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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]



May 15, 2025

Company name: SEIREN CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Securities code: 3569

URL: <https://www.seiren.com/english/>

Representative: Tatsuo Kawada, Representative Director, Chairman and C.E.O.

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Scheduled date of general shareholders' meeting: June 24, 2025

Scheduled date of commencing dividend payments: June 25, 2025

Scheduled date of filing securities report: June 25, 2025

Availability of supplementary explanatory materials on annual financial results: Available

Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	159,653	12.5	17,865	27.0	19,277	18.9	13,887	14.2
March 31, 2024	141,915	7.2	14,068	9.6	16,214	5.7	12,156	10.3

Note: Comprehensive income: Fiscal year ended March 31, 2025: ¥18,335 million [(2.8)%]

Fiscal year ended March 31, 2024: ¥18,856 million [11.6%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	242.29	237.01	10.4	10.0	11.2
March 31, 2024	226.53	201.55	10.7	9.1	9.9

Reference: Equity in earnings of affiliated companies:

Fiscal year ended March 31, 2025: ¥ – million

Fiscal year ended March 31, 2024: ¥ – million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	199,223	143,882	71.7	2,437.38
As of March 31, 2024	187,458	124,689	66.0	2,234.88

Reference: Equity: As of March 31, 2025: ¥142,905 million

As of March 31, 2024: ¥123,642 million

#### (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
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2025	20,538	(11,810)	(7,802)	40,317
March 31, 2024	13,489	(5,279)	(7,048)	37,545

## 2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2024	—	23.00	—	30.00	53.00	2,894	23.4	2.5
Fiscal year ended March 31, 2025	—	30.00	—	38.00	68.00	4,022	28.1	2.9
Fiscal year ending March 31, 2026 (Forecast)	—	38.00	—	38.00	76.00		33.3	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	160,000	0.2	18,100	1.3	18,700	(3.0)	13,400	(3.5)
								228.55

### \* Notes:

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

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Total number of shares outstanding (common shares)

1) Total number of shares outstanding at the end of the year (including treasury shares):

March 31, 2025: 64,633,646 shares

March 31, 2024: 64,633,646 shares

2) Total number of treasury shares at the end of the year:

March 31, 2025: 6,002,941 shares

March 31, 2024: 9,309,939 shares

3) Average number of shares during the year:

Year ended March 31, 2025: 57,319,984 shares

Year ended March 31, 2024: 53,662,353 shares

\* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other notes

The financial results forecasts and other forward-looking statements herein are based on information available to the Company as of the date of publication of this document and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors. For notes on financial results forecasts, please refer to “1. Overview of Operating Results, etc. (4) Future Outlook” on page 4 of the attachments to the Japanese version of this document.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review, the economy trended toward moderate recovery as economic and social activities moved closer to normal levels and the employment and income environments improved. However, the future outlook remains uncertain, clouded by not only skyrocketing energy and raw material prices and highly volatile exchange rates, but also pressures such as US economic policy trends and rising geopolitical risks.

While facing this challenging environment, the Seiren Group will strive to meet the ever-changing needs of customers while securing stable earnings and achieving sustainable growth, guided by its medium-term aspiration, “Challenge ourselves to unlock hidden possibilities!” To accomplish this, the Group is carrying out a business strategy focused on innovation and customer development, and on rebuilding its corporate culture. At the same time, it is also working to strengthen corporate culture by continuing to pursue management practices aimed at increasing non-financial value, including the potential of its capabilities in talent, development, and responsiveness to changes in the environment.

The consolidated results for the fiscal year under review were ¥159,653 million in net sales (up 12.5% year on year), ¥17,865 million in operating profit (up 27.0% year on year), ¥19,277 million in ordinary profit (up 18.9% year on year), and ¥13,887 million in profit attributable to owners of parent (up 14.2% year on year). All four results were record highs.

