October 30, 2025

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

Company name: Zeon Corporation
Listing: Tokyo Stock Exchange
Securities code: 4205
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Scheduled date to file semi-annual securities report: November 10, 2025
Scheduled date to commence dividend payments: December 5, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (For Securities Analysts and Institutional Investors)

(Yen amounts are rounded to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	206,471	(3.2)	19,352	15.2	19,133	2.9	22,305	81.3
September 30, 2024	213,350	15.0	16,802	77.6	18,587	42.6	12,300	18.7

Note: Comprehensive income For the six months ended September 30, 2025: ¥14,918 million [(16.4)%]
For the six months ended September 30, 2024: ¥17,838 million [(19.3)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	113.76	113.70
September 30, 2024	58.47	58.44

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	539,526	360,785	66.7
March 31, 2025	533,786	357,992	66.9

Reference: Equity
As of September 30, 2025: ¥360,054 million
As of March 31, 2025: ¥357,252 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	35.00	-	35.00	70.00
Fiscal year ending March 31, 2026	-	36.00			
Fiscal year ending March 31, 2026 (Forecast)				36.00	72.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	415,000	(1.3)	30,500	4.0	30,000	(9.2)	28,000	6.9	144.17

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (ZEON KOREA Co., LTD.)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements:Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
(ii) Changes in accounting policies due to other reasons: Yes
(iii) Changes in accounting estimates: Yes
(iv) Restatement: None

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

As of September 30, 2025	215,251,856 shares
As of March 31, 2025	215,251,856 shares

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

As of September 30, 2025	21,628,107 shares
As of March 31, 2025	17,961,486 shares

(iii) Average number of shares outstanding during the period(cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	196,063,753 shares
Six months ended September 30, 2024	210,363,277 shares

* The Company has introduced a "Stock Benefit Trust (BBT-RS)" and includes the Company's shares held by the trust in the treasury stock that is deducted for the calculation of the number of treasury shares at the end of the fiscal year and the average number of shares during the period.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)
The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	27,366	44,641
Notes and accounts receivable - trade	81,570	67,835
Electronically recorded monetary claims - operating	5,667	5,366
Merchandise and finished goods	109,037	98,146
Work in process	8,270	6,874
Raw materials and supplies	24,284	22,592
Accounts receivable - other	34,111	26,345
Other	7,940	8,854
Allowance for doubtful accounts	(111)	(111)
Total current assets	298,134	280,543
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	45,382	45,811
Machinery, equipment and vehicles, net	40,706	40,630
Land	17,937	17,857
Construction in progress	34,361	65,104
Other, net	5,316	5,212
Total property, plant and equipment	143,703	174,615
Intangible assets		
Other	5,985	5,588
Total intangible assets	5,985	5,588
Investments and other assets		
Investment securities	71,191	63,526
Deferred tax assets	7,564	7,902
Other	9,371	9,916
Allowance for doubtful accounts	(2,163)	(2,564)
Total investments and other assets	85,964	78,780
Total non-current assets	235,652	258,983
Total assets	533,786	539,526

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	68,617	60,554
Electronically recorded obligations - operating	2,892	2,705
Short-term borrowings	8,960	8,960
Commercial papers	17,000	-
Income taxes payable	2,979	9,584
Provision for bonuses	3,067	2,404
Provision for repairs	7,709	4,701
Other provisions	12	15
Other	40,786	66,861
Total current liabilities	152,022	155,783
Non-current liabilities		
Deferred tax liabilities	1,142	1,360
Retirement benefit liability	14,195	14,047
Provision for repairs	1,181	630
Other provisions	435	431
Other	6,817	6,489
Total non-current liabilities	23,771	22,957
Total liabilities	175,793	178,741
Net assets		
Shareholders' equity		
Share capital	24,211	24,211
Capital surplus	19,323	19,323
Retained earnings	287,773	303,849
Treasury shares	(21,910)	(27,834)
Total shareholders' equity	309,398	319,550
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,815	20,055
Deferred gains or losses on hedges	(4)	1
Foreign currency translation adjustment	25,819	20,243
Remeasurements of defined benefit plans	225	206
Total accumulated other comprehensive income	47,854	40,504
Share acquisition rights	88	88
Non-controlling interests	652	643
Total net assets	357,992	360,785
Total liabilities and net assets	533,786	539,526

