

**Consolidated Financial Results for the Fiscal Year Ended March 31, 2025**  
**<Under Japanese GAAP>**

April 28, 2025

Company Name: SEKISUI CHEMICAL CO., LTD.  
Listing: Tokyo Stock Exchange  
Securities code: 4204 URL: <https://www.sekisuichechemical.com>  
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Scheduled date of annual general meeting of shareholders: June 20, 2025  
Scheduled date to commence dividend payments: June 23, 2025  
Scheduled date to file annual securities report: June 16, 2025  
Preparation of supplementary material on financial results: Yes  
Holding of financial results briefing: Yes

(Figures rounded down to the nearest million yen)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results (% figures represent changes from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	1,297,754	3.3	107,951	14.4	110,958	4.8	81,925	5.1
March 31, 2024	1,256,538	1.1	94,399	3.0	105,921	1.6	77,930	12.5
Note: Comprehensive Income	For the fiscal year ended March 31, 2025 :				60,474 million yen		(-55.4%)	
	For the fiscal year ended March 31, 2024 :				135,737 million yen		(61.6%)	

	Profit attributable to owners of parent per share	Profit attributable to owners of parent per share (Diluted)	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	yen	yen	%	%	%
March 31, 2025	195.93	-	10.2	8.4	8.3
March 31, 2024	183.48	-	10.4	8.3	7.5

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2025 : -1,092 million yen  
For the fiscal year ended March 31, 2024 : 843 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity to asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
As of March 31, 2025	1,330,786	835,366	60.7	1,933.56
As of March 31, 2024	1,323,243	820,925	59.9	1,880.30
Reference: Equity	As of March 31, 2025:	807,348 million yen	As of March 31, 2024:	792,329 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	119,231	(61,508)	(61,200)	120,895
March 31, 2024	106,632	(18,515)	(53,023)	126,367

2. Dividend Status

(Date of Record)	Annual dividends per share					Total cash dividends (Total)	Payout Ratio (consolidated)	Ratio of dividends to net assets (Consolidated)
	At the end of 1st Q	At the end of 2nd Q	At the end of 3rd Q	Fiscal year-end	Total			
Fiscal year ended	yen	yen	yen	yen	yen	Millions of yen	%	%
March 31, 2024	-	35.00	-	39.00	74.00	31,407	40.3	4.2
March 31, 2025	-	37.00	-	42.00	79.00	33,064	40.4	4.1
March 31, 2026 (Forecast)	-	40.00	-	40.00	80.00		40.7	

3. Consolidated Outlook for Fiscal 2025 (April 1, 2025 to March 31, 2026)

(% 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 the parent per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
1st Half	658,000	4.6	48,900	0.4	49,700	3.2	35,100	-18.2	84.06
Full Year	1,364,500	5.1	115,000	6.5	116,600	5.1	82,000	0.1	196.39

#### 4. Notes

##### (1) Significant changes in the scope of consolidation during the period:

Newly included: 4 companies (Kofu Sekisui Industry Co., Ltd., Tohseki Kako Co., Ltd., Yonseki Kako Co., Ltd., and Sekisui Solar Film Co., Ltd.)

Excluded: 2 companies (PT. Sekisui Indonesia and Sekisui Chemical India Private Ltd.)

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

- a) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- b) Changes other than a): None
- c) Changes in accounting estimates: None
- d) Restatements: None

##### (3) Number of shares issued (common shares)

a) Number of shares issued at the end of the period (including treasury shares):	As of March 31, 2025	444,507,285	As of March 31, 2024	448,507,285
b) Number of treasury shares at the end of the period:	As of March 31, 2025	26,963,200	As of March 31, 2024	27,121,698
c) Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year):	Fiscal year ended March 31, 2025	418,137,307	Fiscal year ended March 31, 2024	424,727,683

Note: For further details, please refer to "(5) Notes to Consolidated Financial Statements" (Per share information)

#### [Reference] Overview of non-consolidated financial results

##### 1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

##### (1) Non-consolidated operating results (% figures represent changes from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	393,260	1.9	12,760	33.6	57,595	-2.9	60,104	-11.6
March 31, 2024	386,059	0.9	9,552	28.9	59,321	3.6	67,971	43.5

  

	Profit per Share	Profit per Share (Diluted)
Fiscal year ended	yen	yen
March 31, 2025	143.67	-
March 31, 2024	159.95	-

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

	Total assets	Net assets	Equity to asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
As of March 31, 2025	777,143	383,660	49.4	918.37
As of March 31, 2024	736,745	378,134	51.3	896.89
Reference: Equity	As of March 31, 2025:	383,660 million yen	As of March 31, 2024:	378,134 million yen

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

##### Note: Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements contained in this report are based on information available as of the date of this report and on certain assumptions that the Group believes are reasonable.

Forward-looking statements are not guarantees that the Group will achieve the amounts indicated. Various factors could cause actual results to differ materially from those projected.

# I. Qualitative Information and Financial Review

## 1. Consolidated Business Results

### (1) Group Overview

**Net Sales: 1,297.7 billion yen (+3.3%), Operating Profit: 107.9 billion yen (+14.4%), Ordinary Profit: 110.9 billion yen (+4.8%), Profit Attributable to Owners of Parent: 81.9 billion yen (+5.1%)**

In fiscal 2024, despite sluggishness in the domestic new housing market and downturns in global market conditions including automobile production, and smartphone shipments, sales of high value-added products increased and there were positive effects from foreign exchange rates, and net sales reached a record high.

