Key Figures of Consolidated Financial Results for 1st Quarter FY2026

August 4, 2026
Sumitomo Chemical Co., Ltd.

1. Financial Summary (IFRS)

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance	FY2026 (Forecast announced in May)	FY2025
Sales revenue	**578.2**	526.1	52.1	2,360.0	2,328.5
Core operating income	**62.3**	27.7	34.7	215.0	208.4
Operating income	**61.0**	25.5	35.6	177.0	151.7
Net income (loss) attributable to owners of the parent	**40.8**	(4.5)	45.3	70.0	60.9
Basic earnings (loss) per share	**¥24.70**	¥(2.76)	¥27.46	¥42.40	¥37.16
Return on equity	**3.9%**	(0.5)%	4.4%	6.8%	6.4%
Exchange rate (yen/$)	**159.57**	144.59	—	155.00	150.67
Naphtha price (yen/kl)	**118,500**	66,300	—	92,000	65,200

*Core operating income is a gain and loss concept that reflects recurring earning capacity by deducting gains and losses incurred by non-recurring factors from operating income, which includes the share of profits or losses from investments accounted for using the equity method.

2. Sales Revenue / Core Operating Income by Reporting Segment (IFRS)

(Billions of yen)

		Q1 FY2026	Q1 FY2025	Variance	FY2026 (Forecast announced in May)	FY2025
Agro & Life Solutions	Sales revenue	**109.0**	96.9	12.1	560.0	519.3
	Core operating income	**9.6**	2.2	7.4	65.0	56.3
ICT & Mobility Solutions	Sales revenue	**148.6**	137.4	11.2	590.0	574.2
	Core operating income	**13.0**	18.4	(5.3)	55.0	53.0
Advanced Medical Solutions	Sales revenue	**10.4**	9.1	1.4	60.0	58.6
	Core operating income	**(1.9)**	(1.0)	(0.9)	3.0	2.8
Essential & Green Materials	Sales revenue	**170.2**	165.4	4.8	560.0	678.8
	Core operating income	**27.2**	(5.5)	32.7	20.0	14.4
Sumitomo Pharma	Sales revenue	**129.0**	107.4	21.6	540.0	451.9
	Core operating income	**18.8**	21.0	(2.2)	94.0	108.4
Others	Sales revenue	**11.0**	10.0	1.0	50.0	45.8
	Core operating income	**3.1**	1.8	1.3	4.0	4.4
Adjustments	Sales revenue	**—**	—	—	—	—
	Core operating income	**(7.5)**	(9.2)	1.7	(26.0)	(31.1)
Total	Sales revenue	**578.2**	526.1	52.1	2,360.0	2,328.5
	Core operating income	**62.3**	27.7	34.7	215.0	208.4

3. Summary of Consolidated Statement of Income (IFRS)

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance	Variance Ratio
Sales revenue	**578.2**	526.1	52.1	9.9%
Core operating income	**62.3**	27.7	34.7	125.2%
of which equity-method investments	**12.2**	(9.8)	22.0	—
Total non-recurring items (breakdown below)	**(1.3)**	(2.2)	0.9	—
Restructuring costs	**(1.1)**	(2.7)	1.7	—
Others	**(0.2)**	0.5	(0.7)	—
Operating income	**61.0**	25.5	35.6	139.8%
Finance income/expenses (breakdown below)	**(0.7)**	(19.6)	18.9	—
Gain (loss) on foreign currency transactions including gain (loss) on derivatives	**1.6**	(16.4)	(18.0)	—
Others	**(2.3)**	(3.3)	(0.9)	—
Income before taxes	**60.3**	5.8	54.5	936.8%
Income tax expenses	**(9.0)**	(1.9)	(7.0)	—
Net income	**51.4**	3.9	47.5	—
Net (income) attributable to non-controlling interests	**(10.6)**	(8.4)	(2.2)	—
Net income (loss) attributable to owners of the parent	**40.8**	(4.5)	45.3	—

ROE	**3.9%**	(0.5)%
Exchange rate (yen/$)	**159.57**	144.59
Naphtha price (yen/kl)	**118,500**	66,300
Overseas sales revenue ratio	**67.7%**	68.5%

4. Summary of Consolidated Statement of Financial Position (IFRS)

(Billions of yen)

