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May 15, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]

Company name: VALQUA, LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7995  
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 Scheduled date of the Annual General Meeting of Shareholders: June 18, 2026  
 Scheduled date of commencing dividend payments: June 19, 2026  
 Scheduled date of filing annual securities report: June 16, 2026  
 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 fiscal year ended March 31, 2026 (April 1, 2025, to March 31, 2026)

#### (1) Consolidated operating results

(% 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	%
Fiscal year ended March 2026	58,556	(2.6)	7,100	25.3	7,012	16.9	5,128	9.7
Fiscal year ended March 2025	60,113	(2.6)	5,669	(20.2)	5,999	(18.9)	4,676	(4.7)

(Note) Comprehensive income: Fiscal year ended March 2026 5,561 million yen (16.1%)  
 Fiscal year ended March 2025 4,788 million yen (-18.2%)

	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	%	%	%
Fiscal year ended March 2026	291.16	-	9.9	8.7	12.1
Fiscal year ended March 2025	265.80	-	9.5	7.9	9.4

(Reference) Share of profit (loss) of entities accounted for using equity method: Fiscal year ended March 2026 18 million yen  
 Fiscal year ended March 2025 138 million yen

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 2026	83,405	53,518	64.1	3,035.13
Fiscal year ended March 2025	77,823	50,521	64.9	2,869.23

(Reference) Shareholders' equity: Fiscal year ended March 2026 53,480 million yen  
 Fiscal year ended March 2025 50,486 million yen

#### (3) Consolidated cash flows

	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
Fiscal year ended March 2026	5,028	(4,360)	(902)	7,915
Fiscal year ended March 2025	4,870	(4,887)	1,573	7,969

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter- end	2nd quarter- end	3rd quarter- end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 2025	-	75.00	-	75.00	150.00	2,641	56.4	5.3
Fiscal year ended March 2026	-	75.00	-	75.00	150.00	2,644	51.5	5.1
Fiscal year ending March 31, 2027 (Forecast)	-	85.00	-	115.00	200.00		49.6	

(Reference) Details of the year-end dividends for the fiscal year ended March 31, 2026: Ordinary dividend ¥85.00  
Commemorative dividend ¥30.00

## 3. Consolidated financial results forecast for the fiscal year ending March 31, 2027 (April 1, 2026, to March 31, 2027)

(% 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
First half of the year	32,000	18.2	4,200	31.9	4,100	33.0	3,900	52.8	221.43
Full year	65,000	11.0	9,000	26.7	8,700	24.1	7,100	38.4	403.11

## Notes

- (1) Significant changes in scope of consolidation during the period: Yes  
 Newly included: 2 (Company name) VALQUA TORQUE SYSTEM CO., LTD., VALQUA ADVANCED VIETNAM CO., LTD.  
 Excluded: 2 (Company name) VALQUA SEAL PRODUCTS (SHANGHAI) CO., LTD., VALQUA SES CO., LTD.
- (2) 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

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

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

Fiscal year ended March 2026	18,688,733 shares
Fiscal year ended March 2025	18,688,733 shares

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

Fiscal year ended March 2026	1,068,366 shares
Fiscal year ended March 2025	1,092,793 shares

- (iii) Average number of shares outstanding during the period:

Fiscal year ended March 2026	17,613,271 shares
Fiscal year ended March 2025	17,594,681 shares

## (Reference) Summary of Non-Consolidated Financial Results

### Non-consolidated financial results for the fiscal year ended March 31, 2026 (April 1, 2025, to March 31, 2026)

#### (1) Non-consolidated operating results

(% indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 2026	40,300	1.4	1,481	-	6,751	39.5	6,914	32.7
Fiscal year ended March 2025	39,753	3.2	(140)	-	4,838	21.9	5,156	39.4

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 2026	388.27	-
Fiscal year ended March 2025	292.96	-

#### (2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 2026	59,562	38,455	64.6	2,181.67
Fiscal year ended March 2025	55,916	34,017	60.8	1,932.57

(Reference) Shareholders' equity Fiscal year ended March 2026 38,455 million yen  
 Fiscal year ended March 2025 34,017 million yen

\* These consolidated financial results 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 "(4) Future Outlook" 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 May 15, 2026.

