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Supplementary Materials of Financial Results for the Six Months Ended September 30, 2025

November 7, 2025
Sangetsu Corporation
Securities code: 8130
Prime Market of Tokyo Stock Exchange
and Premier Market of Nagoya Stock Exchange

Key Points of Financial Results in FY2025 H1

✓ Consolidated Results

- Net sales reached a record high, and all profits increased YoY.
- The Overseas Segment steadily progressed even in Q2, achieving net sales growth and improved results reduced deficit.
- Regarding the H1 forecast, net sales landed generally on track due to growth in the Overseas Segment. Meanwhile, profit exceeded the forecast due to cost controls in each segment.
- A one-time gain extraordinary income of approximately 400 million yen was recorded by a consolidated subsidiary in the U.S. as subsidy income for employment maintenance under the impact of the past COVID-19 pandemic.

✓ Domestic Interior Segment

- The market, particularly for new housing, remained weaker than expected, and wallcovering sales volume decreased year on year. However, the impact on market share from price revisions implemented ahead of competitors was deemed limited.
- During H1, the impact of the fire accident at the key supplier factory and the resumption of supply progressed generally as planned. Sales are expected to recover as scheduled, centered on H2.
- The aforementioned impacts and rising procurement costs were absorbed by measures such as price revisions and the promotion/increased sales of strategic “Medium-sized Products (high value-added products)”*. As a result, net sales remained virtually flat YoY, while operating profit increased.

Key Points of Financial Results in FY2025 H1

✓ Domestic Exterior Segment

- Sungreen Co., Ltd. core of this segment, saw its net sales increase YoY, despite the challenging business environment, driven by factors including price revisions implemented and increased sales contribution from the two bases launched in the Kanto region in 2024.
- Driven by increased gross profit and effective control of SG&A expenses, profit further expanded compared to FY2025 Q1.

✓ Overseas Segment

- In North America, the growth strategy accelerated, and sales expansion advanced not only in the mainstay hotel market but also in offices and commercial facilities. Furthermore, productivity improvements in manufacturing processes contributed, resulting in increased net sales and profit.
- In Southeast Asia, net sales increased due to the consolidation of D'Perception Pte Ltd specializing in design and construction and sales growth in the wholesale business. Deficit continued on the profit front, but structural reforms, including management restructuring, progressed.
- In China/Hong Kong, the challenging market environment continued, but the deficit narrowed YoY due to ongoing structural reforms, including management restructuring and streamlining cost optimization.

