



May 13, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: SK KAKEN CO.,LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4628
 URL: <https://www.sk-kaken.co.jp/>
 Representative: Mitsuhiro Fujii, Representative Director, President
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	109,707	3.4	12,218	(1.8)	16,967	14.1	12,252	14.2
March 31, 2025	106,142	5.2	12,444	3.0	14,874	(12.8)	10,729	(9.3)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥12,858 million [1.6%]
 For the fiscal year ended March 31, 2025: ¥12,659 million [(0.5)%]

Fiscal year ended	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	%	%	%
March 31, 2026	908.27	-	7.2	8.6	11.1
March 31, 2025	795.62	-	6.8	8.0	11.7

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	205,260	174,759	85.1	12,954.66
March 31, 2025	191,106	163,520	85.6	12,121.39

Reference: Equity
 As of March 31, 2026: ¥174,759 million
 As of March 31, 2025: ¥163,520 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	12,758	(18,733)	(1,743)	45,748
March 31, 2025	8,277	(12,116)	(2,002)	52,953

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	120.00	120.00	1,618	15.1	1.0
Fiscal year ended March 31, 2026	-	0.00	-	230.00	230.00	3,102	25.3	1.8
Fiscal year ending March 31, 2027 (Forecast)	-	0.00	-	180.00	180.00		25.6	

Breakdown of year-end dividends for the fiscal year ending March 31, 2025 Ordinary dividend 120.00 yen

Breakdown of year-end dividends for the fiscal year ending March 31, 2026: Ordinary dividend 180.00 yen, commemorative dividend 50.00 yen

Breakdown of year-end dividends for the fiscal year ending March 31, 2027 (forecast) Ordinary dividend 180.00 yen

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
Six months ending September 30, 2026	54,100	2.1	5,400	(6.3)	6,300	(8.9)	4,700	(11.5)	348.40
Fiscal year ending March 31, 2027	112,000	2.1	11,400	(6.7)	13,300	(21.6)	9,500	(22.5)	704.22

Uncertainties such as heightened geopolitical risks due to the recent escalation of tensions in the Middle East, difficulties in procuring raw materials due to supply chain disruptions triggered by such heightened conditions, soaring crude oil prices, and soaring prices of raw materials are not included in this earnings forecast because it is difficult to reasonably calculate the impact at this time. Actual results may differ from forecasts due to various factors in the future.

*Notes

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

Excluded: 1 company (SIKOKUKAKEN(LANGFANG)CO.,LTD.)

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2026	15,673,885 shares
As of March 31, 2025	15,673,885 shares

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

As of March 31, 2026	2,183,779 shares
As of March 31, 2025	2,183,635 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	13,490,144 shares
Fiscal year ended March 31, 2025	13,486,255 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	108,790	105,240
Notes and accounts receivable - trade	17,933	17,502
Electronically recorded monetary claims - operating	3,797	4,251
Merchandise and finished goods	2,471	2,336
Work in process	1,453	1,426
Costs on construction contracts in progress	279	297
Raw materials and supplies	4,410	5,034
Other	1,383	1,259
Allowance for doubtful accounts	(20)	(18)
Total current assets	140,500	137,331
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,512	12,007
Accumulated depreciation	(7,192)	(7,332)
Buildings and structures, net	3,319	4,674
Machinery, equipment and vehicles	5,327	5,482
Accumulated depreciation	(5,042)	(5,189)
Machinery, equipment and vehicles, net	284	292
Land	9,132	11,173
Construction in progress	471	247
Other	2,202	2,073
Accumulated depreciation	(1,414)	(1,069)
Other, net	788	1,003
Total property, plant and equipment	13,996	17,392
Intangible assets	844	806
Investments and other assets		
Investment securities	11,369	18,956
Deferred tax assets	114	60
Long-term time deposits	20,010	26,011
Retirement benefit asset	1,812	2,180
Other	2,458	2,521
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	35,765	49,729
Total non-current assets	50,606	67,929
Total assets	191,106	205,260

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	7,610	8,568
Short-term borrowings	3,000	3,000
Accounts payable - other	6,693	6,889
Income taxes payable	1,314	2,851
Provision for bonuses	1,931	1,959
Provision for bonuses for directors (and other officers)	107	106
Provision for product warranties	60	43
Other	2,552	2,406
Total current liabilities	23,270	25,827
Non-current liabilities		
Deferred tax liabilities	64	92
Provision for retirement benefits for directors (and other officers)	1,315	1,334
Retirement benefit liability	144	139
Other	2,790	3,107
Total non-current liabilities	4,316	4,673
Total liabilities	27,586	30,500
Net assets		
Shareholders' equity		
Share capital	2,662	2,662
Capital surplus	3,170	3,170
Retained earnings	161,354	171,987
Treasury shares	(9,480)	(9,481)
Total shareholders' equity	157,705	168,338
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15	21
Foreign currency translation adjustment	5,569	5,995
Remeasurements of defined benefit plans	230	404
Total accumulated other comprehensive income	5,815	6,421
Total net assets	163,520	174,759
Total liabilities and net assets	191,106	205,260