	30-June-26	31-Mar-26	Variance
Current Assets	**1,659.1**	1,507.7	151.3
Cash and cash equivalents	**223.2**	208.6	14.6
Trade and other receivables	**644.5**	608.7	35.9
Inventories	**643.6**	595.5	48.1
Others	**147.7**	95.0	52.7
Non-current assets	**1,954.4**	1,897.3	57.1
Property, plant and equipment	**777.6**	770.7	6.9
Goodwill and intangible assets	**502.5**	501.0	1.5
Others	**674.4**	625.6	48.8
Total	**3,613.5**	3,405.0	208.5

	30-June-26	31-Mar-26	Variance
Liabilities	**2,201.1**	2,168.4	32.7
Trade and other payables	**550.1**	464.4	85.7
Interest-bearing liabilities	**1,132.2**	1,151.5	(19.3)
Others	**518.8**	552.5	(33.7)
Equity	**1,412.4**	1,236.7	175.8
Shareholders' equity	**807.9**	744.9	63.1
Other components of equity	**294.9**	263.8	31.2
Non-controlling interests	**309.6**	228.0	81.6
Total	**3,613.5**	3,405.0	208.5
Ratio of equity attributable to owners of the parent to total assets	**30.5%**	29.6%	0.9%
D/E ratio (times)	**0.80**	0.93	(0.13)

5. Summary of Consolidated Statement of Cash Flows (IFRS)

(Billions of yen)

	Q1 FY2026	Q1 FY2025	Variance	FY2025
Cash flows from operating activities	**5.0**	24.0	(19.0)	234.8
Cash flows from investing activities	**(49.2)**	(45.9)	(3.3)	(74.8)
Free cash flows	**(44.3)**	(21.9)	(22.3)	159.9
Cash flows from financing activities	**55.6**	(49.2)	104.8	(199.1)
Others	**3.3**	(0.9)	4.2	15.7
Increase (decrease) in cash and cash equivalents	**14.6**	(72.1)	86.7	(23.5)
Cash and cash equivalents at the end of the period	**223.2**	142.6	80.6	208.6

Note: This document has been translated from the Japanese-language original (hereinafter, the "original") for reference purposes only. In the event of any discrepancy between this translated document and the original, the original shall prevail. The original of Quarterly Consolidated Financial Statements has undergone a review by the Company's audit firm. Please refer to the Japanese review report for details.

August 4, 2026

Summary of Consolidated Financial Results for First Quarter Fiscal Year 2026 (Under IFRS)

Company name: Sumitomo Chemical Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 4005
URL: https://www.sumitomo-chem.co.jp/english/
Representative: Nobuaki Mito, Representative Director & President
Inquiries: Shoko Wato, General Manager, Corporate Communications Dept.
Telephone: +81-3-5201-0200
Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(All amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for First Quarter Fiscal Year 2026 (April 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Sales revenue		Core operating income		Operating income		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Q1 FY2026	578,199	9.9	62,336	125.2	61,041	139.8	51,350	—	40,782	—	91,645	—
Q1 FY2025	526,140	(14.0)	27,681	388.2	25,452	121.3	3,873	(88.6)	(4,523)	—	1,125	(98.4)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Q1 FY2026	24.70	24.70
Q1 FY2025	(2.76)	—

Reference: Share of profit (loss) of investments accounted for using the equity method
Q1 FY2026: ¥ 12,216 million Q1 FY2025: ¥ (9,826) million
Income before taxes
Q1 FY2026: ¥ 60,313 million Q1 FY2025: ¥ 5,817 million

*Core operating income is a gain and loss concept that reflects recurring earning capacity by deducting gains and losses incurred by non-recurring factors from operating income, which includes the share of profits or losses from investments accounted for using the equity method.

*For diluted earnings per share for Q1 FY2025, although there are potential shares, they are not listed because they have an anti-dilutive effect.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2026	3,613,506	1,412,442	1,102,863	30.5
March 31, 2026	3,405,041	1,236,673	1,008,644	29.6

2. Dividends

	Dividends per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2025	―	6.00	―	7.50	13.50
FY2026	―				
FY2026 (Forecast)		8.00	―	8.00	16.00

Note: Revision of dividend forecasts from the latest announcement: None

3. Consolidated Financial Forecasts for Fiscal Year 2026 (April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Sales revenue		Core operating income		Operating income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First-half of FY2026	1,170,000	6.8	125,000	15.0	122,000	17.7	70,000	76.3	42.40
Full-year of FY2026	2,360,000	1.4	215,000	3.2	177,000	16.6	70,000	14.9	42.40

Note: Revision of financial forecasts from the latest announcement: None

We now announce the consolidated financial forecast for the first-half of FY2026 as above, which was not announced in the "Summary of Consolidated Financial Results for Fiscal Year 2025 (Under IFRS)" disclosed on May 14, 2026. There are no changes to the consolidated financial forecast for FY2026.

