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# Semi-annual Securities Report

**104th Interim Business Term**

**From April 1, 2025  
to September 30, 2025**

**SEKISUI CHEMICAL CO., LTD.**

(E00820)

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Filing document	Semi-annual Securities Report
Clause of stipulation	Item 1 of the chart in Article 24-5-1 of the Financial Instruments and Exchange Act
Place of filing	Director-General of the Kanto Local Finance Bureau
Filing date	November 13, 2025
Interim accounting period	104th Interim Business Term (from April 1, 2025 to September 30, 2025)
Company name	積水化学工業株式会社 ( <i>Sekisui Kagaku Kogyo Kabushiki Kaisha</i> )
Company name in English	Sekisui Chemical Co., Ltd.
Job title and name of representative	Keita Kato, President and Representative Director, and Chief Executive Officer
Address of registered headquarters	4-4 Nishitemma 2-Chome, Kita-ku, Osaka, Japan
Telephone number	+81-6-6365-4105
Name of contact person	Tatsuya Nishida, Managing Executive Officer and Head of Corporate Finance & Accounting Department
Nearest place of contact	10-4 Toranomom 2-Chome, Minato-ku, Tokyo, Japan
Telephone number	+81-3-6748-6460
Name of contact person	Naoko Fukutomi, Executive Officer and Head of Legal Department
Place for public inspection	Tokyo Head Office of Sekisui Chemical Co., Ltd.* (10-4 Toranomom 2-Chome, Minato-ku, Tokyo) Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo)
(Note)	Although the place marked with an asterisk (*) is not required by the Financial Instruments and Exchange Act to make this document available for public inspection, it is prepared to provide this document for inspection by shareholders, etc., for their convenience.

## Part 1. Company Information

### I. Overview of Company

#### 1. Key financial data

Term		Interim accounting period of the 103rd Business Term	Interim accounting period of the 104th Business Term	103rd Business Term
Accounting period		From April 1, 2024 to September 30, 2024	From April 1, 2025 to September 30, 2025	From April 1, 2024 to March 31, 2025
Net sales	(Millions of yen)	629,054	629,797	1,297,754
Ordinary profit	(Millions of yen)	48,142	48,951	110,958
Profit attributable to owners of parent	(Millions of yen)	42,925	31,722	81,925
Comprehensive income	(Millions of yen)	23,838	46,720	60,474
Net assets	(Millions of yen)	818,925	853,856	835,366
Total assets	(Millions of yen)	1,307,044	1,374,803	1,330,786
Basic earnings per share	(Yen)	102.51	76.47	195.93
Equity-to-asset ratio	(%)	60.46	60.03	60.67
Net cash provided by (used in) operating activities	(Millions of yen)	58,322	49,833	119,231
Net cash provided by (used in) investing activities	(Millions of yen)	(13,908)	(19,873)	(61,508)
Net cash provided by (used in) financing activities	(Millions of yen)	(37,822)	(11,988)	(61,200)
Cash and cash equivalents at end of period	(Millions of yen)	130,844	142,254	120,895

- (Notes) 1. Since the Company prepares interim consolidated financial statements, key financial data of the reporting company are not provided.
2. Diluted earnings per share is not provided because there are no potential shares.

#### 2. Description of business

There were no significant changes in the businesses conducted by the Company and its subsidiaries (the Group) and associates during the current interim accounting period.

There were no changes in major subsidiaries and associates.

## II. Overview of Business

### 1. Business risks

No new business risks arose during the current interim accounting period.

In addition, there were no significant changes in the business risks, etc. stated in the Annual Securities Report for the previous fiscal year.

### 2. Management analysis of financial position, business results, and cash flows

#### (1) Financial position and business results

##### (i) Financial position

Assets, liabilities and net assets

Total assets as of the end of the current interim accounting period stood at 1,374,803 million yen, an increase of 44,016 million yen from the end of the previous fiscal year.

##### (Assets)

Current assets stood at 718,550 million yen, 15,446 million yen higher than the balance as of the end of the previous fiscal year.

This was primarily due to an increase in cash and deposits of 4,932 million yen and an increase in total inventories of 20,635 million yen, offset against a decrease in total trade receivables of 5,587 million yen.

Non-current assets increased 28,570 million yen to 656,252 million yen.

##### (Liabilities)

While trade payables consisting of notes payable - trade, electronically recorded obligations - operating, and accounts payable - trade decreased by 2,312 million yen, total liabilities increased by 25,526 million yen to reach 520,946 million yen. This was due to factors including the issuance of 20,000 million yen in corporate bonds and an increase of 4,907 million yen in advances received.