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	106,142	109,707
Cost of sales	73,873	76,752
Gross profit	32,268	32,955
Selling, general and administrative expenses		
Freight costs	2,644	2,682
Salaries and allowances	7,743	8,228
Provision for bonuses	1,349	1,383
Provision for bonuses for directors (and other officers)	107	106
Retirement benefit expenses	140	118
Provision for retirement benefits for directors (and other officers)	30	32
Depreciation	252	254
Provision of allowance for doubtful accounts	0	(2)
Provision for product warranties	(21)	(8)
Other	7,577	7,942
Total selling, general and administrative expenses	19,824	20,736
Operating profit	12,444	12,218
Non-operating income		
Interest income	1,945	1,984
Dividend income	0	1
Purchase discounts	55	53
Foreign exchange gains	-	2,618
Gain on sale of non-current assets	668	0
Gain on reversal of foreign currency translation adjustments resulting from liquidation of foreign subsidiary	13	33
Miscellaneous income	92	125
Total non-operating income	2,776	4,815
Non-operating expenses		
Interest expenses	39	63
Foreign exchange losses	302	-
Miscellaneous losses	3	3
Total non-operating expenses	345	66
Ordinary profit	14,874	16,967
Profit before income taxes	14,874	16,967
Income taxes - current	4,059	4,712
Income taxes - deferred	85	2
Total income taxes	4,144	4,714
Profit	10,729	12,252
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	10,729	12,252

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	10,729	12,252
Other comprehensive income		
Valuation difference on available-for-sale securities	4	6
Foreign currency translation adjustment	1,829	426
Remeasurements of defined benefit plans, net of tax	95	173
Total other comprehensive income	1,929	605
Comprehensive income	12,659	12,858
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,659	12,858
Comprehensive income attributable to non-controlling interests	-	-

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,662	3,137	152,444	(9,518)	148,724
Changes during period					
Dividends of surplus			(1,819)		(1,819)
Profit attributable to owners of parent			10,729		10,729
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		32		39	72
Net changes in items other than shareholders' equity					
Total changes during period	-	32	8,909	37	8,980
Balance at end of period	2,662	3,170	161,354	(9,480)	157,705

	Accumulated other comprehensive income				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	10	3,739	135	3,885	152,610
Changes during period					
Dividends of surplus					(1,819)
Profit attributable to owners of parent					10,729
Purchase of treasury shares					(1)
Disposal of treasury shares					72
Net changes in items other than shareholders' equity	4	1,829	95	1,929	1,929
Total changes during period	4	1,829	95	1,929	10,910
Balance at end of period	15	5,569	230	5,815	163,520

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,662	3,170	161,354	(9,480)	157,705
Changes during period					
Dividends of surplus			(1,618)		(1,618)
Profit attributable to owners of parent			12,252		12,252
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	-	-	10,633	(0)	10,633
Balance at end of period	2,662	3,170	171,987	(9,481)	168,338

	Accumulated other comprehensive income				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	15	5,569	230	5,815	163,520
Changes during period					
Dividends of surplus					(1,618)
Profit attributable to owners of parent					12,252
Purchase of treasury shares					(0)
Disposal of treasury shares					
Net changes in items other than shareholders' equity	6	426	173	605	605
Total changes during period	6	426	173	605	11,239
Balance at end of period	21	5,995	404	6,421	174,759

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	14,874	16,967
Depreciation	568	618
Increase (decrease) in provision for bonuses	5	28
Increase (decrease) in provision for bonuses for directors (and other officers)	3	(0)
Increase (decrease) in retirement benefit liability	(2)	(5)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	30	18
Increase (decrease) in allowance for doubtful accounts	(152)	(2)
Increase (decrease) in provision for product warranties	(25)	(16)
Interest and dividend income	(1,946)	(1,985)
Interest expenses	39	63
Foreign exchange losses (gains)	272	(2,617)
Loss (gain) on sale and retirement of non-current assets	(667)	0
Decrease (increase) in trade receivables	1,054	192
Decrease (increase) in inventories	(204)	(363)
Increase (decrease) in trade payables	(1,445)	861
Other, net	(187)	336
Subtotal	12,217	14,097
Interest and dividends received	2,147	1,973
Interest paid	(38)	(64)
Income taxes paid	(6,048)	(3,248)
Net cash provided by (used in) operating activities	8,277	12,758
Cash flows from investing activities		
Payments into time deposits	(61,798)	(65,268)
Proceeds from withdrawal of time deposits	54,392	57,290
Purchase of non-current assets	(1,374)	(3,562)
Proceeds from sale of non-current assets	668	1
Purchase of securities	(6,741)	(11,722)
Proceeds from redemption of securities	3,003	4,600
Other Payments	(306)	(108)
Other Proceeds	41	35
Net cash provided by (used in) investing activities	(12,116)	(18,733)
Cash flows from financing activities		
Proceeds from short-term borrowings	3,000	3,000
Repayments of short-term borrowings	(3,000)	(3,000)
Purchase of treasury shares	(1)	(0)
Dividends paid	(1,820)	(1,618)
Other payments	(180)	(124)
Net cash provided by (used in) financing activities	(2,002)	(1,743)
Effect of exchange rate change on cash and cash equivalents	777	513
Net increase (decrease) in cash and cash equivalents	(5,064)	(7,205)
Cash and cash equivalents at beginning of period	58,018	52,953
Cash and cash equivalents at end of period	52,953	45,748