Notes:

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

Newly included: ―

Excluded: ―

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: Yes

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

(iii) Changes in accounting estimates: None

(3) Number of shares issued (common shares)

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

As of June 30, 2026	1,657,914,399 shares
As of March 31, 2026	1,657,914,399 shares

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

As of June 30, 2026	6,503,408 shares
As of March 31, 2026	6,500,914 shares

(iii) Average number of shares outstanding during the period

Three Months ended June 30, 2026	1,651,217,003 shares
Three Months ended June 30, 2025	1,636,496,435 shares

*Review of the Japanese-language original of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary)

*Notes regarding the appropriate use of forecasts and other special items:

Descriptions regarding forward-looking statements about the future performance of the Company contained in this summary are based on information currently available to the Company and certain assumptions judged reasonable and involve risks and uncertainties. The important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, general economic conditions in the Company's markets; demand for, and competitive pricing pressure on, the Company's products in the marketplace; rise in prices of raw materials; and fluctuations in foreign exchange rates.

Attachments

1. Summary of Operating Results for First Quarter Fiscal Year 2026

(1) Operating Results

The Group's sales revenue for Q1 FY2026 increased by ¥52.1 billion compared to Q1 FY2025, to ¥578.2 billion. In terms of profits and losses, core operating income* was ¥62.3 billion, operating income was ¥61.0 billion, and net income attributable to owners of the parent was ¥40.8 billion. Results in every category of income were higher than in Q1 FY2025.

*Core operating income is a gain and loss concept that reflects recurring earning capacity by deducting gains and losses incurred by non-recurring factors from operating income, which includes the share of profits or losses from investments accounted for using the equity method.

The financial results by reportable segment for Q1 FY2026 are as follows:

Agro & Life Solutions

In addition to sales of crop protection products remaining steady, primarily in Japan, there was also an increase in net income from exports due to the weak yen. Profit margins for methionine (feed additives) also improved. As a result, sales revenue increased by ¥12.1 billion compared to Q1 FY2025, to ¥109.0 billion. Core operating income increased by ¥7.4 billion compared to Q1 FY2025, to ¥9.6 billion.

ICT & Mobility Solutions

Display-related materials were impacted by fundamental structural reforms implemented for the polarizing film business for large-size liquid crystal displays and the resulting decline in capital gains. In semiconductor processing materials, although there was an increase in sales revenue from a growth in demand for high-purity chemicals and photoresists, there was also an increase in fixed costs. Therefore, there was not much of an effect on core operating income. As a result, sales revenue increased by ¥11.2 billion compared to Q1 FY2025, to ¥148.6 billion. Core operating income decreased by ¥5.3 billion compared to Q1 FY2025, to ¥13.0 billion.

Advanced Medical Solutions

In the contract development and manufacturing organization business for advanced small-molecule drug, there was a shift in the sales period. As a result, sales revenue increased by ¥1.4 billion compared to Q1 FY2025, to ¥10.4 billion. On the other hand, the core operating loss from a different product mix of active pharmaceutical ingredients and intermediates further deteriorated by ¥0.9 billion compared to Q1 FY2025, to a loss of ¥1.9 billion.

Essential & Green Materials

Profit margins improved for Rabigh Refining and Petrochemical Company, an affiliated company accounted for using the equity method. In addition, due to a rise in market prices for synthetic resins and other materials, there was a gain on the difference between the inventory valuation of these materials and their increased market price. As a result, sales revenue increased by ¥4.8 billion compared to Q1 FY2025, to ¥170.2 billion. Core operating income increased by ¥32.7 billion compared to Q1 FY2025, to ¥27.2 billion.

Sumitomo Pharma

There was an increase in sales revenue from a growth in sales of ORGOVYX® (therapeutic agent for advanced prostate cancer) and GEMTESA® (therapeutic agent for overactive bladder) in the US. This offset the decrease in revenue from the partial transfer of the Asian business in the previous fiscal year. As a result, sales revenue increased by ¥21.6 billion compared to Q1 FY2025, to ¥129.0 billion. Core operating income decreased by ¥2.2 billion to ¥18.8 billion compared to Q1 FY2025, due to an increase in R&D expenses from the acceleration of clinical trials in the area of oncology and advancements in the area of neuropsychiatry. Sales revenue and core operating income differ between this segment and the results reported by Sumitomo Pharma Co., Ltd., a consolidated subsidiary of Sumitomo Chemical Co., Ltd., due to the Group's contract and manufacturing business for regenerative medicine and cell therapy products not being included in this segment and because of the Group's consolidated account reporting.

