

May 15, 2026

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

Company name: Hodogaya Chemical Co., Ltd.
 Listing: Prime Market of Tokyo Stock Exchange
 Securities code: 4112
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 Representative: Yuto Matsumoto, President and Representative Director
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 Scheduled date of annual general meeting of shareholders: June 24, 2026
 Scheduled date to commence dividend payments: June 25, 2026
 Scheduled date to file annual securities report: June 22, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(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	48,040	(1.1)	3,711	(23.9)	4,228	(11.4)	3,054	(3.9)
March 31, 2025	48,578	9.8	4,875	23.4	4,770	1.3	3,178	28.1

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥6,333 million [230.2%]
 For the fiscal year ended March 31, 2025: ¥1,918 million [(73.6)%]

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	192.07	-	6.0	5.1	7.7
March 31, 2025	200.04	-	6.6	5.9	10.0

Note: The Company has conducted a stock split with an effective date of April 1, 2025 at the ratio of two shares for every one common share. Quarterly net income per share will be calculated in the stock split at the beginning of the previous fiscal year. It is calculated on the assumption that it has been done.

(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	86,413	63,613	60.8	3,305.72
March 31, 2025	79,858	58,530	60.9	3,057.98

Reference: Equity
 As of March 31, 2026: ¥52,581 million
 As of March 31, 2025: ¥48,601 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	6,092	(5,026)	(694)	8,129
March 31, 2025	5,669	(6,548)	(1,882)	7,602

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	-	45.00	-	45.00	90.00	732	22.5	1.5
Fiscal year ended March 31, 2026	-	25.00	-	25.00	50.00	813	26.0	1.6
Fiscal year ending March 31, 2027 (Forecast)		30.00		30.00	60.00		73.4	

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

The Company has conducted a stock split with an effective date of April 1, 2025 at the ratio of two shares for every one common share. For the fiscal year ending March 31, 2025, the actual dividend amounts prior to the said split are listed.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	52,000	8.2	3,400	(8.4)	3,300	(22.0)	1,300	(57.4)	81.75

Note: Revisions to the earnings forecasts most recently announced: Yes

* Notes

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

Excluded: 1 company (REXCEL 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	16,827,452 shares
As of March 31, 2025	16,827,452 shares

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

As of March 31, 2026	921,336 shares
As of March 31, 2025	934,182 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	15,902,153 shares
Fiscal year ended March 31, 2025	15,891,086 shares

Note: The Company has conducted a stock split with an effective date of April 1, 2025 at the ratio of two shares for every one common share.

The number of shares outstanding at the end of the fiscal year, the number of treasury shares at the end of the fiscal year, and the average number of shares during the period are calculated based on the assumption that the stock split occurred at the beginning of the previous fiscal year.

* 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 earnings forecasts contained in this material are based on information currently available to the Company and are not intended as a guarantee that the Company will achieve these targets. Actual results may differ from these forecasts 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	10,774	10,137
Notes receivable - trade	1,138	1,103
Accounts receivable - trade	10,585	11,643
Merchandise and finished goods	9,406	8,749
Work in process	950	1,827
Raw materials and supplies	2,681	2,853
Other	863	912
Allowance for doubtful accounts	(19)	(29)
Total current assets	36,381	37,198
Non-current assets		
Property, plant and equipment		
Buildings and structures	28,438	29,251
Accumulated depreciation	(17,745)	(19,031)
Buildings and structures, net	10,692	10,219
Machinery, equipment and vehicles	34,113	36,469
Accumulated depreciation	(29,718)	(31,253)
Machinery, equipment and vehicles, net	4,395	5,216
Tools, furniture and fixtures	4,134	3,571
Accumulated depreciation	(3,563)	(3,043)
Tools, furniture and fixtures, net	571	528
Land	11,717	11,805
Leased assets	866	836
Accumulated depreciation	(624)	(687)
Leased assets, net	241	148
Construction in progress	1,893	4,468
Total property, plant and equipment	29,511	32,387
Intangible assets		
Goodwill	7	-
Software	169	799
Other	790	12
Total intangible assets	967	811
Investments and other assets		
Investment securities	10,223	11,908
Long-term loans receivable	145	215
Deferred tax assets	873	2,023
Guarantee deposits	1,427	1,509
Other	347	360
Allowance for doubtful accounts	(18)	(0)
Total investments and other assets	12,998	16,015
Total non-current assets	43,477	49,215
Total assets	79,858	86,413

