

Consolidated Financial Results
For the Third Quarter of the Fiscal Year Ending March 31, 2026 [IFRS]
(Nine Months Ended December 31, 2025)



February 5, 2026

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Scheduled date of dividend payment: –
Supplementary material prepared: Yes
Financial results information meeting held: None

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(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2026 (hereafter FY2025) (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Dec. 31, 2025	299,332	(3.0)	15,184	(0.1)	19,091	(0.4)	14,872	0.2	14,372	2.5	28,790	51.5
Nine months ended Dec. 31, 2024	308,620	5.6	15,202	5.3	19,169	35.1	14,836	35.4	14,026	43.0	19,008	(13.3)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended Dec. 31, 2025	95.82	95.81
Nine months ended Dec. 31, 2024	91.62	91.59

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Rate of equity attributable to owners of parent	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of Dec. 31, 2025	564,710	397,214	387,725	68.7	2,624.07
As of Mar. 31, 2025	543,659	392,533	383,029	70.5	2,527.98

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2024	–	54.00	–	60.00	114.00
FY2025	–	50.00	–		
FY2025 (forecast)				50.00	100.00

Note: Revisions to the dividends forecast since the latest announcement: None

3. Consolidated Financial Forecasts for the FY2025 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	405,000	(1.1)	18,000	(5.6)	21,000	(9.5)	15,000	(13.8)	100.35

Note: Revisions to the financial forecasts since the latest announcement: None

*Notes

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

Newly included: 1 company (Emulsion Technology Co., Ltd.)

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

1) Changes in accounting policies required by IFRS: None

2) Other changes in accounting policies: None

3) Changes in accounting estimates: None

(3) Number of shares issued and outstanding (common shares)

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

Dec. 31, 2025: 150,000,000 shares Mar. 31, 2025: 156,000,000 shares

2) Number of treasury shares at the end of the period

Dec. 31, 2025: 2,242,554 shares Mar. 31, 2025: 4,484,372 shares

3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2025: 149,991,523 shares Nine months ended Dec. 31, 2024: 153,088,724 shares

Note: The numbers of treasury shares at the end of the periods include shares of the Company held by the trust account set up after the introduction of a Performance-linked Stock Compensation Plan for the Company's Members of the Board and Executive Officers (166,816 shares as of December 31, 2025 and 176,500 shares as of March 31, 2025). Shares of the Company held by the trust account are included in the treasury shares to be deducted in the calculation of the average number of shares outstanding during the period.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Appropriate use of business forecasts and other special items

1. In this document, statements other than historical facts are forward-looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ from those anticipated in these statements.

2. Supplementary material will be disclosed through TDnet on Thursday, February 5, 2026, and also be posted on the Company's website.

*This document is translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

For an overview of the Group's operating results, please refer to Supplementary Material for Financial Results, which has been disclosed today.

(2) Overview of Financial Position for the Period under Review

1) Assets, Liabilities and Equity

Total assets at the end of the third quarter of the fiscal year under review increased by 21,051 million yen from the end of the previous fiscal year to 564,710 million yen. Current assets decreased by 4,854 million yen from the end of the previous fiscal year. This was mainly due to a decrease in cash and cash equivalents. Although trade receivables increased reflecting the fact that the closing day of the third quarter of the fiscal year under review fell on a bank holiday, they decreased slightly owing to lower selling prices due to a decline in raw material prices. Non-current assets increased by 25,905 million yen from the end of the previous fiscal year. This was mainly due to an increase in property, plant and equipment chiefly because of the capital expenditure and the impact of foreign currency translation resulting from the depreciation of the yen, goodwill arising from acquisition of a subsidiary, and an increase in other financial assets as a result of higher fair values of stocks held.

Total liabilities increased by 16,370 million yen from the end of the previous fiscal year to 167,496 million yen. This was mainly due to an increase in long-term borrowings associated with capital expenditure and related factors, as well as an increase in trade payables reflecting the fact that the closing day of the third quarter of the fiscal year under review fell on a bank holiday.