##### (Net Assets)

Net assets stood at 853,856 million yen as of the end of the current interim accounting period, an increase of 18,489 million yen.

This mainly reflected the posting of profit attributable to owners of parent of 31,722 million yen despite dividends paid of 17,578 million yen, a decrease of 9,990 million yen due to purchase of treasury shares, an increase in foreign currency translation adjustment of 10,892 million yen, an increase in valuation difference on available-for-sale securities of 4,048 million yen, and a decline in remeasurements of defined benefit plans of 1,525 million yen.

##### (ii) Business results

In the six months ended September 30, 2025, despite slumps in the domestic housing and non-housing construction markets and demand for diagnostic reagents and sluggish global automobile production, net sales increased slightly compared to the same period of the previous fiscal year and reached a new record high for the first six months of the fiscal year as a result of increased sales of high value-added products and the solidification of new selling prices.

The impact of weaker than expected EV market conditions on operating profit was substantial and one-time expenses related to resin sales transactions in Europe were recorded, and as a result, operating profit decreased. Ordinary profit increased due to a decrease in foreign exchange losses. Profit attributable to owners of parent decreased due to a decline in gains on the sale of investment securities.

In terms of consolidated operating results for the current interim accounting period, net sales were 629,797 million yen (up 0.1% year on year), operating profit was 45,447 million yen (down 6.7% year on year), ordinary profit was 48,951 million yen (up 1.7% year on year), and profit attributable to owners of parent was 31,722 million yen (down 26.1% year on year).

Business results by business segment were as follows.

#### a) Housing business

In the six months ended September 30, 2025, the new construction market slumped, but the Housing Company as a whole reported higher sales and a substantial increase in profit as a result of higher unit prices for houses due to improved composition in the Housing business and an increase in orders in the Housing Renovation business.

In the Housing business, unit prices and sales increased due to an increase in the sales of high-end products, such as apartment buildings. The number of houses ordered decreased by 6% year-on-year, but the value of orders received remained flat.

In the Housing Renovation business, orders increased due to reinforcement of regular inspections, and sales were higher.

Regarding the Residential business, the number of rental units under management in the Real Estate business steadily increased, and the purchase and resale business expanded, resulting in an increase in sales.

As a result, net sales were 258,627 million yen (up 2.0% year on year) and operating profit was 16,304 million yen (up 11.9% year on year).

b) Urban Infrastructure and Environmental Products business

In the six months ended September 30, 2025, effects from selling price improvements were observed as a result of the solidification of new selling prices, but sales volumes declined due to sluggish domestic and overseas markets and decreased operation time and prolonged processing periods at construction sites due to extreme heat in Japan. As a result, both sales and profits decreased.

In the Pipe Systems field, net sales decreased year-on-year due to market conditions for chlorinated polyvinyl chloride (CPVC) in India and effects from sluggish domestic housing and non-housing markets.

In the Buildings and Infrastructures Composite Materials field, despite the sluggish domestic housing market, net sales increased year-on-year as a result of higher sales of prioritized products including fire protection and non-combustible materials as well as a steady increase in orders for synthetic lumber (FFU) in Europe.

In the Infrastructure Renovation field, net sales increased year-on-year due to the capture of domestic and overseas demand for pipe renewal and steady progress in orders for large-scale plant equipment projects.

As a result, net sales were 112,073 million yen (down 1.2% year on year) and operating profit was 8,059 million yen (down 4.9% year on year).

c) High Performance Plastics business

In the six months ended September 30, 2025, in the Mobility field, EV markets and markets in Europe and the U.S. were more sluggish than expected, but performance was solid in the Electronics field and the Industrial field, resulting in higher sales. However, operating profit decreased due to the recording of one-time expenses related to resin sales transactions in Europe.

In the Electronics field, the smartphone and semiconductor markets were firm and efforts to capture new orders made progress, resulting in a year-on-year increase in net sales.

In the Mobility field, sales of design interlayer films slumped due to stagnation in EV markets, but sales of interlayer films used in head-up displays increased steadily, and SEKISUI AEROSPACE CORPORATION reported firm demand for aircraft, and as a result, net sales increased year-on-year.

In the Industrial field, despite flat demand for consumer goods and building materials, sales steadily increased as a result of improved selling prices and acquisition of new orders, resulting in a year-on-year increase in net sales.

As a result, net sales were 223,549 million yen (up 1.1% year on year) and operating profit was 28,351 million yen (down 5.0% year on year).

d) Medical business

In the six months ended September 30, 2025, sales decreased due to the ongoing slump in overseas diagnostic demand, and profit declined despite efforts to control fixed costs.