<https://www.valqua.com/>

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review, the Group promoted measures to develop production bases and increase capacity in preparation for a recovery in the semiconductor industry and future market growth, while striving to generate 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 fiscal year under review: net sales of ¥58,556 million (down 2.6% year on year), operating profit of ¥7,100 million (up 25.3% year on year), ordinary profit of ¥7,012 million (up 16.9% year on year), and profit attributable to owners of parent of ¥5,128 million (up 9.7% year on year).

Orders received during the fiscal year under review totaled ¥60,334 million, and order backlog at the end of the year was ¥12,810 million. Orders received during the consolidated fourth quarter of the fiscal year (three months) totaled ¥17,981 million.

#### ● Status by Business Segment

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

As a 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 notes on Segment Information, etc., on page 13.

#### • Seal Products Business

In the Seal Products Business, net sales were ¥43,858 million (up 8.0% year on year), driven by strong sales of high-performance seal products for the advanced industries market, particularly in the second half of the fiscal year. Segment profit was ¥6,605 million (up 35.2% year on year).

#### • High Performance Plastics Products Business

In the High Performance Plastics Products Business, net sales totaled ¥14,697 million (down 10.0% year on year) as demand declined in the first half of the year for fluorocarbon resin processed products and tanks for the advanced industries market, as well as fluorocarbon resin valves, tanks, and other products for the plant market, followed by a modest recovery in the second half of the year. Segment profit was ¥495 million (down 12.7% year on year), reflecting the recording of expenses related to reviewing the business structure and production facilities.

### (2) Overview of Financial Position for the Fiscal Year under Review

#### Overview of assets, liabilities and net assets

Total assets at the end of the fiscal year under review increased by ¥5,582 million from the end of the previous fiscal year to ¥83,405 million.

Current assets amounted to ¥47,970 million, up ¥1,540 million. This was mainly due to an increase of ¥1,171 million in raw materials and supplies, an increase of ¥1,001 million in accounts receivable - trade, an increase of ¥367 million in notes receivable - trade, a decrease of ¥1,139 million in merchandise and finished goods, a decrease of ¥658 million in accounts receivable - others, and a decrease of ¥349 million in electronically recorded monetary claims - operating.

Property, plant and equipment amounted to ¥23,579 million, up ¥955 million. This was mainly due to an increase of ¥2,945 million in buildings and structures, an increase of ¥1,426 million in machinery, equipment and vehicles, an increase of ¥93 million in tools, furniture and fixtures, a decrease of ¥3,434 million in construction in progress. Intangible assets amounted to ¥3,872 million, up ¥1,995 million. This was mainly due to an increase of ¥1,283 million in customer-related intangible assets and an increase of ¥783 million in goodwill. Investments and other assets amounted to ¥7,983 million, up ¥1,091 million. This was mainly due to an increase in retirement benefit assets of ¥798 million and an increase in investment securities of ¥240 million. As a result, non-current assets totaled ¥35,435 million, up ¥4,042 million.

Total liabilities at the end of the fiscal year under review increased by ¥2,585 million from the end of the previous fiscal year to ¥29,887 million. Current liabilities amounted to ¥15,824 million, down ¥2,745 million. This was mainly due to an increase of ¥1,305 million in short-term borrowings, a decrease of ¥864 million in current portion of long-term borrowings, and a decrease of ¥760 million in notes and accounts payable - trade.

Non-current liabilities amounted to ¥14,063 million, up ¥5,330 million. This was mainly due to an increase of ¥4,820 million in long-term borrowings and an increase of ¥721 million in deferred tax liabilities.

Net assets increased ¥2,997 million from the end of the previous fiscal year to ¥53,518 million. This was mainly

due to an increase of ¥2,486 million in retained earnings, an increase of ¥175 million in valuation difference on available-for-sale securities, and an increase of ¥169 million in remeasurements of defined benefit plans.

(3) Overview of cash flows for the fiscal year under review

Cash and cash equivalents as of the end of the fiscal year under review (hereinafter referred to as “cash”) increased ¥53 million compared with the end of the previous fiscal year to ¥7,915 million.

