Consolidated Financial Results for the Three Months Ended June 30, 2026

(All financial information has been prepared in accordance with Generally Accepted Accounting Principles in Japan)

July 31, 2026

Company name	: DAICEL CORPORATION
Stock Exchange on which the shares are listed	: Tokyo Stock Exchange in Japan
Code number	: 4202
URL	: https://www.daicel.com/en/
Representative	: Yasuhiro Sakaki, President and CEO
Contact person	: Misa Goto, Head of Investor Relations, Corporate Planning & Strategy Office Phone +81-3-6711-8120
Scheduled date for dividend payment	: -
The additional materials of the Financial Results	: Yes
The briefing session of the Financial Results	: Yes (for institutional investors and analysts)

1. Consolidated Financial Results for the Three Months Ended June 30, 2026

(Amounts are rounded down to the nearest million)

(1) Consolidated Operating Results

(% of change from previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Three months ended Jun. 30, 2026	152,383	9.4	14,041	7.7	14,573	18.1	9,360	(2.7)
Three months ended Jun. 30, 2025	139,270	(4.3)	13,043	(25.3)	12,343	(32.1)	9,620	(40.6)

(Note) Comprehensive income: 20,623 millions of yen [85.3%] for the three months ended June 30, 2026 and 11,130 millions of yen [(67.2)%] for the three months ended June 30, 2025

	Profit per share	Diluted profit per share
	Yen	Yen
Three months ended Jun. 30, 2026	36.65	―
Three months ended Jun. 30, 2025	36.29	―

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of Jun. 30, 2026	865,289	383,341	42.5	1,440.38
As of Mar. 31, 2026	833,929	370,380	42.6	1,392.36

(Reference) Shareholders’ equity: 367,863millions of yen as of June 30, 2026 and 355,599 millions of yen as of March 31, 2026

2. Dividends

	Cash dividends per share				
(Reference data)	1st quarter	2nd quarter	3rd quarter	4th quarter	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2026	―	30.00	―	30.00	60.00
Year ending Mar. 31, 2027	―				
Year ending Mar. 31, 2027 (Forecast)		35.00	―	35.00	70.00

(Note) Revisions to the latest announced dividend forecast: Not Applicable

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2027

(% of change from same period of previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Six months ending Sep. 30, 2026	288,000	3.9	16,500	(18.0)	17,000	(16.6)	10,000	(46.8)	39.16
Year ending Mar. 31, 2027	595,000	2.7	42,500	1.0	43,000	(4.7)	32,000	214.3	125.30

(Note) Revisions to the latest announced forecast of consolidated financial results: Not Applicable

*Notes

(1) Significant changes in the scope of consolidation during the period: Not applicable

(2) Adoption of specific accounting methods for presenting quarterly financial statements: Not applicable

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

i Changes in accounting policies due to revisions of accounting standards: Not Applicable

ii Changes in accounting policies other than (3)-i: Not applicable

iii Changes in accounting estimates: Not applicable

iv Retrospective restatements: Not applicable

(4) Number of issued shares (common share)

i Number of issued shares at the end of each period (including treasury shares)	As of Jun. 30, 2026	256,142,682 shares	As of Mar. 31, 2026	266,942,682 shares
ii Number of treasury shares at the end of each period	As of Jun. 30, 2026	749,322 shares	As of Mar. 31, 2026	11,548,859 shares
iii Average number of shares during each period (Cumulative from the beginning of the fiscal year)	Three months ended Jun. 30, 2026	255,393,451 shares	Three months ended Jun. 30, 2025	265,126,779 shares

*Review of the attached quarterly consolidated financial statements performed by certified public accountants or accounting firm: Not applicable

*Explanations or other special matters to appropriate use of the forecast of consolidated financial results

The forecast of consolidated financial results and certain other statements contained in this document are forward-looking statements, which are rationally determined based on information currently available to the company. For a variety of reasons, actual performance may differ substantially from these projections.

4. Qualitative Information on the Period under Review

(1) Overview of the Operating Results

During the consolidated first quarter of the fiscal year ending March 2027 (three months ended June 30, 2026), the global economy remained uncertain due to factors such as energy supply constraints, rising prices, and disruptions in supply chains caused by the escalation of tensions in the Middle East, while economic conditions varied across regions.