Due to efforts to increase sales of high-value-added products, secure profit, and control fixed costs as well as positive effects from foreign exchange rates, profit increased in all business segments, companywide operating profit exceeded 100 billion yen and all key profit metrics reached record highs.

### (2) Overview by Business Segment

#### [Housing Company]

**Net Sales: 524.0 billion yen (-1.1%), Operating Profit: 31.4 billion yen (+13.6%)**

In fiscal 2024, sales increased in the Housing Renovation business and Real Estate business, but the number of houses sold in the Housing business declined, and as a result, net sales decreased slightly from the previous fiscal year. Effects from measures to strengthen profitability in the Housing business emerged, and the Housing Renovation business expanded steadily, leading to an increase in operating profit.

Despite a sluggish recovery in demand in regional areas due to effects from rising commodity prices and a moderate year-on-year decline in the number of houses ordered, amount of orders in the Housing business increased year-on-year due to relatively firm demand in urban areas. In the Housing Renovation business, orders increased year-on-year as a result of reinforcement of sales structures, continuation of regular inspections, increased renovation sales centered on insulation, and other factors.

In terms of measures, we continued promoting “Smart and Resilience” in the Housing, Housing Renovation, and Town and Community Development businesses. In the Housing business, we focused on reinforcing marketing activities including strengthening area-specific product strategies and enhancing designs.

#### [Urban Infrastructure and Environmental Products Company]

**Net Sales: 240.4 billion yen (+2.4%), Operating Profit: 22.9 billion yen (+3.7%)**

In fiscal 2024, despite sluggish conditions in the domestic housing and non-housing construction markets as well as a deterioration of cargo movement in the fourth quarter due to construction delays and other factors, sales increased as a result of improved selling prices and increased sales of prioritized products, and as a result, operating profit reached a record high for the third consecutive fiscal year.

In the Pipe Systems field, demand was sluggish in the domestic housing and non-housing markets, and sales of chlorinated polyvinyl chloride (CPVC) were impacted by sluggish market conditions in India, but net sales increased year-on-year due to improved selling prices, expanded sales of prioritized products, and other factors.

In the Buildings and Infrastructures Composite Materials field, net sales increased year-on-year due to expanded sales of prioritized products including fire protection and non-combustible materials and steady orders for synthetic lumber (FFU) for railway sleepers, particularly in Europe.

In the Infrastructure Renovation field, despite effects from construction delays for pipeline renewal in Japan and overseas and other factors, net sales increased year-on-year due to firm demand for panel tanks for water supply.

#### [High Performance Plastics Company]

**Net Sales: 447.3 billion yen (+8.3%), Operating Profit: 61.2 billion yen (+20.2%)**

In fiscal 2024, global markets remain sluggish, but sales of high-performance products increased and there were positive effects from foreign exchange rates, resulting in higher sales and a substantial increase in profits, and profit reached a record high.

In the Electronics field, semiconductor-related demand recovered and steady progress was made in capturing new business, resulting in a year-on-year increase in net sales.

In the Mobility field, despite sluggish demand for some aircraft-related products and effects from stagnant automobile production, sales of high-performance interlayer films (used mainly for head-up displays, solar control, and color design) increased at a steady pace, and net sales increased year-on-year.

In the Industrial field, demand for building materials and consumer goods in Europe was below expectations, but progress was made on improving sales prices and increased sales of labor-saving and environmentally-conscious products, such as foam materials and tapes also made a contribution, and as a result, net sales increased year-on-year.

### **[Medical Business]**

**Net Sales: 99.1 billion yen (+7.1%), Operating Profit: 12.7 billion yen (+16.8%)**

In fiscal 2024, sales increased due to the steady capture of demand in the domestic diagnostics market particularly in the immunology segment, focused efforts on expanding sales of infectious disease test kits in the U.S., and steady orders for key active pharmaceutical ingredients and drug development solutions in the Pharmaceuticals Sciences business, and operating profit reached a record high.

## **2. Overview of Financial Position in Fiscal 2024**

Consolidated total assets as of the end of the fiscal year were 1,330,786 million yen, an increase of 7,542 million yen from the end of the previous fiscal year.

### **(Assets)**

Current assets were 703,104 million yen, an increase of 17,540 million yen from the end of the previous fiscal year.

The main factors were an increase of 4,013 million yen in cash and deposits, an increase of 15,586 million yen in total inventories, and a decrease of 6,192 million yen in total trade receivables.

Fixed assets were 627,681 million yen, a decrease of 9,997 million yen.

### **(Liabilities)**

Total liabilities were 495,420 million yen, a decrease of 6,898 million yen from the end of the previous fiscal year. The main factors were an increase of 12,121 million yen in advances received and decreases of 9,229 million yen in short-term borrowings, 8,216 million yen in income taxes payable, and 306 million yen in trade payables of notes payable - trade, electronically recorded obligations - operating, and accounts payable - trade.

### **(Net Assets)**

Consolidated net assets were 835,366 million yen as of the end of the fiscal year, an increase of 14,441 million yen from the end of the previous fiscal year. The main factors were an increase in retained earnings due to the recording of 81,925 million yen in profit attributable to owners of the parent, an increase of 42,854 million yen in retained earnings due to changes such as 31,964 million yen in dividends paid, and other factors as well as decreases from 14,307 million yen in valuation difference on available-for-sale securities, 5,666 million yen in foreign currency translation adjustments, 3,553 million yen in capital surplus, 2,920 million yen in remeasurements of defined benefit plans, and 8,922 million yen for the acquisition of treasury shares.

## **3. Overview of Cash Flows in Fiscal 2024**

Cash and cash equivalents (referred to as "Cash") as of the end of the fiscal year were 120,895 million yen, a decrease of 5,471 million yen from the end of the previous fiscal year.

