

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

November 12, 2025

Name of Listed Company: **Kaneka Corporation**

Stock Exchange Listing: Tokyo

Code Number: 4118

URL <https://www.kaneka.co.jp/en/>

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Scheduled date of dividend distribution: December 5, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for securities analysts and institutional investors)

Note: Figures have been rounded down to the nearest million yen.

1. Consolidated Financial Results for the Six Months Ended September 30, 2025

(from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results

(% indicates year-on-year change)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Apr. 1, 2025–Sep. 30, 2025	397,428	0.4	14,963	(21.7)	11,762	(18.3)	11,049	8.7
Apr. 1, 2024–Sep. 30, 2024	395,963	7.0	19,101	51.5	14,391	13.0	10,162	14.2

Note: Comprehensive income: ¥14,540 million [53.4%] for the six months ended September 30, 2025

¥9,477 million [(63.8%)] for the six months ended September 30, 2024

	Basic net income per share	Diluted net income per share
	¥	¥
Apr. 1, 2025–Sep. 30, 2025	176.51	175.92
Apr. 1, 2024–Sep. 30, 2024	160.48	159.99

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of September 30, 2025	924,524	496,134	51.3
As of March 31, 2025	920,143	492,419	51.2

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income):

¥474,054 million as of September 30, 2025

¥471,278 million as of March 31, 2025

2. Dividends

	Annual dividends				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	¥	¥	¥	¥	¥
Apr. 1, 2024–Mar. 31, 2025	—	60.00	—	70.00	130.00
Apr. 1, 2025–Mar. 31, 2026	—	80.00			
Apr. 1, 2025–Mar. 31, 2026 (Forecasts)			—	80.00	160.00

Note: Changes in dividend forecast during the quarter under review: None

3. Forecast for Consolidated Financial Results for the Fiscal Year Ending March 31, 2026

(from April 1, 2025 to March 31, 2026)

(Percentage figures represent changes from the corresponding periods of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	800,000	(0.9)	37,000	(7.6)	31,400	(4.5)	33,000	30.4	534.03

Note: Revisions to consolidated business performance forecasts during the quarter under review: Yes

* Notes

(1) Changes in the scope of consolidation during the term: None

(2) Application of simplified methods of accounting and specific accounting methods: None

(3) Changes in accounting principles, changes in estimates, or restatements

1. Changes owing to revisions in accounting standards: None

2. Changes other than 1. above: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of shares issued (common stock)

1. Number of shares issued at the end of the period
(including treasury stock):

2. Number of shares of treasury stock at the end of the
period:

3. Average number of shares outstanding during the period
(calculated cumulatively from the beginning of the fiscal year):

September 30, 2025	66,000,000 shares	March 31, 2025	66,000,000 shares
September 30, 2025	4,550,935 shares	March 31, 2025	3,066,508 shares
September 30, 2025	62,598,751 shares	September 30, 2024	63,323,857 shares

* Semi-annual financial results reports are not subject to review by certified public accountants or an audit firm.

* Explanations or other items pertaining to appropriate use of business performance forecasts

The business performance forecasts and certain other statements contained in this document are forward-looking statements, which are based on information currently available to the Company and certain assumptions determined to be reasonable by the Company. For a variety of reasons, actual performance may differ substantially from these forecasts. They do not constitute a guarantee that the Company will achieve these forecasts or other forward-looking statements. For cautionary items used in business performance forecasts, please refer to the section entitled “(3) Earnings Forecasts and Other Forward-looking Statements” under “1. Semi-annual Consolidated Financial Results” on page 4.

Supplementary Materials

Contents

1. Semi-annual Consolidated Financial Results -----	P. 2
(1) Operating Results -----	P. 2
(2) Financial Position -----	P. 4
(3) Earnings Forecasts and Other Forward-looking Statements -----	P. 4
2. Semi-annual Consolidated Financial Statements and Main Notes -----	P. 7
(1) Semi-annual Consolidated Balance Sheets -----	P. 7
(2) Semi-annual Consolidated Statements of Income and Comprehensive Income -----	P. 9
(3) Semi-annual Consolidated Statements of Cash Flows -----	P. 11
(4) Notes to the Semi-annual Consolidated Financial Statements -----	P. 13
(Segment Information) -----	P. 13
(Notes in the Event of Significant Changes in the Amount of Shareholders' Equity) ---	P. 14
(Going Concern Assumption) -----	P. 14

1. Semi-annual Consolidated Financial Results

(1) Operating Results

➤ **State of Global Economy - Serious impacts of the U.S. tariff policy developments and heightened geological risks -**

The global economy continues stagnate.

