

**Summary of Consolidated Financial Results for the Third Quarter of Fiscal 2022 Ending March 31, 2023**  
 <Under Japanese GAAP>

January 30, 2023

Company Name: SEKISUI CHEMICAL CO., LTD. Stock Listings: Tokyo Stock Exchange  
 Code Number: 4204 URL: <https://www.sekisuichechemical.com>  
 Representative Director: Mr. Keita Kato, President  
 Inquiries: Mr. Futoshi Kamiwaki, Senior Managing Executive Officer TEL: +81-3- 6748-6467  
 Scheduled date for submission of quarterly financial statement: February 9, 2023 Scheduled date for payment of dividends: -  
 Quarterly earnings supplementary explanatory documents: Yes  
 Quarterly earnings results briefing: Yes

(Figures rounded down to the nearest million yen)

1. Consolidated Business Results for the Third Quarter (April 1, 2022 to December 31, 2022)

(1) Consolidated Business Results (% figures represent changes from the same period of the previous year.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2022 (First 9 months)	912,231	8.8	62,466	8.7	73,427	16.9	52,802	314.7
FY2021 (First 9 months)	838,651	10.9	57,453	44.1	62,800	85.6	12,734	-38.4

Note. Comprehensive Income: FY2022 (First 9 months): 60,883 million yen (839.7%) FY2021 (First 9 months): 6,478 million yen (-84.3%)

	Profit Attributable to Owners of Parent per Share	Profit Attributable to Owners of Parent per Share (Diluted)
	yen	yen
FY2022 (First 9 months)	120.88	—
FY2021 (First 9 months)	28.54	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity to Total Assets
	Millions of yen	Millions of yen	%
As of December 31, 2022	1,219,593	711,866	56.1
As of March 31, 2022	1,198,921	702,753	56.3

(Reference) Equity: As of December 31, 2022: 684,726 million yen As of March 31, 2022: 674,636 million yen

Equity: Shareholders' Equity including Accumulated Other Comprehensive Income

2. Dividend Status

(Date of Record)	Dividend per Share				
	At the end of 1st Q	At the end of 2nd Q	At the end of 3rd Q	Year-end	Full year
	yen	yen	yen	yen	yen
FY2021	—	24.00	—	25.00	49.00
FY2022	—	29.00	—		
FY2022 (outlook)				30.00	59.00

Note. Recent revision of dividend estimates: No

3. Consolidated Outlook for FY2022 (April 1, 2022 to March 31, 2023)

(% figures represent changes from the same period of the previous year.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Profit Attributable to Owners of Parent per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full Year	1,262,500	9.0	95,000	6.9	103,000	6.2	73,000	96.9	169.60

Note. Recent revision of consolidated earnings estimates: Yes

**Notes:**

- (1) Significant change of subsidiary companies during the term  
(change of specified subsidiaries that affected the scope of consolidated reporting): No
- (2) Application of special methods for quarterly consolidated financial statements: Yes  
Note: For further details please refer to "(4) Notes to Consolidated Financial Statements (Application of special accounting methods for the preparation of quarterly consolidated financial statements)" on page 11 of the attached document "2. Consolidated Financial Statement and Notes."
- (3) Changes to the accounting policy, changes or restatements of the accounting estimates
- a) Changes caused by revisions to accounting principles : No
  - b) Changes other than a) : No
  - c) Amendments to accounting estimates : No
  - d) Restatements : No

## (4) Number of shares outstanding (common stock)

- a) Number of shares outstanding at the end of term  
(including treasury shares):
- b) Treasury shares at the end of term:
- c) Average outstanding shares in the period  
(quarterly consolidated cumulative total):

As of December 31, 2022	456,507,285	As of March 31, 2022	471,507,285
As of December 31, 2022	26,094,183	As of March 31, 2022	27,431,111
As of December 31, 2022	436,828,518	3rd Q of FY2021	446,232,875

**Note: Execution chart for audit procedures**

The Financial Instruments and Exchange Law does not require this brief announcement of the most recent financial statements to be subject to audit review.

**Note: Remarks on appropriate use of forecasted results of operation and other special matters**

1. This report contains revisions to the consolidated forecasts for the fiscal year announced on October 27, 2022.
2. The earnings forecasts and other forward-looking statements presented in this report are based on information available at the time of its issue and on certain assumptions that the Group considers reasonable. Forward-looking statements in no capacity represent a guarantee that the Group will achieve the stated amounts. Various factors can cause actual results to differ materially from the forecasts. For important matters regarding the conditions associated with the assumptions of these forecasts and their appropriate use, please see "1. (2) Revision to the consolidated results forecast and other forward-looking information" on page 4 of the Quarterly Financial Report (Supplementary Material).