#### [Operating Results by Segment]

##### (Automotive Upholstery Materials)

Orders received fell in the domestic business due to the impact of production stoppages at automakers in Japan. While performance was impacted by factors such as sharp rises in raw material, transportation, and other costs, and increased depreciation associated with the adoption of biomass boilers as carbon neutrality measures, it was also buoyed by changes in the contributions of products, such as the growth of high value-added products, resulting in lower sales but higher profits.

In the overseas business (January to December 2024), net sales of airbags and fabric/synthetic leather car seat coverings climbed in North America and Southeast Asia. In addition, efforts to improve quality and reduce costs at overseas business sites met with success, driving increases in both sales and profits.

As a result, the segment as a whole achieved higher sales and profits.

Net sales in this segment totaled ¥109,816 million (up 16.9% year on year), and operating profit was ¥13,954 million (up 30.3% year on year).

##### (High Fashion Materials)

Amid the apparel industry’s growing interest in environmentally friendly approaches to manufacturing, the Company has deployed a business model that leverages its proprietary Viscotecs®, a system that enables differentiated products to be made in small lots with short delivery time and inventory-free operation. In addition, the Company develops and manufactures recycled and biodegradable materials.

Robust performances were recorded in materials for outerwear, including outdoor apparel, and innerwear. KB Seiren, Ltd. incurred a drop in sales due to reduced sales of unprofitable products, but nevertheless boosted its profits by revamping its selling prices. As a result, both sales and profits rose for the segment overall.

Net sales in this segment were ¥21,911 million (up 8.2% year on year) and operating profit came to ¥1,544 million (up 54.9% year on year).

##### (Electronics Materials)

New products for video game consoles and mobile devices, and products for automobile monitors performed strongly, but the artificial satellite business was affected by the postponement of delivery due to a change in rocket launch plans, resulting in higher sales but lower profits on a non-consolidated basis.

At KB Seiren, Ltd., sales of the engineering plastic fiber Zxion® struggled to grow, but demand recovered for Savina® HDD wiping cloths for generative AI data centers. Seiren KST Corp. recorded solid sales in SOI wafers and

thermal oxide processing of silicon wafers. As a result, both sales and profits expanded for the entire segment.

Net sales in this segment amounted to ¥10,696 million (up 8.0% year on year) and operating profit totaled ¥1,829 million (up 18.1% year on year).

#### (Environmental & Life Materials)

Sales were strong in artificial suede materials and materials for hospital and nursing home beds, but were sluggish for high-value-added products. KB Seiren, Ltd. experienced lackluster sales of consumer products in this segment due to inventory adjustments by some customers. Consequently, sales rose but profits contracted for the segment overall.

Net sales in this segment were ¥9,714 million (up 1.9% year on year) and operating profit was ¥875 million (down 7.4% year on year).

#### (Medical Materials)

Cosmetic and artificial blood vessel base material sales were steady, but inventory adjustments by some customers contributed to sluggish performance in hygienic chemicals. At KB Seiren, Ltd., adhesive material sales fell, and inventory adjustments by some customers impacted sales of Bellcouple® for reverse osmosis membrane spacers and Espansione® for bandages. The outcome was a drop in sales and profits for the overall segment.

Net sales in this segment were ¥6,786 million (down 9.0% year on year) and operating profit was ¥690 million (down 22.1% year on year).

#### (Other Businesses)

Nagoya Seiren Co., Ltd.'s real estate leasing and management business and Seiren Shoji Co., Ltd.'s insurance agency business delivered strong results.

The segment recorded net sales of ¥727 million (down 16.0% year on year) and an operating profit of ¥517 million (up 11.1% year on year).