In the Diagnostics business, demand for priority infectious disease diagnostic kits declined in the U.S., product shipments to major customers were lower, and market conditions in China and domestic diagnostic demand were sluggish, resulting in a year-on-year decrease in net sales.

In the Pharmaceutical Sciences business, net sales increased year-on-year due to steady sales of key active pharmaceutical ingredients and orders in the contract drug development solutions business.

As a result, net sales were 44,257 million yen (down 7.6% year on year) and operating profit was 4,507 million yen (down 24.3% year on year).

e) Other businesses

In terms of the business results for the six months ended September 30, 2025, net sales were 4,005 million yen (up 15.2% year on year) and operating loss was 6,241 million yen (operating loss of 5,900 million yen in the same period of the previous fiscal year).

## (2) Cash flows

Cash and cash equivalents (“net cash”) in the current interim accounting period increased 21,358 million yen from the end of the previous fiscal year to 142,254 million yen at the end of the current interim accounting period.

Factors influencing cash flow accounts during the current interim accounting period were as follows.

### (Operating activities)

Net cash provided by operating activities during the current interim accounting period amounted to 49,833 million yen, compared with net cash provided of 58,322 million yen during the same period of the previous fiscal year. This was due to cash inflows, which included profit before income taxes of 45,902 million yen, depreciation of 27,703 million yen, a decrease in trade receivables and contract assets of 8,829 million yen, and an increase in advances received of 4,505 million yen, exceeding cash outflows such as income taxes paid of 17,430 million yen, an increase in inventories of 16,869 million yen, and a decrease in trade payables of 6,149 million yen.

### (Investing activities)

Net cash used in investing activities during the current interim accounting period amounted to 19,873 million yen, compared with net cash used of 13,908 million yen during the same period of the previous fiscal year. This was due to cash outflows, which included expenditures of 27,403 million yen for the purchase of property, plant, and equipment centered mainly on priority and growth fields, 7,249 million yen for the purchase of intangible assets, and 5,683 million yen for payments into time deposits, exceeding cash inflows such as 22,050 million yen from proceeds from withdrawal of time deposits.

### (Financing activities)

Net cash used in financing activities during the current interim accounting period amounted to 11,988 million yen, compared with net cash used of 37,822 million yen during the same period of the previous fiscal year. This was mainly due to cash outflows from dividends paid (including dividends paid to non-controlling interests) of 18,836 million yen and 9,990 million yen for the purchase of treasury shares, exceeding cash inflows such as 19,939 million yen in proceeds from issuance of bonds.

## (3) Business and financial issues to be addressed on a priority basis

During the current interim accounting period, there were no significant changes in the business and financial issues to be addressed on a priority basis, nor did any such issues newly arise.

## (4) Research and development activities

The amount of research and development activities of the entire Group during the current interim accounting period amounted to 22,966 million yen.

During the current interim accounting period, there were no significant changes in the status of the Group’s research and development activities.

## 3. Material contracts, etc.

Not applicable.

### III. Information about Reporting Company

#### 1. Company's shares, etc.

##### (1) Total number of shares, etc.

##### (i) Total number of shares

Class	Total number of shares authorized to be issued (shares)
Common shares	1,187,540,000
Total	1,187,540,000

##### (ii) Issued shares

Class	Number of issued shares as of the end of the interim accounting period (shares) (September 30, 2025)	Number of issued shares as of filing date (shares) (November 13, 2025)	Name of financial instruments exchange on which securities are listed or authorized financial instruments business association to which securities are registered	Description
Common shares	440,507,285	440,507,285	Tokyo Stock Exchange Prime Market	Number of shares constituting one unit: 100
Total	440,507,285	440,507,285	—	—

##### (2) Share acquisition rights

##### (i) Employee share option plans

Not applicable.

##### (ii) Share acquisition rights for other uses

Not applicable.

##### (3) Exercise of moving strike convertible bonds, etc.

Not applicable.

##### (4) Changes in the total number of issued shares, share capital, etc.

Date	Change in the total number of issued shares (thousands of shares)	Balance of the total number of issued shares (thousands of shares)	Change in share capital (millions of yen)	Balance of share capital (millions of yen)	Change in legal capital surplus (millions of yen)	Balance of legal capital surplus (millions of yen)
May 23, 2025 (Note)	(4,000)	440,507	—	100,002	—	109,234

(Note) This is a decrease due to the cancellation of treasury shares.

