



November 5, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]

Company name: VALQUA, LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 7995
 URL: <https://www.valqua.co.jp>
 Representative: Toshiharu Takisawa, Representative Director, President and COO
 Inquiries: Koshiro Endo, General Manager, Investor Relations Division
 TEL: +81-3-5434-7372

Scheduled date of filing semi-annual securities report: November 5, 2025

Scheduled date of commencing dividend payments: December 1, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

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

(1) Consolidated operating results (cumulative)

(% indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	27,081	(10.0)	3,183	8.8	3,081	(2.0)	2,551	27.7
September 30, 2024	30,097	(3.5)	2,924	(24.5)	3,144	(22.6)	1,998	(25.9)

(Note) Comprehensive income: Six months ended September 30, 2025 ¥2,021 million [(30.9%)]
 Six months ended September 30, 2024 ¥2,926 million [(11.2%)]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	144.93	—
September 30, 2024	113.61	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	79,792	51,300	64.3
March 31, 2025	77,823	50,521	64.9

(Reference) Shareholders' equity As of September 30, 2025 ¥51,266 million
 As of March 31, 2025 ¥50,486 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	75.00	—	75.00	150.00
Fiscal year ending March 31, 2026	—	75.00			
Fiscal year ending March 31, 2026 (Forecast)			—	75.00	150.00

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

3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates 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
Full year	62,000	3.1	7,000	23.5	7,000	16.7	4,800	2.6	272.64

Revisions to the financial results forecast most recently announced: None

Notes

- (1) Significant changes in scope of consolidation during the period: Yes
New: 1 (Company name) TORQUE SYSTEM Co., Ltd.; Exclusion: - (Company name) –
- (2) Adoption of accounting treatment specific to the preparation of consolidated financial statements: None
- (3) Changes in accounting policies and accounting estimates, and retrospective restatement
(i) Changes in accounting policies due to revisions of accounting standards, etc.: None
(ii) Changes in accounting policies other than in (i): None
(iii) Changes in accounting estimates: None
(iv) Retrospective restatement: None

- (4) Number of issued shares (common shares)

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

As of September 30, 2025	18,688,733 shares
As of March 31, 2025	18,688,733 shares

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

As of September 30, 2025	1,067,314 shares
As of March 31, 2025	1,092,793 shares

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

Six months ended September 30, 2025	17,605,923 shares
Six months ended September 30, 2024	17,590,286 shares

- * Consolidated financial results for the second quarter (interim period) are not subject to audit by certified public accountants or an audit firm

- * Explanation on appropriate use of financial results forecasts and other special notes

(Caution regarding forward-looking statements)

Outlook for financial results and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable by the Company. The Company does not guarantee that those forecasts will be achieved. Actual financial results, etc. may differ significantly due to various factors. Please refer to “(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Statements” in “1. Overview of Operating Results, Etc.” on page 3 of the attached document for assumptions for financial results forecasts and cautionary notes in using financial results forecasts.

(Method of obtaining supplementary materials on financial results)

The supplementary materials on financial results will be made available on the Company website on November 5, 2025.

<https://www.valqua.co.jp>

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1. Overview of Operating Results, Etc.

(1) Explanation of Operating Results

● Overview

During the six months ended September 30, 2025, the Group promoted measures to develop production bases and increase capacity in preparation for a recovery in the semiconductor industry and future market expansion, while striving to secure earnings in an increasingly uncertain business environment, from the viewpoint of “striving to create new value to achieve the highest satisfaction of stakeholders,” as set forth in the medium-term management plan “New Frontier 2026” (NF2026), which is in its second year.

The Group reports the following consolidated results for the period under review: net sales of ¥27,081 million (down 10.0% year on year), operating profit of ¥3,183 million (up 8.8% year on year), ordinary profit of ¥3,081 million (down 2.0% year on year), and profit attributable to owners of parent of ¥2,551 million (up 27.7% year on year).

Profit attributable to owners of parent exceeded the earnings forecast announced on May 14, 2025. This is mainly due to a decrease in income taxes - deferred as a result of the recording of deferred tax assets mainly related to the investment in a Chinese subsidiary that is planned to be transferred.