## I. Qualitative Information and Financial Review

### 1. Consolidated Business Results

#### (1) Group Overview (April 1, 2022 to December 31, 2022)

**Net Sales: 912.2 billion yen (+8.8%), Operating profit: 62.4 billion yen (+8.7%), Ordinary profit: 73.4 billion yen (+16.9%), Profit Attributable to Owners of Parent: 52.8 billion yen (+314.7%)**

With regard to the market conditions in the first three quarters of fiscal 2022, automobile production was higher than the level of the same period of the previous year despite effects from reduced production resulting from the shortage of semiconductors. Smartphone shipments remained far below the level of the same period of the previous year due to the impact of inventory adjustments that continued from the second quarter, mainly in China. The number of domestic housing starts was down slightly year-on-year. Under these circumstances, sales increased due to expanded sales of high-value-added products and further improvement of selling prices in addition to positive effects from foreign exchange rates.

Although higher prices of raw materials, fuel, and component parts continued, the company recovered by improving selling prices, expanding sales of high-value-added products, and reducing costs. There were also positive effects from foreign exchange rates, resulting in a substantial increase in each stage of profit.

From the third quarter of the fiscal year under review, the company has changed its classification of reportable segments. The details are described in "(4) Notes to Consolidated Financial Statements (Segment Information)" of "2. Consolidated Financial Statements and Notes." For the year-on-year comparisons below, the figures for the corresponding period of the previous fiscal year have been reclassified according to the revised segment classification.

#### (2) Overview by Business Segment (April 1, 2022 to December 31, 2022)

[Housing Company]

**Net Sales: 389.1 billion yen (+4.3%), Operating Profit: 21.4 billion yen (+0.2%)**

In the first three quarters of fiscal 2022, the Housing, Housing Renovation, Real Estate, and Town and Community Development businesses each posted higher sales, resulting in an overall increase in sales, but operating profit remained flat year-on-year due to the impact of surging prices for component parts.

As for orders received in the Housing business, the number of houses ordered decreased year on year due to the impact of COVID-19, etc. Orders received in the Housing Renovation business increased year on year due to expanded sales of storage batteries, etc.

In terms of measures, we have highlighted smart and resilience in the Housing, Housing Renovation, and Town and Community Development businesses amid growing concerns regarding energy against a backdrop of intensifying natural disasters and so on in the Housing business. In the Housing business, the Company launched the new subdivision brand "United Heim Park" in October. In addition to strengthening web marketing through its own website, the Company focused on expanding sales of subdivision and ready-built houses, demand for which continues to be strong. In the Housing Renovation business, the Company strove to expand periodic diagnoses and strengthen its proposal skills.

[Urban Infrastructure and Environmental Products Company]

**Net Sales: 169.6 billion yen (+11.0%), Operating Profit: 13.2 billion yen (+85.8%)**

In the first three quarters of fiscal 2022, the Company was affected by factors such as soaring raw material and fuel

prices, a decline in domestic housing demand starting in the third quarter, and delays in construction associated with a shortage of construction workers. Even so, both sales and profits increased due in part to higher sales of further improvement of selling prices, highly prioritized products, and firm overseas demand.

In the Pipe Systems field, demand was lower than expected for both non-residential and residential applications. Nevertheless, sales increased year-on-year, backed by firm sales of piping materials for plants amid increasing capital investment demand in Japan and overseas, as well as strong sales of chlorinated polyvinyl chloride (CPVC) overseas, especially in India.

In the Buildings and Infrastructures Composite Materials field, despite lower-than expected housing demand, sales increased year-on-year due to increased sales of highly prioritized products, such as large high-capacity drainage systems and fire protection and non-combustible materials, as well as expanded sales of synthetic lumber for railway sleepers overseas, especially in Europe and the United States.

In the Infrastructure Renovation field, sales increased year-on-year, backed by ongoing solid demand in Japan and recovery of overseas demand for pipeline renewal, and gradual recovery of demand for renewal of panel tanks.