While the U.S. is moving toward interest rate cuts, inflation accelerates, driven by rising prices amid the U.S. tariff policy, creating an uncertain situation. Europe faces a temporary slowdown, while China suffers from economy slump, struggling with weak domestic demand and declining export to the U.S. Domestic conditions are marked by rising consumer prices and an acute shortage of labor, weighing down corporate earnings. The impact of the U.S. tariff policy on the global economy is expected to be prolonged, and the outlook remains more uncertain.

➤ **Kaneka Group's Business Performance - Sales and net income attributable to owners of parent increased**

Under these circumstances, Kaneka Group's business performance for the six months ended September 30, 2025 was as follows. Consolidated net sales were ¥397,428 million (up 0.4% year-on-year), operating income was ¥14,963 million (down 21.7% year-on-year), ordinary income was ¥11,762 million (down 18.3% year-on-year), and net income attributable to owners of parent was ¥11,049 million (up 8.7% year-on-year). Net sales recorded a year-on-year increase and, although operating income and ordinary income declined, net income attributable to owners of parent increased.

Business performance for the six months ended September 30, 2025 (Millions of yen)

	FY2024 1H(Apr.-Sep.)	FY2025 1H(Apr.-Sep.)	Difference (year-on-year)
Net sales	395,963	397,428	1,465 0.4%
Operating income	19,101	14,963	(4,137) (21.7%)
Ordinary income	14,391	11,762	(2,629) (18.3%)
Net income attributable to owners of parent	10,162	11,049	887 8.7%

Net sales and operating income by business segment (Millions of yen)

	Net sales				Operating income			
	FY2025			Difference (year-on-year)	FY2025			Difference (year-on-year)
	1Q	2Q	Total		1Q	2Q	Total	
Material SU	82,374	80,119	162,493	(7,410) (4.4%)	6,265	6,336	12,602	(3,470) (21.6%)
Quality of Life SU	48,466	48,550	97,017	3,603 3.9%	5,208	4,231	9,440	(111) (1.2%)
Health Care SU	18,273	19,073	37,346	952 2.6%	3,131	2,875	6,007	563 10.3%
Nutrition SU	49,310	50,785	100,096	4,284 4.5%	2,680	3,273	5,953	(495) (7.7%)
Others	257	216	474	35 8.1%	128	69	197	19 11.0%
Adjustment	-	-	-	-	(9,254)	(9,983)	(19,237)	(642) -
Total	198,682	198,746	397,428	1,465 0.4%	8,161	6,802	14,963	(4,137) (21.7%)

* SU: Solutions Unit

➤ **Comprehensive overview**

Medical accelerates its growth speed and drives overall performance. While Pharma's full recovery is expected in 4Q (January 1 to March 31, 2026), Health Care Solutions Unit as a whole remains strong.

Quality of Life Solutions Unit saw a slight year-on-year decline in profit due to the delayed recovery of E & I Technology. Nutrition Solutions Unit recorded a decrease in profits as Foods & Agris faced slow recovery

although Supplemental Nutrition maintained strong performance. We expect Foods & Agris to recover in the second half (2H, October 1, 2025 to March 31, 2026), and plan a full-year profit growth in Nutrition Solutions Unit.

Material Solutions Unit recorded a profit decrease, impacted by sluggish market conditions for Vinyls and weak demand for Modifiers and Modified Silicone polymers.

Profit decline in Material Solutions Unit was the main factor behind the company's overall performance decline.

Under these circumstances, sales expansion in the Leading-edge businesses (Modified Silicone polymers, E & I Technology, PV & Energy management, Medical, Pharma, and Supplemental Nutrition) leveraging differentiated technologies has pushed their contribution to operating income above 50%, marking steady progress in portfolio transformation.

The operating performance by business segment was as follows:

(i) Material Solutions Unit

This unit recorded decreased sales and profits as a whole as it continued to face sluggish market conditions in Asia coincided with stagnant demand in the U.S. housing and construction markets.