## (5) Major shareholders

As of September 30, 2025

Name	Address	Number of shares held (thousands of shares)	Shareholding ratio (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1-8-1, Akasaka, Minato-ku, Tokyo	59,722	14.38
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	21,790	5.24
The Dai-ichi Life Insurance Company, Limited (Standing proxy: Custody Bank of Japan, Ltd.)	1-13-1, Yuraku-cho, Chiyoda-ku, Tokyo (1-8-12, Harumi, Chuo-ku, Tokyo)	12,793	3.08
Employees Stock Ownership Plan	2-4-4 Nishitemma, Kita-ku, Osaka	12,201	2.93
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (2-15-1, Konan, Minato-ku, Tokyo)	9,143	2.20
Sekisui House, Ltd.	1-1-88, Oyodonaka, Kita-ku, Osaka	7,998	1.92
National Mutual Insurance Federation of Agricultural Cooperatives (Standing proxy: The Master Trust Bank of Japan, Ltd.)	2-7-9, Hirakawa-cho, Chiyoda-ku, Tokyo (1-8-1, Akasaka, Minato-ku, Tokyo)	7,302	1.75
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1, Konan, Minato-ku, Tokyo)	6,674	1.60
JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (2-15-1, Konan, Minato-ku, Tokyo)	5,687	1.37
STATE STREET BANK AND TRUST COMPANY 505103 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1, Konan, Minato-ku, Tokyo)	5,108	1.23
Total	—	148,421	35.75

(Note) According to the statements of large-volume holdings disclosed on September 19, 2025, Sumitomo Mitsui Trust Bank, Limited holds shares in the Company's stock as of September 15, 2025 as follows. However, we do not include Sumitomo Mitsui Trust Bank, Limited in the major shareholders listed above as we could not confirm the actual number of shares held by Sumitomo Mitsui Trust Bank, Limited as of the end of this interim accounting period. Details of the statements of large-volume holdings are as follows:

Name	Address	Number of shares held (thousands of shares)	Ownership ratio of share certificates, etc. (%)
Sumitomo Mitsui Trust Asset Management Co., Ltd.	1-1-1 Shibakoen, Minato-ku, Tokyo	11,607	2.64
Amova Asset Management Co., Ltd.	9-7-1, Akasaka, Minato-ku, Tokyo	14,886	3.38
Total	—	26,494	6.01

(6) Voting rights  
(i) Issued shares

As of September 30, 2025

Category	Number of shares (shares)	Number of voting rights (rights)	Description
Shares without voting rights	—	—	—
Shares with restricted voting rights (treasury shares, etc.)	—	—	—
Shares with restricted voting rights (other)	—	—	—
Shares with full voting rights (treasury shares, etc.)	(Shares held by the Company) Common shares 25,413,800	—	The Company's standard shares not subject to any restriction on rights Number of shares constituting one unit: 100
	(Reciprocal holding) Common shares 11,800		
Shares with full voting rights (other)	Common shares 414,640,000	4,146,400	Same as above
Shares less than one unit	Common shares 441,685	—	—
Total number of issued shares	440,507,285	—	—
Total voting rights held by shareholders	—	4,146,400	—

(Note) Shares with full voting rights (other) include the following shares (voting rights).

BIP trust for remuneration for directors (and other officers): 976,000 shares (9,760 rights)

ESOP trust for share granting: 191,400 shares (1,914 rights)

(ii) Treasury shares, etc.

As of September 30, 2025

Name of shareholder	Address of shareholder	Number of shares held in own name (shares)	Number of shares held in others' names (shares)	Total number of shares held (shares)	Shareholding ratio to total number of issued shares (%)
(Shares held by the Company)					
Sekisui Chemical Co., Ltd.	2-4-4 Nishitemma, Kita-ku, Osaka	25,413,800	—	25,413,800	5.76
(Reciprocal holding)					
Sekisuiheim Higashishikoku Co., Ltd.	4-1-16, Kazurashima, Kochi, Kochi	11,800	—	11,800	0.00
Total	—	25,425,600	—	25,425,600	5.77

- (Notes) 1. The number of shares is included in the number of shares with full voting rights (treasury shares, etc.) in the “(i) Issued shares” section above.  
2. The Company's shares held by the BIP trust for remuneration for directors (and other officers) and the ESOP trust for share granting are not included in the treasury shares mentioned above.

2. Directors (and other officers)

Not applicable.

## **IV. Financial Information**

### **1. Methods of preparing interim consolidated financial statements**

The interim consolidated financial statements of the Company are prepared based on the Regulation on Terminology, Forms and Preparation Methods of Consolidated Financial Statements (Ministry of Finance Order No. 28 of 1976, “Regulation on Consolidated Financial Statements”).

The Company falls under the companies listed in the upper column of Item 1 of the chart in Article 24-5-1 of the Financial Instruments and Exchange Act and creates Type 1 interim consolidated financial statements pursuant to Part 1 and Part 3 of the Regulation on Consolidated Financial Statements.

