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November 10, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: Sanyo Chemical Industries, Ltd.
Listing: Tokyo Stock Exchange
Securities code: 4471
URL: https://www.sanyo-chemical.co.jp/
Representative: Masahiro Harada, President & CEO
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Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date to commence dividend payments: December 4, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for analysts)

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

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	75,880	19.0	9,167	113.7	11,039	119.5	8,137	(21.9)
September 30, 2025	63,779	(17.2)	4,290	(3.7)	5,030	0.8	10,417	-

Note: Comprehensive income For the six months ended September 30, 2026: ¥12,419 million [(16.6)%]
For the six months ended September 30, 2025: ¥14,889 million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	92.04	-
September 30, 2025	117.73	-

Note: The Company executed a 4-for-1 stock split, with September 30, 2026 as the record date and October 1, 2026 as the effective date. The above interim net income per share and interim net income per share adjusted for potential shares are calculated on the assumption that the stock split occurred at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2026	214,634	172,196	78.5	1,913.58
March 31, 2026	195,526	162,556	81.4	1,799.58

Reference: Equity
As of September 30, 2026: ¥168,557 million
As of March 31, 2026: ¥159,235 million

Note: The Company executed a 4-for-1 stock split, with September 30, 2026 as the record date and October 1, 2026 as the effective date. The above net assets per share are calculated on the assumption that the stock split occurred at the beginning of the previous fiscal year.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	85.00	-	85.00	170.00
Fiscal year ending March 31, 2027	-	100.00			
Fiscal year ending March 31, 2027 (Forecast)				25.00	

Note:
1. Revisions to the forecast of cash dividends most recently announced: None
2. The Company executed a 4-for-1 stock split, with September 30, 2026 as the record date and October 1, 2026 as the effective date. For the fiscal year ending March 31, 2027 (Forecast), the year-end dividend per share reflects the impact of the stock split. In addition, the total annual dividend per share for the fiscal year ending March 31, 2027 (forecast) is not shown because the dividend at the end of the second quarter and the year-end dividend cannot be simply summed due to the implementation of the stock split. The amount of the year-end dividend per share for the fiscal year ending March 31, 2027 (Forecast), without considering the stock split, is ¥100.00, and the total annual dividend per share is ¥200.00.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	150,000	17.3	15,000	49.9	17,500	42.8	12,500	(20.1)	142.18

Note:
1. Revisions to the earnings forecasts most recently announced: Yes
For the revision of the consolidated earnings forecast, please refer to the "Notice of Revision of the Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2027" released today (November 10, 2026).
2. The Board of Directors of the Company resolved to repurchase treasury shares at its meeting held on August 5, 2026. For this reason, the impact of share buybacks is taken into account in the consolidated earnings forecast for the fiscal year ending March 31, 2027.
3. The Company executed a 4-for-1 stock split, with September 30, 2026 as the record date and October 1, 2026 as the effective date.
Net income per share in the consolidated earnings forecast for the fiscal year ending March 31, 2027 is calculated on the assumption that the stock split took place at the beginning of the fiscal year ending March 31, 2027.

***Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2026	90,139,008 shares
As of March 31, 2026	94,139,008 shares

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

As of September 30, 2026	2,053,920 shares
As of March 31, 2026	5,653,916 shares

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

Six months ended September 30, 2026	88,416,242 shares
Six months ended September 30, 2025	88,487,860 shares

Note:
1. The Company's shares held by a trust with directors and others as beneficiaries are included in the treasury shares deducted in the calculation of the number of treasury shares at the end of the fiscal year and the average number of shares during the period.
2. The Company executed a 4-for-1 stock split, with September 30, 2026 as the record date and October 1, 2026 as the effective date. The number of shares outstanding at the end of the fiscal year (including treasury shares), the number of treasury shares at the end of the fiscal year, and the average number of shares during the period (interim period) are calculated on the assumption that the stock split occurred at the beginning of the previous fiscal year.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

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

Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	34,525	39,795
Notes and accounts receivable - trade	32,545	39,763
Electronically recorded monetary claims - operating	123	135
Merchandise and finished goods	11,950	13,695
Semi-finished goods	5,219	5,823
Work in process	230	367
Raw materials and supplies	4,645	5,803
Other	2,640	1,796
Allowance for doubtful accounts	(486)	(485)
Total current assets	91,395	106,695
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,513	14,192
Machinery, equipment and vehicles, net	18,727	17,912
Land	8,913	8,883
Construction in progress	463	782
Other, net	2,078	1,873
Total property, plant and equipment	44,696	43,645
Intangible assets		
Software	3,991	3,186
Other	1,067	339
Total intangible assets	5,059	3,526
Investments and other assets		
Investment securities	44,377	50,884
Long-term loans receivable	2,150	2,314
Deferred tax assets	606	292
Retirement benefit asset	5,848	5,903
Other	1,412	1,393
Allowance for doubtful accounts	(20)	(21)
Total investments and other assets	54,375	60,767
Total non-current assets	104,131	107,938
Total assets	195,526	214,634