### (2) Overview of Financial Position for the Fiscal Year under Review

#### State of Assets, Liabilities, and Net Assets

Total assets as of the end of the fiscal year under review amounted to ¥199,223 million, an increase of ¥11,765 million over the previous fiscal year. Current assets rose by ¥9,980 million year on year, pushed upward by rises in notes and accounts receivable – trade, and contract assets and in securities, among other factors. Non-current assets climbed by ¥1,784 million year on year, buoyed by an increase in property, plant and equipment, which resulted from capital investment and the effect of the weaker yen exchange rate on the financial statements of overseas subsidiaries, in addition to an increase in investment securities. Total liabilities decreased by ¥7,428 million to ¥55,340 million due to the fact that there was further conversion of bonds with share acquisition rights while notes and accounts payable – trade increased. Net assets were ¥143,882 million, rising by ¥19,193 million on the whole due to factors such as changes in foreign currency translation adjustment, higher retained earnings, and issuance of treasury shares in conjunction with the conversion of bonds with share acquisition rights.

### (3) Overview of Cash Flows for the Fiscal Year under Review

The state of cash flows at the end of the fiscal year under review was ¥40,317 million in cash and cash equivalents, an increase of ¥2,771 million over the previous fiscal year.

Net cash provided by operating activities was ¥20,538 million (net cash provided of ¥13,489 million in the previous fiscal year). This was mainly attributable to ¥19,305 million in profit before income taxes.

Net cash used in investing activities was ¥11,810 million (net cash used of ¥5,279 million in the previous fiscal year). This was primarily due to purchase of property, plant and equipment totaling ¥5,662 million and purchase of short-term and long-term investment securities totaling ¥7,132 million.

Net cash used in financing activities was ¥7,802 million (net cash used of ¥7,048 million in the previous fiscal

year). This mainly comprised purchase of treasury shares totaling ¥5,984 million and dividends paid totaling ¥3,454 million.

The following table shows changes in key indicators pertaining to cash flows, etc.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Equity ratio (%)	55.0	58.2	62.3	66.0	71.7
Equity ratio based on market value (%)	72.1	76.8	74.4	81.4	72.1
Interest-bearing debt to cash flow ratio (years)	2.7	3.1	2.0	1.4	0.5
Interest coverage ratio (times)	260.1	310.9	340.4	146.7	74.7

Notes: Equity ratio: equity / total assets  
Equity ratio based on market value: market capitalization / total assets  
Interest-bearing debt to cash flow ratio: interest-bearing debt / operating cash flow  
Interest coverage ratio: operating cash flow / interest payments  
\* All indicators were calculated based on consolidated financial figures.  
\* Market capitalization was calculated as: closing share price at fiscal year end × total outstanding shares at fiscal year end (less treasury shares).  
\* The figures used for operating cash flow are derived from cash flows from operating activities as listed in the Consolidated Statement of Cash Flows. Interest-bearing debt represents short-term borrowings, long-term borrowings, and bonds with acquisition rights. Interest payments are derived from interest paid as listed in the Consolidated Statement of Cash Flows.

#### (4) Future Outlook

The future outlook remains uncertain due to global inflation, US economic policy trends, China's economic slowdown, and currency market trends, among other conditions. While operating in an ever-changing economic environment, the Seiren Group will endeavor to constantly meet customer needs, secure stable earnings, and achieve sustainable growth as a business. To do so, the Group will renew its commitment to the "Five Corporate Principles (Go-gen-Shugi)" embedded in its culture and reliably execute tasks, particularly those which abide by the work principle that each and every employee is, in their own roles and under their own responsibility, to firmly strive to link their work to the creation of value added. This will be pursued under four basic strategies: utilization of information technology (IT) and business model innovation, expansion into non-clothing and non-textile fields, global expansion of business, and reformation of corporate culture.