The status of each measure of cash flows during fiscal 2024 and the factors affecting those cash flows were as follows.

### **(Cash flows from operating activities)**

Cash generated from operating activities during the fiscal year was 119,231 million yen (compared to 106,632 million yen in the previous fiscal year). The increase was primarily due 119,973 million yen in profit before income taxes, 52,361 million yen in depreciation, and 12,159 million yen in advances received, while the negative factors include 41,902 million yen in income taxes paid and an increase of 16,407 million yen in inventories.

(Cash flows from investing activities)

Cash used in investing activities during the fiscal year was 61,508 million yen (compared to 18,515 million yen used in the previous fiscal year). The main factors were outflows of 58,104 million yen for the acquisition of property, plant and equipment, mainly in key and growth areas, and 12,213 million yen for the acquisition of intangible assets, while inflows included 16,134 million yen in proceeds from the sale and redemption of investment securities.

(Cash flows from financing activities)

Cash used in financing activities during the fiscal year was 61,200 million yen (compared to 53,023 million yen used in the previous fiscal year). The main factors were outflows of 32,936 million yen in dividends paid (including dividends paid to non-controlling interests), 10,069 million yen in repayment of long-term borrowings, and 8,922 million yen for the acquisition of treasury shares.

## 4. Forecast for Fiscal 2025

### (1) Group Forecast

**Net Sales: 1,364.5 billion yen (+5.1%), Operating Profit: 115.0 billion yen (+6.5%), Ordinary Profit: 116.6 billion yen (+5.1%), Profit Attributable to Owners of Parent: 82.0 billion yen (+0.1%)**

Market conditions in fiscal 2025 are uncertain, but we expect markets to remain at the same levels as in fiscal 2024. We will continue our efforts to expand high value-added businesses and products that contribute to resolving social issues and to maintain profits while seeking to increase sales and profit in all segments, achieve a new record high for companywide net sales, reach 115 billion yen in operating profit as indicated in the medium-term management plan, and achieve new record highs for all key profit metrics.

In addition, we will accelerate preparations for long-term growth including commercialization of the perovskite solar cell business, promoting digital transformation (DX), and reinforcing research and development.

We will closely monitor developments relating to U.S. policies on tariffs as well as changes in exchange rates and will take measures to minimize impacts by promptly implementing countermeasures such as reflecting cost changes in sales prices, controlling additional fixed costs and additional cost reduction.

### (2) Forecast by Business Segment

#### [Housing Company]

**Net Sales: 540.0 billion yen (+3.1%), Operating Profit: 36.0 billion yen (+14.3%)**

In fiscal 2025, we will pursue higher sales and profit through measures such as increasing unit prices in the Housing business by increasing sales of high-end products and increasing sales in the Housing Renovation and Residential businesses (Real Estate and Town and Community Development businesses).

In the Housing business, we expect sales to increase, mainly as a result of a recovery in orders in urban areas and higher unit prices. We will also continue efforts to increase orders for high-end products such as custom-built detached houses and apartment buildings while conducting product development and sales strategies tailored to the needs of each region.

In the Housing Renovation business, we will continue our efforts to reinforce sales structures and enhance regular inspections and focus on increasing orders.

Regarding the Residential business, in the Real Estate business, we will focus on expanding the rental business by increasing the number of residential units under management and expanding the distribution business including the agency and purchase and resale businesses. In the Town and Community Development business, we will focus on securing new projects and work to continuously increase sales.

#### [Urban Infrastructure and Environmental Products Company]

**Net Sales: 251.8 billion yen (+4.7%), Operating Profit: 26.0 billion yen (+13.2%)**

In fiscal 2025, we expect that the domestic housing and non-housing construction markets will remain at the same levels as in fiscal 2024 and that capital investment demand will increase towards the second half. Overall costs will continue to trend upwards, but we will seek to cover the increases by expanding sales of prioritized products that contribute to resolving social issues including labor shortages and aging infrastructure, increasing overseas sales, and establishing new prices, and

we will pursue higher sales and profits.

In the Pipe Systems field, we will continue to increase sales of prioritized products, steadily capture demand for capital investment for plants, which is expected to recover starting in the second half of the year, and focus on increasing sales of new chlorinated polyvinyl chloride (CPVC) resin products.

In the Buildings and Infrastructures Composite Materials field, we will focus on increasing sales of fire protection and noncombustible materials, nursing care products, and large high-capacity drainage systems. We will also accelerate the adoption of synthetic lumber (FFU) for railway sleepers with a focus on Europe.

In the Infrastructure Renovation field, we will take action to increase orders for pipeline renewal by acquiring projects arising from the nationwide priority survey of sewer systems in Japan and increasing overseas orders through collaboration with construction partners. Will also increase sales by reinforcing sales of panel tanks for water supply.

#### **[High Performance Plastics Company]**

**Net Sales: 482.9 billion yen (+7.9%), Operating Profit: 64.0 billion yen (+4.5%)**

In fiscal 2025, although the global market outlook is uncertain, we will seek to increase sales in all fields, achieve higher sales and profit, and set a new record for profit for the third consecutive fiscal year. We will closely monitor U.S. tariff policy and fluctuations in exchange rates and promptly implement countermeasures including reflecting cost changes in selling prices and promoting allocation to minimize the impacts.

In the Electronics field, we expect market conditions for smartphones to be somewhat better than in fiscal 2024 and that demand for large panels will remain firm. We will continue to accelerate the increase of sales in non-LCD areas with a focus on products for high-performance semiconductors in an effort to increase sales.

