

February 9, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: Sanyo Chemical Industries, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4471
 URL: <https://www.sanyo-chemical.co.jp/>
 Representative: Akinori Higuchi, President & CEO
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	96,600	(13.1)	7,558	10.0	9,393	9.4	12,807	251.8
December 31, 2024	111,108	(9.0)	6,872	62.9	8,588	24.8	3,640	22.1

Note: Comprehensive income

For the nine months ended December 31, 2025: ¥21,296 million [-%]

For the nine months ended December 31, 2024: ¥1,681 million [(56.8)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	578.97	-
December 31, 2024	164.70	-

(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
December 31, 2025	193,209	155,484	78.9	6,887.33
March 31, 2025	176,366	138,302	76.8	6,119.90

Reference: Equity

As of December 31, 2025: ¥152,358 million

As of March 31, 2025: ¥135,385 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	85.00	-	85.00	170.00
Fiscal year ending March 31, 2026	-	85.00	-		
Fiscal year ending March 31, 2026 (Forecast)				85.00	170.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Fiscal year ending March 31, 2026	130,000	(8.6)	10,000	18.5	11,000	13.8	14,000	237.2	632.86

Note: Revisions to the earnings forecasts most recently announced: Yes

* For the revision of the consolidated earnings forecast, please refer to the "Notice of Revision of the Consolidated Earnings Forecast for the fiscal year ending March 31, 2026" announced today (February 9, 2026).

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Excluded: 1 company (SDP Global Co., Ltd.)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) 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

(4) Number of issued shares (common shares)

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

As of December 31, 2025	23,534,752 shares
As of March 31, 2025	23,534,752 shares

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

As of December 31, 2025	1,413,188 shares
As of March 31, 2025	1,412,596 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	22,121,866 shares
Nine months ended December 31, 2024	22,105,143 shares

Note: The Company's shares held by a trust with directors and others as beneficiaries are included in the treasury stock deducted in the calculation of the number of treasury shares at the end of the fiscal year and the average number of shares during the period.

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

- * Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	24,532	31,019
Notes and accounts receivable - trade	35,059	37,591
Electronically recorded monetary claims - operating	146	133
Merchandise and finished goods	12,965	12,410
Semi-finished goods	5,118	5,425
Work in process	257	52
Raw materials and supplies	4,480	4,701
Other	2,867	3,156
Allowance for doubtful accounts	(485)	(481)
Total current assets	84,942	94,008
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,729	14,398
Machinery, equipment and vehicles, net	19,866	19,032
Land	8,850	8,923
Construction in progress	510	556
Other, net	2,185	1,986
Total property, plant and equipment	46,142	44,896
Intangible assets		
Software	5,231	4,278
Other	1,055	1,083
Total intangible assets	6,286	5,362
Investments and other assets		
Investment securities	30,713	39,532
Long-term loans receivable	2,255	1,899
Deferred tax assets	258	1,453
Retirement benefit asset	4,588	4,653
Other	1,204	1,428
Allowance for doubtful accounts	(25)	(25)
Total investments and other assets	38,994	48,942
Total non-current assets	91,423	99,201
Total assets	176,366	193,209

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	16,881	19,332
Electronically recorded obligations - operating	2,910	4,928
Short-term borrowings	441	421
Current portion of long-term borrowings	747	929
Accounts payable - other	4,581	3,415
Income taxes payable	669	407
Provision for bonuses	1,829	1,090
Provision for bonuses for directors (and other officers)	72	48
Electronically recorded obligations - non-operating	567	729
Other	1,629	2,473
Total current liabilities	30,332	33,777
Non-current liabilities		
Long-term borrowings	2,230	2,227
Deferred tax liabilities	2,808	0
Provision for share-based payments	366	452
Retirement benefit liability	91	188
Provision for business restructuring	1,664	533
Other	571	544
Total non-current liabilities	7,731	3,947
Total liabilities	38,063	37,724
Net assets		
Shareholders' equity		
Share capital	13,051	13,051
Capital surplus	13,289	13,289
Retained earnings	99,868	109,012
Treasury shares	(5,525)	(5,528)
Total shareholders' equity	120,683	129,824
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,412	18,036
Foreign currency translation adjustment	1,488	2,813
Remeasurements of defined benefit plans	1,800	1,682
Total accumulated other comprehensive income	14,702	22,533
Non-controlling interests	2,917	3,126
Total net assets	138,302	155,484
Total liabilities and net assets	176,366	193,209