The status of cash flows for the fiscal year under review and the factors for changes are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥5,028 million (up 3.2% year on year).

This was mainly due to profit before income taxes of ¥6,755 million, depreciation of ¥2,795 million, income taxes paid of ¥2,167 million, an increase in inventories of ¥1,520 million, and a decrease in trade payables of ¥1,052 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥4,360 million (down 10.8% year on year).

This was mainly due to cash outflows of ¥4,456 million for the purchase of property, plant and equipment, ¥1,735 million for the acquisition of shares of subsidiaries and associates resulting in change in scope of consolidation, and ¥491 million for the purchase of intangible assets, as well as proceeds of ¥494 million from the sale of investments in capital of subsidiaries and associates resulting in change in scope of consolidation, and ¥397 million from sale of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities was ¥902 million (compared with an inflow of ¥1,573 million in the same period of the previous fiscal year).

This was mainly due to net proceeds from long-term borrowings of ¥3,352 million, a net decrease in short-term borrowings of ¥1,401 million, dividends paid of ¥2,636 million, and repayments of lease liabilities of ¥212 million.

(Reference) Trends in Cash Flow Indicators

	122nd term Fiscal year ended March 2022	123rd term Fiscal year ended March 2023	124th term Fiscal year ended March 2024	125th term Fiscal year ended March 2025	126th term Fiscal year ended March 2026
Shareholders' equity ratio (%)	66.0	66.0	64.7	64.9	64.1
Shareholders' equity ratio based on market value (%)	78.1	88.3	121.1	70.2	96.1
Ratio of interest-bearing debt to cash flows (times)	1.0	1.3	5.7	2.8	3.2
Interest coverage ratio (times)	84.3	39.5	9.0	22.7	19.6

Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market value: Market capitalization / Total assets

Ratio of interest-bearing debt to cash flows: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payments

(Note 1) All indicators are calculated based on consolidated financial figures.

(Note 2) Market capitalization is calculated based on the number of shares outstanding excluding treasury shares.

(Note 3) Cash flows from operating activities in the consolidated statement of cash flows are used for cash flows.

(Note 4) Interest-bearing debt includes all liabilities on the consolidated balance sheet for which interest is paid. Interest payments are based on the amount of interest paid in the consolidated statement of cash flows.

(4) Future Outlook

Looking ahead to the next fiscal year, the international situation remains unstable, particularly in the Middle East, Ukraine, and East Asia. Uncertainty that could impact the global economy is growing as well. Furthermore, the business environment surrounding the Group is marked by a number of concerns for the future, including a global slowdown in capital investment, a deceleration in the pace of expansion in semiconductor-related markets, shortages and soaring prices of energy and raw materials, and a decline in capacity utilization due to labor shortages.

Amid these business conditions, the Group does not view the upcoming fiscal year, which marks its 100th anniversary, merely as a milestone. Rather, it is seen as a stepping stone toward achieving sustainable value creation over the next 100 years.

The Group will steadily and swiftly advance various initiatives. Based on this outlook, we forecast net sales of ¥32,000 million, up 18.2% year on year, operating profit of ¥4,200 million, up 31.9% year on year, ordinary profit of ¥4,100 million, up 33.0% year on year, and profit attributable to owners of parent of ¥3,900 million, up 52.8% year on year for the first six months of the next fiscal year.

For the next fiscal year, we forecast net sales of ¥65,000 million, up 11.0% year on year, operating profit of ¥9,000 million, up 26.7% year on year, ordinary profit of ¥8,700 million, up 24.1% year on year, and profit attributable to owners of parent of ¥7,100 million, up 38.4% year on year.

This forecast considers fluctuations in demand in the advanced industries market, among others, as well as increases in energy and raw material prices and logistics costs to a certain extent. However, we have not factored in the potential impact of geopolitical issues surrounding the Strait of Hormuz because it is currently difficult to reasonably estimate it.

Forecast values and actual results may differ from each other should an event arise 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. Basic Approach to Selecting Accounting Standards

The Group plans to prepare consolidated financial statements based on Japanese GAAP for the time being, taking into account the comparability of consolidated financial statements between periods and between companies.