### **2. Note on independent audit**

Pursuant to the provisions in Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act, the interim consolidated financial statements for the interim accounting period (from April 1, 2025 to September 30, 2025) have been subjected to an interim review by KPMG AZSA LLC.

# 1. Interim consolidated financial statements

## (1) Interim consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	142,586	147,518
Notes receivable - trade	37,820	34,506
Accounts receivable - trade	167,960	165,687
Contract assets	1,758	1,696
Merchandise and finished goods	110,721	112,150
Land for sale in lots	69,187	75,515
Work in process	72,006	83,121
Raw materials and supplies	61,903	63,666
Advance payments to suppliers	5,274	6,258
Prepaid expenses	7,389	7,489
Short-term loans receivable	714	591
Other	26,465	20,861
Allowance for doubtful accounts	(686)	(513)
Total current assets	703,104	718,550
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	121,784	123,649
Machinery, equipment and vehicles, net	113,941	117,634
Land	86,517	87,307
Leased assets, net	21,294	21,745
Construction in progress	46,085	54,436
Other, net	14,245	14,640
Total property, plant and equipment	403,870	419,414
Intangible assets		
Goodwill	6,874	6,279
Software	16,915	32,024
Leased assets	64	132
Other	35,276	21,752
Total intangible assets	59,131	60,188
Investments and other assets		
Investment securities	105,102	115,550
Long-term loans receivable	923	989
Long-term prepaid expenses	1,757	2,417
Retirement benefit asset	35,575	35,090
Deferred tax assets	4,855	6,500
Other	17,179	16,973
Allowance for doubtful accounts	(714)	(873)
Total investments and other assets	164,679	176,649
Total non-current assets	627,681	656,252
Total assets	1,330,786	1,374,803

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes payable - trade	413	598
Electronically recorded obligations - operating	15,782	14,593
Accounts payable - trade	107,356	106,048
Short-term borrowings	2,340	17,708
Current portion of bonds payable	–	10,000
Lease liabilities	5,422	5,566
Accrued expenses	44,254	44,086
Income taxes payable	16,870	15,355
Provision for bonuses	22,219	20,455
Provision for bonuses for directors (and other officers)	488	302
Provision for warranties for completed construction	2,209	2,018
Provision for share awards	108	69
Advances received	69,557	74,465
Other	52,977	56,444
Total current liabilities	340,002	367,714
Non-current liabilities		
Bonds payable	40,000	50,000
Long-term borrowings	46,042	30,831
Lease liabilities	17,025	17,478
Deferred tax liabilities	1,524	2,248
Retirement benefit liability	42,824	42,554
Provision for share awards	1,154	1,141
Other	6,845	8,978
Total non-current liabilities	155,417	153,232
Total liabilities	495,420	520,946
<b>Net assets</b>		
Shareholders' equity		
Share capital	100,002	100,002
Capital surplus	105,068	105,185
Retained earnings	544,799	551,726
Treasury shares	(50,082)	(52,627)
Total shareholders' equity	699,787	704,286
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	36,889	40,937
Deferred gains or losses on hedges	(0)	(0)
Revaluation reserve for land	319	306
Foreign currency translation adjustment	62,160	73,052
Remeasurements of defined benefit plans	8,190	6,665
Total accumulated other comprehensive income	107,560	120,962
Non-controlling interests	28,018	28,607
Total net assets	835,366	853,856
Total liabilities and net assets	1,330,786	1,374,803

## (2) Interim consolidated statement of income and interim consolidated statement of comprehensive income

## Interim consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	629,054	629,797
Cost of sales	426,252	426,847
Gross profit	202,802	202,950
Selling, general and administrative expenses	*1 154,079	*1 157,502
Operating profit	48,723	45,447
Non-operating income		
Interest income	1,021	1,088
Dividend income	2,682	2,735
Share of profit of entities accounted for using equity method	85	1,235
Miscellaneous income	1,447	1,455
Total non-operating income	5,236	6,514
Non-operating expenses		
Interest expenses	531	598
Foreign exchange losses	4,110	1,032
Miscellaneous expenses	1,175	1,380
Total non-operating expenses	5,817	3,010
Ordinary profit	48,142	48,951
Extraordinary income		
Gain on sale of non-current assets	—	46
Gain on sale of investment securities	14,474	45
Total extraordinary income	14,474	92
Extraordinary losses		
Impairment losses	—	1,727
Loss on sale and retirement of non-current assets	883	914
Loss on valuation of investment securities	242	500
Total extraordinary losses	1,125	3,141
Profit before income taxes	61,490	45,902
Income taxes	*2 17,531	*2 13,152
Profit	43,959	32,749
Profit attributable to non-controlling interests	1,034	1,026
Profit attributable to owners of parent	42,925	31,722