Efforts toward the utilization of IT and business model innovation will include realigning business models, further enhancing the proprietary digital production system Viscotecs®, and developing production sites into smart factories through the use of AI and robots. With regard to expansion into non-clothing and non-textile fields, the Group will leverage textile processing technologies derived from its textile technologies, applied chemistry, mechanical engineering, and IT to drive a shift into new business areas such as semiconductors and space-related business. The global expansion of business will involve responding flexibly and agilely to global economic trends and shifts in international market conditions including the US government's tariff policies, and strengthening the Group's management through actions such as increasing earnings in emerging markets and optimizing the siting of production and procurement. The initiatives for reformation of corporate culture will seek to build a solid culture by improving front-line competencies and cultivating the talent needed to operate a diversified portfolio of new businesses. In addition, the Group will seek, as is the mission of all businesses, to contribute to the creation of a sustainable circular society. This will involve efforts to reduce costs, improve energy efficiency, and develop environmentally friendly products, as well as promoting management practices that enhance the transparency in corporate governance and

corporate activities, and thereby earn the strong trust of stakeholders.

The Company forecasts the following results for the next fiscal year: net sales, ¥160,000 million (up 0.2% year on year); operating profit, ¥18,100 million (up 1.3% year on year); ordinary profit, ¥18,700 million (up 3.0% year on year); and profit attributable to owners of parent, ¥13,400 million (up 3.5% year on year).

## 2. Basic Policy on Selection of Accounting Standards

Given the likelihood for the Seiren Group's consolidated financial statements to be compared with those of other periods or other companies, the Group's policy for the time being is to prepare the statements in accordance with Japanese standards.

Going forward, the Group may consider adopting international accounting standards in light of new developments that may occur, such as changes in the percentage of foreign shareholders and trends toward the adoption of international accounting standards by other Japanese companies in the same industries.

### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated Balance Sheet

(Million yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	43,612	43,028
Notes and accounts receivable - trade, and contract assets	39,273	42,222
Securities	3,317	8,891
Merchandise and finished goods	14,835	16,089
Work in process	4,316	4,489
Raw materials and supplies	7,472	8,808
Other	4,268	3,546
Allowance for doubtful accounts	(13)	(13)
Total current assets	117,083	127,064
Non-current assets		
Property, plant and equipment		
Buildings and structures	65,706	68,031
Accumulated depreciation	(39,680)	(42,217)
Buildings and structures, net	26,026	25,813
Machinery, equipment and vehicles	87,276	92,405
Accumulated depreciation	(73,418)	(77,772)
Machinery, equipment and vehicles, net	13,858	14,632
Tools, furniture and fixtures	5,271	5,839
Accumulated depreciation	(4,726)	(4,950)
Tools, furniture and fixtures, net	545	888
Land	13,048	13,144
Leased assets	33	33
Accumulated depreciation	(33)	(33)
Leased assets, net	—	—
Construction in progress	1,855	1,748
Total property, plant and equipment	55,334	56,228
Intangible assets		
Goodwill	477	318
Other	3,019	3,097
Total intangible assets	3,497	3,415
Investments and other assets		
Investment securities	9,619	10,364
Deferred tax assets	1,163	1,303
Other	868	956
Allowance for doubtful accounts	(106)	(108)
Total investments and other assets	11,544	12,515
Total non-current assets	70,375	72,159
Total assets	187,458	199,223



(Million yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	20,676	23,492
Current portion of bonds with share acquisition rights	—	90
Short-term borrowings	2,061	4,816
Accounts payable - other	3,986	1,406
Income taxes payable	2,807	2,719
Provision for bonuses for directors (and other officers)	135	135
Provision for bonuses	1,705	1,787
Other	5,303	6,066
Total current liabilities	36,676	40,513
Non-current liabilities		
Bonds with share acquisition rights	10,322	—
Long-term borrowings	6,517	5,516
Deferred tax liabilities	322	180
Provision for retirement benefits for directors (and other officers)	119	119
Provision for share-based payments	—	170
Retirement benefit liability	6,406	6,319
Other	2,403	2,522
Total non-current liabilities	26,092	14,827
Total liabilities	62,769	55,340
<b>Net assets</b>		
Shareholders' equity		
Share capital	17,520	17,520
Capital surplus	18,032	19,976
Retained earnings	85,359	95,792
Treasury shares	(13,223)	(10,677)
Total shareholders' equity	107,688	122,611
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,288	3,985
Foreign currency translation adjustment	11,405	16,103
Remeasurements of defined benefit plans	259	205
Total accumulated other comprehensive income	15,953	20,293
Share acquisition rights	502	465
Non-controlling interests	544	511
Total net assets	124,689	143,882
<b>Total liabilities and net assets</b>	<b>187,458</b>	<b>199,223</b>