Total equity increased by 4,681 million yen from the end of the previous fiscal year to 397,214 million yen. This was mainly due to an increase in exchange differences on translation of foreign operations caused by the ongoing depreciation of the yen, although a decrease in retained earnings resulting mainly from the purchase of treasury shares and dividends of surplus. The rate of equity attributable to owners of parent decreased by 1.8 percentage points from 70.5% at the end of the previous fiscal year to 68.7%. Equity attributable to owners of parent per share increased by 96.09 yen from the end of the previous fiscal year to 2,624.07 yen.

2) Cash Flows

Cash and cash equivalents at the end of the nine months ended December 31, 2025 amounted to 50,712 million yen, a decrease of 3,853 million yen from the end of the previous fiscal year, as the sum of cash flows used in investing activities including capital investment and cash flows used in financing activities exceeded the cash flows provided by operating activities.

Cash flow from operating activities

Net cash provided by operating activities in the nine months ended December 31, 2025 amounted to 40,347 million yen, an increase of 885 million yen from a cash inflow of 39,463 million yen in the same period of the previous fiscal year.

This was mainly owing to a decrease in trade receivables primarily owing to lower selling prices due to a decline in raw material prices and an increase in dividends received, despite higher income taxes paid than in the same period of the previous fiscal year.

Cash flow from investing activities

Net cash used in investing activities in the nine months ended December 31, 2025 totaled 30,852 million yen, an increase of 8,000 million yen from a cash outflow of 22,853 million yen in the same period of the previous fiscal year. This was mainly due to increases in purchase of property, plant and equipment and purchase of shares of subsidiaries resulting in change in scope of consolidation.

Cash flow from financing activities

Net cash used in financing activities in the nine months ended December 31, 2025 amounted to 14,781 million yen, an increase of 3,357 million yen from a cash outflow of 11,425 million yen in the same period of the previous fiscal year.

This was mainly due to increases in dividends paid and purchase of treasury shares.

2. Condensed Quarterly Consolidated Financial Statements and Related Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

	(Unit: Millions of yen)	
	FY2024 As of Mar. 31, 2025	3Q FY2025 As of Dec. 31, 2025
Assets		
Current assets		
Cash and cash equivalents	54,565	50,712
Trade receivables	96,465	96,416
Inventories	84,315	88,085
Other financial assets	11,928	7,472
Other current assets	8,178	7,912
Total current assets	255,451	250,596
Non-current assets		
Property, plant and equipment	194,244	211,112
Goodwill	–	3,539
Intangible assets	4,496	6,317
Investments accounted for using equity method	30,040	29,347
Other financial assets	38,479	41,159
Retirement benefit asset	15,750	16,252
Deferred tax assets	3,859	4,158
Other non-current assets	1,339	2,229
Total non-current assets	288,208	314,114
Total assets	543,659	564,710

(Unit: Millions of yen)

	FY2024 As of Mar. 31, 2025	3Q FY2025 As of Dec. 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	54,821	59,436
Borrowings	23,126	18,451
Other financial liabilities	12,175	13,599
Income taxes payable	5,220	860
Provisions	6,709	4,816
Other current liabilities	5,121	4,644
Total current liabilities	107,171	101,806
Non-current liabilities		
Borrowings	18,265	34,514
Other financial liabilities	4,319	3,951
Retirement benefit liability	8,674	9,584
Provisions	3,122	3,993
Deferred tax liabilities	9,574	13,637
Other non-current liabilities	-	11
Total non-current liabilities	43,954	65,690
Total liabilities	151,126	167,496
Equity		
Share capital	25,038	25,038
Capital surplus	22,533	22,468
Treasury shares	(7,263)	(3,853)
Retained earnings	308,770	296,501
Other components of equity	33,951	47,572
Total equity attributable to owners of parent	383,029	387,725
Non-controlling interests	9,505	9,489
Total equity	392,533	397,214
Total liabilities and equity	543,659	564,710

(2) Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Quarterly Consolidated Statements of Comprehensive Income