With regard to the application of the International Financial Reporting Standards (IFRS), the Company will take appropriate actions by taking into consideration various circumstances in Japan and abroad.

### 3. Consolidated Financial Statements and Significant Notes

#### (1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	7,969	7,915
Notes receivable - trade	995	337
Electronically recorded monetary claims - operating	4,142	3,793
Accounts receivable - trade	11,346	12,348
Contract assets	154	131
Merchandise and finished goods	6,542	6,910
Work in process	1,095	1,300
Raw materials and supplies	11,491	12,663
Accounts receivable - other	2,000	861
Other	844	1,870
Allowance for doubtful accounts	(154)	(160)
Total current assets	46,430	47,970
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,505	19,762
Accumulated depreciation	(10,311)	(9,622)
Buildings and structures, net	7,194	10,139
Machinery, equipment and vehicles	9,677	11,958
Accumulated depreciation	(6,952)	(7,807)
Machinery, equipment and vehicles, net	2,725	4,151
Tools, furniture and fixtures	8,750	8,801
Accumulated depreciation	(7,387)	(7,344)
Tools, furniture and fixtures, net	1,363	1,456
Land	4,169	4,237
Leased assets	1,341	1,324
Accumulated depreciation	(525)	(652)
Leased assets, net	815	672
Construction in progress	6,356	2,921
Total property, plant and equipment	22,624	23,579
Intangible assets		
Software	1,273	1,280
Goodwill	-	783
Customer-related intangible assets	-	1,283
Other	603	524
Total intangible assets	1,876	3,872
Investments and other assets		
Investment securities	3,949	4,189
Deferred tax assets	204	213
Retirement benefit assets	1,946	2,745
Other	826	1,082
Allowance for doubtful accounts	(34)	(247)
Total investments and other assets	6,891	7,983
Total non-current assets	31,393	35,435
Total assets	77,823	83,405

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	5,809	5,049
Electronically recorded obligations - operating	901	725
Short-term borrowings	4,952	3,646
Current portion of long-term borrowings	2,000	1,135
Lease liabilities	212	165
Income taxes payable	1,206	901
Contract liabilities	251	34
Provision for bonuses	699	695
Provision for bonuses for directors (and other officers)	86	80
Other	2,448	3,389
<b>Total current liabilities</b>	<b>18,569</b>	<b>15,824</b>
<b>Non-current liabilities</b>		
Long-term borrowings	6,662	11,483
Lease liabilities	679	557
Deferred tax liabilities	659	1,380
Retirement benefit liability	373	249
Other	356	391
<b>Total non-current liabilities</b>	<b>8,732</b>	<b>14,063</b>
<b>Total liabilities</b>	<b>27,302</b>	<b>29,887</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	13,957	13,957
Capital surplus	4,756	4,792
Retained earnings	29,446	31,938
Treasury shares	(1,904)	(1,861)
<b>Total shareholders' equity</b>	<b>46,256</b>	<b>48,820</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,307	1,483
Foreign currency translation adjustment	2,721	2,805
Remeasurements of defined benefit plans	201	370
<b>Total accumulated other comprehensive income</b>	<b>4,230</b>	<b>4,659</b>
Non-controlling interests	34	38
<b>Total net assets</b>	<b>50,521</b>	<b>53,518</b>
<b>Total liabilities and net assets</b>	<b>77,823</b>	<b>83,405</b>