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

## Consolidated Statement of Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	141,915	159,653
Cost of sales	103,606	115,625
Gross profit	38,308	44,027
Selling, general and administrative expenses	24,240	26,162
Operating profit	14,068	17,865
Non-operating income		
Interest income	777	1,247
Dividend income	174	270
Foreign exchange gains	736	243
Subsidy income	482	356
Other	163	211
Total non-operating income	2,333	2,330
Non-operating expenses		
Interest expenses	144	251
Loss on valuation of securities	—	628
Other	43	38
Total non-operating expenses	187	919
Ordinary profit	16,214	19,277
Extraordinary income		
Gain on sale of non-current assets	19	66
Subsidy income	241	—
Total extraordinary income	260	66
Extraordinary losses		
Loss on disposal of non-current assets	36	30
Loss on valuation of investment securities	—	7
Loss on valuation of shares of subsidiaries and associates	20	—
Total extraordinary losses	57	37
Profit before income taxes	16,417	19,305
Income taxes - current	4,397	5,482
Income taxes - deferred	(185)	(141)
Total income taxes	4,211	5,340
Profit	12,205	13,964
Profit attributable to non-controlling interests	49	77
Profit attributable to owners of parent	12,156	13,887

# Consolidated Statement of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	12,205	13,964
Other comprehensive income		
Valuation difference on available-for-sale securities	1,335	(303)
Foreign currency translation adjustment	5,140	4,727
Remeasurements of defined benefit plans, net of tax	175	(54)
Total other comprehensive income	6,651	4,370
Comprehensive income	18,856	18,335
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,768	18,228
Comprehensive income attributable to non-controlling interests	88	107

### (3) Consolidated Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,520	16,807	75,669	(14,830)	95,167
Changes during period					
Dividends of surplus			(2,466)		(2,466)
Profit attributable to owners of parent			12,156		12,156
Disposal of treasury shares		70		168	239
Purchase of treasury shares				(2,245)	(2,245)
Changes in equity due to capital transfer		7			7
Conversion of convertible bonds		1,146		3,683	4,830
Net changes in items other than shareholders' equity					—
Total changes during period	—	1,224	9,689	1,606	12,521
Balance at end of period	17,520	18,032	85,359	(13,223)	107,688

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	2,953	6,303	84	9,341	567	709	105,785
Changes during period							
Dividends of surplus							(2,466)
Profit attributable to owners of parent							12,156
Disposal of treasury shares							239
Purchase of treasury shares							(2,245)
Changes in equity due to capital transfer							7
Conversion of convertible bonds							4,830
Net changes in items other than shareholders' equity	1,335	5,101	175	6,612	(64)	(165)	6,382
Total changes during period	1,335	5,101	175	6,612	(64)	(165)	18,903
Balance at end of period	4,288	11,405	259	15,953	502	544	124,689

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,520	18,032	85,359	(13,223)	107,688
Changes during period					
Dividends of surplus			(3,454)		(3,454)
Profit attributable to owners of parent			13,887		13,887
Disposal of treasury shares		76		169	245
Purchase of treasury shares				(5,984)	(5,984)
Changes in equity due to capital transfer		22			22
Conversion of convertible bonds		1,845		8,360	10,206
Net changes in items other than shareholders' equity					—
Total changes during period	—	1,944	10,433	2,545	14,923
Balance at end of period	17,520	19,976	95,792	(10,677)	122,611