- For Vinyls and Chlor-Alkali, revenue declined year on year. While sales of caustic soda surpassed the year-earlier results, PVC sales continued to be sluggish in the Asian market. We anticipate a recovery in 4Q and beyond.
- For Modifiers, profits decreased as demand adjustments continued in the U.S. housing and construction markets. We will promote sales expansion of high value-added products such as non-PVC use and epoxy masterbatch (MX), which are our differentiated products.
- For Modified Silicone polymers, demand has been recovering in the European and the U.S. markets after bottoming out in 1Q (April 1 to June 30, 2025). In addition to expanding sales in Europe and replacing other materials, we expect a recovery in global demand in 2H and beyond.
- For Green Planet®, customer evaluation for large-scale projects is progressing smoothly. We will steadily strengthen our supply system with a view to significantly expanding sales from 2H.

(ii) Quality of Life Solutions Unit

This unit secured profits comparable with the year-earlier level as a whole, driven by the strong sales of Performance Fibers and improved earnings in Foam & Residential Techs.

- For Foam & Residential Techs, the improvement of profit margins through price revision and cost reduction progressed, leading to an increase in profits. We will continue working to improve profitability for earnings growth.
- For E & I Technology, although the sales of polyimide films and optical acrylic resins remained high, earnings fell short of the previous year due to rising raw material costs and foreign exchange impact. We will realize earnings growth by further promoting the sales expansion of high-value-added grades, such as high-frequency polyimide and modified optical acrylic resins.
- For PV & Energy management, sales of high-efficiency photovoltaic modules for the domestic residential market remained firm. Along with the market for building-integrated photovoltaics expanding, the technology development of tandem-type modules for next-generation photovoltaic modules (perovskite) is steadily advancing.
- Performance Fibers achieved an increase in profits, supported by the strong sales recovery of hair attachment products. Although profit margins of the flame-retardant fabric declined due to the rising cost of certain raw materials, global demand continues to grow steadily and our business bases are increasingly expanding.

(iii) Health Care Solutions Unit

This unit recorded increased sales and profits, driven by significant sales expansion in Medical. Earnings are expected to continue expanding in 2H and beyond.

- For Medical, sales of blood purification devices and catheters expanded significantly, resulting in the largest earning-generating business. The new production facility in Hokkaido (Tomatoh Manufacturing Site for blood purification devices) has already ramped up production, and the construction of a new catheter production facility is making steady progress. We aim to achieve further growth in the Medical business.
- For Pharma, earnings remained low, partly due to the impact of periodic maintenance on biopharmaceutical production and the delay in closing sales deals. As we make progress in the launch and realization of new projects in small molecule pharmaceuticals and biopharmaceuticals, we anticipate a significant recovery in earnings in 2H and beyond. We are strengthening R2B both domestically and internationally, focusing on investments to expand our business domains.

(iv) Nutrition Solutions Unit

The unit recorded increased sales, with strong performance in Supplemental Nutrition and shifting toward high value-added products in Foods & Agris, but showed a decrease in profits.

- For Supplemental Nutrition, the sales of the active form of coenzyme Q10 expanded, particularly in the U.S., leading to an increase in profits. In 2H, sales will further expand in the global market, and earnings are expected to grow steadily.
- For Foods & Agris, progress was made in price revisions and the shift toward high value-added products since 2Q (July 1 to September 30, 2025), leading to an improved profit margin. In 2H, we will promote the shift toward high value-added products and sales expansion of new products in the “Business to Consumer” (B-to-C) business, expecting to secure earnings at a high level.

(2) Financial Position for the Six Months Ended September 30, 2025

➤ Assets, Liabilities, Net Assets

As of September 30, 2025, total assets were ¥924,524 million, up ¥4,381 million from the previous fiscal year-end. This is mainly due to an increase in inventories and an increase in property, plant and equipment. Liabilities totaled ¥428,390 million, up ¥666 million, due to an increase in loans payable, despite a decrease in trade payables and other factors.

Net assets were ¥496,134 million, up ¥3,714 million, owing chiefly to an increase in retained earnings. Equity ratio was 51.3%.

➤ Consolidated Cash Flows

In the six months ended September 30, 2025, net cash provided by operating activities was ¥24,571 million, mainly due to the recording of income before income taxes and depreciation and amortization. Net cash used in investing activities amounted to ¥15,283 million, mainly due to purchase of property, plant and equipment. Net cash used in financing activities was ¥9,370 million due to cash dividends paid and purchase of treasury shares. As a result, cash and cash equivalents as of September 30, 2025 totaled ¥44,288 million.