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	213,350	206,471
Cost of sales	152,206	144,759
Gross profit	61,144	61,712
Selling, general and administrative expenses	44,341	42,360
Operating profit	16,802	19,352
Non-operating income		
Interest income	144	101
Dividend income	1,421	1,553
Foreign exchange gains	705	-
Share of profit of entities accounted for using equity method	30	22
Miscellaneous income	705	253
Total non-operating income	3,004	1,929
Non-operating expenses		
Interest expenses	62	96
Foreign exchange losses	-	592
Loss on investments in investment partnerships	223	258
Miscellaneous losses	934	1,200
Total non-operating expenses	1,219	2,147
Ordinary profit	18,587	19,133
Extraordinary income		
Gain on sale of non-current assets	6	4
Gain on sale of investment securities	164	16,854
Other	-	14
Total extraordinary income	170	16,871
Extraordinary losses		
Loss on disposal of non-current assets	97	281
Impairment losses	1,481	1,123
Loss on valuation of investment securities	708	2,141
Other	85	0
Total extraordinary losses	2,370	3,545
Profit before income taxes	16,386	32,460
Income taxes	3,973	10,129
Profit	12,413	22,331
Profit attributable to non-controlling interests	114	26
Profit attributable to owners of parent	12,300	22,305

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	12,413	22,331
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,764)	(1,760)
Deferred gains or losses on hedges	(21)	5
Foreign currency translation adjustment	8,977	(5,487)
Remeasurements of defined benefit plans, net of tax	76	(19)
Share of other comprehensive income of entities accounted for using equity method	157	(151)
Total other comprehensive income	5,425	(7,412)
Comprehensive income	17,838	14,918
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,663	14,928
Comprehensive income attributable to non-controlling interests	175	(9)

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	16,386	32,460
Depreciation	9,303	8,075
Impairment losses	1,481	1,123
Increase (decrease) in provision for repairs	3,781	(3,558)
Interest and dividend income	(1,565)	(1,654)
Interest expenses	62	96
Foreign exchange losses (gains)	932	(428)
Loss (gain) on sale of investment securities	(164)	(16,854)
Loss (gain) on valuation of investment securities	708	2,141
Decrease (increase) in trade receivables	1,856	11,800
Increase (decrease) in provision for bonuses	(382)	(627)
Decrease (increase) in inventories	(8,164)	11,379
Increase (decrease) in trade payables	(21,660)	(6,020)
Other, net	8,356	11,164
Subtotal	10,930	49,098
Interest and dividends received	1,929	1,777
Interest paid	(81)	(70)
Income taxes paid	(7,938)	(2,670)
Other, net	481	23
Net cash provided by (used in) operating activities	5,321	48,159
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,365)	(16,969)
Purchase of intangible assets	(1,073)	(1,368)
Payments for retirement of property, plant and equipment	(145)	(560)
Purchase of investment securities	(1,294)	(1,679)
Proceeds from sale of investment securities	227	20,140
Loan advances	(543)	(359)
Other, net	(50)	18
Net cash provided by (used in) investing activities	(17,244)	(776)
Cash flows from financing activities		
Increase (decrease) in commercial papers	15,000	(17,000)
Dividends paid	(5,313)	(6,946)
Dividends paid to non-controlling interests	(2)	-
Repayments of finance lease liabilities	(647)	(281)
Purchase of treasury shares	(0)	(6,006)
Payments of money hold in trust for purchase of treasury stock	(10,034)	-
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(524)	-
Other, net	1	-
Net cash provided by (used in) financing activities	(1,518)	(30,233)
Effect of exchange rate change on cash and cash equivalents	1,305	(1,166)
Net increase (decrease) in cash and cash equivalents	(12,136)	15,984
Cash and cash equivalents at beginning of period	42,533	26,836
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	1,021	1,137
Cash and cash equivalents at end of period	26,836	43,957