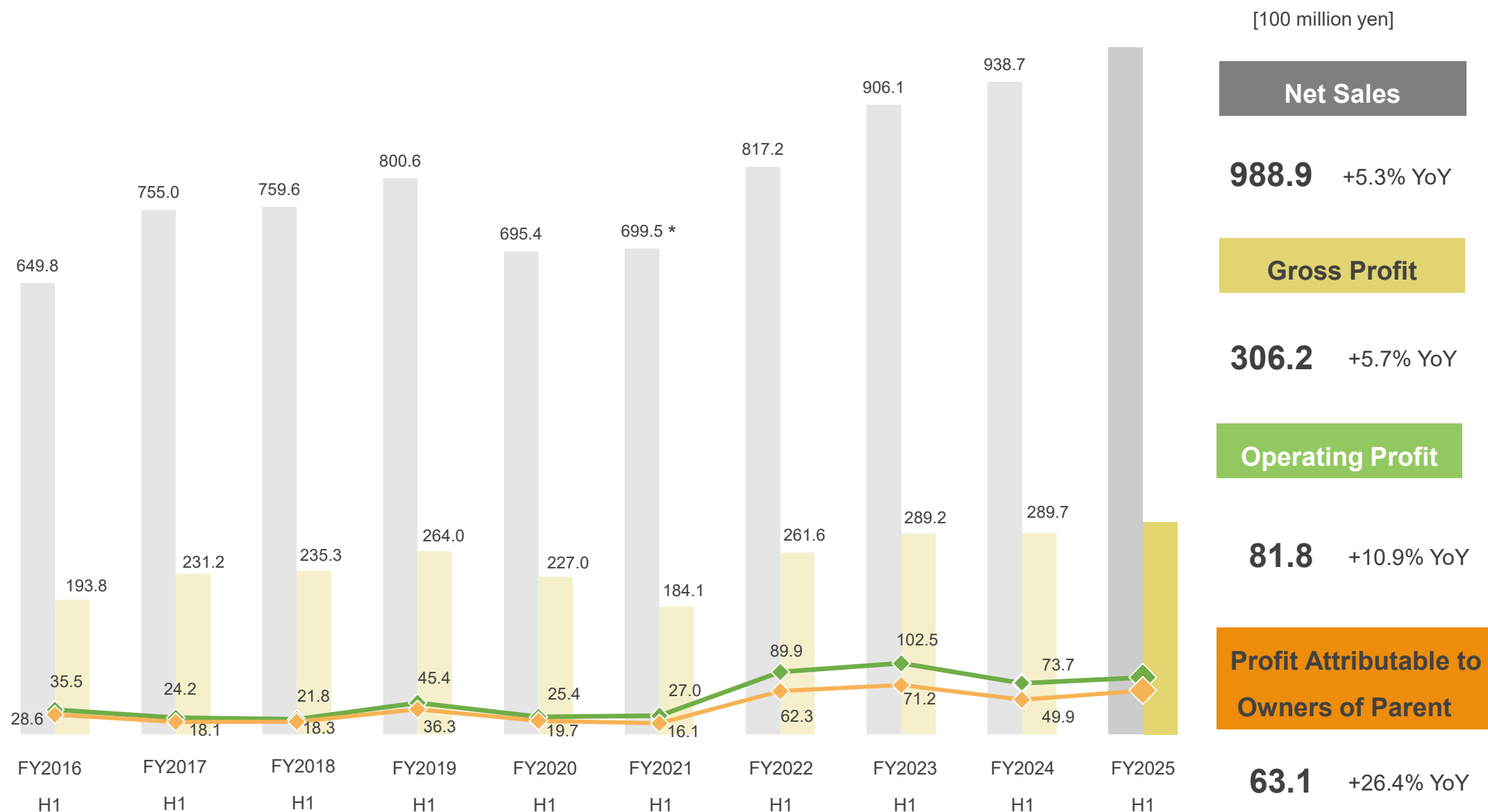
✓ Full-year Outlook

- While operating profit and profit attributable to owners of the parent exceeded the forecast in the consolidated results for the second quarter interim period, we decided to maintain the full-year consolidated earnings forecast as the business environment is expected to remain more challenging than initially anticipated.

Summary of Consolidated Statement of Profit or Loss

	FY2024 H1	FY2025 H1				[100 million yen, %]
	Results	Results	YoY	H1 Forecast Announced: May	Achievement rate	
Net Sales	938.7	988.9	+50.1 +5.3%	990.0	99.9%	
Gross Profit	289.7	306.2	+16.4 +5.7%	307.0	99.7%	
Margin	30.9%	31.0%	-	31.0%	-	
SGA	215.9	224.3	+8.3 +3.9%	233.0	96.3%	
Operating Profit	73.7	81.8	+8.0 +10.9%	74.0	110.6%	
Margin	7.9%	8.3%	-	7.5%	-	
Ordinary Profit	76.0	85.2	+9.1 +12.1%	76.5	111.5%	
Profit Attributable to Owners of Parent	49.9	63.1	+13.1 +26.4%	51.0	123.8%	

Variations in Consolidated Net Sales, Gross Profit, Operating Profit, and Profit Attributable to Owners of Parent