Under these circumstances, the Group worked to ensure a stable supply of products by securing a stable procurement of raw materials and exploring alternative materials. In addition, the Group sought to minimize the impact on its business performance by appropriately passing on increases in raw material procurement and transportation costs to selling prices.

As a result, sales revenue for the consolidated first quarter of the fiscal year under review totaled ¥152,383 million (up 9.4% year-on-year). Operating profit amounted to ¥14,041 million (up 7.7% year-on-year), ordinary profit was ¥14,573 million (up 18.1% year-on-year), and profit attributable to owners of parent was ¥9,360 million (down 2.7% year-on-year).

Segment information is summarized as follows.

Effective from the consolidated first quarter under review, the Group has changed its segment classification.

The Engineering Plastics segment has been renamed the High Performance Polymers segment, and the businesses of Daicel Miraizu Ltd. have been transferred to the Materials segment. In addition, the Medical / Healthcare segment has been renamed the Life Sciences segment, the cosmetics business has been transferred to the Materials segment, and the separation membrane business, which was previously included in the Other Businesses segment, has been transferred to the Life Sciences segment.

For year-on-year comparisons, figures for the previous corresponding period have been reclassified in accordance with the revised segment classification.

[High Performance Polymers]

In the high performance polymers business, which includes polyacetal (POM), polybutylene terephthalate (PBT) resin, and liquid crystal polymer (LCP), sales revenue increased due to an increase in sales volume of POM resin, which had declined in the same period of the previous fiscal year due to the impact of U.S. tariffs and anti-dumping duties in China, as well as an increase in sales volume of LCP driven by growing demand for AI servers and other applications.

Consequently, overall segment sales amounted to ¥64,224 million (up 23.9% year-on-year). Operating profit was ¥8,101 million (up 20.9% year-on-year) due to factors such as an increase in sales volume.

[Materials]

In the acetyl business, sales revenue of acetate tow decreased due to a decline in sales volume, reflecting transportation disruptions caused by the deterioration of the situation in the Middle East and delays in shipments to certain customers.

Sales revenue of cellulose acetate decreased due to lower demand for fiber and plastic applications, despite sales for display material applications remaining nearly flat year-on-year.

In the chemical business, sales revenue of acetic acid decreased due to reduced production of vinyl acetate, its major application, and a strategic reduction in low-margin export sales volume, despite efforts to pass on higher raw material costs resulting from the deterioration of the situation in the Middle East to selling prices.

Sales revenue of other chemical products increased due to progress in passing on higher raw material costs to selling prices, despite shipment adjustments for certain products in response to concerns over raw material procurement arising from the deterioration of the situation in the Middle East.

Consequently, overall segment sales amounted to ¥45,717 million (down 6.2% year-on-year). Operating profit was ¥4,245 million (up 2.1% year-on-year) due to factors such as favorable exchange rate effects.

[Safety]

In the safety business, which produces products such as inflators (gas generators) for automotive airbags, sales revenue increased due to an increase in sales volume resulting from sales expansion in markets such as India, despite the impact of lower automobile demand in the Chinese market.

Consequently, overall segment sales amounted to ¥26,485 million (up 8.2% year-on-year). Operating profit was ¥308 million (down 80.8% year-on-year) due to factors such as changes in the sales mix and a difference in the timing of expense recognition compared with the same period of the previous fiscal year.

[Smart]

In the semiconductor materials business, sales revenue increased as increased sales of solvents for electronic materials driven by solid semiconductor demand outweighed lower sales of resist materials due to a difference in the timing of sales compared with the same period of the previous fiscal year.

In the functional materials business, sales revenue increased due to progress in passing on higher raw material costs to selling prices, despite shipment adjustments for caprolactone derivatives and epoxy compounds in response to concerns over raw material procurement arising from the deterioration of the situation in the Middle East.

Consequently, overall segment sales amounted to ¥10,625 million (up 12.4% year-on-year). Operating profit was ¥672 million (up 215.5% year-on-year) due to factors such as an increase in sales volume of solvents for electronic materials.

[Life Sciences]

In the life sciences business, sales revenue increased due to an increase in sales volume of chiral columns and health food ingredients.