Condensed Quarterly Consolidated Statements of Profit or Loss

(Unit: Millions of yen)

	3Q FY2024 Apr. 1, 2024 to Dec. 31, 2024	3Q FY2025 Apr. 1, 2025 to Dec. 31, 2025
Revenue	308,620	299,332
Cost of sales	254,957	242,317
Gross profit	53,663	57,015
Selling, general and administrative expenses	39,701	42,863
Other operating income	2,190	1,928
Other operating expenses	950	895
Operating profit	15,202	15,184
Finance income	2,159	3,194
Finance costs	1,279	793
Share of profit (loss) of investments accounted for using equity method	3,087	1,506
Profit before tax	19,169	19,091
Income tax expense	4,333	4,219
Profit	14,836	14,872
Profit attributable to:		
Owners of parent	14,026	14,372
Non-controlling interests	810	501
Profit	14,836	14,872
Earnings per share:		
Basic earnings per share (Yen)	91.62	95.82
Diluted earnings per share (Yen)	91.59	95.81

Condensed Quarterly Consolidated Statements of Comprehensive Income

	(Unit: Millions of yen)	
	3Q FY2024 Apr. 1, 2024 to Dec. 31, 2024	3Q FY2025 Apr. 1, 2025 to Dec. 31, 2025
Profit	14,836	14,872
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured at fair value through other comprehensive income	196	6,592
Share of other comprehensive income of investments accounted for using equity method	(1)	1
Total of items that will not be reclassified to profit or loss	195	6,594
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	4,088	7,693
Share of other comprehensive income of investments accounted for using equity method	(111)	(369)
Total of items that may be reclassified to profit or loss	3,977	7,324
Other comprehensive income, net of tax	4,172	13,918
Comprehensive income	19,008	28,790
Comprehensive income attributable to		
Owners of parent	18,255	28,190
Non-controlling interests	753	600
Comprehensive income	19,008	28,790

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Nine months ended December 31, 2024 (Apr. 1, 2024 to Dec. 31, 2024)

(Unit: Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	
					Net change in fair value of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at beginning of period	25,038	22,513	(2,358)	298,424	9,131	–
Profit	–	–	–	14,026	–	–
Other comprehensive income	–	–	–	–	193	(1)
Comprehensive income	–	–	–	14,026	193	(1)
Purchase of treasury shares	–	–	(5,002)	–	–	–
Disposal of treasury shares	–	(1)	7	–	–	–
Cancellation of treasury shares	–	–	–	–	–	–
Share-based payment transactions	–	4	–	–	–	–
Dividends	–	–	–	(11,681)	–	–
Transfer from other components of equity to retained earnings	–	–	–	2,820	(2,821)	1
Total transactions with owners	–	3	(4,995)	(8,861)	(2,821)	1
Balance at end of period	25,038	22,516	(7,353)	303,589	6,504	–

	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	30,699	39,830	383,448	9,114	392,562
Profit	–	–	14,026	810	14,836
Other comprehensive income	4,036	4,229	4,229	(57)	4,172
Comprehensive income	4,036	4,229	18,255	753	19,008
Purchase of treasury shares	–	–	(5,002)	–	(5,002)
Disposal of treasury shares	–	–	6	–	6
Cancellation of treasury shares	–	–	–	–	–
Share-based payment transactions	–	–	4	–	4
Dividends	–	–	(11,681)	(993)	(12,674)
Transfer from other components of equity to retained earnings	–	(2,820)	–	–	–
Total transactions with owners	–	(2,820)	(16,673)	(993)	(17,666)
Balance at end of period	34,735	41,239	385,030	8,875	393,905

Nine months ended December 31, 2025 (Apr. 1, 2025 to Dec. 31, 2025)