Others

In addition to the above five segments, the Group supplies electric power and steam, and also provides transportation and warehousing. Sales revenue increased by ¥1.0 billion compared to Q1 FY2025, to ¥11.0 billion. Core operating income increased by ¥1.3 billion compared to Q1 FY2025, to ¥3.1 billion.

(2) Consolidated Financial Position

As of the end of Q1 FY2026, total assets increased by ¥208.5 billion compared to the end of FY2025, to ¥3,613.5 billion. Trade and other receivables as well as inventories increased due to higher raw material prices.

Total liabilities increased by ¥32.7 billion compared to the end of FY2025, to ¥2,201.1 billion. Interest-bearing liabilities decreased by ¥19.3 billion compared to the end of FY2025, to ¥1,132.2 billion.

Total equity (including non-controlling interests) increased by ¥175.8 billion compared to the end of FY2025, to ¥1,412.4 billion, because of increases in non-controlling interests and capital surplus mainly due to capital increase through a public offering conducted by Sumitomo Pharma Co., Ltd. during Q1 FY2026.

The ratio of equity attributable to the owners of the parent to total assets increased by 0.9 percentage points compared to the end of FY2025, to 30.5%.

(3) Consolidated Forecast and Other Forward-Looking Information

Based on recent performance trends, the Company announces its previously undisclosed consolidated financial forecast for the first half of FY2026, as detailed below, assuming an average exchange rate of 157.00 yen/US$ and a naphtha price of 104,000 yen/KL.

The forecast for FY2026 is currently under review and the revised forecast will be explained when the consolidated financial results for the first half of FY2026 are announced.

Consolidated Financial Forecast for the First Half of FY2026 (April 1, 2026 – September 30, 2026)

(Millions of yen)

	Sales Revenue	Core Operating Income	Operating Income	Net Income Attributable to Owners of the Parent	Earnings per Share (yen)
Previous forecast (A)	TBD	TBD	TBD	TBD	TBD
Revised forecast (B)	1,170,000	125,000	122,000	70,000	42.40
Variance in amount (B-A)	-	-	-	-	
Variance in percentage (%)	-	-	-	-	
Results for the first half of FY2025	1,095,394	108,716	103,685	39,699	24.26

(Supplemental information)

Consolidated Financial Forecast by Segment for the First Half of FY2026

(Millions of yen)

		Current forecast	Results for the first half of FY2025
Agro & Life Solutions	Sales revenue	260,000	212,971
	Core operating income	29,000	11,227
ICT & Mobility Solutions	Sales revenue	310,000	283,482
	Core operating income	28,000	33,109
Advanced Medical Solutions	Sales revenue	28,000	21,142
	Core operating income	0	(1,380)
Essential & Green Materials	Sales revenue	300,000	329,144
	Core operating income	42,000	(18,610)
Sumitomo Pharma	Sales revenue	250,000	226,071
	Core operating income	32,000	97,320
Others & Adjustments	Sales revenue	22,000	22,584
	Core operating income	(6,000)	(12,950)
Total	Sales revenue	1,170,000	1,095,394
	Core operating income	125,000	108,716

2. Consolidated Financial Statements and Major Notes

(1) Consolidated Statement of Financial Position

Millions of yen	As of June 30, 2026	As of March 31, 2026
Assets		
Current assets:		
Cash and cash equivalents	¥ 223,197	¥ 208,589
Trade and other receivables	644,529	608,670
Other financial assets	63,561	47,551
Inventories	643,620	595,471
Other current assets	64,519	47,429
Subtotal	1,639,426	1,507,710
Assets held for sale	19,633	—
Total current assets	1,659,059	1,507,710
Non-current assets:		
Property, plant and equipment	777,557	770,688
Goodwill	280,323	275,711
Intangible assets	222,213	225,334
Investments accounted for using the equity method	220,357	203,862
Other financial assets	330,041	301,222
Retirement benefit assets	53,294	52,222
Deferred tax assets	41,035	39,227
Other non-current assets	29,627	29,065
Total non-current assets	1,954,447	1,897,331
Total assets	¥ 3,613,506	¥ 3,405,041

