets</b>		
Current assets		
Cash and deposits	8,382	11,486
Notes, accounts receivable-trade and contract assets	33,538	34,958
Electronically-recorded monetary claims	7,882	8,549
Merchandise	7,019	6,245
Other	760	1,824
Allowance for doubtful accounts	(164)	(217)
<b>Total current assets</b>	<b>57,418</b>	<b>62,846</b>
Fixed assets		
Property, plant, and equipment		
Buildings and structures (net)	634	685
Machinery, equipment, and vehicles (net)	88	185
Tools, furniture and fixtures (net)	38	76
Land	452	798
Leased assets (net)	69	54
Construction in progress account	46	96
<b>Total property, plant, and equipment</b>	<b>1,329</b>	<b>1,897</b>
Intangible fixed assets		
Goodwill	—	1,224
Software	65	148
Customer-related assets	—	1,170
Other	11	35
<b>Total intangible fixed assets</b>	<b>77</b>	<b>2,578</b>
Investments and other assets		
Investments in securities	14,453	15,147
Long-term loans	4	2
Retirement benefit assets	288	955
Deferred tax assets	75	127
Other	1,010	1,033
Allowance for doubtful accounts	(24)	(8)
<b>Total investments and other assets</b>	<b>15,809</b>	<b>17,257</b>
<b>Total fixed assets</b>	<b>17,215</b>	<b>21,733</b>
<b>Total assets</b>	<b>74,634</b>	<b>84,580</b>

(million yen)

	Previous fiscal year (March 31, 2025)	Current fiscal year (March 31, 2026)
<b>Liabilities</b>		
Current liabilities		
Notes, accounts payable-trade	23,768	24,685
Electronically-recorded monetary obligations	4,703	6,263
Short-term borrowings	991	1,744
Current portion of long-term borrowings	20	720
Lease liabilities	56	35
Accrued income taxes	795	735
Allowance for bonuses to employees	986	1,018
Allowance for directors' bonuses	15	14
Reserve for stock compensation	—	32
Other	948	1,390
<b>Total current liabilities</b>	<b>32,284</b>	<b>36,640</b>
Fixed liabilities		
Long-term borrowings	521	2,241
Lease liabilities	12	21
Deferred tax liabilities	1,618	2,320
Provision for retirement benefits for directors (and other officers)	—	7
Allowance for stock compensation	30	—
Retirement benefit liabilities	84	168
Other	1,175	1,083
<b>Total fixed liabilities</b>	<b>3,442</b>	<b>5,843</b>
<b>Total liabilities</b>	<b>35,726</b>	<b>42,483</b>
Net assets		
Shareholder equity		
Common stock	4,024	4,024
Additional paid-in capital	2,793	2,793
Retained earnings	25,083	26,922
Treasury stock	(83)	(362)
<b>Total shareholder equity</b>	<b>31,817</b>	<b>33,377</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,876	2,771
Deferred gains (losses) on hedges	(20)	2
Foreign currency translation adjustments	3,317	4,375
Remeasurements of defined benefit plans	477	852
<b>Total accumulated other comprehensive income</b>	<b>6,651</b>	<b>8,002</b>
Non-controlling interests	439	717
<b>Total net assets</b>	<b>38,908</b>	<b>42,097</b>
<b>Total liabilities and net assets</b>	<b>74,634</b>	<b>84,580</b>

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

## Consolidated statement of income

(million yen)

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
Net sales	156,727	164,927
Cost of goods sold	144,174	150,658
Gross income	12,552	14,268
Selling, general, and administrative expenses	8,983	10,136
Operating income	3,568	4,132
Non-operating income		
Dividend income	240	244
Equity in earnings of affiliated companies	641	127
Subsidy income	42	64
Other	136	149
Total non-operating income	1,061	584
Non-operating expense		
Interest expense	43	90
Foreign exchange loss	28	154
Loss on sale of electronically recorded receivables	26	—
Other	11	32
Total non-operating expense	109	277
Ordinary income	4,520	4,438
Extraordinary income		
Gain on sale of investments in securities	184	632
Gain on negative goodwill	37	—
Other	1	33
Total extraordinary income	224	665
Extraordinary loss		
Loss on retirement of fixed assets	11	10
Loss on valuation of investment securities	10	—
Other	13	2
Total extraordinary loss	35	13
Income before income taxes	4,708	5,091
Corporate, local, and enterprise taxes	1,497	1,467
Tax adjustment	(238)	139
Total income taxes	1,258	1,606
Net income	3,450	3,484
Net income attributable to non-controlling interests	73	110
Net income attributable to owners of parent	3,376	3,374