In the Mobility field, we will increase sales of high-performance interlayer films with a focus on head-up displays. We also anticipate some degree of recovery in aircraft demand and will seek to increase sales.

In the Industrial field, we will make efforts to maintain selling prices while continuing efforts to increase sales of construction labor-saving and environmentally friendly products, which have been designated as growth sectors, to increase sales.

#### **[Medical Business]**

**Net Sales: 102.2 billion yen (+3.0%), Operating Profit: 14.5 billion yen (+13.4%)**

In fiscal 2025, in the Diagnostics business, we will expand our lineups of coagulation equipment in Japan and China and acquire new customers. In the Pharmaceuticals & Fine chemicals business, we will continue to focus our efforts on obtaining new orders, increase sales and profit, and achieve record high profits for the second consecutive fiscal year.

### **5. Basic Policy on Distribution of Profits and Dividends for Fiscal 2024 and Fiscal 2025**

SEKISUI CHEMICAL positions increasing corporate value and actively returning profits to shareholders as priority management objectives. With regard to shareholder returns, we expressed the following policy in May 2023, reinforcing and clarifying our commitment.

- Dividend payout ratio: 40% or higher
- DOE: 3% or higher
- Total payout ratio: If the D/E ratio is no higher than 0.5, 50% or higher

Additional return shall be made appropriately, taking into account the investment progress of medium-term plan, cash position and share prices

- Cancellation of treasury shares: Cancel newly acquired shares to the extent that total treasury shares do not exceed 5% of outstanding shares.

The record dates for payment of dividends or the last day of the first half and the last day of the fiscal year, and our policy is to continue paying dividends twice annually.

Regarding the dividend for fiscal 2024, based on comprehensive consideration of the policy set forth above, we revised the year-and dividend to 42 yen, an increase of 2 yen from the forecast announced on January 30, 2025.

Consequently, we plan to pay an annual dividend for the fiscal year ended March 2025 of 79 yen, an increase of 5 yen from the previous fiscal year.

	Annual Dividend per share (yen)		
	End of 1H	Fiscal Year-End	Total
Previous forecast (announced on January 30, 2025)	—	40.00	77.00
Revised forecast	—	42.00	79.00
Result in the current fiscal year	37.00	—	—
Result in the previous fiscal year	35.00	39.00	74.00

In fiscal 2025, SEKISUI CHEMICAL plans to pay a first half period-end dividend of 40 yen and a fiscal year-end dividend of 40 yen for a total annual dividend distribution of 80 yen per share.

## 5. Consolidated Financial Statements and Notes

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	138,572	142,586
Notes receivable - trade	43,109	37,820
Accounts receivable - trade	168,864	167,960
Contract assets	1,486	1,758
Merchandise and finished goods	112,748	110,721
Land for sale in lots	67,693	69,187
Work in process	61,087	72,006
Raw materials and supplies	56,704	61,903
Advance payments to suppliers	4,122	5,274
Prepaid expenses	5,793	7,389
Short-term loans receivable	1,115	714
Other	25,044	26,465
Allowance for doubtful accounts	(776)	(686)
Total current assets	685,564	703,104
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	123,499	121,784
Machinery, equipment and vehicles, net	114,194	113,941
Land	85,931	86,517
Leased assets, net	21,750	21,294
Construction in progress	33,599	46,085
Other, net	13,510	14,245
Total property, plant and equipment	392,485	403,870
Intangible assets		
Goodwill	8,636	6,874
Software	17,410	16,915
Leased assets	107	64
Other	32,944	35,276
Total intangible assets	59,097	59,131
Investments and other assets		
Investment securities	127,421	105,102
Long-term loans receivable	1,097	923
Long-term prepaid expenses	2,130	1,757
Retirement benefit asset	35,368	35,575
Deferred tax assets	4,223	4,855
Other	17,136	17,179
Allowance for doubtful accounts	(1,280)	(714)
Total investments and other assets	186,096	164,679
Total non-current assets	637,679	627,681
Total assets	1,323,243	1,330,786



(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes payable - trade	578	413
Electronically recorded obligations - operating	15,567	15,782
Accounts payable - trade	107,713	107,356
Short-term borrowings	11,569	2,340
Current portion of bonds payable	30	—
Lease liabilities	5,433	5,422
Accrued expenses	43,107	44,254
Income taxes payable	25,086	16,870
Provision for bonuses	19,628	22,219
Provision for bonuses for directors (and other officers)	474	488
Provision for warranties for completed construction	2,445	2,209
Provision for share awards	112	108
Advances received	57,436	69,557
Other	55,414	52,977
Total current liabilities	344,597	340,002
Non-current liabilities		
Bonds payable	40,000	40,000
Long-term borrowings	46,270	46,042
Lease liabilities	17,421	17,025
Deferred tax liabilities	4,757	1,524
Retirement benefit liability	41,344	42,824
Provision for share awards	1,083	1,154
Other	6,843	6,845
Total non-current liabilities	157,720	155,417
Total liabilities	502,318	495,420
<b>Net assets</b>		
Shareholders' equity		
Share capital	100,002	100,002
Capital surplus	108,621	105,068
Retained earnings	501,945	544,799
Treasury shares	(48,679)	(50,082)
Total shareholders' equity	661,889	699,787
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	51,197	36,889
Deferred gains or losses on hedges	(15)	(0)
Revaluation reserve for land	320	319
Foreign currency translation adjustment	67,826	62,160
Remeasurements of defined benefit plans	11,111	8,190
Total accumulated other comprehensive income	130,440	107,560
Non-controlling interests	28,595	28,018
Total net assets	820,925	835,366
Total liabilities and net assets	1,323,243	1,330,786