(3) Earnings Forecasts and Other Forward-looking Statements

The global economy is facing increasing challenges as U.S. tariff issues intensify, raising concerns over a further prolongation of their impact. Also, uncertain elements such as geopolitical risks and foreign exchange fluctuations remain entrenched, making the outlook unpredictable.

Under such circumstances, we will strengthen Life Science businesses and speed up portfolio transformation that the Leading-edge businesses drive growth through the differentiated technologies that are unique to Kaneka. In 2H, we expect the momentum for earnings recovery to strengthen, primarily in Health Care Solutions Unit, Quality of Life Solutions Unit, and Nutrition Solutions Unit. Material Solutions Unit is expected to recover its performance after bottoming out in 1H (April 1 to September 30, 2025).

Health Care Solutions Unit, especially Medical will drive earnings. Business expansion will further proceed by promoting sales of new products in the Medical business and broadening sales areas such as Asia and the U.S., as well as by strengthening the business base through M&A. For Pharma, we anticipate a full-on recovery in 4Q, with sales of both small molecule pharmaceuticals and biopharmaceuticals increasing in the CDMO market from 3Q (October 1 to December 31, 2025).

In Quality of Life Solutions Unit, high-level sales of hair attachment products are expected to continue for Performance Fibers. For E & I Technology, which experienced recovery delay, we expect increased sales of high-value-added grades, in addition to the ongoing solid sales for polyimide films and optical acrylic resins.

In Nutrition Solutions Unit, profit margins will be further improved in Foods & Agris, and we expect accelerated progress in shifting toward high value-added products and expanding "Business to Consumer" product sales. Supplemental Nutrition will continue to grow. Initiatives of the Healthy Foods Strategic Unit, aiming to develop supplements as food products, will support portfolio transformation.

In Material Solutions Unit, Vinyls will create conditions for earnings improvement. For Modifiers and Modified Silicone polymers, demand in the European and the U.S. housing and construction markets is expected to bottom out and we project to steadily expand sales in our global bases, including Asia.

Overall, 2H is expected to reignite growth momentum. However, 3Q will mark the takeoff phase, while full cruising speed is projected for 4Q.

Against this backdrop, although momentum for earnings recovery in 2H will strengthen, offsetting profit decline in 1H will be challenging.

Considering the above, we have revised the forecast for consolidated financial results, which was announced on May 14, 2025, as shown in the table below.

Revisions to the forecast for consolidated business performance for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous forecast (A)	¥ million 820,000	¥ million 42,000	¥ million 38,000	¥ million 33,000	¥ 524.36
Current forecast (B)	800,000	37,000	31,400	33,000	534.03
Difference (B-A)	(20,000)	(5,000)	(6,600)	-	
Difference (%)	(2.4)	(11.9)	(17.4)	-	
(Reference: Year ended March 31, 2025)	807,200	40,050	32,863	25,309	400.91

Revisions to the forecast for business performance by business segments (Millions of yen)

	Net sales			Operating income		
	Previous forecast	Revised forecast	Difference	Previous forecast	Revised forecast	Difference
Material SU	337,000	323,000	(14,000) (4.2%)	31,000	26,800	(4,200) (13.5%)
Quality of Life SU	196,000	195,000	(1,000) (0.5%)	21,000	18,300	(2,700) (12.9%)
Health Care SU	91,000	84,000	(7,000) (7.7%)	17,100	17,000	(100) (0.6%)
Nutrition SU	195,000	197,000	2,000 1.0%	13,700	14,700	1,000 7.3%
Others	1,000	1,000	- -	500	400	(100) (20.0%)
Adjustment	-	-	-	(41,300)	(40,200)	1,100 -
Total	820,000	800,000	(20,000) (2.4%)	42,000	37,000	(5,000) (11.9%)

2. Semi-annual Consolidated Financial Statements and Main Notes**(1) Semi-annual Consolidated Balance Sheets**

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	45,639	45,249
Notes and accounts receivable-trade, and contract assets	176,793	172,942
Merchandise and finished goods	104,201	109,131
Work in process	16,814	17,701
Raw materials and supplies	74,481	75,470
Other	28,420	27,177
Allowance for doubtful accounts	(1,824)	(1,897)
Total current assets	444,524	445,776
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	107,322	107,864
Machinery, equipment and vehicles, net	127,404	125,574
Other, net	105,708	112,235
Total property, plant and equipment	340,435	345,674
Intangible assets		
Goodwill	2,671	2,265
Other	30,488	30,544
Total intangible assets	33,159	32,810
Investments and other assets		
Investment securities	61,184	59,393
Retirement benefit asset	21,205	21,530
Other	19,978	19,683
Allowance for doubtful accounts	(343)	(343)
Total investments and other assets	102,023	100,263
Total noncurrent assets	475,618	478,747
Total assets	920,143	924,524