## Consolidated statement of comprehensive income

(million yen)

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
Net income	3,450	3,484
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,069)	(93)
Deferred gains (losses) on hedging derivatives	(17)	23
Foreign currency translation adjustments	(146)	834
Remeasurements of defined benefit plans	431	368
Share of other comprehensive income (loss) of entities accounted for by the equity method	(96)	270
Total other comprehensive income (loss)	(898)	1,403
Comprehensive income (loss)	2,551	4,888
(Breakdown)		
Comprehensive income (loss) attributable to owners of parent	2,479	4,725
Comprehensive income (loss) attributable to non- controlling interests	71	163

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

Previous fiscal year (April 1, 2024 to March 31, 2025)

(million yen)

	Shareholder equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholder equity
Balance at the beginning of the year	4,024	2,761	24,118	(146)	30,757
Changes during the year					
Cash dividends			(1,412)		(1,412)
Net income attributable to owners of parent			3,376		3,376
Purchase of treasury shares				(936)	(936)
Retirement of treasury stock			(999)	999	—
Change in scope of consolidation					—
Increase (decrease) in equity due to acquisition of shares of consolidated subsidiaries		31			31
Changes in items other than shareholder equity (net)					
Total changes during the year	—	31	964	63	1,059
Balance at the end of the year	4,024	2,793	25,083	(83)	31,817

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Unrealized gains (losses) on available for-sale securities	Deferred gains (losses) on hedging derivatives	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	4,134	(3)	3,356	60	7,548	476	38,783
Changes during the year							
Cash dividends							(1,412)
Net income attributable to owners of parent							3,376
Purchase of treasury shares							(936)
Retirement of treasury stock							—
Change in scope of consolidation							—
Increase (decrease) in equity due to acquisition of shares of consolidated subsidiaries						(87)	(56)
Changes in items other than shareholder equity (net)	(1,258)	(17)	(38)	417	(897)	50	(846)
Total changes during the year	(1,258)	(17)	(38)	417	(897)	(36)	125
Balance at the end of the year	2,876	(20)	3,317	477	6,651	439	38,908

Current fiscal year (April 1, 2025 to March 31, 2026)

(million yen)

	Shareholder equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholder equity
Balance at the beginning of the year	4,024	2,793	25,083	(83)	31,817
Changes during the year					
Cash dividends			(1,688)		(1,688)
Net income attributable to owners of parent			3,374		3,374
Purchase of treasury shares				(279)	(279)
Retirement of treasury stock					—
Change in scope of consolidation			153		153
Increase (decrease) in equity due to acquisition of shares of consolidated subsidiaries					—
Changes in items other than shareholder equity (net)					
Total changes during the year	—	—	1,839	(279)	1,560
Balance at the end of the year	4,024	2,793	26,922	(362)	33,377

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Unrealized gains (losses) on available for-sale securities	Deferred gains (losses) on hedging derivatives	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	2,876	(20)	3,317	477	6,651	439	38,908
Changes during the year							
Cash dividends							(1,688)
Net income attributable to owners of parent							3,374
Purchase of treasury shares							(279)
Retirement of treasury stock							—
Change in scope of consolidation						139	293
Increase (decrease) in equity due to acquisition of shares of consolidated subsidiaries							—
Changes in items other than shareholder equity (net)	(104)	23	1,057	374	1,351	137	1,489
Total changes during the year	(104)	23	1,057	374	1,351	277	3,189
Balance at the end of the year	2,771	2	4,375	852	8,002	717	42,097

## (4) Consolidated statement of cash flows

(million yen)