In addition, orders received during the six months ended September 30, 2025 totaled ¥26,861 million, and order backlog at the end of the period was ¥11,059 million.

● Status by Business Segment

Financial results by business segment for the period under review are as follows.

As the result of the sale of an operating company in the Silicon Wafer Reclaim Business, business segments have been changed from the current fiscal year. For details, please refer to the Segment Information, Etc.

• Seal Products Business

In the Seal Products Business, net sales were ¥20,261 million (up 1.5% year on year) as sales of high-performance seal products for the advanced industries market remained at a high level, despite the impact of a decrease in the number of equipment maintenance projects for the plant market. Segment profit was ¥3,147 million (up 32.8% year on year).

• High Performance Plastics Products Business

In the High Performance Plastics Products Business, net sales were ¥6,819 million (down 21.4% year on year) due to a significant decline in sales of fluorocarbon processed products for the advanced industries market, in addition to continued adjustments in demand for fluorocarbon tanks, valves, and other products for the plant market. Segment profit was ¥36 million (down 91.2% year on year), reflecting the recording of expenses related to the review of business structures and production bases.

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

Total assets at the end of the period under review amounted to ¥79,792 million, an increase of ¥1,969 million from the end of the previous fiscal year. Current Assets amounted to ¥45,417 million, a decrease of ¥1,012 million. This was mainly due to an increase of ¥834 million in raw materials and supplies, an increase of ¥659 million in merchandise and finished goods, an increase of ¥412 million in electronically recorded monetary claims - operating, a decrease of ¥799 in cash and deposits, a decrease of ¥1,878 in notes and accounts receivable - trade, and contract assets, and a decrease of ¥553 million in accounts receivable - other which is included in other under current assets. Non-current assets amounted to ¥34,375 million, an increase of ¥2,982 million. This was mainly due to an increase of ¥578 million in property, plant and equipment, including buildings and structures, an increase of ¥1,749 million in goodwill, and an increase of ¥366 million in deferred tax assets included in other under investments and other assets among intangible assets.

Liabilities amounted to ¥28,491 million, an increase of ¥1,189 million from the end of the previous fiscal year. Current liabilities amounted to ¥15,570 million, a decrease of ¥2,999 million. This was mainly due to a decrease of ¥1,614 million in short-term borrowings, a decrease of ¥1,010 million in current portion of long-term borrowings, and a decrease of ¥467 million in notes and accounts payable - trade. Non-current liabilities amounted to ¥12,921 million, an increase of ¥4,189 million. This was mainly due to an increase of ¥4,224 million in long-term borrowings.

Net assets amounted to ¥51,300 million, an increase of ¥779 million from the end of the previous fiscal year. This was mainly due to an increase of ¥1,231 million in retained earnings, an increase of ¥133 million in valuation difference on available-for-sale securities, and a decrease of ¥608 million in foreign currency translation adjustment.

As a result, the shareholders' equity ratio decreased by 0.6 percentage points to 64.3% from 64.9% at the end of the previous fiscal year.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Statements

During the six months ended September 30, 2025, operating profit, ordinary profit, and profit attributable to owners of parent exceeded the forecast for the period.

At the same time, we have noted many uncertainties that could have an impact on the global economy, such as reciprocal tariffs by the U.S., deterioration of diplomatic relations among countries, and the situations in East Asia, Ukraine, and the Middle East. In addition, there are potential concerns surrounding the Group regarding delays in a full-fledged recovery in global capital expenditures and in semiconductor-related business conditions, as well as labor shortages, rising personnel costs, and other issues.

Based on the above, we forecast net sales of ¥62.0 billion, up 3.1% year on year, operating profit of ¥7.0 billion, up 23.5% year on year, ordinary profit of ¥7.0 billion, up 16.7% year on year, and profit attributable to owners of parent of ¥4.8 billion, up 2.6% year on year, for the fiscal year ending March 31, 2026.

This forecast incorporates fluctuations in demand in the advanced industries market and others, as well as increases in energy and raw material prices and logistics costs to a certain extent. However, the forecast values and actual results may differ from each other should there arise an event that has a significant impact on the Group's business environment, such as disruptions in global supply chains, rapid fluctuations in foreign exchange rates, or further deterioration in geopolitical issues around the world.

2. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	7,969	7,169
Notes and accounts receivable - trade, and contract assets	12,497	10,618
Electronically recorded monetary claims - operating	4,142	4,555
Merchandise and finished goods	6,542	7,202
Work in process	1,095	1,284
Raw materials and supplies	11,491	12,326
Other	2,845	2,399
Allowance for doubtful accounts	(154)	(139)
Total current assets	46,430	45,417
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,194	8,791
Land	4,169	4,231
Other, net	11,260	10,179
Total property, plant and equipment	22,624	23,202
Intangible assets		
Goodwill	-	1,749
Other	1,876	1,780
Total intangible assets	1,876	3,530
Investments and other assets		
Investment securities	3,949	4,147
Other	2,977	3,523
Allowance for doubtful accounts	(34)	(29)
Total Investments and other assets	6,891	7,642
Total non-current assets	31,393	34,375
Total assets	77,823	79,792

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,809	5,342
Electronically recorded obligations - operating	901	923
Short-term borrowings	4,952	3,338
Current portion of long-term borrowings	2,000	990
Income taxes payable	1,206	832
Provision for bonuses	699	802
Provision for bonuses for directors (and other officers)	86	35
Other	2,912	3,305
Total current liabilities	18,569	15,570
Non-current liabilities		
Long-term borrowings	6,662	10,887
Retirement benefit liability	373	378
Other	1,695	1,656
Total non-current liabilities	8,732	12,921
Total liabilities	27,302	28,491
Net assets		
Shareholders' equity		
Share capital	13,957	13,957
Capital surplus	4,756	4,789
Retained earnings	29,446	30,677
Treasury shares	(1,904)	(1,859)
Total shareholders' equity	46,256	47,566
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,307	1,441
Foreign currency translation adjustment	2,721	2,112
Remeasurements of defined benefit plans	201	146
Total accumulated other comprehensive income	4,230	3,700
Non-controlling interests	34	33
Total net assets	50,521	51,300
Total liabilities and net assets	77,823	79,792

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Consolidated Statement of Income)

	(Millions of yen)	
	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	30,097	27,081
Cost of sales	18,036	15,486
Gross profit	12,060	11,594
Selling, general and administrative expenses	9,135	8,411
Operating profit	2,924	3,183
Non-operating income		
Interest income	17	23
Dividend income	33	28
Rental income from facilities	136	139
Share of profit of entities accounted for using equity method	118	7
Foreign exchange gains	141	—
Other	98	98
Total non-operating income	545	298
Non-operating expenses		
Interest expenses	110	136
Rental expenses on facilities	105	138
Foreign exchange losses	-	64
Other	109	60
Total non-operating expenses	325	400
Ordinary profit	3,144	3,081
Extraordinary income		
Gain on sale of non-current assets	2	37
Gain on sale of investments in capital of subsidiaries and associates	179	—
Total extraordinary income	181	37
Extraordinary losses		
Loss on abandonment of non-current assets	33	6
Asbestos illness compensation money	42	—
Business restructuring expenses	110	107
Total extraordinary losses	186	113
Profit before income taxes	3,140	3,005
Income taxes - current	1,043	816
Income taxes - deferred	72	(363)
Total income taxes	1,115	452
Profit	2,024	2,553
Profit attributable to non-controlling interests	26	1
Profit attributable to owners of parent	1,998	2,551

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	2,024	2,553
Other comprehensive income		
Valuation difference on available-for-sale securities	(274)	129
Foreign currency translation adjustment	1,307	(610)
Remeasurements of defined benefit plans, net of tax	(57)	(54)
Share of other comprehensive income of entities accounted for using equity method	(74)	3
Total other comprehensive income	901	(531)
Comprehensive income:	2,926	2,021
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,898	2,021
Comprehensive income attributable to non- controlling interests	27	(0)