## Interim consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	43,959	32,749
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,960)	4,165
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	(9,590)	11,468
Remeasurements of defined benefit plans, net of tax	(2,536)	(1,539)
Share of other comprehensive income of entities accounted for using equity method	(33)	(123)
Total other comprehensive income	(20,121)	13,970
Comprehensive income	23,838	46,720
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	22,897	45,124
Comprehensive income attributable to non-controlling interests	940	1,595

## (3) Interim consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	61,490	45,902
Depreciation	25,628	27,703
Amortization of goodwill	697	637
Loss on retirement of non-current assets	878	909
Impairment losses	—	1,727
Loss (gain) on sale of non-current assets	5	(41)
Increase or decrease in retirement benefit asset and liability	(1,303)	(2,109)
Loss (gain) on sale of investment securities	(14,474)	(45)
Loss (gain) on valuation of investment securities	242	500
Interest and dividend income	(3,704)	(3,823)
Interest expenses	531	598
Share of loss (profit) of entities accounted for using equity method	(85)	(1,235)
Decrease (increase) in accounts receivable - trade, and contract assets	12,270	8,829
Decrease (increase) in inventories	(10,454)	(16,869)
Increase (decrease) in trade payables	(2,125)	(6,149)
Increase (decrease) in advances received	10,014	4,505
Other, net	(2,530)	2,226
<b>Subtotal</b>	<b>77,081</b>	<b>63,265</b>
Interest and dividends received	3,805	3,964
Interest paid	(419)	(585)
Income taxes refund	1,718	619
Income taxes paid	(23,863)	(17,430)
<b>Net cash provided by (used in) operating activities</b>	<b>58,322</b>	<b>49,833</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(26,362)	(27,403)
Proceeds from sale of property, plant and equipment	407	273
Payments into time deposits	(8,653)	(5,683)
Proceeds from withdrawal of time deposits	8,927	22,050
Purchase of investment securities	(956)	(4,028)
Proceeds from sale and redemption of investment securities	15,858	40
Purchase of intangible assets	(3,614)	(7,249)
Decrease (increase) in short-term loans receivable	345	55
Other, net	137	2,070
<b>Net cash provided by (used in) investing activities</b>	<b>(13,908)</b>	<b>(19,873)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	793	(131)
Repayments of lease liabilities	(2,862)	(2,743)
Repayments of long-term borrowings	(9,576)	(189)
Proceeds from issuance of bonds	—	19,939
Redemption of bonds	(30)	—
Dividends paid	(16,462)	(17,570)
Dividends paid to non-controlling interests	(900)	(1,265)
Purchase of treasury shares	(8,920)	(9,990)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(2)	(186)
Other, net	139	149
<b>Net cash provided by (used in) financing activities</b>	<b>(37,822)</b>	<b>(11,988)</b>

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Effect of exchange rate change on cash and cash equivalents	(2,175)	2,648
Net increase (decrease) in cash and cash equivalents	4,416	20,619
Cash and cash equivalents at beginning of period	126,367	120,895
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	60	738
Cash and cash equivalents at end of period	* 130,844	* 142,254

## Notes to interim consolidated financial statements

### (Change in scope of consolidation or application of the equity method)

Beginning from this interim accounting period, the two companies Creast Inc. and Sekisui Plant (Thailand) Co., Ltd., which were previously unconsolidated subsidiaries, have been added to the scope of consolidation due to their increased importance.

Two companies SEKISUI OASIS Co., Ltd. and PT Asia HD Limited completed liquidation and were removed from the scope of consolidation. HealthyService Corporation was also removed due to the sale of its shares.

### (Specific accounting methods applied in the preparation of interim consolidated financial statements)

#### (Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year, including the current interim accounting period, and multiplying profit before income taxes (interim period) by the estimated effective tax rate. However, if the calculation of tax expenses using such estimated effective tax rate would significantly lack rationality, tax expenses are calculated using the statutory tax rate.

Income taxes - deferred are included in income taxes.