(2) Consolidated statements of income and consolidated statement of comprehensive income  
(Consolidated statements of income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	60,113	58,556
Cost of sales	36,269	33,571
Gross profit	23,843	24,984
Selling, general and administrative expenses		
Remuneration, salaries and allowances for directors (and other officers)	7,767	6,866
Addition to provision for bonuses	397	431
Addition to provision for bonuses for directors (and other officers)	86	80
Retirement benefit expenses	(270)	(292)
Research and development expenses	1,547	519
Other	8,646	10,279
Total selling, general and administrative expenses	18,174	17,883
Operating profit	5,669	7,100
Non-operating income		
Interest income	25	31
Dividend income	75	61
Rental income from facilities	288	275
Share of profit of entities accounted for using equity method	138	18
Foreign exchange gains	200	31
Other	184	164
Total non-operating income	912	582
Non-operating expenses		
Interest expenses	214	261
Loss on sale of notes receivable - trade	32	30
Rental expenses on facilities	240	265
Other	94	131
Total non-operating expenses	582	671
Ordinary profit	5,999	7,012
Extraordinary income		
Gain on sale of non-current assets	7	47
Gain on sale of investment securities	406	-
Gain on sale of shares of subsidiaries and associates	507	-
Gain on sale of investments in capital of subsidiaries and associates	179	83
Total extraordinary income	1,100	130
Extraordinary losses		
Loss on sale of non-current assets	-	8
Loss on abandonment of non-current assets	72	33
Impairment losses	141	-
Business restructuring expenses	527	345
Asbestos disease compensation payments	42	-
Special investigation expenses, etc.	109	-
Total extraordinary losses	893	388
Profit before income taxes	6,207	6,755
Income taxes - current	2,045	1,422
Income taxes - deferred	(561)	202
Total income taxes	1,484	1,625
Profit	4,722	5,129
Profit attributable to non-controlling interests	46	1
Profit attributable to owners of parent	4,676	5,128

## (Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	4,722	5,129
Other comprehensive income		
Valuation difference on available-for-sale securities	(419)	162
Foreign currency translation adjustment	866	86
Remeasurements of defined benefit plans, net of tax	(309)	169
Share of other comprehensive income of entities accounted for using equity method	(71)	12
Total other comprehensive income	65	431
Comprehensive income	4,788	5,561
(Breakdown)		
Comprehensive income attributable to owners of parent	4,739	5,557
Comprehensive income attributable to non-controlling interests	49	3

## (3) Consolidated Statement of Changes in Net Assets

Previous fiscal year (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	13,957	4,631	27,409	(1,950)	44,048
Changes during period					
Dividends of surplus			(2,639)		(2,639)
Profit attributable to owners of parent			4,676		4,676
Purchase of treasury shares				(4)	(4)
Disposal of treasury shares		54		51	105
Parent company's shares held by entities accounted for using equity method				(0)	(0)
Tax effect adjustments related to changes in prior years' equity		70			70
Net changes in items other than shareholders' equity					
Total changes during period	-	125	2,036	45	2,207
Balance at end of period	13,957	4,756	29,446	(1,904)	46,256

	Accumulated other comprehensive income				Non-controlling interests	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	1,729	1,927	510	4,167	515	48,731
Changes during period						
Dividends of surplus						(2,639)
Profit attributable to owners of parent						4,676
Purchase of treasury shares						(4)
Disposal of treasury shares						105
Parent company's shares held by entities accounted for using equity method						(0)
Tax effect adjustments related to changes in prior years' equity						70
Net changes in items other than shareholders' equity	(421)	793	(309)	62	(480)	(418)
Total changes during period	(421)	793	(309)	62	(480)	1,789
Balance at end of period	1,307	2,721	201	4,230	34	50,521

Fiscal year under review (from April 1, 2025, to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	13,957	4,756	29,446	(1,904)	46,256
Changes during period					
Dividends of surplus			(2,642)		(2,642)
Profit attributable to owners of parent			5,128		5,128
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares		33		47	80
Parent company's shares held by entities accounted for using equity method				(0)	(0)
Tax effect adjustments related to changes in prior years' equity		2			2
Net changes in items other than shareholders' equity					
Total changes during period	-	35	2,486	42	2,564
Balance at end of period	13,957	4,792	31,932	(1,861)	48,820

	Accumulated other comprehensive income				Non-controlling interests	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	1,307	2,721	201	4,230	34	50,521
Changes during period						
Dividends of surplus						(2,642)
Profit attributable to owners of parent						5,128
Purchase of treasury shares						(3)
Disposal of treasury shares						80
Parent company's shares held by entities accounted for using equity method						(0)
Tax effect adjustments related to changes in prior years' equity						2
Net changes in items other than shareholders' equity	175	83	169	429	3	433
Total changes during period	175	83	169	429	3	2,997
Balance at end of period	1,483	2,805	370	4,659	38	53,518