(3) Consolidated Statements 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	3,140	3,005
Depreciation	1,377	1,374
Interest and dividend income	(50)	(52)
Interest expenses	110	136
Decrease (increase) in retirement benefit assets	(163)	(152)
Increase (decrease) in retirement benefit liabilities	4	(13)
Loss on abandonment of non-current assets	33	6
Asbestos illness compensation money	42	—
Business restructuring expenses	110	107
Loss (gain) on sale of non-current assets	(2)	(37)
Gain on sale of investments in capital of subsidiaries and associates	(179)	—
Decrease (increase) in trade receivables	1,159	1,604
Decrease (increase) in inventories	(1,103)	(1,627)
Increase (decrease) in trade payables	(773)	(546)
Other	634	889
Subtotal	4,340	4,696
Interest and dividends received	52	52
Interest paid	(110)	(121)
Income taxes refund	196	46
Income taxes paid	(1,020)	(1,232)
Extra retirement payments	(100)	(100)
Amount collected on the right to reimbursement	—	5
Cash flows from operating activities	3,357	3,346
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,652)	(1,953)
Proceeds from sale of property, plant and equipment	2	69
Purchase of intangible assets	(301)	(187)
Purchase of investment securities	(21)	—
Payments for guarantee deposits	(5)	(6)
Proceeds from refund of guarantee deposits	9	3
Purchase of shares of subsidiaries and associates resulting in change in scope of consolidation	—	-1,735
Proceeds from sale of investments in capital of subsidiaries and associates	1,302	—
Other	(84)	(25)
Cash flows from investing activities	(1,750)	(3,834)
Cash flows from financing activities		
Proceeds from short-term borrowings	3,170	5,832
Repayments of short-term borrowings	(4,249)	(7,349)
Proceeds from long-term borrowings	1,360	3,689
Repayments of long-term borrowings	(382)	(879)
Repayments of lease liabilities	(88)	(105)
Purchase of treasury shares	(3)	(1)
Proceeds from sale of treasury shares	—	0
Dividends paid	(1,314)	(1,317)
Dividends paid to non-controlling interests	(12)	—
Cash flows from financing activities	(1,519)	(129)
Effect of exchange rate change on cash and cash equivalents	135	(181)
Net increase (decrease) in cash and cash equivalents	223	(799)
Cash and cash equivalents at beginning of period	6,386	7,969
Cash and cash equivalents at end of period	6,609	7,169

(4) Notes to Consolidated Financial Statements

(Notes on Segment Information, Etc.)

[Segment Information]

I. Six months ended September 30, 2024

Information on the amount of net sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segment			Total	Adjustments	Amount recorded in the consolidated statement of income (Note)
	Seal Products Business	High Performance Plastics Products Business	Silicon Wafer Reclaim and Other Businesses			
Net sales						
Sales to external customers	19,965	8,680	1,451	30,097	—	30,097
Inter-segment sales or transfers	—	—	—	—	—	—
Total	19,965	8,680	1,451	30,097	—	30,097
Segment profit	2,369	412	143	2,924	—	2,924

(Note) The total amount of segment profit is the same as operating profit in the consolidated statement of income.

II. Six months ended September 30, 2025

1. Information on the amount of net sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segment		Total	Adjustments	Amount recorded in the consolidated statement of income (Note)
	Seal Products Business	High Performance Plastics Products Business			
Net sales					
Sales to external customers	20,261	6,819	27,081	—	27,081
Inter-segment sales or transfers	—	—	—	—	—
Total	20,261	6,819	27,081	—	27,081
Segment profit	3,147	36	3,183	—	3,183

(Note) The total amount of segment profit is the same as operating profit in the consolidated statement of income.

Matters regarding changes in reportable segments

(Reclassification of reportable segments)

From the period under review, the Group's reportable segments have been reorganized into two segments: the Seal Products Business and the High Performance Plastics Products Business. In the past, the Group had three reportable segments: the Seal Products Business, the High Performance Plastics Products Business, and the Silicon Wafer Reclaim and Other Businesses.

At a meeting of the Board of Directors held on February 26, 2025, the Company resolved to transfer all of its shares held in VALQUA FFT Inc., a major constituent company in the Silicon Wafer Reclaim and Other Businesses, and the transfer was made on March 21, 2025. As a result of reconsidering reportable segments based on the Group's business management structure after this share transfer, we decided it would be appropriate to consolidate them into two segments: the Seal Products Business and the High Performance Plastics Products Business.

Segment information for the six months ended September 30, 2024 has been prepared based on the classification after the change and by excluding the net sales and operating profit of VALQUA FFT Inc., which were included in the Silicon Wafer Reclaim and Other Businesses segment.