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	15,431	21,284
Electronically recorded obligations - operating	3,071	4,223
Short-term borrowings	414	398
Current portion of long-term borrowings	914	878
Accounts payable - other	4,406	3,390
Income taxes payable	609	2,219
Provision for bonuses	2,258	2,515
Provision for bonuses for directors (and other officers)	70	42
Electronically recorded obligations - non-operating	474	418
Other	2,110	2,242
Total current liabilities	29,762	37,614
Non-current liabilities		
Long-term borrowings	1,554	1,227
Deferred tax liabilities	0	2,010
Provision for share-based payments	483	448
Retirement benefit liability	187	185
Provision for business restructuring	466	413
Other	515	537
Total non-current liabilities	3,207	4,823
Total liabilities	32,970	42,437
Net assets		
Shareholders' equity		
Share capital	13,051	13,051
Capital surplus	13,289	13,144
Retained earnings	111,842	114,269
Treasury shares	(5,529)	(2,229)
Total shareholders' equity	132,652	138,235
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,161	25,185
Foreign currency translation adjustment	2,971	2,810
Remeasurements of defined benefit plans	2,450	2,326
Total accumulated other comprehensive income	26,582	30,322
Non-controlling interests	3,320	3,638
Total net assets	162,556	172,196
Total liabilities and net assets	195,526	214,634

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	63,779	75,880
Cost of sales	47,980	54,461
Gross profit	15,798	21,418
Selling, general and administrative expenses	11,508	12,251
Operating profit	4,290	9,167
Non-operating income		
Interest income	86	151
Dividend income	680	752
Foreign exchange gains	104	85
Share of profit of entities accounted for using equity method	-	805
Other	85	188
Total non-operating income	956	1,984
Non-operating expenses		
Interest expenses	56	48
Share of loss of entities accounted for using equity method	50	-
Compensation expenses	73	-
Other	37	63
Total non-operating expenses	216	112
Ordinary profit	5,030	11,039
Extraordinary income		
Gain on Reversal of Business Restructuring Expenses	-	855
Total extraordinary income	-	855
Extraordinary losses		
Loss on retirement of non-current assets	695	363
Loss on valuation of investment securities	110	59
Business restructuring expenses	225	-
Total extraordinary losses	1,031	423
Profit before income taxes	3,998	11,471
Income taxes	(6,795)	2,765
Profit	10,794	8,706
Profit attributable to non-controlling interests	376	568
Profit attributable to owners of parent	10,417	8,137

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	10,794	8,706
Other comprehensive income		
Valuation difference on available-for-sale securities	3,528	4,024
Foreign currency translation adjustment	645	(186)
Remeasurements of defined benefit plans, net of tax	(78)	(123)
Total other comprehensive income	4,095	3,713
Comprehensive income	14,889	12,419
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,491	11,876
Comprehensive income attributable to non-controlling interests	398	543

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,998	11,471
Depreciation	4,598	4,341
Loss on retirement of non-current assets	695	363
Increase (decrease) in provision for bonuses	104	258
Changes in net defined benefit asset and liability	(157)	(232)
Increase (decrease) in provision for bonuses for directors (and other officers)	(42)	(28)
Increase (decrease) in provision for share-based payments	57	63
Interest and dividend income	(766)	(904)
Interest expenses	56	48
Share of loss (profit) of entities accounted for using equity method	50	(805)
Loss (gain) on valuation of investment securities	110	59
Decrease (increase) in trade receivables	746	(7,221)
Decrease (increase) in inventories	778	(3,674)
Increase (decrease) in trade payables	257	7,045
Gain on Reversal of Business Restructuring Expenses	-	(855)
Business restructuring expenses	225	-
Other, net	(761)	(1,082)
Subtotal	9,950	8,847
Interest and dividends received	947	966
Interest paid	(60)	(48)
Income taxes paid	(750)	(337)
Payment for business restructuring	(896)	(25)
Net cash provided by (used in) operating activities	9,191	9,402
Cash flows from investing activities		
Purchase of non-current assets	(3,106)	(3,000)
Purchase of investment securities	-	(25)
Proceeds from collection of loans receivable	428	560
loan advances	(80)	-
Other, net	(144)	1,576
Net cash provided by (used in) investing activities	(2,902)	(888)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(67)	-
Repayments of long-term borrowings	(173)	(274)
Purchase of treasury shares	(1)	(760)
Dividends paid	(1,880)	(1,886)
Dividends paid to non-controlling interests	(225)	(225)
Other, net	(46)	(29)
Net cash provided by (used in) financing activities	(2,394)	(3,176)
Effect of exchange rate change on cash and cash equivalents	124	(84)
Net increase (decrease) in cash and cash equivalents	4,018	5,253
Cash and cash equivalents at beginning of period	24,010	34,378
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	369	-
Cash and cash equivalents at end of period	28,399	39,632