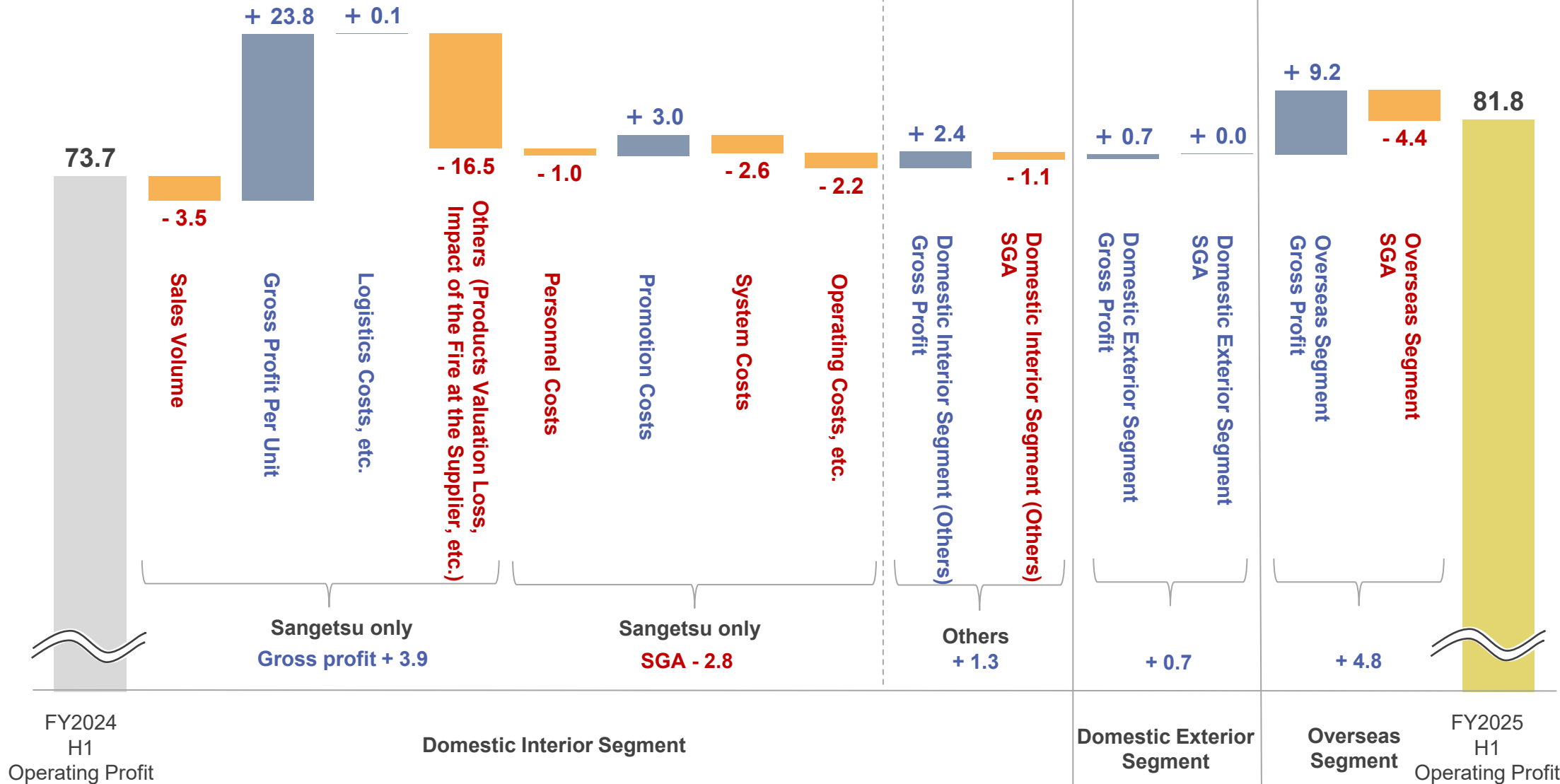


Net Sales and Operating Profit of Each Segment

	FY2024 H1	FY2025 H1 [100 million yen, %]			
	Results	Results	YoY	H1 Forecast Announced: May	Achievement rate
Domestic Interior Segment Net Sales	778.1	780.1	+1.9 +0.3%	784.0	99.5%
Wallcoverings Unit	377.6	393.4	+15.8 +4.2%	-	-
Flooring Materials Unit	277.3	258.6	-18.7 -6.8%	-	-
Fabrics Unit	44.6	48.2	+3.6 +8.1%	-	-
Construction and Others	78.3	79.7	+1.3 +1.7%	-	-
Operating Profit	80.0	82.5	+2.4 +3.1%	75.5	109.3%
Domestic Exterior Segment Net Sales	31.3	33.8	+2.4 +7.7%	37.0	91.4%
Operating Profit	-0.4	0.3	+0.7 -	0.0	-
Overseas Segment Net Sales	129.3	175.0	+45.6 +35.3%	169.0	103.6%
Operating Profit	-5.8	-1.0	+4.8 -	-1.5	-
Adjustment of transactions between segments (Net Sales)	-0.1	-0.0	+0.0 -	-	-
Adjustment of transactions between segments (Operating Profit)	0.0	0.0	+0.0 +12.4%	-	-
Consolidated Net Sales	938.7	988.9	+50.1 +5.3%	990.0	99.9%
Consolidated Operating Profit	73.7	81.8	+8.0 +10.9%	74.0	110.6%