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	4,288	11,405	259	15,953	502	544	124,689
Changes during period							
Dividends of surplus							(3,454)
Profit attributable to owners of parent							13,887
Disposal of treasury shares							245
Purchase of treasury shares							(5,984)
Changes in equity due to capital transfer							22
Conversion of convertible bonds							10,206
Net changes in items other than shareholders' equity	(303)	4,697	(54)	4,340	(37)	(32)	4,270
Total changes during period	(303)	4,697	(54)	4,340	(37)	(32)	19,193
Balance at end of period	3,985	16,103	205	20,293	465	511	143,882

## (4) Consolidated Statement of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	16,417	19,305
Depreciation	5,455	6,030
Loss (gain) on sale of non-current assets	(18)	(64)
Loss on retirement of non-current assets	36	28
Loss on valuation of investment securities	—	7
Increase (decrease) in allowance for doubtful accounts	(3)	1
Increase (decrease) in provision for bonuses	330	81
Increase (decrease) in retirement benefit liability	27	(165)
Interest and dividend income	(951)	(1,517)
Interest expenses	144	251
Foreign exchange losses (gains)	(1,940)	(139)
Decrease (increase) in trade receivables	(4,561)	(1,016)
Decrease (increase) in inventories	91	(2,351)
Increase (decrease) in trade payables	2,238	1,757
Other, net	(964)	2,851
Subtotal	16,300	25,061
Interest and dividends received	853	1,424
Interest paid	(91)	(275)
Income taxes paid	(3,572)	(5,672)
Net cash provided by (used in) operating activities	13,489	20,538
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,244)	(5,662)
Proceeds from sale of property, plant and equipment	75	147
Purchase of short-term and long-term investment securities	(2,691)	(7,132)
Proceeds from sale and redemption of short-term and long-term investment securities	2,000	1,600
Net decrease (increase) in time deposits	(1,426)	(644)
Purchase of intangible assets	(58)	(119)
Other, net	1,065	0
Net cash provided by (used in) investing activities	(5,279)	(11,810)
Cash flows from financing activities		
Proceeds from long-term borrowings	—	3,800
Repayments of long-term borrowings	(2,045)	(2,045)
Purchase of treasury shares	(2,245)	(5,984)
Dividends paid	(2,466)	(3,454)
Dividends paid to non-controlling interests	(7)	(9)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(238)	(107)
Other, net	(44)	—
Net cash provided by (used in) financing activities	(7,048)	(7,802)
Effect of exchange rate change on cash and cash equivalents	2,242	1,846
Net increase (decrease) in cash and cash equivalents	3,403	2,771
Cash and cash equivalents at beginning of period	34,141	37,545
Cash and cash equivalents at end of period	37,545	40,317

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

(Application of Accounting Standard for Current Income Taxes, etc.)

The Company has adopted the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter, the “Revised Accounting Standard 2022”), etc. since the beginning of the fiscal year under review.

The amendment to categories in which current income taxes should be recorded (taxation on other comprehensive income) follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso to (2) of Paragraph 65-2 of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter, the “Revised Guidance 2022”). This change in accounting policy has no impact on the consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies are deferred for tax purposes, the Company has applied the Revised Guidance 2022 since the beginning of the fiscal year under review. This change in accounting policies has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared reflecting the retrospective application. The application has no impact on the consolidated financial statements for the previous fiscal year.

(Notes to Consolidated Statement of Cash Flows)

Relationship between cash and cash equivalents at the end of the period and amounts of items listed in the Consolidated Balance Sheet

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash and deposit account	¥43,612 million	¥43,028 million
Time deposits with maturities over three months, etc.	¥(6,067) million	¥(6,711) million
Negotiable certificates of deposit included in securities account	—	4,000 million
Cash and cash equivalents	¥37,545 million	40,317 million

(Segment information, etc.)

(Segment information)

1. Overview of reportable segments

The Seiren Group's reportable segments are subject to periodic review by the Board of Directors to make decisions on the allocation of management resources and to assess performance, based on separate financial information available for each.