(Notes to interim consolidated balance sheet)

Guarantee obligations

The following liabilities are guaranteed:

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
(1) Guarantee obligations of housing loans for prefabricated modular housing purchasers and the promotion of the employee house ownership plan	50,922	58,200
(2) Other guarantee obligations	2,785	2,566

(Notes to interim consolidated statement of income)

\*1. The major expense items and their amount in selling, general and administrative expenses are as follows:

	(Millions of yen)	
	Previous interim accounting period (from April 1, 2024 to September 30, 2024)	Current interim accounting period (from April 1, 2025 to September 30, 2025)
Freight costs, packing expenses, and storage fees	16,799	16,241
Employees' salaries, allowance, and bonuses	46,368	46,407
Provision for bonuses	12,180	12,545
Retirement benefit expenses	1,408	444
Depreciation	8,100	9,792
Research and development expenses	21,664	22,966

Research and development expenses only include general and administrative expenses.

\*2. The SEKISUI CHEMICAL Group applies Section 7 of the Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules (Practical Solution No. 46, March 22, 2024), and has not recorded income taxes for global minimum tax for the subject fiscal year which includes the current interim accounting period.

(Notes to interim consolidated statement of cash flows)

\* Reconciliation of cash and cash equivalents at end of period and the related account on the interim consolidated balance sheet

	(Millions of yen)	
	Previous interim accounting period (from April 1, 2024 to September 30, 2024)	Current interim accounting period (from April 1, 2025 to September 30, 2025)
Cash and deposits	142,539	147,518
Time deposits with maturity over 3 months	(11,695)	(5,263)
Cash and cash equivalents	130,844	142,254

(Notes to shareholders' equity, etc.)

I Previous interim accounting period (from April 1, 2024 to September 30, 2024)

(1) Dividends paid

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date	Source of dividends
June 20, 2024 Annual General Meeting of Shareholders	Common shares	16,478	39	March 31, 2024	June 21, 2024	Retained earnings

(Note) The total amount of dividends resolved by the Annual General Meeting of Shareholders held on June 20, 2024 includes dividends of 36 million yen for shares of the Company held by the BIP trust for remuneration for directors (and other officers) and held by the ESOP trust.

(2) Dividends whose effective date falls after the end of the current interim accounting period following the current interim accounting period of the record date

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date	Source of dividends
October 31, 2024 Board of Directors	Common shares	15,485	37	September 30, 2024	December 2, 2024	Retained earnings

(Note) The total amount of dividends resolved by the Board of Directors meeting held on October 31, 2024 includes dividends of 28 million yen for shares of the Company held by the BIP trust for remuneration for directors (and other officers) and held by the ESOP trust.

II Current interim accounting period (from April 1, 2025 to September 30, 2025)

(1) Dividends paid

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date	Source of dividends
June 20, 2025 Annual General Meeting of Shareholders	Common shares	17,578	42	March 31, 2025	June 23, 2025	Retained earnings

(Note) The total amount of dividends resolved by the Annual General Meeting of Shareholders held on June 20, 2025 includes dividends of 32 million yen for shares of the Company held by the BIP trust for remuneration for directors (and other officers) and held by the ESOP trust.

(2) Dividends whose effective date falls after the end of the current interim accounting period following the current interim accounting period of the record date

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date	Source of dividends
October 30, 2025 Board of Directors	Common shares	16,603	40	September 30, 2025	December 1, 2025	Retained earnings

(Note) The total amount of dividends resolved by the Board of Directors meeting held on October 30, 2025 includes dividends of 46 million yen for shares of the Company held by the BIP trust for remuneration for directors (and other officers) and held by the ESOP trust.

(Segment information, etc.)

Segment information

I Previous interim accounting period (from April 1, 2024 to September 30, 2024)

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)	Urban Infrastructure and Environmental Products	High Performance Plastics	Medical	Total		
Net sales							
Japan	252,921	86,525	56,038	22,884	418,370	1,330	419,701
North America	–	1,572	56,164	11,751	69,488	–	69,488
Europe	–	3,561	43,127	5,399	52,087	–	52,087
China	–	1,959	34,893	6,502	43,355	847	44,202
Asia	683	11,809	25,039	1,089	38,621	19	38,640
Other	–	1,282	3,400	250	4,933	–	4,933
Net sales to external customers	253,605	106,710	218,663	47,877	626,857	2,197	629,054
Intersegment sales or transfers	49	6,720	2,451	–	9,220	1,278	10,498
Total	253,654	113,430	221,115	47,877	636,077	3,475	639,553
Segment profit (loss)	14,564	8,470	29,856	5,956	58,849	(5,900)	52,949

(Note 1) Net sales in “Housing” include 22,208 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 541 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 interim consolidated statement of income, and descriptions of such difference (matters on difference adjustment)

(Millions of yen)

Profit	Amount
Reportable segment total	58,849
Profit (loss) in “other”	(5,900)
Intersegment eliminations	(162)
Corporate expenses (Note)	(4,063)
Operating profit in interim consolidated statement of income	48,723