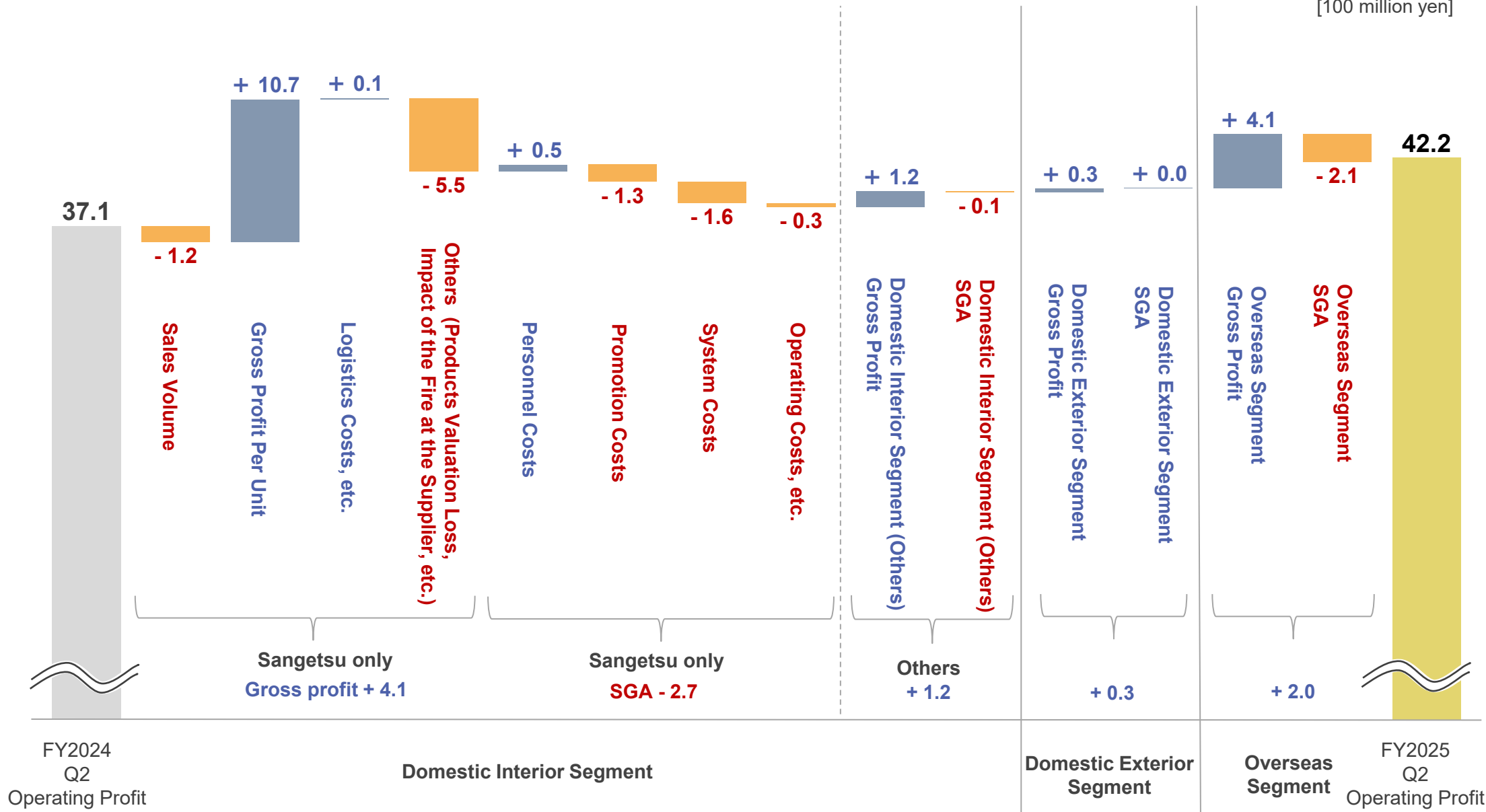
Change in Consolidated Operating Profit (YoY : April-September)

[100 million yen]