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (April 1, 2024 to September 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

	Reportable segments			Others (Note 1)	Total	Adjustment amount (Note 2)	Interim consolidated statements of income (Note 3)
	Elastomer Business	Specialty Material Business	Total				
Net Sales							
Revenue generated from customer contracts	118,532	61,533	180,065	33,285	213,350	-	213,350
Revenues from external customers	118,532	61,533	180,065	33,285	213,350	-	213,350
Transactions with other segments	2,119	33	2,151	475	2,627	(2,627)	-
Total	120,651	61,566	182,216	33,760	215,976	(2,627)	213,350
Segment Profit	6,014	10,801	16,815	1,473	18,288	(1,485)	16,802

Note: 1. The Others category refers to business segments that are not included in the reporting segments, and includes sales of RIM formulation solutions, paints, etc.

2. Segment profit adjustment of (1,485) million yen consists of (21) million yen of inter-segment transactions and (1,464) million yen of company-wide expenses that have not been allocated to each reporting segment. Corporate expenses are selling, general and administrative expenses that are primarily not attributable to the reporting segment.

3. Segment profit is adjusted to operating profit in the interim consolidated statements of income.

4. Since the amount of revenue generated from other sources is not significant, it is not displayed separately from revenue generated from contracts with customers.

5. Revenues generated from goods or services transferred over a period of time are not included because they are not significant.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Impairment losses were recorded on the Elastomer Business, the Specialty Materials Business, and the Company-wide Assets" which are not allocated to any of the reporting segment. In the interim consolidated accounting period under review, the amount of impairment loss recorded was 1,230 million yen in the Elastomer Business, 216 million yen in the Specialty Material Business, and 35 million yen in Company-wide Assets.

II. Interim Consolidated Accounting Period (April 1, 2025 to September 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

	Reportable segments			Others (Note 1)	Total	Adjustment amount (Note 2)	Interim consolidated statements of income (Note 3)
	Elastomer Business	Specialty Material Business	Total				
Net Sales							
Revenue generated from customer contracts	111,847	62,274	174,120	32,351	206,471	-	206,471
Revenues from external customers	111,847	62,274	174,120	32,351	206,471	-	206,471
Transactions with other segments	699	31	730	587	1,317	(1,317)	-
Total	112,545	62,305	174,850	32,938	207,788	(1,317)	206,471
Segment Profit	6,504	11,730	18,235	1,955	20,189	(838)	19,352

Note: 1. The Others category refers to business segments that are not included in the reporting segments, and includes sales of RIM formulation solutions, paints, etc.

2. Segment profit adjustment of (838) million yen consists of 86 million yen of inter-segment transaction elimination and (923) million yen of company-wide expenses not allocated to each reporting segment. Corporate expenses are selling, general and administrative expenses that are primarily not attributable to the reporting segment.

3. Segment profit is adjusted to operating profit in the interim consolidated statements of income.

4. Since the amount of revenue generated from other sources is not significant, it is not displayed separately from revenue generated from contracts with customers.

5. Revenues generated from goods or services transferred over a period of time are not included because they are not significant.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Impairment losses were recorded on the Elastomer Business, the Specialty Materials Business, and the Company-wide Assets which are not allocated to any of reporting segment. In the interim consolidated accounting period under review, the amount of impairment loss recorded was 450 million yen in the Elastomer Business, 591 million yen in the Specialty Material Business, 8 million yen in others, and 74 million yen in Company-wide Assets.

3. Changes to Reporting Segments, etc.

(Change in Depreciation Method of Property, Plant and Equipment)

The Company used to use the declining balance method for depreciation of property, plant and equipment (excluding leased assets) (however, the straight-line method for buildings and structures acquired on or after April 1, 2016), but has changed to the straight-line method from the interim consolidated accounting period under review.

As a result of these changes, segment profit for the interim consolidated accounting period increased by 344 million yen in the Elastomer Business, 372 million yen in the Specialty Materials Business, and 2 million yen in the Others segment compared to the previous method.