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
<b>Cash flows from operating activities</b>		
Income before income taxes	4,708	5,091
Depreciation and amortization	257	327
Amortization of goodwill	—	42
Equity in losses (earnings) of affiliated companies	(499)	(7)
Increase (decrease) in allowance for doubtful accounts	(100)	35
Increase (decrease) in retirement benefit liabilities	(105)	(128)
Increase (decrease) in liabilities for retirement benefits	(26)	14
Increase (decrease) in provision for retirement benefits for directors (and other officers)	—	1
Increase (decrease) in allowance for bonuses to employees	179	22
Interest and dividends received	(285)	(278)
Interest paid	43	90
(Gains) losses on the sale of investments in securities	(184)	(632)
Valuation (gains) losses on investments in securities	10	—
(Gains) losses on the sale of fixed assets	12	(4)
Decrease (increase) in trade receivables	7,388	1,054
Decrease (increase) in inventories	1,008	1,562
Increase (decrease) in trade payables	(7,205)	(699)
(Increase) decrease in other current assets	(156)	(812)
(Increase) decrease in other investments and other assets	(39)	2
Increase (decrease) in other current liabilities	182	224
Increase (decrease) in other fixed liabilities	(19)	(104)
Other	44	5
Subtotal	5,212	5,807
Interest and dividend received	366	271
Interest paid	(45)	(88)
Income and other taxes paid	(1,199)	(1,584)
Net cash provided by operating activities	4,334	4,406

(million yen)

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(57)	(249)
Proceeds from withdrawal of time deposits	63	61
Acquisition of investments in securities	(135)	(900)
Proceeds from sale of investments in securities	532	948
Purchase of shares of subsidiaries and associates	(172)	(183)
Acquisition of property, plant, and equipment	9	6
Proceeds from sale of property, plant, and equipment	(20)	(149)
Acquisition of intangible fixed assets	(5)	(0)
Disbursement for extension of short-term loans	137	0
Income from collection of short-term loans	(4)	(1,945)
Disbursement for extension of long-term loans	11	10
Income from collection of long-term loans	—	(769)
Other	(7)	(21)
Net cash used in investing activities	350	(3,193)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(3,304)	607
Proceeds from long-term borrowings	—	2,600
Repayment of long-term borrowings	(20)	(179)
Dividends paid	(1,412)	(1,688)
Purchase of treasury stock	(936)	(279)
Dividends paid to non-controlling interest	(21)	(25)
Purchase of shares of subsidiaries without change in scope of consolidation	(56)	—
Other	(60)	(75)
Net cash used in financing activities	(5,811)	959
Effect of exchange rate changes on cash and cash equivalents	(84)	343
Net increase (decrease) in cash and cash equivalents	(1,210)	2,516
Cash and cash equivalents at beginning of period	9,528	8,318
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	397
Cash and cash equivalents at end of period	8,318	11,231

## (5) Notes on the consolidated financial statements

(Note concerning going concern assumption)

Not applicable

(Consolidated Statement of Changes in Net Assets)

(Acquisition of treasury stock)

As a result of the acquisition of treasury stock based on the resolution of the Board of Directors held on February 19, 2026, treasury stock increased by 279 million yen during the current fiscal year.

(Notes Related to Business Combinations, etc.)

Corporate integration through stock acquisition

### I. Overview of Business Combinations

#### (1) The name of the Acquired Enterprise and the nature of its business

Name of Acquired Enterprise    Takaroku Corporation

Description of Business        Sales of thermoplastic resin raw materials, Coloring and compounding of thermoplastic resins, Plastic recycling business, and Sales of plastic-related equipment and systems

#### (2) Main reasons for the business combination

The Company sells a wide range of raw materials for synthetic resins such as general-purpose resins, engineering plastics, and elastomers, as well as primary processed products of synthetic resins and products in the Functional Plastics Business. As part of the Company's efforts to reduce environmental impact, which is the materiality of the medium-term management plan, we are focusing on the sales of biomass plastics, which are environmentally friendly resins, and the plastic recycling business, in order to build a recycling-oriented society and promote the 4Rs (Reduce, Reuse, Recycle, Renewable) of synthetic resins.

Takaroku Corporation has specialized in the field of synthetic resins for more than 60 years since its foundation, and has continued to develop its three businesses, Raw material sales, Compound manufacturing, and Recycling business. In the Recycling business, Takaroku Corporation develops and manufactures value-added recycled plastics by making full use of its development functions in the process of collecting, crushing, melting, and converting used plastic products into raw materials.