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable-trade	92,144	87,512
Short-term loans payable	132,511	140,145
Income taxes payable	7,013	6,066
Provision	2,235	1,363
Other	61,029	65,236
Total current liabilities	294,933	300,325
Noncurrent liabilities		
Bonds payable	15,000	15,000
Long-term loans payable	57,972	54,135
Provision	905	760
Retirement benefit liability	22,032	22,139
Other	36,880	36,029
Total noncurrent liabilities	132,790	128,065
Total liabilities	427,724	428,390
Net assets		
Shareholders' equity		
Capital stock	33,046	33,046
Capital surplus	29,871	29,906
Retained earnings	349,925	356,569
Treasury stock	(11,725)	(18,073)
Total shareholders' equity	401,118	401,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27,463	27,484
Foreign currency translation adjustment	24,847	27,672
Remeasurements of defined benefit plans	17,848	17,448
Total accumulated other comprehensive income	70,159	72,606
Subscription rights to shares	658	770
Non-controlling interests	20,482	21,308
Total net assets	492,419	496,134
Total liabilities and net assets	920,143	924,524

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income		(Millions of yen)	
		Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales		395,963	397,428
Cost of sales		285,868	288,903
Gross profit		110,095	108,525
Selling, general and administrative expenses		90,994	93,561
Operating income		19,101	14,963
Non-operating income			
Dividends income		943	1,067
Equity in earnings of affiliates		80	35
Other		773	770
Total non-operating income		1,797	1,873
Non-operating expenses			
Interest expenses		2,067	2,023
Loss on retirement of noncurrent assets		1,208	1,268
Foreign exchange losses		1,837	586
Other		1,393	1,196
Total non-operating expenses		6,507	5,074
Ordinary income		14,391	11,762
Extraordinary income			
Gain on sales of investment securities		1,749	6,161
Total extraordinary income		1,749	6,161
Extraordinary losses			
Loss on disaster		504	—
Patent protection court costs		—	586
Loss on liquidation of business		—	529
Total extraordinary losses		504	1,115
Income before income taxes		15,636	16,808
Income taxes-current		4,333	5,280
Income taxes-deferred		390	(279)
Total income taxes		4,723	5,000
Net income		10,912	11,808
Net income attributable to non-controlling interests		750	758
Net income attributable to owners of parent		10,162	11,049

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net income	10,912	11,808
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,243)	30
Deferred gains or losses on hedges	0	-
Foreign currency translation adjustment	2,121	3,101
Remeasurements of defined benefit plans, net of tax	(314)	(400)
Share of other comprehensive income of associates accounted for using equity method	0	0
Total other comprehensive income	(1,435)	2,731
Comprehensive income	9,477	14,540
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,725	13,496
Comprehensive income attributable to non-controlling interests	751	1,044