[High Performance Plastics Company]

**Net Sales: 299.4 billion yen (+15.3%), Operating profit: 30.9 billion yen (+0.9%)**

In the first three quarters of fiscal 2022, sales increased due to firm demand for semiconductors and building materials as well as the positive effect of foreign exchange rates, despite the impact of automobile production cutbacks caused by lockdowns in China due to the COVID-19 and the situation in Ukraine, as well as inventory adjustments in smartphones in the second quarter. Despite the continued sharp rise in raw materials and fuel prices, the Company was able to recover by improving selling prices, expanding sales of high-performance products, and reducing costs. As a result, operating profit remained flat year-on-year.

In the Electronics field, sales decreased year-on-year, affected by the marked and greater-than-expected market stagnation, largely associated with smartphone inventory adjustments in China from the second half onwards.

In the Mobility field, sales increased year-on-year due to growth of high-performance products, mainly interlayer films for heads-up displays, and the positive effects of improving selling prices and foreign exchange rates, despite stagnation in the automobile market, mainly in China, caused by the impact of COVID-19 and the shortage of parts supplies.

In the Industrial field, sales increased year-on-year as a result of the Company promoting expanded sales of labor-saving and environmentally friendly products, such as for foam materials and long craft tapes, and steadily improving selling prices, in addition to the positive effects of foreign exchange rates.

[Medical Business]

**Net Sales: 65.3 billion yen (+2.4%), Operating Profit: 8.8 billion yen (+3.8%)**

In the first three quarters of fiscal 2022, both sales and profits increased due to a recovery in diagnostics demand in Japan and overseas.

In the domestic Diagnostics business, sales increased year-on-year as demand remained solid for outpatient diagnostic reagents and COVID-19 test kits.

In the overseas Diagnostics business, sales decreased year-on-year, affected by the lockdown in China and a delay in approval of COVID-19 test kits in the United States, despite solid demand for outpatient diagnostic reagents in Europe and the United States and flu test kits in the United States.

In the Pharmaceuticals & Fine Chemicals business, sales increased year-on-year due to steady orders for new active pharmaceutical ingredients.

**(2) Revision of the Consolidated Results Forecast and Other Forward-Looking Information**

With regard to the full-year consolidated results forecast, the company revised the forecast figures announced on October 27, 2022, as shown in the table below, taking into consideration factors such as effects from weaker-than-expected market conditions in the Electronics field, especially in China, and housing demand in Japan.

Revision to Consolidated Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit attributable to owners of parent per share
Previous forecast (A)	Millions of yen 1,276,000	Millions of yen 100,000	Millions of yen 108,000	Millions of yen 73,000	yen 167.35
Revised forecast (B)	1,262,500	95,000	103,000	73,000	169.60
Change (B-A)	△13,500	△5,000	△5,000	0	
Change (%)	△1.1	△5.0	△4.6	0	
Reference: Results for the previous fiscal year (Fiscal year ended March 31, 2022)	1,157,945	88,879	97,001	37,067	83.17

Although the financial forecast is revised, no revision has been made to the dividend forecast (total annual dividend of 59 yen (interim dividend: 29 yen; year-end dividend: 30 yen)).

## 2. Consolidated Financial Statement and Notes

## Consolidated Financial Statement (Third Quarter, Fiscal Year 2022)

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	144,534	94,666
Notes receivable - trade	36,999	42,360
Accounts receivable - trade	148,748	144,197
Contract assets	721	359
Merchandise and finished goods	86,262	102,318
Land for sale in lots	55,364	59,318
Work in process	56,611	71,033
Raw materials and supplies	45,600	56,154
Advance payments to suppliers	4,551	4,604
Prepaid expenses	8,092	8,707
Short-term loans receivable	182	25
Other	22,984	31,446
Allowance for doubtful accounts	-1,257	-1,088
Total current assets	609,395	614,105
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	120,810	120,439
Machinery, equipment and vehicles, net	108,218	104,909
Land	83,059	83,654
Leased assets, net	19,618	20,039
Construction in progress	21,606	33,657
Other, net	11,939	11,454
Total property, plant and equipment	365,254	374,154
Intangible assets		
Goodwill	10,736	11,603
Software	10,561	15,542
Leased assets	137	122
Other	25,298	22,927
Total intangible assets	46,733	50,196
Investments and other assets		
Investment securities	130,688	126,943
Long-term loans receivable	1,157	1,091
Long-term prepaid expenses	2,030	2,268
Retirement benefit asset	21,066	21,858
Deferred tax assets	10,909	16,841
Other	14,038	14,375
Allowance for doubtful accounts	-2,352	-2,242
Total investments and other assets	177,537	181,137
Total non-current assets	589,525	605,488
Total assets	1,198,921	1,219,593