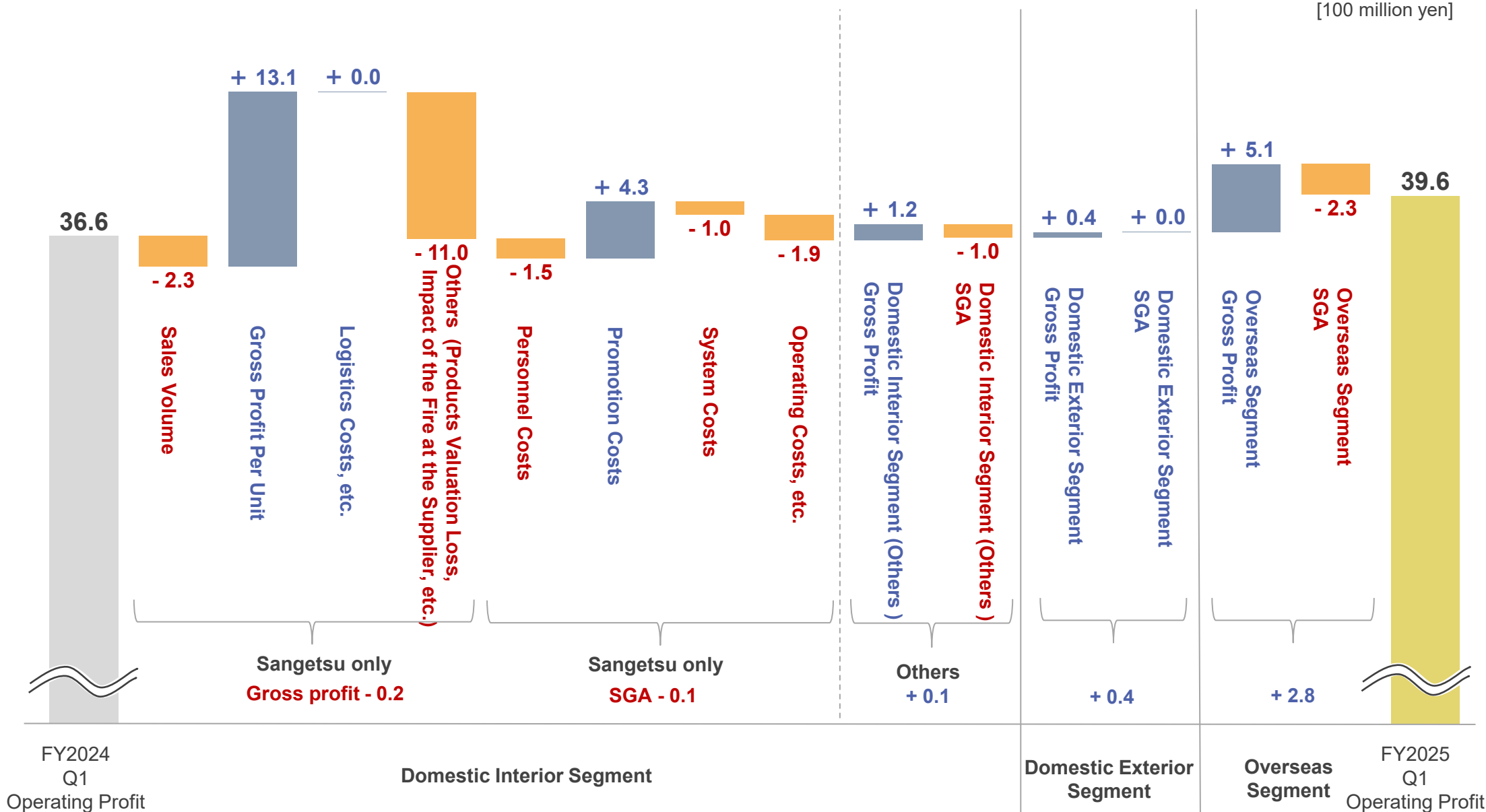
Change in Consolidated Operating Profit (YoY : July-September)

[100 million yen]



Change in Consolidated Operating Profit (YoY : April-June)

[100 million yen]