The Company has established separate business divisions to handle different sets of products and services. Each business division collaborates across the Group in the execution of business activities pertaining to the products and services it handles.

Consequently, the Group is made up of segments that are focused on specific categories of products/services and are organized into separate business divisions. There are five reportable segments: Automotive Upholstery Materials, High Fashion Materials, Electronics Materials, Environmental & Life Materials, and Medical Materials.

The main products and services handled by each segment are as follows.

- |                                      |   |
|--------------------------------------|---|
| (1) Automotive Upholstery Materials: | Materials for interiors of automobiles, railway rolling stock, etc. (seat covers, air bags, decorative parts)   |
| (2) High Fashion Materials:          | Apparel products, apparel textile processing  |
| (3) Electronics Materials:           | Conductive materials, industrial wiping cloths, Viscotecs® systems and their supply, electronic devices, silicon wafer film deposition, etc., artificial satellites |
| (4) Environmental & Life Materials:  | Construction materials, interior materials, health/nursing products, environmental/civil engineering materials  |
| (5) Medical Materials:               | Medical materials, cosmetics, water processing materials  |

2. Method of calculating amounts of each reportable segment's net sales, profits/losses, assets, liabilities, and other items

The methods of accounting for the business segments reported are generally the same as those of the Significant Matters that Serve as the Basis for Preparation of Consolidated Financial Statements. Intersegment transactions are based on market prices, etc.



3. Amounts of each reportable segment's net sales, profits/losses, assets, liabilities, and other items; disaggregation of revenue

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

(Million yen)

	Reportable Segments						Other Businesses (Note 1)	Total	Adjustments (Note 2)	Amount in consolidated financial statements
	Automotive Upholstery Materials	High-Fashion Materials	Electronics Materials	Environmental & Life Materials	Medical Materials	Subtotal				
Net sales										
Revenue from contracts with customers	93,914	20,245	9,900	9,532	7,456	141,049	337	141,387	-	141,387
Other revenue	-	-	-	-	-	-	528	528	-	528
Sales to external customers	93,914	20,245	9,900	9,532	7,456	141,049	865	141,915	-	141,915
Intersegment sales or transfers	0	129	142	74	9	355	598	954	(954)	-
Total	93,914	20,374	10,043	9,607	7,466	141,405	1,464	142,869	(954)	141,915
Segment profit	10,707	997	1,548	945	886	15,085	465	15,551	(1,483)	14,068
Segment assets	114,828	24,731	13,618	8,298	9,016	170,493	3,068	173,561	13,897	187,458
Other items										
Depreciation	3,507	723	434	178	415	5,259	190	5,449	6	5,455
Increase in property, plant and equipment and intangible assets	3,007	340	415	64	265	4,093	0	4,094	208	4,302

- Notes: 1. "Other Businesses" represents business segments not included in the reportable segments, such as software development and sales, insurance agency services, temporary staffing services, and real estate leasing and management services.
2. Adjustments are as follows:
- (1) The segment profit adjustment of ¥(1,483) million includes corporate expenses not allocated to the reportable segments, ¥1,529 million. Corporate expenses are mainly expenses pertaining to general affairs departments and other administrative divisions that do not fall under the reportable segments.
- (2) The segment asset adjustment of ¥13,897 million includes elimination of intersegment transactions, ¥(10,729) million, and corporate assets not allocated to the reportable segments, ¥24,626 million. Corporate assets are mainly long-term investment funds (investment securities) and assets pertaining to administrative divisions that do not fall under the reportable segments.
3. Segment profit is reconciled with operating profit as listed in the Consolidated Statement of Income.