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and is subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate performance.

Our business is centered on the "Building Finishing Coating Materials Business" and the "Fireproof Insulation Materials Business." Accordingly, the report segments are composed of products and services, with the Building Finishing Coatings Business and the Fire Insulation Materials Business as reporting segments.

The Architectural Finishing Materials segment produces organic and inorganic water-based coatings, synthetic resin coatings, inorganic coatings, inorganic building materials, and other products. In addition, we carry out special finishing work for buildings.

The Fire-Resistant Insulation segment produces heat insulating materials, fire-resistant claddings, fire-resistant paints, and other products. In addition, we carry out fireproof insulation work.

2. Method of calculating the amount of sales, profit or loss, assets, and other items for each reporting segment

The method of accounting for the reported business segments is the same as described in the "Fundamental Important Matters for the Preparation of Consolidated Financial Statements".

Profit in the reporting segment is a figure based on operating income.

Internal sales between segments are based on prices in accordance with prevailing market prices.

3. Information on sales, profits or losses, assets, liabilities and other amounts by reporting segment, and breakdown of earnings

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Decorative coatings business	Fireproof, insulated business	Total				
Sales							
Japan	75,205	10,649	85,854	1,888	87,742	-	87,742
Asia	18,314	84	18,399	0	18,399	-	18,399
Revenue generated from customer contracts	93,520	10,733	104,253	1,888	106,142	-	106,142
Other Earnings	-	-	-	-	-	-	-
Revenues from external customers	93,520	10,733	104,253	1,888	106,142	-	106,142
Transactions with other segments	2	-	2	2	5	(5)	-
Total	93,522	10,733	104,256	1,890	106,147	(5)	106,142
Segment Profit	13,408	1,563	14,972	159	15,131	(2,687)	12,444
Segment Assets	99,906	9,877	109,783	1,714	111,498	79,608	191,106
Other items							
Depreciation	461	29	491	5	496	71	568
Increase in property, plant and equipment and intangible assets	1,274	153	1,427	27	1,455	21	1,476

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, and includes businesses such as various chemical products and cleaning agents.

2. (1) Adjustments to segment profit are (2,690) million yen for company-wide expenses that have not been allocated to each reporting segment and 2 million yen for elimination of inter-segment transactions.

(2) Adjustments for segment assets are company-wide assets that have not been allocated to each reporting segment.

(3) The amount of adjustment for depreciation and amortization of other items is the amount of depreciation of company-wide assets and the adjustment amount of the increase in property, plant and equipment and intangible assets is the amount of increase in company-wide assets.

3. Segment profit is adjusted to operating income in consolidated financial statements.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Decorative coatings business	Fireproof, insulated business	Total				
Sales							
Japan	79,911	11,617	91,529	1,866	93,395	-	93,395
Asia	16,257	54	16,312	0	16,312	-	16,312
Revenue generated from customer contracts	96,168	11,672	107,841	1,866	109,707	-	109,707
Other Earnings	-	-	-	-	-	-	-
Revenues from external customers	96,168	11,672	107,841	1,866	109,707	-	109,707
Transactions with other segments	1	-	1	2	4	(4)	-
Total	96,170	11,672	107,843	1,868	109,711	(4)	109,707
Segment Profit	13,114	1,786	14,901	224	15,125	(2,907)	12,218
Segment Assets	98,248	9,604	107,852	1,584	109,436	95,824	205,260
Other items							
Depreciation	521	36	557	5	563	55	618
Increase in property, plant and equipment and intangible assets	3,490	365	3,856	58	3,915	13	3,929

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, and includes businesses such as various chemical products and cleaning agents.

2. (1) Adjustments to segment profit are (2,910) million yen for company-wide expenses that have not been allocated to each reporting segment and 2 million yen for elimination of inter-segment transactions.
- (2) Adjustments for segment assets are company-wide assets that have not been allocated to each reporting segment.
- (3) The amount of adjustment for depreciation and amortization of other items is the amount of depreciation of company-wide assets and the adjustment amount of the increase in property, plant and equipment and intangible assets is the amount of increase in company-wide assets.
3. Segment profit is adjusted to operating income in consolidated financial statements.