By subsidiarization of Takaroku Corporation, the Company will be able to strengthen its competitiveness by complementing the strengths of both companies in raw material procurement, logistics, and sales. Furthermore, in compound manufacturing and recycling business, the Company will be able to build a stronger supply chain from the collection of waste plastics to sales to end users.

Additionally, by maximizing the synergy effect with Takaroku Corporation, the Company will promote businesses related to the circular economy and provide environment-friendly solutions to further enhance corporate value.

#### (3) Date of Business Combination

July 31, 2025 (Deemed acquisition date)

#### (4) Legal Form of Business Combination

Acquisition of Shares

#### (5) Name of the Company after Combination

Takaroku Corporation

#### (6) Ratio of voting rights acquired

100%

#### (7) Main reasons for determining the acquired company

Our company's acquisition of shares in exchange for cash

### II. Period of the acquiree's performance included in the quarterly consolidated income statement

From August 1, 2025, to January 31, 2026.

III. Breakdown of Acquisition Cost and Consideration by Type of Acquired Enterprise

		(million yen)
consideration for acquisition	cash	1,490
<hr/>		
acquisition costs		1,490

IV. Content and amount of major acquisition expenses

Advisory fees, etc. 99(million yen)

V. Amount of goodwill, reasons and method/period of amortization

(1) Amount of goodwill

1,266 million yen

The amount of goodwill at the end of the second quarter consolidated accounting period had been provisionally calculated because the allocation of the acquisition cost had not yet been completed; however, it was finalized during the current consolidated fiscal year.

As a result, the provisionally calculated goodwill of 1,842 million yen decreased by 576 million yen to 1,266 million yen upon finalization of the accounting treatment, and customer-related assets amounted to 1,200 million yen, while deferred tax liabilities amounted to 378 million yen.

(2) reasons

This is mainly the future excess profitability expected from future business development.

(3) method/period of amortization

Straight-line amortization over 15 years

VI. Amounts of assets acquired and liabilities assumed on the acquisition date, and their principal breakdown

Current assets:	3,034 million yen
Non-current assets:	1,845 million yen
Total assets:	4,879 million yen
Current liabilities:	3,251 million yen
Non-current liabilities:	991 million yen
Total liabilities:	4,242 million yen

VII. Amounts allocated to intangible assets other than goodwill and their amortization periods

Type	Amount	Amortization
Customer-related assets	1,200 million yen	20 years

(Segment and other information)

(Segment information)

## 1 Overview of reportable segments

### (1) Method of determining the reportable segments

The reportable segments of the Group are those constituent units of the Group for which separate financial information is available and which are subject to periodic review by the board of directors to determine the allocation of management resources and evaluate business performance.

The Group is organized into business divisions that are classified based on factors including line of business, characteristics of the products handled and market similarities. Each division pursues business activities based on comprehensive strategies formulated for the domestic and overseas markets.

Accordingly, the Group is composed of business segments based on business divisions and has four reportable segments: Business Division 1, Business Division 2, Business Division 3, and Battery & Automotive Division.

### (2) Products and services for each reportable segment

Name of segment	Main Businesses	Main products
Business Division 1	Mineral Resource & Environmental Business Flame Retardants Business Construction Materials Business	Rare earth elements, rare earth metals, environmental products, metal-related products Flame retardants Heat-insulating materials, waterproof materials, interior trim materials
Business Division 2	Petroleum Products Business	Lubricating oils, base oils, additives
Business Division 3	High Performance Materials Business Functional Chemicals Business Functional Plastics Business Inorganic Chemicals Business	Film products, raw materials for printing Agents for making paper, raw materials for adhesives Functional plastic materials, functional plastics products Inorganic chemicals
Battery & Automotive Division	Battery Materials Business Automotive Business	Battery materials Automotive parts-related products

## 2 Method of calculation of the amounts of net sales, income or loss, assets, liabilities and other items of each reportable segment

The method of accounting adopted in the reported business segments is generally the same as described in "Important Matters Forming the Basis for the Preparation of Consolidated Financial Statements."

Income for reportable segments represents ordinary income.

Inter-segment revenues and transfers are based on prevailing market prices.