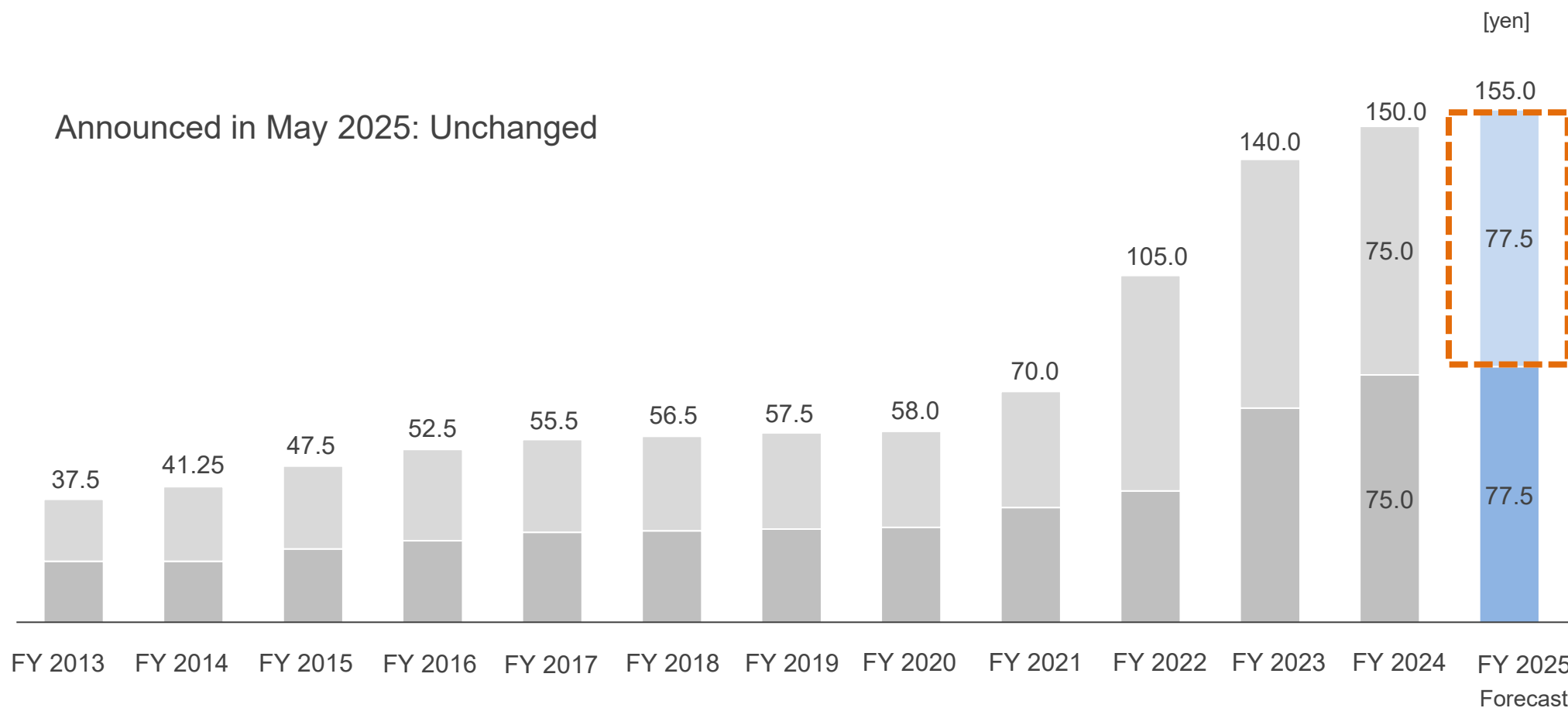


Consolidated Earnings Forecasts for FY2025

Announced in May 2025: Unchanged

	FY2024		FY2025						
	H2	Full-year	H1			H2		Full-year	
	Results		Forecasts	Results	Full year Progress rate	Initial Forecasts	Revised Forecasts	Forecasts	YoY
Net Sales	1,065.0	2,003.7	990.0	988.9	47.1%	1,110.0	1,111.0	2,100.0	+96.2 +4.8%
Gross Profit	333.9	623.7	307.0	306.2	46.5%	351.0	351.7	658.0	+34.2 +5.5%
Margin	31.4%	31.1%	31.0%	31.0%		31.6%	31.7%	31.3%	
SGA	226.3	442.3	233.0	224.3	47.9%	235.0	243.6	468.0	+25.6 +5.8%
Operating Profit	107.6	181.4	74.0	81.8	43.1%	116.0	108.1	190.0	+8.5 +4.7%
Margin	10.1%	9.1%	7.5%	8.3%		10.5%	9.7%	9.0%	
Ordinary Profit	109.6	185.7	76.5	85.2	43.7%	118.5	109.7	195.0	+9.2 +5.0%
Profit Attributable to Owners of Parent	75.5	125.5	51.0	63.1	48.6%	79.0	66.8	130.0	+4.4 +3.6%

Results and Forecast of Shareholder Return Changes in Dividend Per Share



For FY 2025, the interim dividend is 77.5 yen per share, and the year-end dividend is forecast to be 77.5 yen per share. This brings the total annual dividend forecast to 155.0 yen per share, an increase of 5.0 yen YoY.

This marks the 12th consecutive year of forecast dividend growth.

Notes for the Future Outlook

This material includes information that pertains to future-related descriptions. Descriptions of items other than past and present facts are about future forecasts. These descriptions are based on our assumptions and judgment considering currently available information, which includes known or unknown risks, uncertainties, and other factors. Consequently, they may be affected by such factors.

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