MEMBERSHIP

July 29, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Zeon Corporation
Listing: Tokyo Stock Exchange
Securities code: 4205
URL: https://www.zeon.co.jp/
Representative: Tetsuya Toyoshima, President and CEO
Inquiries: Kiyofumi Aoyagi, Division Manager of Corporate Administration
Telephone: +81-3-3216-2747
Scheduled date to commence dividend payments: -
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 three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	109,466	6.2	16,300	34.4	18,849	57.4	12,711	69.4
June 30, 2025	103,083	(2.8)	12,129	34.2	11,973	(2.1)	7,506	(8.3)

Note: Comprehensive income For the three months ended June 30, 2026: ¥25,266 million [399.0%]
For the three months ended June 30, 2025: ¥5,063 million [(56.4)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	66.43	66.40
June 30, 2025	38.06	38.05

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	603,320	395,811	65.5
March 31, 2026	548,246	378,252	68.9

Reference: Equity
As of June 30, 2026: ¥395,000 million
As of March 31, 2026: ¥377,476 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, 2026	-	36.00	-	40.00	76.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		39.00		40.00	79.00

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, 2027 (from April 1, 2026 to March 31, 2027)

(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, 2027	405,000	(1.7)	38,000	4.5	37,000	(7.6)	36,000	(0.6)	185.51

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 (ZIS Information Technology Co., Ltd.)

(2) Adoption of accounting treatment specific to the preparation of quarterly 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: None
- (iii) Changes in accounting estimates: None
- (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 June 30, 2026	209,251,256 shares
As of March 31, 2026	209,251,256 shares

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

As of June 30, 2026	17,905,776 shares
As of March 31, 2026	17,905,749 shares

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

Three months ended June 30, 2026	191,345,489 shares
Three months ended June 30, 2025	197,190,844 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.

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

* 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.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	28,678	40,145
Notes and accounts receivable - trade	63,776	65,861
Electronically recorded monetary claims - operating	4,611	5,048
Merchandise and finished goods	93,361	98,148
Work in process	7,562	8,549
Raw materials and supplies	23,325	24,244
Accounts receivable - other	27,715	34,548
Other	8,633	9,340
Allowance for doubtful accounts	(116)	(116)
Total current assets	257,545	285,768
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	49,246	49,210
Machinery, equipment and vehicles, net	50,820	50,207
Land	18,069	18,082
Construction in progress	70,354	84,114
Other, net	5,627	5,781
Total property, plant and equipment	194,116	207,394
Intangible assets		
Other	6,337	6,267
Total intangible assets	6,337	6,267
Investments and other assets		
Investment securities	73,712	90,099
Deferred tax assets	6,486	3,448
Other	13,123	13,515
Allowance for doubtful accounts	(3,073)	(3,172)
Total investments and other assets	90,248	103,890
Total non-current assets	290,701	317,551
Total assets	548,246	603,320

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	58,734	68,153
Electronically recorded obligations - operating	2,550	3,007
Short-term borrowings	8,960	8,960
Commercial papers	7,000	28,000
Accounts payable - other	29,430	36,209
Income taxes payable	10,005	6,054
Provision for bonuses	2,783	744
Provision for repairs	4,728	9,434
Other provisions	25	150
Other	20,036	21,625
Total current liabilities	144,250	182,336
Non-current liabilities		
Long-term income taxes payable	40	40
Deferred tax liabilities	1,421	3,069
Retirement benefit liability	12,983	13,263
Provision for repairs	3,044	561
Other provisions	531	370
Other	7,725	7,870
Total non-current liabilities	25,744	25,172
Total liabilities	169,994	207,508
Net assets		
Shareholders' equity		
Share capital	24,211	24,211
Capital surplus	19,323	19,323
Retained earnings	302,770	307,774
Treasury shares	(23,853)	(23,853)
Total shareholders' equity	322,452	327,456
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,120	37,353
Deferred gains or losses on hedges	4	4
Foreign currency translation adjustment	28,131	29,427
Remeasurements of defined benefit plans	769	760
Total accumulated other comprehensive income	55,023	67,544
Share acquisition rights	88	88
Non-controlling interests	689	723
Total net assets	378,252	395,811
Total liabilities and net assets	548,246	603,320