3 Information concerning amounts of net sales, income or loss, assets, liabilities and other items by reportable segment

Previous fiscal year (April 1, 2024 to March 31, 2025)

(million yen)

	Reportable segments					Other (Note)	Total
	Business Division 1	Business Division 2	Business Division 3	Battery & Automotive Division	Total		
Net sales							
Japan	39,209	5,929	55,987	1,542	102,668	—	102,668
China	1,419	36,056	2,020	9,081	48,577	0	48,578
Other	1,711	1,805	1,871	91	5,480	—	5,480
Revenue from contracts with customers	42,340	43,790	59,880	10,715	156,726	0	156,727
Other revenue	—	—	—	—	—	—	—
Net sales to external customers	42,340	43,790	59,880	10,715	156,726	0	156,727
Inter-segment sales or transfers	483	63	65	—	611	—	611
Total	42,823	43,853	59,945	10,715	157,338	0	157,338
Segment income (loss)	2,370	804	1,031	408	4,614	(205)	4,408
Segment assets	19,410	10,445	25,951	10,764	66,571	157	66,729
Other items							
Depreciation expense	47	1	82	—	131	—	131
Goodwill amortization	—	—	—	—	—	—	—
Interest received	0	3	4	4	13	0	13
Interest paid	67	22	113	17	222	2	224
Equity in earnings (losses) of affiliated companies	3	—	—	637	641	—	641
Investment in companies accounted for by the equity method	48	—	—	8,746	8,795	—	8,795
Increase in tangible and intangible fixed assets	63	—	93	—	157	35	192

(Note)“Other” consists of business segments not included in the reportable segments.

Current fiscal year (April 1, 2025 to March 31, 2026)

(million yen)

	Reportable segments					Other (Note)	Total
	Business Division 1	Business Division 2	Business Division 3	Battery & Automotive Division	Total		
Net sales							
Japan	40,386	6,242	62,120	1,119	109,869	—	109,869
China	1,863	31,285	1,881	11,674	46,704	—	46,704
Other	2,448	2,907	2,957	40	8,352	—	8,352
Revenue from contracts with customers	44,698	40,435	66,959	12,834	164,927	—	164,927
Other revenue	—	—	—	—	—	—	—
Net sales to external customers	44,698	40,435	66,959	12,834	164,927	—	164,927
Inter-segment sales or transfers	569	62	15	0	647	—	647
Total	45,267	40,497	66,975	12,834	165,574	—	165,574
Segment income (loss)	2,500	925	953	23	4,403	(285)	4,117
Segment assets	19,361	9,473	31,071	12,950	72,857	226	73,084
Other items							
Depreciation expense	59	2	149	0	212	—	212
Goodwill amortization	—	—	42	—	42	—	42
Interest received	0	4	5	0	11	0	11
Interest paid	150	25	147	17	341	5	346
Equity in earnings (losses) of affiliated companies	12	—	—	115	127	—	127
Investment in companies accounted for by the equity method	60	—	—	9,012	9,073	—	9,073
Increase in tangible and intangible fixed assets	160	—	3,143	—	3,303	44	3,348

(Note) "Other" consists of business segments not included in the reportable segments.

4 Differences between the total amount of the reportable segments and the amounts recorded on the consolidated financial statements and the main differences (matters concerning adjustment of differences)

(million yen)

Net sales	Previous fiscal year	Current fiscal year
Total reportable segments	157,338	165,574
Net sales for "Other"	0	—
Intersegment eliminations	(611)	(647)
Net sales on consolidated financial statements	156,727	164,927

(million yen)

Income or loss	Previous fiscal year	Current fiscal year
Total reportable segments	4,614	4,403
Income (loss) for Other	(205)	(285)
Intersegment eliminations	(89)	(158)
Corporate expenses (Note)	200	480
Ordinary income on consolidated financial statements	4,520	4,439

(Note) Corporate expenses are mainly general and administrative expenses and non-operating income and expenses not attributed to reportable segments.

(million yen)

Assets	Previous fiscal year	Current fiscal year
Total reportable segments	66,571	72,857
Assets for Other	157	226
Intersegment eliminations	(176)	(191)
Corporate assets (Note)	8,082	11,687
Total assets on consolidated financial statements	74,634	84,580

(Note) Corporate assets are principally the assets of the head office not attributable to reportable segments. They consist mainly of cash and deposits and investments in securities of the Company and assets of administrative divisions.