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,207	6,755
Depreciation	2,804	2,736
Impairment losses	141	-
Amortization of goodwill	-	63
Amortization of customer-related intangible assets	-	59
Decrease (increase) in retirement benefit assets	(423)	(381)
Increase (decrease) in retirement benefit liabilities	(3)	(80)
Loss on abandonment of non-current assets	72	33
Asbestos disease compensation	42	-
Business restructuring expenses	527	345
Special investigation expenses, etc.	109	-
Loss (gain) on sale of non-current assets	(7)	(38)
Loss (gain) on sale of investment securities	(406)	-
Loss (gain) on sale of investments in capital of subsidiaries and associates	(179)	(83)
Loss (gain) on sale of shares of subsidiaries and associates	(507)	-
Interest and dividend income	(100)	(92)
Interest expenses	214	261
Decrease (increase) in trade receivables	1,497	(53)
Decrease (increase) in inventories	(2,765)	(1,520)
Increase (decrease) in trade payables	(507)	(1,052)
Increase (decrease) in other non-current liabilities	(11)	(16)
Other	(110)	704
Subtotal	6,594	7,639
Interest and dividends received	102	95
Interest paid	(214)	(257)
Income taxes refunded	196	47
Income taxes paid	(1,700)	(2,167)
Extra retirement payments	(180)	(340)
Payments of asbestos illness compensation	(42)	-
Payments for special investigation expenses, etc.	(109)	-
Collection of reimbursement claims	222	11
<b>Cash flows from operating activities</b>	<b>4,870</b>	<b>5,028</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,429)	(4,456)
Proceeds from sale of property, plant and equipment	4	397
Purchase of intangible assets	(538)	(491)
Purchase of investment securities	(21)	-
Proceeds from sale of investment securities	668	-
Purchase of shares of subsidiaries and associates resulting in change in scope of consolidation	-	(1,735)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	374	-
Proceeds from sale of investments in capital of subsidiaries and associates	1,302	-
Proceeds from sale of investments in capital of subsidiaries and associates resulting in change in scope of consolidation	-	494
Payments for guarantee deposits	(179)	(16)
Proceeds from refund of guarantee deposits	13	14
Amount of subsidies received	-	1,496
Other	(81)	(63)
<b>Cash flows from investing activities</b>	<b>(4,887)</b>	<b>(4,360)</b>

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Proceeds from short-term borrowings	9,429	17,699
Repayments of short-term borrowings	(7,442)	(19,101)
Proceeds from long-term borrowings	3,314	5,500
Repayments of long-term borrowings	(871)	(2,148)
Repayments of lease liabilities	(205)	(212)
Purchase of treasury shares	(4)	(3)
Dividends paid	(2,632)	(2,636)
Dividends paid to non-controlling interests	(12)	-
Othe	-	0
Cash flows from financing activities	1,573	(902)
Effect of exchange rate change on cash and cash equivalents	25	180
Net increase (decrease) in cash and cash equivalents	1,583	(53)
Cash and cash equivalents at beginning of period	6,386	7,969
Cash and cash equivalents at end of period	7,969	7,915

(5) Notes to Consolidated Financial Statements  
(Notes on Going Concern)

Not applicable.

(Notes on Segment Information, Etc.)

[Segment Information]

1. Overview of Reportable Segments

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

The Company has a business division for each product and service in place, and each business division formulates comprehensive domestic and overseas strategies for the products and services it handles and carries out business activities.

Accordingly, the Company is organized by segments for each product and service based on business divisions, and designates the Seal Products Business, High Performance Plastics Products Business, and Silicon Wafer Reclaim and Other Businesses as the three reportable segments.

The Seal Products Business manufactures and sells plant and equipment-related products, elastomer products, automobile parts and other seal products. The High Performance Plastics Products Business manufactures and sells functional resin products, primarily fluorocarbon resin products, while the Silicon Wafer Reclaim and Other Businesses manufacture and sell reclaimed silicon wafer products and other products centered on the power generation business.