Millions of yen	As of June 30, 2026	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities:		
Bonds and borrowings	¥ 288,550	¥ 241,422
Trade and other payables	550,097	464,422
Other financial liabilities	52,565	63,737
Income taxes payable	12,681	7,022
Provisions	113,366	110,408
Other current liabilities	85,830	114,335
Subtotal	1,103,089	1,001,346
Liabilities directly associated with assets held for sale	755	—
Total current liabilities	1,103,844	1,001,346
Non-current liabilities:		
Bonds and borrowings	843,618	910,033
Other financial liabilities	86,496	87,885
Retirement benefit liabilities	22,640	22,084
Provisions	24,728	26,383
Deferred tax liabilities	84,453	78,321
Other non-current liabilities	35,285	42,316
Total non-current liabilities	1,097,220	1,167,022
Total liabilities	2,201,064	2,168,368
Equity		
Share capital	90,179	90,179
Capital surplus	35,686	1,966
Retained earnings	684,719	655,384
Treasury shares	(2,651)	(2,650)
Other components of equity	294,930	263,765
Equity attributable to owners of the parent	1,102,863	1,008,644
Non-controlling interests	309,579	228,029
Total equity	1,412,442	1,236,673
Total liabilities and equity	¥ 3,613,506	¥ 3,405,041

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

Consolidated Statement of Income

First Quarter ended June 30, 2026 and 2025

Millions of yen		Q1 FY2026		Q1 FY2025
Sales revenue	¥	578,199	¥	526,140
Cost of sales		(383,984)		(362,436)
Gross profit		194,215		163,704
Selling, general and administrative expenses		(145,570)		(133,621)
Other operating income		3,547		10,347
Other operating expenses		(3,367)		(5,152)
Share of profit (loss) of investments accounted for using the equity method		12,216		(9,826)
Operating income		61,041		25,452
Finance income		12,551		6,681
Finance expenses		(13,279)		(26,316)
Income before taxes		60,313		5,817
Income tax expenses		(8,963)		(1,944)
Net income		51,350		3,873
Net income (loss) attributable to:				
Owners of the parent		40,782		(4,523)
Non-controlling interests		10,568		8,396
Net income	¥	51,350	¥	3,873

Yen	Q1 FY2026	Q1 FY2025
Earnings per share:		
Basic earnings (loss) per share	24.70	(2.76)
Diluted earnings per share	24.70	—

Consolidated Statement of Comprehensive Income

First Quarter ended June 30, 2026 and 2025

Millions of yen		Q1 FY2026		Q1 FY2025
Net income	¥	51,350	¥	3,873
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Remeasurements of financial assets (equity instruments) measured at fair value through other comprehensive income		21,435		5,464
Remeasurements of defined benefit plans		(16)		227
Share of other comprehensive income of investments accounted for using the equity method		3,121		203
Total items that will not be reclassified to profit or loss		24,540		5,894
Items that may be subsequently reclassified to profit or loss				
Remeasurements of financial assets (debt instruments) measured at fair value through other comprehensive income		—		23
Cash flow hedges		275		(354)
Exchange differences on conversion of foreign operations		13,213		149
Share of other comprehensive income of investments accounted for using the equity method		2,267		(8,460)
Total items that may be subsequently reclassified to profit or loss		15,755		(8,642)
Other comprehensive income, net of taxes		40,295		(2,748)
Total comprehensive income		91,645		1,125
Total comprehensive income attributable to:				
Owners of the parent		78,938		(5,105)
Non-controlling interests		12,707		6,230
Total comprehensive income	¥	91,645	¥	1,125

(3) Consolidated Statement of Changes in Equity

First Quarter ended June 30, 2026

	Equity attributable to owners of the parent					
					Other components of equity	
Millions of yen	Share capital	Capital surplus	Retained earnings	Treasury shares	Remeasurements of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2026	¥ 90,179	¥ 1,966	¥ 655,384	¥ (2,650)	¥ 43,393	¥ —
Net income (loss)	—	—	40,782	—	—	—
Other comprehensive income	—	—	—	—	23,639	508
Total comprehensive income	—	—	40,782	—	23,639	508
Purchase of treasury shares	—	—	—	(1)	—	—
Disposal of treasury shares	—	(0)	—	0	—	—
Dividends	—	—	(12,386)	—	—	—
Changes resulting from loss of control of subsidiaries	—	—	—	—	—	—
Changes in interest due to transactions with non-controlling interests	—	33,769	—	—	51	—
Transfer from other components of equity to retained earnings	—	—	939	—	(431)	(508)
Others, net	—	(49)	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—
Total transactions with owners	—	33,720	(11,447)	(1)	(380)	(508)
Balance as of June 30, 2026	¥ 90,179	¥ 35,686	¥ 684,719	¥ (2,651)	¥ 66,652	¥ —