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes payable - trade	1,386	975
Electronically recorded obligations - operating	28,335	30,800
Accounts payable - trade	108,460	106,606
Short-term borrowings	4,293	14,980
Lease liabilities	5,000	4,947
Accrued expenses	43,500	39,211
Income taxes payable	23,678	9,449
Provision for bonuses	19,709	10,528
Provision for bonuses for directors (and other officers)	290	292
Provision for warranties for completed construction	1,482	2,992
Provision for share awards	138	86
Advances received	46,068	62,937
Other	47,350	56,760
Total current liabilities	329,694	340,567
Non-current liabilities		
Bonds payable	40,000	40,030
Long-term borrowings	58,093	56,401
Lease liabilities	15,170	15,792
Deferred tax liabilities	4,624	4,571
Retirement benefit liability	41,840	43,259
Provision for share awards	773	844
Other	5,971	6,259
Total non-current liabilities	166,473	167,159
Total liabilities	496,168	507,727
<b>Net assets</b>		
Shareholders' equity		
Share capital	100,002	100,002
Capital surplus	109,042	108,583
Retained earnings	447,958	451,785
Treasury shares	-44,592	-44,453
Total shareholders' equity	612,409	615,917
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	33,726	32,340
Deferred gains or losses on hedges	-18	-17
Revaluation reserve for land	322	321
Foreign currency translation adjustment	25,507	34,025
Remeasurements of defined benefit plans	2,687	2,139
Total accumulated other comprehensive income	62,226	68,809
Non-controlling interests	28,116	27,139
Total net assets	702,753	711,866
<b>Total liabilities and net assets</b>	<b>1,198,921</b>	<b>1,219,593</b>



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

(Consolidated Statements of Income)

First 9 months, Fiscal Year 2022

(Millions of yen)

	First 9 months, Fiscal 2021 (From April 1, 2021 to December 31, 2021)	First 9 months, Fiscal 2022 (From April 1, 2022 to December 31, 2022)
Net sales	838,651	912,231
Cost of sales	578,858	635,395
Gross profit	259,792	276,835
Selling, general and administrative expenses	202,338	214,369
Operating profit	57,453	62,466
Non-operating income		
Interest income	447	832
Dividend income	3,791	3,655
Share of profit of entities accounted for using equity method	166	1,061
Foreign exchange gains	2,028	5,312
Miscellaneous income	2,236	3,138
Total non-operating income	8,670	13,999
Non-operating expenses		
Interest expenses	560	595
Miscellaneous expenses	2,764	2,442
Total non-operating expenses	3,324	3,038
Ordinary profit	62,800	73,427
Extraordinary income		
Gain on sale of investment securities	25,883	319
Gain on sale of shares of subsidiaries and associates	—	871
Total extraordinary income	25,883	1,191
Extraordinary losses		
Impairment losses	50,087	—
Loss on sale and retirement of non-current assets	1,024	1,490
Total extraordinary losses	51,111	1,490
Profit before income taxes	37,572	73,128
Income taxes	23,503	19,237
Profit	14,069	53,891
Profit attributable to non-controlling interests	1,334	1,088
Profit attributable to owners of parent	12,734	52,802

## Third Quarter, Fiscal Year 2022

(Millions of yen)

	Third Quarter, Fiscal 2021 (From October 1,2021 to December 31, 2021)	Third Quarter, Fiscal 2022 (From October 1,2022 to December 31, 2022)
Net sales	290,708	304,466
Cost of sales	200,865	210,444
Gross profit	89,842	94,021
Selling, general and administrative expenses	67,909	71,899
Operating profit	21,933	22,122
Non-operating income		
Interest income	196	343
Dividend income	399	450
Foreign exchange gains	1,070	—
Miscellaneous income	856	1,583
Total non-operating income	2,523	2,377
Non-operating expenses		
Interest expenses	185	224
Share of loss of entities accounted for using equity method	1,379	141
Foreign exchange losses	—	3,665
Miscellaneous expenses	1,059	941
Total non-operating expenses	2,624	4,972
Ordinary profit	21,831	19,527
Extraordinary income		
Gain on sale of investment securities	3,780	319
Gain on sale of shares of subsidiaries and associates	—	202
Total extraordinary income	3,780	521
Extraordinary losses		
Impairment losses	86	—
Loss on sale and retirement of non-current assets	367	451
Total extraordinary losses	454	451
Profit before income taxes	25,158	19,598
Income taxes	7,953	5,489
Profit	17,204	14,108
Profit attributable to non-controlling interests	556	407
Profit attributable to owners of parent	16,648	13,700