(Reclassification of reportable segments)

From the fiscal year under review, the Group reorganized its reportable segments 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.

Concerning the segment information for the previous fiscal year, the net sales and operating profit have been prepared based on the classification method after the change, excluding those of VALQUA FFT Inc., which were previously included in the Silicon Wafer Reclaim and Other Businesses segment.

2. Method of Calculating the Amount of Net Sales, Profit or Loss, Assets, and Other Items for Each Reportable Segment

Accounting for the reported business segments is based on a method in accordance with the accounting policies adopted for the preparation of consolidated financial statements.

Reportable segment profit is based on operating profit.

3. Information on the Amount of Net Sales, Profit or Loss, Assets, and Other Items for Each Reportable Segment  
Previous fiscal year (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	Reportable segment			Total	Other	Total (Note)
	Seal Products Business	High Performance Plastics Products Business	Silicon Wafer Reclaim and Other Businesses			
Net sales						
Sales to external customers	40,616	16,334	3,161	60,113	-	60,113
Inter-segment sales or transfers	-	-	-	-	-	-
Total	40,616	16,334	3,161	60,113	-	60,113
Segment profit (loss)	5,274	567	(172)	5,669	-	5,669
Segment assets	49,170	17,693	314	67,178	10,644	77,823
Other items						
Depreciation	1,908	461	216	2,586	-	2,586
Investments in entities accounted for using equity method	380	-	-	380	-	380
Increase in property, plant and equipment and intangible assets	3,575	3,070	108	6,753	-	6,753

(Note) The sum of segment profit or loss is the same as operating profit in the consolidated statements of income.

Fiscal year under review (from April 1, 2025, to March 31, 2026)

(Millions of yen)

	Reportable segment			Other	Total (Note)
	Seal Products Business	High Performance Plastics Products Business	Total		
Net sales					
Sales to external customers	43,858	14,697	58,556	-	58,556
Inter-segment sales or transfers	-	-	-	-	-
Total	43,858	14,697	58,556	-	58,556
Segment profit	6,605	495	7,100	-	7,100
Segment assets	55,432	18,680	74,113	9,292	83,405
Other items					
Depreciation	1,797	732	2,529	-	2,529
Amortization of goodwill	63	-	63	-	63
Investments in entities accounted for using equity method	409	-	409	-	409
Increase in property, plant and equipment and intangible assets	1,424	3,867	5,291	-	5,291

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

4. Differences between the Total Amount of Reportable Segments and the Amounts Reported in Consolidated Financial Statements and the Details of the Differences (Matters Concerning Reconciliation of Differences)

(Millions of yen)

Assets	Previous fiscal year	Fiscal year under review
Reportable segments total	67,178	74,113
Corporate assets (Note)	10,644	9,292
Total assets in consolidated financial statements	77,823	83,405

(Note) Corporate assets consist mainly of cash and deposits and investment securities at the head office that do not belong to reportable segments.

[Related Information]

Previous fiscal year (from April 1, 2024, to March 31, 2025)

1. Information for Each Product and Service

Omitted since similar information is disclosed in Segment Information.

2. Information by Region

(1) Net sales

(Millions of yen)

Japan	Asia	United States	Other	Total
41,022	14,004	4,952	133	60,113

(Notes) 1 Net sales are classified by country or region based on the customer's location.

2 Major countries or regions other than the home country and the United States are as follows:

Asia ..... China, Taiwan, Thailand, Singapore, South Korea, and Vietnam

Other ..... Europe

(2) Property, plant and equipment

(Millions of yen)

Japan	Taiwan	Vietnam	South Korea	United States	Asia	Total
13,592	2,565	2,245	2,163	1,158	899	22,624

(Notes) 1 Countries or regions of property, plant and equipment are classified by geographical proximity.

2 Major countries classified in Asia are China, Thailand and Singapore.

3. Information for Each Major Customer

Omitted since there are no sales to specific customers that account for 10% or more of net sales in the consolidated statements of income.

Fiscal year under review (from April 1, 2025, to March 31, 2026)

1. Information for Each Product and Service

Omitted since similar information is disclosed in Segment Information.