	Equity attributable to owners of the parent						
	Other components of equity						
	Cash flow hedges	Exchange differences on conversion of foreign operations	Total	Other comprehensive income associated with assets held for sale	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of April 1, 2026	¥ (214)	¥ 220,586	¥ 263,765	¥ —	¥1,008,644	¥ 228,029	¥1,236,673
Net income (loss)	—	—	—	—	40,782	10,568	51,350
Other comprehensive income	267	13,742	38,156	—	38,156	2,139	40,295
Total comprehensive income	267	13,742	38,156	—	78,938	12,707	91,645
Purchase of treasury shares	—	—	—	—	(1)	—	(1)
Disposal of treasury shares	—	—	—	—	0	—	0
Dividends	—	—	—	—	(12,386)	(614)	(13,000)
Changes resulting from loss of control of subsidiaries	—	—	—	—	—	—	—
Changes in interest due to transactions with non-controlling interests	—	(6,103)	(6,052)	—	27,717	69,457	97,174
Transfer from other components of equity to retained earnings	—	—	(939)	—	—	—	—
Others, net	—	—	—	—	(49)	—	(49)
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—	—
Total transactions with owners	—	(6,103)	(6,991)	—	15,281	68,843	84,124
Balance as of June 30, 2026	¥ 53	¥ 228,225	¥ 294,930	¥ —	¥1,102,863	¥ 309,579	¥1,412,442

First Quarter ended June 30, 2025

Millions of yen	Equity attributable to owners of the parent: Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity: Remeasurements of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2025	¥ 90,059	¥ —	¥ 640,611	¥ (8,361)	¥ 1,186	¥ —
Net income (loss)	—	—	(4,523)	—	—	—
Other comprehensive income	—	—	—	—	5,736	224
Total comprehensive income	—	—	(4,523)	—	5,736	224
Purchase of treasury shares	—	—	—	(1)	—	—
Disposal of treasury shares	—	—	(0)	0	—	—
Dividends	—	—	(9,820)	—	—	—
Changes resulting from loss of control of subsidiaries	—	—	1,832	—	(1,611)	(221)
Changes in interest due to transactions with non-controlling interests	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(34)	—	37	(3)
Others, net	—	—	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—
Total transactions with owners	—	—	(8,022)	(1)	(1,574)	(224)
Balance as of June 30, 2025	¥ 90,059	¥ —	¥ 628,066	¥ (8,361)	¥ 5,348	¥ —

	Equity attributable to owners of the parent: Other components of equity: Cash flow hedges	Exchange differences on conversion of foreign operations	Total	Other comprehensive income associated with assets held for sale	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of April 1, 2025	¥ 87	¥ 173,598	¥ 174,871	¥ 3,610	¥ 900,790	¥ 173,625	¥1,074,415
Net income (loss)	—	—	—	—	(4,523)	8,396	3,873
Other comprehensive income	(364)	(2,890)	2,706	(3,288)	(582)	(2,166)	(2,748)
Total comprehensive income	(364)	(2,890)	2,706	(3,288)	(5,105)	6,230	1,125
Purchase of treasury shares	—	—	—	—	(1)	—	(1)
Disposal of treasury shares	—	—	—	—	0	—	0
Dividends	—	—	—	—	(9,820)	(1,154)	(10,974)
Changes resulting from loss of control of subsidiaries	—	—	(1,832)	—	—	(3,176)	(3,176)
Changes in interest due to transactions with non-controlling interests	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	34	—	—	—	—
Others, net	—	—	—	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	(2,480)	(2,480)	2,480	—	—	—
Total transactions with owners	—	(2,480)	(4,278)	2,480	(9,821)	(4,330)	(14,151)
Balance as of June 30, 2025	¥ (277)	¥ 168,228	¥ 173,299	¥ 2,802	¥ 885,865	¥ 175,525	¥1,061,390