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	103,083	109,466
Cost of sales	69,546	72,300
Gross profit	33,537	37,166
Selling, general and administrative expenses	21,408	20,865
Operating profit	12,129	16,300
Non-operating income		
Interest income	52	47
Dividend income	1,095	1,084
Insurance claim income	-	1,297
Foreign exchange gains	-	472
Share of profit of entities accounted for using equity method	17	23
Miscellaneous income	158	187
Total non-operating income	1,322	3,108
Non-operating expenses		
Interest expenses	46	73
Foreign exchange losses	923	-
Expenses of inactive non-current assets	96	196
Loss on investments in investment partnerships	16	26
Miscellaneous losses	398	265
Total non-operating expenses	1,479	560
Ordinary profit	11,973	18,849
Extraordinary income		
Gain on sale of non-current assets	2	1
Gain on sale of investment securities	26	-
Gain on sale of businesses	-	250
Total extraordinary income	29	251
Extraordinary losses		
Loss on disposal of non-current assets	63	104
Impairment losses	826	293
Other	-	5
Total extraordinary losses	889	403
Profit before income taxes	11,112	18,697
Income taxes	3,600	5,956
Profit	7,512	12,742
Profit attributable to non-controlling interests	6	30
Profit attributable to owners of parent	7,506	12,711

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	7,512	12,742
Other comprehensive income		
Valuation difference on available-for-sale securities	2,064	11,233
Deferred gains or losses on hedges	2	0
Foreign currency translation adjustment	(4,337)	1,348
Remeasurements of defined benefit plans, net of tax	(14)	(9)
Share of other comprehensive income of entities accounted for using equity method	(165)	(49)
Total other comprehensive income	(2,449)	12,525
Comprehensive income	5,063	25,266
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,094	25,232
Comprehensive income attributable to non-controlling interests	(31)	34

(Notes on segment information, etc.)

Segment Information

I. The three months of the previous fiscal year (April 1, 2025 to June 30, 2025)

1. Information on Net 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)	Quarterly consolidated statements of income (Note 3)
	Elastomer Business	Specialty Material Business	Total				
Net Sales							
Revenue generated from customer contracts	57,748	29,279	87,027	16,056	103,083	-	103,083
Revenues from external customers	57,748	29,279	87,027	16,056	103,083	-	103,083
Transactions with other segments	321	17	338	322	660	(660)	-
Total	58,069	29,296	87,365	16,378	103,743	(660)	103,083
Segment Profit	4,227	7,388	11,615	1,009	12,623	(494)	12,129

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 (494) million yen consists of 22 million yen of inter-segment transaction elimination and (516) 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 quarterly 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 customer contracts.

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 "Elastomer Business," "Specialty Materials Business," "Others," and "Company-wide assets" that are not allocated to each of the reporting segments. In the three months of the current fiscal year, the amount of impairment loss recorded was 241 million yen for Elastomer Business, 563 million yen for Specialty Material Business, 3 million yen for others, and 19 million yen for company-wide assets.

II. The three months of the current fiscal year (April 1, 2026 to June 30, 2026)

1. Information on Net 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)	Quarterly consolidated statements of income (Note 3)
	Elastomer Business	Specialty Material Business	Total				
Net Sales							
Revenue generated from customer contracts	57,518	33,832	91,349	18,117	109,466	-	109,466
Revenues from external customers	57,518	33,832	91,349	18,117	109,466	-	109,466
Transactions with other segments	643	8	651	379	1,029	(1,029)	-
Total	58,161	33,839	92,000	18,495	110,496	(1,029)	109,466
Segment Profit	5,546	10,109	15,655	964	16,619	(318)	16,300

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 (318) million yen consists of 15 million yen of inter-segment transaction elimination and (333) 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 quarterly 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 rom customer contracts.

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 "Elastomer Business," "Specialty Materials Business," "Others," and "Company-wide assets" that are not allocated to each of the reporting segments. In the three months of the current fiscal year, the amount of impairment loss recorded was 250 million yen for Elastomer Business, 38 million yen for Specialty Material Business, 4 million yen for others, and 2 million yen for company-wide assets.