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

II Current interim accounting period (from April 1, 2025 to September 30, 2025)

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)	Urban Infrastructure and Environmental Products	High Performance Plastics	Medical	Total		
Net sales							
Japan	257,702	87,496	56,924	23,087	425,210	1,207	426,418
North America	—	1,684	57,257	9,025	67,967	—	67,967
Europe	—	4,117	39,721	5,379	49,219	—	49,219
China	—	1,449	37,761	5,405	44,616	239	44,856
Asia	667	8,406	25,674	1,186	35,934	38	35,973
Other	—	1,378	3,810	172	5,361	—	5,361
Net sales to external customers	258,369	104,533	221,151	44,257	628,311	1,485	629,797
Intersegment sales or transfers	257	7,540	2,398	—	10,196	2,519	12,715
Total	258,627	112,073	223,549	44,257	638,507	4,005	642,513
Segment profit (loss)	16,304	8,059	28,351	4,507	57,223	(6,241)	50,981

(Note 1) Net sales in “Housing” include 22,970 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 459 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 interim consolidated statement of income, and descriptions of such difference (matters on difference adjustment)

(Millions of yen)

Profit	Amount
Reportable segment total	57,223
Profit (loss) in “other”	(6,241)
Intersegment eliminations	(293)
Corporate expenses (Note)	(5,240)
Operating profit in interim consolidated statement of income	45,447

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

(Revenue recognition)

Information on disaggregation of revenue from contracts with customers is as stated in “Notes to interim consolidated financial statements (Segment information, etc.).”

(Per share information)

Basic earnings per share for the interim period and the basis for calculation are as shown below.

	Previous interim accounting period (from April 1, 2024 to September 30, 2024)	Current interim accounting period (from April 1, 2025 to September 30, 2025)
Basic earnings per share for the interim period (yen)	102.51	76.47
(Basis for calculation)		
Profit attributable to owners of parent (millions of yen)	42,925	31,722
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of common shares of parent (millions of yen)	42,925	31,722
Average number of outstanding common shares during the period (thousands of shares)	418,726	414,865

- (Notes) 1. The diluted earnings per share for the interim period is not provided because there are no potential shares.
2. The Company's shares remaining in the BIP trust and the ESOP trust which are recorded as treasury shares under shareholders' equity are included in treasury shares to be deducted from the average number of outstanding shares during the period for the calculation of basic earnings per share for the interim period.
- The average number of treasury shares during the period deducted for the calculation of basic earnings per share for the interim period was 858,000 shares in previous interim accounting period and 822,000 shares in the current interim accounting period.

(Significant subsequent events)

(Purchase of treasury shares)

The Company resolved at its Board of Directors meeting on October 30, 2025 the following matters associated with the acquisition of treasury shares based on the provision of Article 156 of the Companies Act to be applied mutatis mutandis pursuant to the provision of Article 165, paragraph 3 of the said Act.

(1) Reasons for executing purchase of treasury shares

Improvement of capital efficiency and execution of agile capital policy in response to changes in the business environment

(2) Contents of resolution of the Board of Directors regarding the acquisition of treasury shares

(i) Class of shares to be acquired

Common shares of the Company

(ii) Total number of shares to be acquired

Up to 10,000,000 shares

(iii) Acquisition period

From October 31, 2025 to March 31, 2026

(iv) Total acquisition amount

Up to 30,000 million yen

(v) Acquisition method

Purchase through the market including an advance-notice-type market buying system (ToSTNeT-3)

(Cancellation of treasury shares)

The Company resolved at its Board of Directors meeting on October 30, 2025 the following matters associated with the cancellation of treasury shares based on the provision of Article 178 of the Companies Act.

(1) Reasons for cancelling treasury shares

Improvement of capital efficiency and execution of agile capital policy in response to changes in the business environment

(2) Contents of resolution of the Board of Directors regarding the cancellation of treasury shares

(i) Class of shares to be canceled

Common shares of the Company

(ii) Number of shares to be canceled

10,000,000 shares

(iii) Planned date of cancellation

November 25, 2025

(iv) Total number of issued shares after cancellation

430,507,285 shares

2. Other

(Dividend)

The Company resolved at its Board of Directors meeting on October 30, 2025 as follows.

Matters concerning the common shares dividend

- |                               |                    |
|-------------------------------|--------------------|
| (1) Total amount of dividends | 16,603 million yen |
| (2) Dividend per share        | 40 yen             |
| (3) Record date               | September 30, 2025 |
| (4) Effective date            | December 1, 2025   |
| (5) Source of dividends       | Retained earnings  |

**Part 2. Information About Reporting Company's Guarantor, Etc.**

Not applicable.