2. Information on Assets for Each Reportable Segment

At the end of the period under review, the Company acquired all shares of TORQUE SYSTEM Co., Ltd., and included TORQUE SYSTEM Co., Ltd. in the scope of consolidation. As a result, assets for the reportable segment in the period under review increased by ¥3,377 million in the Seal Products Business, compared to the end of the previous fiscal year.

3. Information on Impairment Loss of Non-Current Assets or Goodwill, Etc. for Each Reportable Segment

(Material Impairment Loss on Non-Current Assets)

Not applicable.

(Material Changes in the Amount of Goodwill)

At the end of the period under review, the Company acquired all shares of TORQUE SYSTEM Co., Ltd., and included TORQUE SYSTEM Co., Ltd. in the scope of consolidation. As a result, goodwill increased by ¥1,749 million at the end of the period under review compared with the end of the previous fiscal year.

(Notes When There Are Significant Changes in Amounts of Equity)

Not applicable.

(Notes on Going Concern)

Not applicable.

(Notes on Consolidated Statements of Cash Flows)

* Relationship between the amount of cash and cash equivalents during the period under review and the balance of cash and deposits on the consolidated balance sheet at the end of the period under review is as follows.

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash and deposits	¥6,609 million	¥7,169 million
Time deposits with maturities exceeding three months	-	-
Cash and cash equivalents	6,609	7,169

(Subsequent Events)

Not applicable.

3. Supplementary Information

(1) Orders Received

(Millions of yen)

Segment name	Orders received			Order backlog		
	Six months ended September 30, 2024	Six months ended September 30, 2025	Year-on-year change (%)	As of September 30, 2024	As of September 30, 2025	Year-on-year change (%)
Seal Products Business	20,147	19,459	(3.4)	6,076	6,297	3.6
High Performance Plastics Products Business	7,670	7,402	(3.5)	3,620	4,762	31.6
Silicon Wafer Reclaim and Other Businesses	1,334	—	—	148	—	—
Total	29,151	26,861	(7.9)	9,844	11,059	12.3

(Note) 1 Since the three months ended June 30, 2025, the Group's reportable segments have been reorganized into two segments: the Seal Products Business and the High Performance Plastics Products Business. In the past, the Group had three reportable segments: the Seal Products Business, the High Performance Plastics Products Business, and the Silicon Wafer Reclaim and Other Businesses.

Segment information for the three months ended June 30, 2024, has been prepared based on the classification after the change and by excluding the orders received and order backlog of VALQUA FFT Inc., which were included in the Silicon Wafer Reclaim and Other Businesses segment.

2 TORQUE SYSTEM Co., Ltd. which is included in the scope of consolidation during the current interim consolidated accounting period, is included in the order backlog at the end of the interim consolidated accounting period, but not in the orders received during the interim consolidated accounting period.

(2) Overseas Net Sales

Six months ended September 30, 2024

	Asia	United States	The Others	Total
I. Overseas net sales (millions of yen)	7,207	2,237	73	9,518
II. Consolidated net sales (millions of yen)				30,097
III. Percentage of overseas net sales to consolidated net sales (%)	24.0	7.4	0.2	31.6

(Note) 1 Country or region classification is based on geographical proximity.

2 The breakdown of the main countries or regions belonging to each classification other than Japan is as follows:

(1) Asia China, Taiwan, Thailand, Singapore, South Korea and Vietnam

(2) The Other Europe

3 Overseas net sales are sales by the Company and its consolidated subsidiaries in countries or regions other than Japan.

Six months ended September 30, 2025

	Asia	United States	The Others	Total
I. Overseas net sales (millions of yen)	7,248	1,298	106	8,652
II. Consolidated net sales (millions of yen)				27,081
III. Percentage of overseas net sales to consolidated net sales (%)	26.8	4.8	0.4	40.0

(Note) 1 Country or region classification is based on geographical proximity.

2 The breakdown of the main countries or regions belonging to each classification other than Japan is as follows:

(1) Asia China, Taiwan, Thailand, Singapore, South Korea and Vietnam

(2) The Others Europe

3 Overseas net sales are sales by the Company and its consolidated subsidiaries in countries or regions other than Japan.