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

## (Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	1,256,538	1,297,754
Cost of sales	864,343	877,147
Gross profit	392,195	420,606
Selling, general and administrative expenses	297,795	312,655
Operating profit	94,399	107,951
Non-operating income		
Interest income	1,854	2,149
Dividend income	3,603	3,245
Share of profit of entities accounted for using equity method	843	—
Foreign exchange gains	6,958	—
Miscellaneous income	3,472	5,288
Total non-operating income	16,733	10,683
Non-operating expenses		
Interest expenses	1,103	1,038
Share of loss of entities accounted for using equity method	—	1,092
Foreign exchange losses	—	411
Miscellaneous expenses	4,108	5,133
Total non-operating expenses	5,211	7,676
Ordinary profit	105,921	110,958
Extraordinary income		
Gain on sale of investment securities	13,701	14,567
Gain on sale of shares of subsidiaries and associates	540	—
Total extraordinary income	14,242	14,567
Extraordinary losses		
Impairment losses	4,128	2,788
Loss on valuation of investment securities	2,453	512
Loss on valuation of shares of subsidiaries and associates	330	—
Loss on sale and retirement of non-current assets	1,773	2,251
Total extraordinary losses	8,684	5,552
Profit before income taxes	111,479	119,973
Income taxes - current	38,399	33,275
Income taxes - deferred	(5,974)	2,591
Total income taxes	32,424	35,867
Profit	79,054	84,106
Profit attributable to non-controlling interests	1,123	2,181
Profit attributable to owners of parent	77,930	81,925

## (Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	79,054	84,106
Other comprehensive income		
Valuation difference on available-for-sale securities	14,365	(14,185)
Deferred gains or losses on hedges	0	15
Foreign currency translation adjustment	29,811	(6,216)
Remeasurements of defined benefit plans, net of tax	13,596	(3,163)
Share of other comprehensive income of entities accounted for using equity method	(1,089)	(82)
Total other comprehensive income	56,683	(23,632)
Comprehensive income	135,737	60,474
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	133,386	59,045
Comprehensive income attributable to non-controlling interests	2,351	1,428

## (3) Consolidated Statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100,002	108,583	468,094	(46,637)	630,041
Changes during period					
Dividends of surplus			(27,845)		(27,845)
Profit attributable to owners of parent			77,930		77,930
Increase and decrease in retained earnings resulting from increase of subsidiaries in consolidation					—
Change in scope of equity method			(2,377)	34	(2,343)
Changes resulting from merger of consolidated subsidiaries and unconsolidated subsidiaries			78		78
Cancellation of treasury shares		(13,935)		13,935	—
Purchase of treasury shares				(16,173)	(16,173)
Disposal of treasury shares		0		161	161
Transfer from retained earnings to capital surplus		13,935	(13,935)		—
Change in ownership interest of parent due to transactions with non-controlling interests		38			38
Net changes in items other than shareholders' equity					—
Total changes during period	—	38	33,851	(2,042)	31,847
Balance at end of period	100,002	108,621	501,945	(48,679)	661,889

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	37,836	(24)	321	39,253	(2,402)	74,984	27,498	732,525
Changes during period								
Dividends of surplus								(27,845)
Profit attributable to owners of parent								77,930
Increase and decrease in retained earnings resulting from increase of subsidiaries in consolidation								—
Change in scope of equity method								(2,343)
Changes resulting from merger of consolidated subsidiaries and unconsolidated subsidiaries								78
Cancellation of treasury shares								—
Purchase of treasury shares								(16,173)
Disposal of treasury shares								161
Transfer from retained earnings to capital surplus								—
Change in ownership interest of parent due to transactions with non-controlling interests								38
Net changes in items other than shareholders' equity	13,361	8	(1)	28,572	13,514	55,455	1,097	56,552
Total changes during period	13,361	8	(1)	28,572	13,514	55,455	1,097	88,400
Balance at end of period	51,197	(15)	320	67,826	11,111	130,440	28,595	820,925

## Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100,002	108,621	501,945	(48,679)	661,889
Changes during period					
Dividends of surplus			(31,964)		(31,964)
Profit attributable to owners of parent			81,925		81,925
Increase and decrease in retained earnings resulting from increase of subsidiaries in consolidation			133		133
Change in scope of equity method					—
Changes resulting from merger of consolidated subsidiaries and unconsolidated subsidiaries					—
Cancellation of treasury shares		(7,239)		7,239	—
Purchase of treasury shares				(8,922)	(8,922)
Disposal of treasury shares		0		279	279
Transfer from retained earnings to capital surplus		7,239	(7,239)		—
Change in ownership interest of parent due to transactions with non-controlling interests		(3,553)			(3,553)
Net changes in items other than shareholders' equity					—
Total changes during period	—	(3,553)	42,854	(1,402)	37,898
Balance at end of period	100,002	105,068	544,799	(50,082)	699,787

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	51,197	(15)	320	67,826	11,111	130,440	28,595	820,925
Changes during period								
Dividends of surplus								(31,964)
Profit attributable to owners of parent								81,925
Increase and decrease in retained earnings resulting from increase of subsidiaries in consolidation								133
Change in scope of equity method								—
Changes resulting from merger of consolidated subsidiaries and unconsolidated subsidiaries								—
Cancellation of treasury shares								—
Purchase of treasury shares								(8,922)
Disposal of treasury shares								279
Transfer from retained earnings to capital surplus								—
Change in ownership interest of parent due to transactions with non-controlling interests								(3,553)
Net changes in items other than shareholders' equity	(14,307)	15	(0)	(5,666)	(2,920)	(22,879)	(577)	(23,456)
Total changes during period	(14,307)	15	(0)	(5,666)	(2,920)	(22,879)	(577)	14,441
Balance at end of period	36,889	(0)	319	62,160	8,190	107,560	28,018	835,366