(4) Consolidated Statement of Cash Flows

First Quarter ended June 30, 2026 and 2025

Millions of yen	Q1 FY2026	Q1 FY2025
Cash flows from operating activities:		
Income before taxes	¥ 60,313	¥ 5,817
Depreciation and amortization	29,117	29,720
Share of (profit) loss of investments accounted for using the equity method	(12,216)	9,826
Interest and dividend income	(6,934)	(4,127)
Interest expenses	9,558	7,369
Restructuring costs	1,070	2,733
(Increase) decrease in trade receivables	25,916	61,306
(Increase) decrease in inventories	(62,588)	(37,499)
Increase (decrease) in trade payables	92,555	8,516
Increase (decrease) in unearned revenue	(4,568)	(1,567)
Increase (decrease) in provisions	5,003	1,014
Others, net	(117,010)	(49,539)
Subtotal	20,216	33,569
Interest and dividends received	9,330	6,473
Interest paid	(7,961)	(5,770)
Income taxes paid	(5,772)	(9,522)
Restructuring costs paid	(10,848)	(752)
Net cash provided by (used in) operating activities	4,965	23,998
Cash flows from investing activities:		
Net (increase) decrease in time deposits	(12,307)	(3,264)
Net (increase) decrease in securities	(3,106)	(11,991)
Purchase of property, plant and equipment, and intangible assets	(35,907)	(37,860)
Proceeds from sales of property, plant and equipment, and intangible assets	466	1,127
Proceeds from sales of subsidiaries	—	12,323
Payments for sales of subsidiaries	—	(6,508)
Purchase of other financial assets	(1,144)	(1,141)
Proceeds from sales and redemption of other financial assets	2,786	141
Others, net	(20)	1,227
Net cash provided by (used in) investing activities	(49,232)	(45,946)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	10,605	16,495
Net increase (decrease) in commercial paper	36,000	(24,000)
Repayments of long-term borrowings	(69,623)	(25,705)
Repayments of lease liabilities	(4,194)	(4,236)
Cash dividends paid	(12,394)	(9,828)
Cash dividends paid to non-controlling interests	(615)	(1,155)
Capital contribution from non-controlling interests	96,875	—
Others, net	(1,085)	(810)
Net cash provided by (used in) financing activities	55,569	(49,239)
Effect of exchange rate changes on cash and cash equivalents	3,306	(880)
Increase (decrease) in cash and cash equivalents	14,608	(72,067)
Cash and cash equivalents at the beginning of the year	208,589	209,838
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	—	4,790
Cash and cash equivalents at the end of the period	¥ 223,197	¥ 142,561

(5) Notes to Consolidated Financial Statements

Framework of Financial Report

The Group's quarterly consolidated financial statements are prepared in accordance with Article 5, Paragraph 2 of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements, applying the omitted disclosures as set forth in Article 5, Paragraph 5 of the Standards for the Preparation of Quarterly Financial Statements.

Going Concern Assumption

Not applicable.

Changes in Accounting Policies

The material accounting policies adopted for the Group's quarterly consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended March 31, 2026, with the exception of the items described below. The items described below are the accounting standards applied by the Group starting from fiscal year ended March 31, 2027, in compliance with each transitional provision. The effect of the application of the following standards on the Group's quarterly consolidated financial statements is immaterial.

Standards	Name of standards	Description of new standards and amendments
IFRS 7 IFRS 9	Financial Instruments: Disclosures Financial Instruments	・Clarifying the classification of financial assets (clarifying elements for assessing whether the contractual cash flows meet the solely payments of principal and interest (SPPI) criterion) ・Clarifying the date of derecognition of financial liabilities settled through electronic cash transfer systems ・Amendments to the disclosures for investments in equity instruments designated to be measured at fair value through other comprehensive income (FVTOCI) and financial instruments with contingent features that can change cash flows

Segment Information

1. Reportable Segments

The reportable segments of the Group refer to business units for which separate financial information is available and that are reviewed regularly at the Board of Directors meeting in order to determine the allocation of management resources and evaluate the business performance of each business unit.

The Group divides its operations into business sectors identified by products and services, which manage manufacturing, sales, and research in an integrated manner. Each business sector is responsible for developing comprehensive domestic and overseas strategies with respect to its products and services, and operates its business activities.

Principally in accordance with the business sectors, the Group consists of the five reportable segments based on its products and services: "Agro & Life Solutions", "ICT & Mobility Solutions", "Advanced Medical Solutions", "Essential & Green Materials", and "Sumitomo Pharma".