(3)Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net cash provided by (used in) operating activities		
Income before income taxes	15,636	16,808
Depreciation and amortization	21,413	23,185
Loss on disaster	504	-
Patent protection court costs	-	586
Loss on liquidation of business	-	529
Increase (decrease) in retirement benefit asset	-	(325)
Decrease (increase) in retirement benefit liability	(947)	(643)
Increase (decrease) in allowance for doubtful accounts	(0)	0
Interest and dividends income	(1,125)	(1,193)
Interest expenses	2,067	2,023
Equity in losses (earnings) of affiliates	(80)	(35)
Loss (gain) on disposal of noncurrent assets	499	469
Loss (gain) on sales of investment securities	(1,749)	(6,161)
Decrease (increase) in notes and accounts receivable-trade	19,919	4,846
Decrease (increase) in inventories	(12,707)	(5,332)
Increase (decrease) in notes and accounts payable-trade	(13,258)	(5,136)
Other, net	(775)	2,658
Subtotal	29,396	32,279
Interest and dividends income received	1,147	1,208
Interest expenses paid	(2,081)	(1,997)
Patent protection court costs paid	-	(586)
Income taxes paid	(5,438)	(6,332)
Net cash provided by (used in) operating activities	23,023	24,571
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(28,335)	(22,260)
Proceeds from sales of property, plant and equipment	22	113
Purchase of intangible assets	(2,326)	(1,988)
Purchase of investment securities	(1,389)	(51)
Proceeds from sales and distributions of investment securities	2,194	9,085
Payments of loans receivable	(144)	(161)
Collection of loans receivable	118	180
Other, net	(572)	(202)
Net cash provided by (used in) investing activities	(30,432)	(15,283)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	22,531	6,936
Proceeds from long-term loans payable	31	38
Repayment of long-term loans payable	(6,461)	(4,857)
Redemption of bonds	(5,000)	-
Repayments of lease obligations	(518)	(548)
Purchase of treasury shares	(5,019)	(6,351)
Proceeds from sales of treasury shares	0	0
Cash dividends paid	(3,528)	(4,405)
Dividends paid to non-controlling interests	(205)	(175)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(277)	(6)
Net cash provided by (used in) financing activities	1,553	(9,370)
Effect of exchange rate change on cash and cash equivalents	650	(261)
Net increase (decrease) in cash and cash equivalents	(5,205)	(343)
Cash and cash equivalents at beginning of period	43,278	44,631
Cash and cash equivalents at end of period	38,073	44,288

(4) Notes to the Semi-annual Consolidated Financial Statements
(Segment Information)

I. For the six months ended September 30, 2024

1) Sales and Income by Segment

(Millions of yen)

	Reportable Segment					Others (Note 1)	Total	Adjustment	Amounts on consolidated financial statements (Note 2)
	Material Solutions Unit	Quality of Life Solutions Unit	Health Care Solutions Unit	Nutrition Solutions Unit	Total				
Sales									
Customers	169,904	93,413	36,394	95,812	395,525	438	395,963	–	395,963
Intersegment	108	59	90	22	280	601	882	(882)	–
Total	170,013	93,473	36,484	95,834	395,805	1,040	396,846	(882)	395,963
Segment profit	16,073	9,552	5,443	6,449	37,518	178	37,696	(18,595)	19,101

Notes: 1. "Others" is a business segment that is not included in the reportable segments and includes property insurance and life insurance business.

2. Segment profit is reconciled with operating income in the semi-annual consolidated financial statements.

2) Reconciliation between Segment Totals and Amounts on Semi-annual Consolidated Financial Statements
(Adjustments)

(Millions of yen)

Income	Amount
Segment total	37,518
Segment profit of Others	178
Elimination of intersegment transactions	0
Corporate expenses (Note)	(18,677)
Other adjustments	82
Operating income in the semi-annual consolidated statement of income	19,101

Note: Corporate expenses primarily are expenses for basic R&D that are not allocable to any reportable segments

II. For the six months ended September 30, 2025

1) Sales and Income by Segment

(Millions of yen)

	Reportable Segment					Others (Note 1)	Total	Adjustment	Amounts on consolidated financial statements (Note 2)
	Material Solutions Unit	Quality of Life Solutions Unit	Health Care Solutions Unit	Nutrition Solutions Unit	Total				
Sales									
Customers	162,493	97,017	37,346	100,096	396,954	474	397,428	–	397,428
Intersegment	126	37	22	35	222	708	930	(930)	–
Total	162,620	97,054	37,368	100,132	397,176	1,182	398,359	(930)	397,428
Segment profit	12,602	9,440	6,007	5,953	34,003	197	34,201	(19,237)	14,963

Notes: 1. "Others" is a business segment that is not included in the reportable segments and includes property insurance and life insurance business.

2. Segment profit is reconciled with operating income in the semi-annual consolidated financial statements.

2) Reconciliation between Segment Totals and Amounts on Semi-annual Consolidated Financial Statements (Adjustments)

(Millions of yen)

Income	Amount
Segment total	34,003
Segment profit of Others	197
Elimination of intersegment transactions	0
Corporate expenses (Note)	(19,281)
Other adjustments	43
Operating income in the semi-annual consolidated statement of income	14,963

Note: Corporate expenses primarily are expenses for basic R&D that are not allocable to any reportable segments.

(Notes in the Event of Significant Changes in the Amount of Shareholders' Equity)

Not applicable

(Going Concern Assumption)

Not applicable