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	111,479	119,973
Depreciation	51,195	52,361
Amortization of goodwill	1,477	1,395
Impairment losses	4,128	2,788
Loss on retirement of non-current assets	1,717	2,238
Loss (gain) on sales of non-current assets	56	12
Increase or decrease in retirement benefit asset and liability	(1,764)	(2,893)
Loss (gain) on sale of investment securities	(13,701)	(14,567)
Loss (gain) on sale of shares of subsidiaries and associates	(540)	—
Loss (gain) on valuation of investment securities	2,453	512
Loss on valuation of shares of subsidiaries and associates	330	—
Interest and dividend income	(5,458)	(5,395)
Interest expenses	1,103	1,038
Share of loss (profit) of entities accounted for using equity method	(843)	1,092
Decrease (increase) in accounts receivable - trade, and contract assets	(11,355)	4,139
Decrease (increase) in inventories	(2,338)	(16,407)
Increase (decrease) in trade payables	(17,858)	4,342
Increase (decrease) in advances received	3,723	12,159
Increase (decrease) in deposits received	(2,655)	(2,733)
Other, net	(2,205)	(6,411)
Subtotal	118,939	153,645
Interest and dividends received	6,249	5,999
Interest paid	(1,292)	(1,003)
Income taxes refund	10,453	2,492
Income taxes paid	(27,717)	(41,902)
Net cash provided by (used in) operating activities	106,632	119,231
Cash flows from investing activities		
Purchase of property, plant and equipment	(46,070)	(58,104)
Proceeds from sale of property, plant and equipment	885	1,342
Payments into time deposits	(13,777)	(27,220)
Proceeds from withdrawal of time deposits	18,614	17,465
Purchase of investment securities	(1,018)	(1,363)
Proceeds from sale and redemption of investment securities	22,073	16,134
Proceeds from sale of shares of subsidiaries and associates	16,739	—
Purchase of intangible assets	(14,385)	(12,213)
Decrease (increase) in short-term loans receivable	(917)	445
Other, net	(659)	2,005
Net cash provided by (used in) investing activities	(18,515)	(61,508)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	407	(86)
Repayments of lease liabilities	(5,701)	(5,724)
Proceeds from long-term borrowings	5	707
Repayments of long-term borrowings	(2,543)	(10,069)
Redemption of bonds	—	(30)
Dividends paid	(27,830)	(31,934)
Dividends paid to non-controlling interests	(1,263)	(1,001)
Purchase of treasury shares	(16,173)	(8,922)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(3)	(4,291)
Other, net	81	153
Net cash provided by (used in) financing activities	(53,023)	(61,200)
Effect of exchange rate change on cash and cash equivalents	6,058	(2,054)
Net increase (decrease) in cash and cash equivalents	41,151	(5,531)
Cash and cash equivalents at beginning of period	85,207	126,367
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	8	60
Cash and cash equivalents at end of period	126,367	120,895

## (5) Notes to Consolidated Financial Statements

(Notes regarding the premise of a going concern)

Not applicable.

## (Notes to Consolidated Statement of Income)

## I. Fiscal 2023 (from April 1, 2023 to March 31, 2024)

## Impairment losses

The Group reported Impairment losses in the fiscal year ended March 31, 2024 mainly for the following assets:

Item	Type	Location
Lithium-ion battery business	Machinery, equipment and vehicles, Buildings and structures, etc.	Tokoname city, Japan

The Group classifies assets or groups of assets by cash generating unit, which is the smallest identifiable group of assets that generates cash inflows that are largely independent of other assets or groups of assets (for unemployed capital, by each property).

The Group has written down the full carrying amount of Machinery, equipment and vehicles, Buildings and structures, etc. invested in the Lithium-ion battery business, from which the recoverability of future cash flows has become unexpected. As a result, the Group recorded a reduction in the amount as impairment losses under extraordinary losses in the amount of 3,707 million yen.

The breakdown is Machinery, equipment and vehicles of 1,728 million yen, Buildings and structures of 1,543 million yen, and others of 435 million yen.

## II. Fiscal 2024 (from April 1, 2024 to March 31, 2025)

## Impairment losses

The Group reported Impairment losses in the fiscal year ended March 31, 2025 mainly for the following assets:

Item	Type	Location
Business assets	Goodwill and Other (Intangible assets)	United States of America
Business assets	Machinery, equipment and vehicles, Construction in progress, etc.	United States of America

The Group classifies assets or groups of assets by cash generating unit, which is the smallest identifiable group of assets that generates cash inflows that are largely independent of other assets or groups of assets (for unemployed capital, by each property).

The Group have written down the amount of Goodwill and intangible assets recorded upon acquiring the diagnostics business in the United States, to the recoverable amount as the initially estimated in the business plan at the time of acquisition was no longer expected. As a result, the Group recorded a reduction in the amount as impairment losses under extraordinary losses in the amount of 1,456 million yen.

The breakdown is Goodwill of 343 million yen and Other (Intangible assets) of 1,122 million yen.

The recoverable amount was calculated based on fair value, which is calculated by discounting future cash flows at a rate of 19.5%.

In addition, the Group have written down the amount of assets no longer expected to be used in the future due to the discontinued development of the genetic testing systems, to the recoverable amount. As a result, the Group recorded a reduction in the amount as impairment losses under extraordinary losses in the amount of 508 million yen.