(million yen)

Other items	Total reportable segments		Other		Adjustments (Note)		Amount on consolidated financial statement	
	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year
Depreciation expense	131	212	—	—	126	114	257	327
Goodwill amortization	—	42	—	—	—	—	—	42
Interest received	13	11	0	0	30	23	44	34
Interest paid	222	341	2	5	(181)	(255)	43	90
Equity in earnings (losses) of affiliated companies	641	127	—	—	—	—	641	127
Investment in companies accounted for by the equity method	8,795	9,073	—	—	—	—	8,795	9,073
Increase in tangible and intangible fixed assets	157	3,303	35	44	19	65	211	3,413

- (Note) 1. The adjustments to depreciation expenses represent corporate expenses not allocated to reportable segments.  
2. The adjustments to interest received represent interest received by the head office and other amounts that have not been allocated to reportable segments.  
3. The adjustments to interest paid represent corporate expenses not allocated to reportable segments.  
4. The adjustments to increases in property, plant, and equipment and intangible fixed assets are as follows:  
(Previous fiscal year) Mainly furniture and fixtures  
(Current fiscal year) Mainly buildings and structures

(Related information)

Previous fiscal year (April 1, 2024 to March 31, 2025)

1. Information by product and service

This information is omitted because the same information is disclosed in Segment information.

2. Information by region

(1) Net sales

(million yen)

Japan	China	Other	Total
102,668	48,578	5,480	156,727

(Note) Net sales are classified into countries or regions based on the location of the customer.

(2) Property, plant, and equipment

(million yen)

Japan	China	Other	Total
1,249	78	1	1,329

3. Information by major customer

This information is omitted because net sales to no single external customer accounts for 10% or more of the net sales on the consolidated statements of income.

Current fiscal year (April 1, 2025 to March 31, 2026)

1. Information by product and service

This information is omitted because the same information is disclosed in Segment information.

2. Information by region

(1) Net sales

(million yen)

Japan	China	Other	Total
109,869	46,704	8,352	164,927

(Note) Net sales are classified into countries or regions based on the location of the customer.

(2) Property, plant, and equipment

(million yen)

Japan	China	Other	Total
1,876	34	15	1,926

3. Information by major customer

This information is omitted because net sales to no single external customer accounts for 10% or more of the net sales on the consolidated statements of income.

(Information concerning impairment losses on fixed assets by reportable segment)

Previous fiscal year (April 1, 2024 to March 31, 2025)

Not applicable

Current fiscal year (April 1, 2025 to March 31, 2026)

Not applicable

(Information on the amount of amortization of goodwill and unamortized balances by reportable segment)

Previous fiscal year (April 1, 2024 to March 31, 2025)

Not applicable

Current fiscal year (April 1, 2025 to March 31, 2026)

(million yen)

	Reportable segments					Other (Note)	Total
	Business Division 1	Business Division 2	Business Division 3	Battery & Automotive Division	Total		
Amortization for the period	—	—	42	—	42	—	42
Balance at the end of the period	—	—	1,224	—	1,224	—	1,224

(Note) "Other" consists of business segments not included in the reportable segments.

(Information on gains on negative goodwill by reportable segment)

Previous fiscal year (April 1, 2024 to March 31, 2025)

Not applicable

Current fiscal year (April 1, 2025 to March 31, 2026)

Not applicable

(Per share information)

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
Net assets per share	957.04 yen	1,038.19 yen
Basic earnings per share	83.28 yen	83.99yen

(Note) 1. Diluted earnings per share has been omitted due to the absence of potentially dilutive shares.

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

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
Net income attributable to owners of parent (million yen)	3,376	3,374
Amount not attributable to common shareholders (million yen)	—	—
Net income attributable to common shareholders of parent (million yen)	3,376	3,374
Average number of common shares during the year (Thousand shares)	40,545	40,174

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

	Previous fiscal year (March 31, 2025)	Current fiscal year (March 31, 2026)
Total net assets (million yen)	38,908	42,097
Amounts deducted from total net assets (million yen)	439	717
(Non-controlling interests (million yen))	(439)	(717)
Net assets available to common shares at the end of the year (million yen)	38,468	41,379
Number of common shares at the end of the year used to calculate net assets per share (Thousand shares)	40,195	39,857

(Significant subsequent events)

Not applicable