Consequently, overall segment sales amounted to ¥4,935 million (up 15.8% year-on-year). Operating profit was ¥499 million (up 138.8% year-on-year) due to factors such as an increase in sales volume.

[Other Businesses]

In the other businesses, sales revenue amounted to ¥395 million (down 20.0% year-on-year). Operating profit was ¥214 million (up 38.1% year-on-year).

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

Assets, Liabilities and Net Assets

Total assets as of June 30, 2026, were ¥865,289 million, an increase of ¥31,360 million from March 31, 2026, due to increases in inventories and other assets.

Total liabilities were ¥481,948 million, an increase of ¥18,398 million from March 31, 2026, due to an increase in short-term bonds payable and other liabilities.

Total net assets were ¥383,341 million. Total shareholders' equity, which is calculated as the net assets minus non-controlling interests, was ¥367,863 million. Shareholders' equity ratio was 42.5%.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of Yen)

	As of Mar. 31, 2026	As of Jun. 30, 2026
Assets		
Current assets		
Cash and deposits	68,811	73,032
Notes and Accounts receivable - trade	117,308	113,882
Inventories	174,515	186,986
Other	42,578	46,626
Allowance for doubtful accounts	(48)	(192)
Total current assets	403,166	420,336
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	102,937	103,575
Machinery, equipment and vehicles, net	133,612	131,338
Land	31,116	31,290
Construction in progress	59,895	66,050
Other, net	6,800	6,942
Total property, plant and equipment	334,363	339,197
Intangible assets		
Goodwill	52	48
Other	11,030	10,740
Total intangible assets	11,082	10,788
Investments and other assets		
Investment securities	45,453	54,682
Deferred tax assets	4,970	5,249
Retirement benefit asset	18,298	18,376
Other	16,617	16,677
Allowance for doubtful accounts	(22)	(19)
Total investments and other assets	85,317	94,966
Total non-current assets	430,763	444,953
Total assets	833,929	865,289

(Unit: Millions of Yen)

	As of Mar. 31, 2026	As of Jun. 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	60,445	70,440
Short-term borrowings	50,099	41,569
Short-term bonds payable	—	14,000
Current portion of long-term borrowings	14,168	14,255
Income taxes payable	4,176	3,235
Provision for repairs	573	1,966
Other	68,119	65,469
Total current liabilities	197,583	210,936
Non-current liabilities		
Bonds payable	70,000	70,000
Long-term borrowings	169,984	170,949
Deferred tax liabilities	12,467	16,974
Provision for repairs	1,305	628
Retirement benefit liability	2,606	2,779
Asset retirement obligations	1,222	1,232
Other	8,380	8,447
Total non-current liabilities	265,965	271,011
Total liabilities	463,549	481,948
Net assets		
Shareholders' equity		
Share capital	36,275	36,275
Capital surplus	0	0
Retained earnings	234,253	221,245
Treasury shares	(15,727)	(1,020)
Total shareholders' equity	254,802	256,501
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,823	29,015
Deferred gains or losses on hedges	(8)	(7)
Foreign currency translation adjustment	69,414	74,086
Remeasurements of defined benefit plans	8,567	8,266
Total accumulated other comprehensive income	100,796	111,361
Non-controlling interests	14,780	15,478
Total net assets	370,380	383,341
Total liabilities and net assets	833,929	865,289

(2) Consolidated Statements of Income

(Unit: Millions of Yen)

	Three months ended Jun. 30, 2025	Three months ended Jun. 30, 2026
Net sales	139,270	152,383
Cost of sales	99,307	110,558
Gross profit	39,962	41,824
Selling, general and administrative expenses	26,919	27,782
Operating profit	13,043	14,041
Non-operating income		
Interest income	197	109
Dividend income	487	341
Share of profit of entities accounted for using equity method	798	878
Other	876	759
Total non-operating income	2,359	2,089
Non-operating expenses		
Interest expenses	766	882
Foreign exchange losses	1,747	208
Bond issuance costs	0	0
Other	545	467
Total non-operating expenses	3,059	1,558
Ordinary profit	12,343	14,573
Extraordinary income		
Gain on disposal of non-current assets	3	3
Gain on sales of investment securities	—	148
Gain on bargain purchase	512	—
Subsidy income	1,224	—
Total extraordinary income	1,741	151
Extraordinary losses		
Loss on retirement of non-current assets	345	266
Loss on step acquisitions	179	—
Total extraordinary losses	524	266
Profit before income taxes	13,560	14,457
Income taxes		
Income taxes - current	5,393	3,363
Income taxes - deferred	(1,755)	1,546
Total income taxes	3,638	4,909
Profit	9,922	9,548
Profit attributable to non-controlling interests	301	187
Profit attributable to owners of parent	9,620	9,360