The major products and services of each reportable segment are as follows:

Reportable Segment	Major Products and Services
Agro & Life Solutions	Crop protection chemicals, fertilizers, agricultural materials, household insecticides, products for control of infectious diseases, feed additives, etc.
ICT & Mobility Solutions	Optical products, semiconductor processing materials, compound semiconductor materials, touch screen sensor panels, high-purity aluminum and alumina, specialty chemicals, additives, engineering plastics, battery materials, etc.
Advanced Medical Solutions	Contract development and manufacturing organization business for advanced small-molecule drug, oligonucleotides, and regenerative medicine and cell therapy products, etc.
Essential & Green Materials	Synthetic resins, raw materials for synthetic fibers, various industrial chemicals, methyl methacrylate products, synthetic resin processed products, industrial alumina, synthetic rubber, etc.
Sumitomo Pharma	Small molecule pharmaceuticals

2. Reportable Segment Information

The accounting methods for each reportable segment are, in principle, identical to those used in the consolidated financial statements. The segment profit or loss is core operating income, which is calculated from operating income after excluding effects from non-recurring factors.

Inter-segment sales revenue is based on market prices.

First Quarter Fiscal Year 2026

Millions of yen	Agro & Life Solutions	ICT & Mobility Solutions	Advanced Medical Solutions	Essential & Green Materials	Sumitomo Pharma	Total	Others (Note 1)	Adjustments (Note 2)	Consoli-dated
Sales revenue:									
Sales revenues from external customers	¥ 108,986	¥ 148,573	¥ 10,447	¥ 170,192	¥ 128,996	¥ 567,194	¥ 11,005	¥ —	¥ 578,199
Inter-segment sales revenues	266	1,252	2,592	1,673	499	6,282	11,387	(17,669)	—
Total sales revenue	109,252	149,825	13,039	171,865	129,495	573,476	22,392	(17,669)	578,199
Segment profit (loss) : core operating income (loss)	¥ 9,631	¥ 13,034	¥ (1,938)	¥ 27,224	¥ 18,846	¥ 66,797	¥ 3,060	¥ (7,521)	¥ 62,336

Note 1: "Others" represents businesses such as supplying electrical power and steam, and providing transport and warehousing, which are not included in reportable segments.

Note 2: ¥(7,521) million for segment profit (loss) in "Adjustments" includes inter-segment elimination of ¥515 million and corporate expenses of ¥(8,036) million unallocated to each reportable segment. Corporate expenses are mainly research and development expenses for company-wide research, which are not treated as attributable to specific reportable segments.

First Quarter Fiscal Year 2025

Millions of yen	Agro & Life Solutions	ICT & Mobility Solutions	Advanced Medical Solutions	Essential & Green Materials	Sumitomo Pharma	Total	Others (Note 1)	Adjustments (Note 2)	Consoli-dated
Sales revenue:									
Sales revenues from external customers	¥ 96,915	¥ 137,412	¥ 9,086	¥ 165,379	¥ 107,362	¥ 516,154	¥ 9,986	¥ —	¥ 526,140
Inter-segment sales revenues	241	1,007	3,700	1,217	640	6,805	12,941	(19,746)	—
Total sales revenue	97,156	138,419	12,786	166,596	108,002	522,959	22,927	(19,746)	526,140
Segment profit (loss) : core operating income (loss)	¥ 2,219	¥ 18,370	¥ (1,024)	¥ (5,463)	¥ 21,003	¥ 35,105	¥ 1,751	¥ (9,175)	¥ 27,681

Note 1: "Others" represented businesses such as supplying electrical power and steam, and providing transport and warehousing, which were not included in reportable segments.

Note 2: ¥(9,175) million for segment profit (loss) in "Adjustments" included inter-segment elimination of ¥154 million and corporate expenses of ¥(9,329) million unallocated to each reportable segment. Corporate expenses were mainly research and development expenses for company-wide research, which were not treated as attributable to specific reportable segments.

Adjustments to income before taxes from core operating income were as follows:

Millions of yen	Q1 FY2026	Q1 FY2025
Core operating income	¥ 62,336	¥ 27,681
Restructuring costs	(1,070)	(2,733)
Others, net	(225)	504
Operating income	61,041	25,452
Finance income	12,551	6,681
Finance expenses	(13,279)	(26,316)
Income before taxes	¥ 60,313	¥ 5,817