2. Information by Region

(1) Net sales

(Millions of yen)

Japan	Asia	United States	Other	Total
39,551	15,968	2,906	130	58,556

- (Notes) 1 Net sales are classified by country or region based on the customer's location.  
 2 Major countries or regions other than the home country and the United States are as follows:  
 Asia ..... China, Taiwan, Thailand, Singapore, South Korea, and Vietnam  
 Other ..... Europe

(2) Property, plant and equipment

(Millions of yen)

Japan	Taiwan	Vietnam	South Korea	United States	Asia	Total
13,047	2,523	4,374	2,053	1,041	538	23,579

- (Notes) 1 Countries or regions of property, plant and equipment are classified by geographical proximity.  
 2 Major countries classified in Asia are China, Thailand and Singapore.

3. Information for Each Major Customer

Omitted since there are no sales to specific customers that account for 10% or more of net sales in the consolidated statements of income.

[Information on Impairment Loss of Non-Current Assets by Reportable Segment]

Previous fiscal year (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	Seal Products Business	High Performance Plastics Products Business	Silicon Wafer Reclaim and Other Businesses	Other	Corporate / Elimination	Total
Impairment losses	194	238	-	-	-	432

(Note) The above impairment losses include those in "Business restructuring expenses."

Fiscal year under review (from April 1, 2025, to March 31, 2026)

Not applicable.

[Information on Amortization of Goodwill and Unamortized Balance by Reportable Segment]

Previous fiscal year (from April 1, 2024, to March 31, 2025)

Not applicable.

Fiscal year under review (from April 1, 2025, to March 31, 2026)

(Millions of yen)

	Seal Products Business	High Performance Plastics Products Business	Other	Corporate / Elimination	Total
Balance at end of period	783	-	-	-	783

(Note) Information on amortization of goodwill is omitted since similar information is disclosed in Segment Information.

[Information on Gain on Bargain Purchase by Reportable Segment]

Previous fiscal year (from April 1, 2024, to March 31, 2025)

There are no significant matters to report.

Fiscal year under review (from April 1, 2025, to March 31, 2026)

There are no significant matters to report.

(Per Share Information)

Previous fiscal year (From April 1, 2024, to March 31, 2025)		Fiscal year under review (From April 1, 2025, to March 31, 2026)	
Net assets per share	2,869.23 yen	Net assets per share	3,035.13 yen
Basic earnings per share	265.80 yen	Basic earnings per share	291.16 yen

(Notes) 1. Diluted earnings per share is not presented because there are no dilutive shares.

2 The basis for calculating earnings per share is as follows.

Item	Previous fiscal year (From April 1, 2024, to March 31, 2025)	Fiscal year under review (From April 1, 2025, to March 31, 2026)
Profit attributable to owners of parent (as presented in the consolidated statements of income)	4,676 million yen	5,128 million yen
Amount not attributable to common shareholders	- million yen	- million yen
Profit attributable to owners of parent attributable to common shares	4,676 million yen	5,128 million yen
Average number of common shares outstanding during the period	17,594 thousand shares	17,613 thousand shares

3 The basis for calculating net assets per share is as follows.

	Previous fiscal year (March 31, 2025)	Fiscal year under review (March 31, 2026)
Total amount of net assets	50,521 million yen	53,518 million yen
Amount to be deducted from net assets	34 million yen	38 million yen
(of which, non-controlling interests)	(34 million yen)	(38 million yen)
Net assets attributable to common shares at end of period	50,486 million yen	53,480 million yen
Number of common shares at the end of the period used in calculating net assets per share	17,595 thousand shares	17,620 thousand shares

(Significant Subsequent Events)

Not applicable.

4. Other  
Orders Received

(Millions of yen)

Segment name	Orders received			Order backlog		
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Year-on-year change (%)	As of March 31, 2025	As of March 31, 2026	Year-on-year change (%)
Seal Products Business	41,716	44,369	6.4	6,840	7,363	7.6
High Performance Plastics Products Business	15,883	15,964	0.5	4,179	5,446	30.3
Silicon Wafer Reclaim and Other Businesses	2,754	-	-	11	-	-
Total	60,354	60,334	0.0	11,031	12,810	16.1