(Unit: Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	
					Net change in fair value of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at beginning of period	25,038	22,533	(7,263)	308,770	4,225	–
Profit	–	–	–	14,372	–	–
Other comprehensive income	–	–	–	–	6,592	1
Comprehensive income	–	–	–	14,372	6,592	1
Purchase of treasury shares	–	–	(7,002)	–	–	–
Disposal of treasury shares	–	(18)	86	–	–	–
Cancellation of treasury shares	–	(15)	10,326	(10,311)	–	–
Share-based payment transactions	–	(31)	–	–	–	–
Dividends	–	–	–	(16,528)	–	–
Transfer from other components of equity to retained earnings	–	–	–	198	(197)	(1)
Total transactions with owners	–	(65)	3,411	(26,641)	(197)	(1)
Balance at end of period	25,038	22,468	(3,853)	296,501	10,620	–

	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	29,726	33,951	383,029	9,505	392,533
Profit	–	–	14,372	501	14,872
Other comprehensive income	7,225	13,818	13,818	99	13,918
Comprehensive income	7,225	13,818	28,190	600	28,790
Purchase of treasury shares	–	–	(7,002)	–	(7,002)
Disposal of treasury shares	–	–	68	–	68
Cancellation of treasury shares	–	–	–	–	–
Share-based payment transactions	–	–	(31)	–	(31)
Dividends	–	–	(16,528)	(616)	(17,144)
Transfer from other components of equity to retained earnings	–	(198)	–	–	–
Total transactions with owners	–	(198)	(23,493)	(616)	(24,109)
Balance at end of period	36,951	47,572	387,725	9,489	397,214

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	3Q FY2024 Apr. 1, 2024 to Dec. 31, 2024	3Q FY2025 Apr. 1, 2025 to Dec. 31, 2025
Cash flows from operating activities		
Profit before tax	19,169	19,091
Depreciation and amortization	23,604	24,099
Loss (gain) on sale of property, plant and equipment	(4)	(4)
Impairment losses	83	-
Interest and dividend income	(2,148)	(1,924)
Interest expenses	1,026	762
Share of loss (profit) of investments accounted for using equity method	(3,087)	(1,506)
Decrease (increase) in trade receivables	(1,461)	3,143
Decrease (increase) in inventories	205	(198)
Increase (decrease) in trade payables	1,436	2,311
Other	314	(1,675)
Subtotal	39,137	44,100
Interest and dividends received	2,602	3,918
Interest paid	(901)	(563)
Income taxes refund (paid)	(1,374)	(7,108)
Net cash provided by (used in) operating activities	39,463	40,347
Cash flows from investing activities		
Purchase of property, plant and equipment	(26,340)	(32,529)
Proceeds from sale of property, plant and equipment	17	5
Purchase of intangible assets	(886)	(527)
Purchase of investments	(83)	(53)
Proceeds from sale and redemption of investments	4,188	6,886
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(7,261)
Other	251	2,627
Net cash provided by (used in) investing activities	(22,853)	(30,852)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	13,120	(10,634)
Proceeds from long-term borrowings	100	23,495
Repayments of long-term borrowings	(5,706)	(2,197)
Repayments of lease liabilities	(1,262)	(1,299)
Purchase of treasury shares	(5,002)	(7,002)
Dividends paid	(11,681)	(16,528)
Dividends paid to non-controlling interests	(993)	(616)
Other	0	-
Net cash provided by (used in) financing activities	(11,425)	(14,781)
Effect of exchange rate changes on cash and cash equivalents	1,177	1,434
Net increase (decrease) in cash and cash equivalents	6,362	(3,853)
Cash and cash equivalents at beginning of period	55,129	54,565
Cash and cash equivalents at end of period	61,491	50,712

(5) Notes Concerning Condensed Quarterly Consolidated Financial Statements

(Going Concern Assumption)

Not applicable.

(Applicable Financial Reporting Framework)

The Group's condensed quarterly consolidated financial statements, which comprise the Condensed Quarterly Consolidated Statement of Financial Position, Condensed Quarterly Consolidated Statement of Profit or Loss, Condensed Quarterly Consolidated Statement of Comprehensive Income, Condensed Quarterly Consolidated Statement of Changes in Equity, Condensed Quarterly Consolidated Statement of Cash Flow, and Notes to Condensed Consolidated Financial Statements, have been prepared in accordance with Article 5, Paragraph 2 of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements (the Standards), applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards, accordingly certain disclosures and notes required by IAS 34 *Interim Financial Reporting* are not given.