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

(Million yen)

	Reportable Segments						Other Businesses (Note 1)	Total	Adjustments (Note 2)	Amount in consolidated financial statements
	Automotive Upholstery Materials	High-Fashion Materials	Electronics Materials	Environmental & Life Materials	Medical Materials	Subtotal				
Net sales										
Revenue from contracts with customers	109,816	21,911	10,696	9,714	6,786	158,925	211	159,137	-	159,137
Other revenue	-	-	-	-	-	-	515	515	-	515
Sales to external customers	109,816	21,911	10,696	9,714	6,786	158,925	727	159,653	-	159,653
Intersegment sales or transfers	0	99	301	393	9	804	596	1,401	(1,401)	-
Total	109,816	22,010	10,998	10,107	6,796	159,730	1,324	161,054	(1,401)	159,653
Segment profit	13,954	1,544	1,829	875	690	18,894	517	19,411	(1,546)	17,865
Segment assets	124,903	26,057	14,704	8,725	8,750	183,140	3,260	186,400	12,823	199,223
Other items										
Depreciation	4,058	732	478	201	376	5,846	163	6,010	19	6,030
Increase in property, plant and equipment and intangible assets	2,948	1,257	792	220	297	5,517	0	5,517	264	5,781

- Notes: 1. "Other Businesses" represents business segments not included in the reportable segments, such as software development and sales, insurance agency services, temporary staffing services, and real estate leasing and management services.
2. Adjustments are as follows:
- (1) The segment profit adjustment of ¥(1,546) million includes corporate expenses not allocated to the reportable segments, ¥1,562 million. Corporate expenses are mainly expenses pertaining to general affairs departments and other administrative divisions that do not fall under the reportable segments.
- (2) The segment asset adjustment of ¥12,823 million includes elimination of intersegment transactions, ¥(11,214) million, and corporate assets not allocated to the reportable segments, ¥24,037 million. Corporate assets are mainly long-term investment funds (investment securities) and assets pertaining to administrative divisions that do not fall under the reportable segments.
3. Segment profit is reconciled with operating profit as listed in the Consolidated Statement of Income.

(Related information)

Regional data

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Net sales

Japan	China	Other Asian markets	North America	Other regions	Total
62,333	30,379	18,579	25,281	5,340	141,915

(2) Property, plant and equipment

Japan	China	Europe	North America	Other regions	Total
26,803	10,762	7,384	6,400	3,982	55,334

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Net sales

Japan	China	Other Asian markets	North America	Other regions	Total
64,434	35,803	20,997	32,929	5,488	159,653

(2) Property, plant and equipment

Japan	China	Europe	North America	Other regions	Total
27,383	10,746	7,369	6,252	4,475	56,228

(Per share information)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	¥2,234.88	¥2,437.38
Basic earnings per share	¥226.53	¥242.29
Diluted earnings per share	¥201.55	¥237.01

Notes: 1. Basic earnings per share and diluted earnings per share were calculated on the following basis.

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (million yen)	12,156	13,887
Amount not attributable to common shareholders (million yen)	—	—
Profit attributable to owners of parent for common shares (million yen)	12,156	13,887
Average number of common shares during period (thousand shares)	53,662	57,319
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (million yen)	(60)	(70)
[of which, amortization of bond premium (after deducting tax equivalent amount) (million yen)]	(60)	(70)
Increase in number of common shares (thousand shares)	6,347	978
[of which, share acquisition rights (thousand shares)]	403	370
[of which, bonds with share acquisition rights (thousand shares)]	5,944	607
Summary of potential shares not included in calculation of diluted earnings per share because they do not have a dilutive effect	—	—

2. Net assets per share were calculated on the following basis.

	As of March 31, 2024	As of March 31, 2025
Total net assets (million yen)	124,689	143,882
Amounts to be deducted from total net assets (million yen)	1,047	977
[of which, share acquisition rights (million yen)]	502	465
[of which, non-controlling interests (million yen)]	544	511
Net assets attributable to common shares at end of period (million yen)	123,642	142,905
Number of common shares at end of period used to calculate net assets per share (thousand shares)	55,323	58,630

(Significant subsequent events)

Not applicable.