## (Consolidated Statement of Comprehensive Income)

(Millions of yen)

	First 9 months, Fiscal 2021 (From April 1, 2021 to December 31, 2021)	First 9 months, Fiscal 2022 (From April 1, 2022 to December 31, 2022)
Profit	14,069	53,891
Other comprehensive income		
Valuation difference on available-for-sale securities	-12,876	-1,618
Deferred gains or losses on hedges	20	6
Foreign currency translation adjustment	5,669	8,878
Remeasurements of defined benefit plans, net of tax	-7	-493
Share of other comprehensive income of entities accounted for using equity method	-397	219
Total other comprehensive income	-7,590	6,991
Comprehensive income	6,478	60,883
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,105	59,385
Comprehensive income attributable to non-controlling interests	1,372	1,497

## (3) Consolidated Statements of Cash Flows

	(Millions of yen)	
	First 9 months, Fiscal 2021 (From April 1, 2021 to December 31, 2021)	First 9 months, Fiscal 2022 (From April 1, 2022 to December 31, 2022)
<b>Cash flows from operating activities</b>		
Profit before income taxes	37,572	73,128
Depreciation	34,060	36,527
Amortization of goodwill	2,493	947
Impairment losses	50,087	—
Loss on retirement of non-current assets	1,011	1,408
Loss (gain) on sale of non-current assets	12	82
Increase or decrease in retirement benefit asset and liability	-2,555	-233
Loss (gain) on sale of investment securities	-25,883	-319
Loss (gain) on sale of shares of subsidiaries and associates	—	-871
Increase (decrease) in provision for bonuses	-7,138	-9,468
Interest and dividend income	-4,239	-4,488
Interest expenses	560	595
Share of loss (profit) of entities accounted for using equity method	-166	-1,061
Decrease (increase) in trade receivables and contract assets	-3,619	2,525
Decrease (increase) in inventories	-21,440	-39,894
Increase (decrease) in trade payables	5,942	-3,614
Increase (decrease) in advances received	17,100	14,793
Other, net	-6,883	-3,141
Subtotal	76,913	66,913
Interest and dividends received	5,070	5,162
Interest paid	-569	-596
Income taxes paid	-15,682	-37,403
Net cash provided by (used in) operating activities	65,731	34,076
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-25,931	-34,265
Proceeds from sale of property, plant and equipment	1,371	1,455
Payments into time deposits	-8,151	-14,158
Proceeds from withdrawal of time deposits	10,496	10,434
Purchase of investment securities	-639	-658
Proceeds from sale and redemption of investment securities	45,763	533
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	-1,310
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	2,655
Purchase of shares of subsidiaries	-6	—
Purchase of intangible assets	-5,394	-7,402
Proceeds from sale of intangible assets	3	1,094
Decrease (increase) in short-term loans receivable	14	173
Other, net	83	254
Net cash provided by (used in) investing activities	17,609	-41,194
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	-2,378	10,328
Repayments of lease liabilities	-4,073	-4,247
Repayments of long-term borrowings	-13,833	-1,627
Dividends paid	-21,533	-23,831
Dividends paid to non-controlling interests	-1,577	-1,201
Purchase of treasury shares	-9,498	-25,198
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-39	-1,868
Other, net	-203	140
Net cash provided by (used in) financing activities	-53,138	-47,505
Effect of exchange rate change on cash and cash equivalents	995	1,318
Net increase (decrease) in cash and cash equivalents	31,198	-53,305
Cash and cash equivalents at beginning of period	76,649	133,739
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	36	—
Cash and cash equivalents at end of period	107,885	80,433

(4) Notes to Consolidated Financial Statements

(Notes regarding the premise of a going concern)

Not applicable.

(Significant Change in Shareholder Equity)

Not applicable.

(Application of special accounting methods for the preparation of quarterly consolidated financial statements)

(Calculation of tax expense)

Income taxes are determined based on the amount of income before income taxes multiplied by the estimated effective tax rate after adoption of tax-effect accounting for the entire fiscal year ending March 31, 2023 including the current third quarter of fiscal 2022. In case where the estimated effective tax rate is notably lacking rationality, statutory tax rate is used.

Deferred income taxes are included in income taxes.