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	111,108	96,600
Cost of sales	86,239	71,672
Gross profit	24,869	24,927
Selling, general and administrative expenses	17,996	17,369
Operating profit	6,872	7,558
Non-operating income		
Interest income	138	126
Dividend income	1,114	1,242
Foreign exchange gains	76	667
Share of profit of entities accounted for using equity method	721	-
Other	136	113
Total non-operating income	2,187	2,149
Non-operating expenses		
Interest expenses	99	85
Share of loss of entities accounted for using equity method	-	95
Compensation expenses	-	72
Other	372	61
Total non-operating expenses	471	314
Ordinary profit	8,588	9,393
Extraordinary income		
Gain on sale of investment securities	49	-
Insurance claim income	39	29
Total extraordinary income	88	29
Extraordinary losses		
Loss on retirement of non-current assets	465	991
Impairment losses	308	-
Loss on valuation of investment securities	8	114
Business restructuring expenses	1,574	363
Other	18	-
Total extraordinary losses	2,374	1,469
Profit before income taxes	6,302	7,952
Income taxes	2,106	(5,477)
Profit	4,196	13,430
Profit attributable to non-controlling interests	555	622
Profit attributable to owners of parent	3,640	12,807

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	4,196	13,430
Other comprehensive income		
Valuation difference on available-for-sale securities	1,470	6,623
Foreign currency translation adjustment	(3,909)	1,359
Remeasurements of defined benefit plans, net of tax	(75)	(117)
Total other comprehensive income	(2,514)	7,865
Comprehensive income	1,681	21,296
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,081	20,611
Comprehensive income attributable to non-controlling interests	600	684

Quarterly consolidated statement of cash flows

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	6,302	7,952
Depreciation	7,381	6,883
Loss on retirement of non-current assets	465	991
Impairment losses	308	-
Increase (decrease) in provision for bonuses	(977)	(741)
Changes in net defined benefit asset and liability	(140)	(156)
Increase (decrease) in provision for bonuses for directors (and other officers)	24	(24)
Increase (decrease) in provision for share-based payments	79	86
Interest and dividend income	(1,253)	(1,369)
Interest expenses	99	85
Share of loss (profit) of entities accounted for using equity method	(721)	95
Loss (gain) on sale of investment securities	(49)	-
Loss (gain) on valuation of investment securities	8	114
Decrease (increase) in trade receivables	2,183	(2,099)
Decrease (increase) in inventories	2,869	478
Increase (decrease) in trade payables	(1,541)	3,759
Business restructuring expenses	1,574	363
Other, net	(1,638)	(637)
Subtotal	14,974	15,782
Interest and dividends received	1,693	2,115
Interest paid	(109)	(105)
Income taxes paid	(2,448)	(1,559)
Payment for business restructuring	(4,669)	(1,173)
Net cash provided by (used in) operating activities	9,441	15,059
Cash flows from investing activities		
Purchase of non-current assets	(5,342)	(4,881)
Proceeds from sale of investment securities	87	-
Payments for sale of investments in capital of subsidiaries and associates resulting in change in scope of consolidation	(3,589)	-
Proceeds from collection of loans receivable	823	598
loan advances	(86)	(120)
Other, net	(351)	(242)
Net cash provided by (used in) investing activities	(8,458)	(4,644)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(7,007)	(68)
Repayments of long-term borrowings	(168)	(178)
Net decrease (increase) in treasury shares	(3)	(2)
Dividends paid	(3,748)	(3,750)
Dividends paid to non-controlling interests	(400)	(475)
Other, net	(147)	(60)
Net cash provided by (used in) financing activities	(11,475)	(4,535)
Effect of exchange rate change on cash and cash equivalents	141	611
Net increase (decrease) in cash and cash equivalents	(10,351)	6,491
Cash and cash equivalents at beginning of period	27,188	24,010
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	369
Cash and cash equivalents at end of period	16,837	30,871