The breakdown is Machinery, equipment and vehicles of 191 million yen, Construction in progress of 204 million yen, and Other of 111 million yen.

The recoverable amount was calculated based on the value in use, but the entire amount was impaired as future cash flows were no longer expected.

(Segment Information, etc.)

## I Segment Information

### a. Overview of the Reportable Segments

The reportable segments of the Group are determined on the basis that separate financial information of such segments is available and examined periodically by the Board of Directors of the Company to make decisions regarding the allocation of management resources and assess the business performances of such segments.

The Group have divided the business operations into the four segments of Housing, Urban Infrastructure and Environmental Products (UIEP), High Performance Plastics (HPP), and Medical based on manufacturing methods, products, sales channels, and other business similarities.

Each business segment formulates comprehensive strategies and develops business activities for its products in Japan and overseas.

The Housing business comprises manufacturing, construction and sales of prefabricated modular houses, refurbishing, and other operations related to real estate, residential service and town and community development.

The UIEP business comprises manufacturing, sales, and construction operations related to PVC pipes and joints, polyethylene pipes and joints, pipe and drain renewal materials and construction methods, reinforced plastic pipes, chlorinated PVC resin compound, construction materials, and FFU.

The HPP business comprises manufacturing and sales of interlayer films for laminated glass, polyolefin foam, tape, LCD microparticles, photosensitive materials and other products.

The Medical business comprises manufacturing and sales of diagnostic reagents, pharmaceutical ingredients and intermediates.

### b. Calculation methods used for sales, profit or loss, assets and the other items on each reportable segment

The accounting methods for the reportable segments are based on the amounts in accordance with the accounting standards adopted for the preparation of consolidated financial statements. Profit of the reportable segments are figures based on operating profit. Intersegment sales and transfers are presented based on the current market prices.



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

Fiscal 2023 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable Segments					Other (Notes 1,2)	Total
	Housing (Note 1)	UIEP	HPP	Medical	Total		
Net Sales							
Japan	528,041	182,499	110,946	45,876	867,364	2,416	869,781
North America	—	2,800	101,150	21,527	125,478	—	125,478
Europe	—	5,432	76,102	8,797	90,332	—	90,332
China	—	5,594	68,146	13,443	87,184	2,171	89,355
Asia	1,374	22,693	44,936	2,207	71,212	69	71,282
Others	—	2,928	6,612	768	10,308	—	10,308
Net sales to external customers	529,416	221,949	407,894	92,620	1,251,880	4,657	1,256,538
Intersegment sales or transfers	277	12,838	5,002	—	18,118	2,595	20,714
Total	529,693	234,787	412,897	92,620	1,269,999	7,252	1,277,252
Segment profit (loss)	27,729	22,129	50,931	10,952	111,743	(10,821)	100,921
Segment assets	374,477	261,935	479,355	149,002	1,264,771	30,498	1,295,269
Other items:							
Depreciation and amortization	11,605	8,663	22,119	5,623	48,011	2,082	50,094
Investment in entities accounted for by the equity method	10,373	—	3,207	—	13,580	—	13,580
Increase in property, plant and equipment, and intangible assets	10,192	10,090	22,918	7,082	50,283	2,708	52,992

Note 1: Net sales in “Housing” include 43,731 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 908 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.

Fiscal 2023 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable Segments					Other (Notes 1,2)	Total
	Housing (Note 1)	UIEP	HPP	Medical	Total		
Net Sales							
Japan	522,561	187,092	114,179	47,708	871,542	3,083	874,625
North America	—	2,911	114,077	24,311	141,299	—	141,299
Europe	—	6,913	85,614	11,225	103,754	—	103,754
China	—	3,655	71,554	12,995	88,206	1,777	89,983
Asia	1,350	24,356	50,077	2,422	78,208	37	78,245
Others	—	2,472	6,862	511	9,845	—	9,845
Net sales to external customers	523,912	227,401	442,366	99,175	1,292,856	4,897	1,297,754
Intersegment sales or transfers	97	13,091	4,987	—	18,176	2,655	20,832
Total	524,010	240,492	447,354	99,175	1,311,033	7,553	1,318,586
Segment profit (loss)	31,498	22,958	61,235	12,788	128,480	(11,589)	116,891
Segment Assets	402,712	268,356	484,739	154,754	1,310,562	38,164	1,348,726
Other items:							
Depreciation and amortization	11,397	9,164	22,916	6,209	49,687	1,433	51,121
Investment in entities accounted for by the equity method	10,857	—	3,418	—	14,276	—	14,276
Increase in property, plant and equipment, and intangible assets	12,778	9,331	29,047	6,709	57,866	9,293	67,160

Note 1: Net sales in “Housing” include 44,823 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 1,126 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.

- d. Differences between the total amount of reportable segments and the amount in consolidated financial statements and descriptions on such differences (matters on difference adjustments)

(Millions of yen)

Net Sales	Fiscal 2023	Fiscal 2024
Reportable segment total	1,269,999	1,311,033
Net Sales in “other”	7,252	7,553
Intersegment eliminations	(20,714)	(20,832)
Net sales in consolidated statement of income	1,256,538	1,297,754

(Millions of yen)

Profit	Fiscal 2023	Fiscal 2024
Reportable segment total	111,743	128,480
Profit in “other”	(10,821)	(11,589)
Intersegment eliminations	288	(228)
Corporate expenses (Note)	(6,810)	(8,712)
Operating profit in consolidated statement of income	94,399	107,951

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

(Millions of yen)

Assets	Fiscal 2023	Fiscal 2024
Reportable segment total	1,264,771	1,310,562
Assets in “other”	30,498	38,164
Intersegment eliminations	(404,595)	(441,600)
Corporate assets (Note)	432,569	423,661
Total assets in the consolidated balance sheet	1,323,243	1,330,786

Note: Corporate assets are mainly assets that are not attributable to each reportable segment and are associated with the administrative department.