(Segment Information)

1. Outline of Reportable Segments

The Group's reportable segments are divisions of the Group for which separate financial information is available, and whose operating results are reviewed regularly by the Board of Directors of the Company in order to allocate management resources and assess performance of operations.

The Group's main business lines are divided based on similarities of function and nature and the Group prepares the comprehensive strategy and conducts the business activities corresponding to the products handled by each business line. Accordingly, the Group is comprised of reportable segments classified by type of products based on each business line and does not aggregate its operating results. The two reportable segments of the Group are the Materials business and the Solutions business.

In the Materials business, acrylic acid, acrylates, ethylene oxide, ethylene glycol, ethanolamine, special esters, superabsorbent polymers, maleic anhydride, process catalysts, etc. are manufactured and sold. In the Solutions business, concrete admixture polymers, glycol ethers, secondary alcohol ethoxylates, water-soluble polymers such as raw materials for detergents, intermediates for pharmaceuticals, electronic and information materials, iodine compounds, resins for adhesives/paints, ethyleneimine derivatives, processed adhesive products, automotive catalysts, De-NO_x catalysts, dioxin decomposition catalysts, equipment for waste gas treatment, wastewater treatment catalysts for catalytic wet air oxidation, materials for batteries, etc. are manufactured and sold.

Under its new Medium-Term Management Plan (FY2025-FY2027), the Group has set forth a strategy to enhance profitability of the Solutions business. Going forward, the importance of share of profit of investments accounted for using equity method (equity-method investment profit) is expected to increase further as we expand our investments in growth business areas. To assess the Group's earning power more accurately, we use the profit indicator of "operating profit + equity-method investment profit."

In line with this change, segment income is calculated with the formula of "operating profit" + "equity-method investment profit (loss)" and segment income for the nine months ended December 31, 2024 has been restated accordingly.

2. Information Concerning Revenue and Income or Loss by Reportable Segment

Nine months ended Dec. 31, 2024 (Apr. 1, 2024 to Dec. 31, 2024)

(Unit: Millions of yen)

	Reportable segments			Adjustment (Note)	Total
	Materials	Solutions	Total		
Revenue					
Revenue to third parties	221,963	86,657	308,620	–	308,620
Intergroup revenue and transfers	13,147	2,235	15,382	(15,382)	–
Total	235,110	88,892	324,002	(15,382)	308,620
Segment income					
Operating profit	10,523	3,883	14,405	797	15,202
Share of profit (loss) of investments accounted for using equity method	2,205	881	3,087	–	3,087
Total	12,728	4,764	17,492	797	18,289
Finance income	–	–	–	–	2,159
Finance costs	–	–	–	–	1,279
Profit before tax	–	–	–	–	19,169

Note: The adjustment for “Segment income” includes inter-segment transaction eliminations and corporate profit (loss) not allocated to reportable segments amounting to 797 million yen.

Nine months ended Dec. 31, 2025 (Apr. 1, 2025 to Dec. 31, 2025)

(Unit: Millions of yen)

	Reportable segments			Adjustment (Note)	Total
	Materials	Solutions	Total		
Revenue					
Revenue to third parties	208,484	90,848	299,332	–	299,332
Intergroup revenue and transfers	12,228	2,073	14,301	(14,301)	–
Total	220,712	92,921	313,633	(14,301)	299,332
Segment income					
Operating profit	9,321	5,222	14,542	642	15,184
Share of profit (loss) of investments accounted for using equity method	1,506	(0)	1,506	–	1,506
Total	10,827	5,221	16,049	642	16,691
Finance income	–	–	–	–	3,194
Finance costs	–	–	–	–	793
Profit before tax	–	–	–	–	19,091

Note: The adjustment for “Segment income” includes inter-segment transaction eliminations and corporate profit (loss) not allocated to reportable segments amounting to 642 million yen.