## (Segment Information)

## I. First 9 months of Fiscal 2022 (From April 1, 2022 to December 31, 2022)

1. Information on the amounts of net sales, and profit or loss, for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable Segments					Other (Notes 1,2)	Total
	Housing (Note 1)	UIEP	HPP	Medical	Total		
Net Sales							
Japan	387,698	127,787	80,399	30,436	626,322	1,427	627,750
North America	—	2,319	73,323	16,949	92,592	—	92,592
Europe	—	3,543	52,949	6,711	63,204	—	63,204
China	—	5,341	49,360	8,819	63,521	1,132	64,654
Asia	1,243	19,572	31,890	1,586	54,293	35	54,328
Others	—	1,610	7,271	818	9,700	—	9,700
Net sales to external customers	388,942	160,175	295,195	65,322	909,635	2,596	912,231
Intersegment sales or transfers	225	9,434	4,242	—	13,902	3,040	16,942
Total	389,168	169,609	299,438	65,322	923,538	5,636	929,174
Segment profit (loss)	21,427	13,288	30,910	8,841	74,468	-8,255	66,213

(Note 1) Net sales in “Housing” include 32,029 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 619 million yen that does not correspond to revenue from contracts with customers under “Japan.”

(Note 2) “Other” represents segments other than the reportable segments and includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the reportable segments.

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in the quarterly consolidated statement of income, and descriptions of such difference (matters on difference adjustment)

(Millions of yen)

Profit	Amount
Reportable segment total	74,468
Profit (loss) in “other”	-8,255
Intersegment eliminations	335
Corporate expenses (Note)	-4,082
Operating profit in the quarterly consolidated statement of income	62,466

(Note) Corporate expenses are mainly general and administrative expenses not attributable to each reportable segment.

## 3. Changes in Reportable Segments

From the third quarter of fiscal 2022, for the purpose of optimizing the business portfolio in pursuit of greater synergies, the Group changed to classify Fire Protection Materials Division, CPVC-related business fields and Crosswave products into Urban Infrastructure and Environmental Products (“UIEP”) Segment from High Performance Plastics (“HPP”) Segment, also the Group revised to classify SEKISUI SEIKEI CO., LTD. and SEKISUI KYDEX LLC. into “HPP” Segment from “UIEP” Segment.

The segment information of the first 9 months of fiscal 2022, was prepared and disclosed based on the revised classification of the reportable segments.

## II. Third Quarter of Fiscal 2022 (From October 1, 2022 to December 31, 2022)

1. Information on the amounts of net sales, and profit or loss, for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable Segments					Other (Notes 1,2)	Total
	Housing (Note 1)	UIEP	HPP	Medical	Total		
Net Sales							
Japan	128,407	46,371	27,183	10,528	212,490	387	212,877
North America	—	701	22,649	6,159	29,510	—	29,510
Europe	—	935	17,000	2,062	19,997	—	19,997
China	—	1,559	16,610	2,932	21,102	262	21,364
Asia	464	5,911	10,618	519	17,514	13	17,527
Others	—	479	2,470	237	3,188	—	3,188
Net sales to external customers	128,871	55,958	96,532	22,440	303,803	663	304,466
Intersegment sales or transfers	116	3,251	1,394	—	4,761	826	5,588
Total	128,988	59,210	97,926	22,440	308,565	1,489	310,055
Segment profit (loss)	6,660	5,862	10,480	3,357	26,361	-2,816	23,544

(Note 1) Net sales in “Housing” include 10,717 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 171 million yen that does not correspond to revenue from contracts with customers under “Japan.”

(Note 2) “Other” represents segments other than the reportable segments and includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the reportable segments.

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in the quarterly consolidated statement of income, and descriptions of such difference (matters on difference adjustment)

(Millions of yen)

Profit	Amount
Reportable segment total	26,361
Profit (loss) in “other”	-2,816
Intersegment eliminations	122
Corporate expenses (Note)	-1,544
Operating profit in the quarterly consolidated statement of income	22,122

(Note) Corporate expenses are mainly general administrative expenses not attributable to each reportable segment.

## 3. Changes in Reportable Segments

From the third quarter of fiscal 2022, for the purpose of optimizing the business portfolio in pursuit of greater synergies, the Group changed to classify Fire Protection Materials Division, CPVC-related business fields and Crosswave products into Urban Infrastructure and Environmental Products (“UIEP”) Segment from High Performance Plastics (“HPP”) Segment, also the Group revised to classify SEKISUI SEIKEI CO., LTD. and SEKISUI KYDEX LLC. into “HPP” Segment from “UIEP” Segment.