(3) Consolidated Statement of Comprehensive Income

(Unit: Millions of Yen)

	Three months ended Jun. 30, 2025	Three months ended Jun. 30, 2026
Profit	9,922	9,548
Other comprehensive income		
Valuation difference on available-for-sale securities	2,981	6,192
Deferred gains or losses on hedges	2	1
Foreign currency translation adjustment	(1,408)	4,837
Remeasurements of defined benefit plans, net of tax	(158)	(302)
Share of other comprehensive income of entities accounted for using equity method	(208)	346
Total other comprehensive income	1,208	11,075
Comprehensive income	11,130	20,623
Comprehensive income attributable to		
owners of parent	10,637	19,925
non-controlling interests	493	697

(4) Notes to Consolidated Financial Statements

(Note concerning Assumption of Going Concern)

Not applicable

(Note on Significant Changes in the Amount of Shareholders' Equity)

Not applicable

(Segment Information)

[Segment Information]

I Three months ended Jun. 30, 2025

1. Sales and Profit (Loss) by Reportable Segment

(Unit: Millions of Yen)

	High Performance Polymers	Materials	Safety	Smart	Life Sciences	Others	Total	Corporate and eliminations	Consolidated
Net sales									
Outside customers	51,835	48,756	24,470	9,450	4,263	494	139,270	—	139,270
Intersegment sales	0	2,717	—	33	3	3,625	6,380	(6,380)	—
Total	51,835	51,473	24,470	9,483	4,267	4,120	145,650	(6,380)	139,270
Operating profit	6,698	4,157	1,608	213	209	155	13,043	—	13,043

(Note) 1. The category of "Others" is a business segment not included in reportable segments and includes the transportation warehousing business, among others.

2. There is no difference between total operating profit and operating profit in the consolidated statements of income.

2. Information on Impairment Losses of Non-Current Assets by Reportable Segment

Not applicable.

II Three months ended Jun. 30, 2026

1. Sales and Profit (Loss) by Reportable Segment

(Unit: Millions of Yen)

	High Performance Polymers	Materials	Safety	Smart	Life Sciences	Others	Total	Corporate and eliminations	Consolidated
Net sales									
Outside customers	64,224	45,717	26,485	10,625	4,935	395	152,383	—	152,383
Intersegment sales	9	4,570	—	155	10	3,794	8,540	(8,540)	—
Total	64,234	50,287	26,485	10,780	4,945	4,190	160,923	(8,540)	152,383
Operating profit	8,101	4,245	308	672	499	214	14,041	—	14,041

(Note) 1. The category of "Others" is a business segment not included in reportable segments and includes the transportation warehousing business, among others.

2. There is no difference between total operating profit and operating profit in the consolidated statements of income.

2. Information on Impairment Losses of Non-Current Assets by Reportable Segment

Not applicable.

3. Matters Regarding the Changes in Reportable Segment

From the first quarter ended June 30, 2026, we made changes in reportable segments. The former "Medical & Healthcare" segment has been renamed to the "Life Sciences" segment, and the former "Engineering Plastics" segment has been renamed to the "High Performance Polymers" segment. Furthermore, certain businesses previously included in the "Medical & Healthcare," "Engineering Plastics," and "Other" segments have been reclassified to the "Materials" and "Life Sciences" segments.

The segment information of the first quarter ended June 30, 2025, is presented based on the reclassified segments.

(Note to Quarterly Consolidated Statement of Cash Flows)

Quarterly consolidated statement of cash flows for the three months ended June 30, 2026 have not been prepared. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended June 30, 2026 are as follows.

(Unit: Millions of Yen)

	Three months ended Jun. 30, 2025	Three months ended Jun. 30, 2026
Depreciation	9,781	10,704
Amortization of goodwill	4	4