(Millions of yen)

Other items	Reportable Segment total		Other		Adjustments (Note)		Carrying amount in consolidated financial statements	
	Fiscal 2023	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023	Fiscal 2024
Depreciation and amortization	48,011	49,687	2,082	1,433	1,101	1,240	51,195	52,361
Investment in entities accounted for by the equity method	13,580	14,276	—	—	10,060	8,027	23,640	22,304
Increase in property, plant and equipment, and intangible assets	50,283	57,866	2,708	9,293	11,281	6,082	64,274	73,243

Note: Adjustments in investments in entities accounted for by the equity method are such investments not attributable to each reportable segment.

## II Related Information

Fiscal 2023 (from April 1, 2023 to March 31, 2024)

### a. Information by product and service

The information is omitted because the same information is disclosed in “Segment information.”

### b. Information by geographic area

#### 1. Net Sales

The information is omitted because the same information is disclosed in “Segment information.”

#### 2. Property, plant and equipment

(Millions of yen)

Japan	North America	Europe	China	Asia	Others	Total
245,662	52,245	57,767	12,291	22,531	1,986	392,485

Note 1: Property, plant and equipment of the North America segment includes that of the United States of 44,205 million yen which constitutes more than 10% of the property, plant and equipment in the Consolidated Balance Sheets.

Note 2: Property, plant and equipment of the Europe segment includes that of Netherland of 47,403 million yen which constitutes more than 10% of the property, plant and equipment in the Consolidated Balance Sheets.

### c. Information on impairment losses of non-current assets

(Millions of yen)

	Housing	UIEP	HPP	Medical	Other	Corporate and elimination	Total
Impairment losses	167	188	64	—	3,707	—	4,128

### d. Information on goodwill

(Millions of yen)

	Housing	UIEP	HPP	Medical	Other	Corporate and elimination	Total
Amortization during the period	378	157	603	338	—	—	1,477
Balance as of March 31, 2024	991	—	3,790	3,854	—	—	8,636

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

a. Information by product and service

The information is omitted because the same information is disclosed in “Segment information”.

b. Information by geographic area

1. Net Sales

The information is omitted because the same information is disclosed in “Segment information.”

2. Property, plant and equipment

(Millions of yen)

Japan	North America	Europe	China	Asia	Others	Total
255,729	54,753	55,490	12,546	23,566	1,783	403,870

Note 1: Property, plant and equipment of the North America segment includes that of the United States of 48,283 million yen which constitutes more than 10% of the property, plant and equipment in the Consolidated Balance Sheets.

Note 2: Property, plant and equipment of the Europe segment includes that of Netherland of 45,062 million yen which constitutes more than 10% of the property, plant and equipment in the Consolidated Balance Sheets.

c. Information on impairment losses of non-current assets

(Millions of yen)

	Housing	UIEP	HPP	Medical	Other	Corporate and elimination	Total
Impairment losses	130	27	—	1,974	87	568	2,788

d. Information on goodwill

(Millions of yen)

	Housing	UIEP	HPP	Medical	Other	Corporate and elimination	Total
Amortization during the period	371	—	609	413	—	—	1,395
Balance as of March 31, 2025	619	—	3,154	3,100	—	—	6,874

(Per share information)

Fiscal 2023 (from April 1, 2023 to March 31, 2024)	Fiscal 2024 (from April 1, 2024 to March 31, 2025)
Net assets per share  1,880.30 yen	Net assets per share  1,933.56 yen
Profit per share  183.48 yen	Profit per share  195.93 yen

Note 1. Diluted profit per share is not stated because there were no diluted shares.

2. The basis for calculating profit per share is as shown below.

	Fiscal 2023 (from April 1, 2023 to March 31, 2024)	Fiscal 2024 (from April 1, 2024 to March 31, 2025)
Profit per share		
Profit attributable to owners of parent (millions of yen)	77,930	81,925
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (millions of yen)	77,930	81,925
Average number of outstanding common shares during the period (thousands of shares)	424,727	418,137

3. The basis for calculating net assets per share is as shown below.

	Fiscal 2023 (as of March 31, 2024)	Fiscal 2024 (as of March 31, 2025)
Total amount of net assets (millions of yen)	820,925	835,366
Amount deducted from the total amount of net assets (millions of yen)	28,595	28,018
(of which, non-controlling interests) (millions of yen)	(28,595)	(28,018)
Net assets relating to common shares at year-end (millions of yen)	792,329	807,348
Number of common shares at yearend used for the calculation of net assets per share (thousands of shares)	421,385	417,544

4. The Company's shares remaining in the BIP trust and the ESOP trust and recorded as treasury shares under shareholders' equity are included in treasury shares to be deducted from the average number of shares during the period for the calculation of basic earnings per share and are included in treasury shares to be deducted from the total number of shares issued and outstanding at year-end for the calculation of net assets per share. The average number of treasury shares during the period deducted for the calculation of profit per share was 815 thousand shares in Fiscal year ended March 31, 2025 and 957 thousand shares in Fiscal year ended March 31, 2024, and the number of treasury shares at year-end deducted for the calculation of net assets per share was 772 thousand shares as of March 31, 2025 and 932 thousand shares as of March 31, 2024.

(Significant subsequent events)

Not applicable.