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	4,761	5,323
Short-term borrowings	4,155	4,155
Current portion of long-term borrowings	1,256	873
Lease liabilities	110	116
Income taxes payable	540	527
Accrued consumption taxes	187	158
Contract liabilities	29	51
Provision for bonuses	475	525
Allowance for construction repair	94	94
Other provisions	0	0
Other	2,269	1,792
Total current liabilities	13,880	13,617
Non-current liabilities		
Long-term borrowings	3,089	4,213
Lease liabilities	177	138
Deferred tax liabilities	2,016	2,561
Deferred tax liabilities for land revaluation	1,264	1,264
Provision for share awards for directors (and other officers)	222	261
Provision for share awards	59	104
Retirement benefit liability	92	96
Asset retirement obligations	155	158
Other	369	382
Total non-current liabilities	7,447	9,181
Total liabilities	21,328	22,799
Net assets		
Shareholders' equity		
Share capital	11,196	11,196
Capital surplus	7,933	8,197
Retained earnings	23,167	25,449
Treasury shares	(1,560)	(1,539)
Total shareholders' equity	40,737	43,303
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,932	4,960
Revaluation reserve for land	2,748	2,748
Foreign currency translation adjustment	1,182	1,568
Total accumulated other comprehensive income	7,863	9,277
Non-controlling interests	9,929	11,032
Total net assets	58,530	63,613
Total liabilities and net assets	79,858	86,413

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	48,578	48,040
Cost of sales	29,378	29,278
Gross profit	19,200	18,762
Selling, general and administrative expenses		
Shipment expenses	1,823	1,820
Remuneration for directors (and other officers)	436	390
Personnel expenses	2,759	2,704
Provision for bonuses	203	215
Provision for share awards for directors (and other officers)	56	59
Provision for share awards	17	25
Retirement benefit expenses	177	185
Travel and transportation expenses	212	189
Rent expenses	475	547
Depreciation	283	379
Research and development expenses	5,638	5,924
Amortization of goodwill	12	8
Other	2,225	2,599
Total selling, general and administrative expenses	14,324	15,050
Operating profit	4,875	3,711
Non-operating income		
Interest income	181	110
Dividend income	324	378
Foreign exchange gains	-	143
Rental income from non-current assets	58	63
Miscellaneous income	91	65
Total non-operating income	656	761
Non-operating expenses		
Interest expenses	81	112
Foreign exchange losses	437	-
Environmental maintenance expenses	233	105
Miscellaneous losses	9	25
Total non-operating expenses	761	244
Ordinary profit	4,770	4,228

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	6	23
Gain on sale of investment securities	139	417
Total extraordinary income	146	441
Extraordinary losses		
Loss on retirement of non-current assets	33	22
Impairment losses	50	-
Loss on valuation of investment securities	-	53
Total extraordinary losses	83	75
Profit before income taxes	4,832	4,594
Income taxes - current	959	927
Income taxes - deferred	(704)	(1,039)
Total income taxes	254	(111)
Profit	4,577	4,706
Profit attributable to non-controlling interests	1,399	1,652
Profit attributable to owners of parent	3,178	3,054

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	4,577	4,706
Other comprehensive income		
Valuation difference on available-for-sale securities	(482)	1,028
Revaluation reserve for land	(36)	-
Foreign currency translation adjustment	(2,140)	598
Total other comprehensive income	(2,659)	1,626
Comprehensive income	1,918	6,333
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,504	4,468
Comprehensive income attributable to non-controlling interests	413	1,865

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Accumulated other comprehensive income				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Shareholders' equity
Balance at beginning of period	11,196	7,933	20,660	(1,593)	38,197
Changes during period					
Dividends of surplus			(671)		(671)
Profit attributable to owners of parent			3,178		3,178
Purchase of treasury shares				(4)	(4)
Disposal of treasury shares		(0)		37	37
Change in ownership interest of parent due to transactions with non-controlling interests					
Net changes in items other than shareholders' equity					
Total changes during period	-	(0)	2,507	33	2,540
Balance at end of period	11,196	7,933	23,167	(1,560)	40,737

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	4,415	2,784	2,337	9,537	9,708	57,443
Changes during period						
Dividends of surplus						(671)
Profit attributable to owners of parent						3,178
Purchase of treasury shares						(4)
Disposal of treasury shares						37
Change in ownership interest of parent due to transactions with non-controlling interests						
Net changes in items other than shareholders' equity	(482)	(36)	(1,154)	(1,673)	220	(1,453)
Total changes during period	(482)	(36)	(1,154)	(1,673)	220	1,086
Balance at end of period	3,932	2,748	1,182	7,863	9,929	58,530

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Accumulated other comprehensive income				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Shareholders' equity
Balance at beginning of period	11,196	7,933	23,167	(1,560)	40,737
Changes during period					
Dividends of surplus			(773)		(773)
Profit attributable to owners of parent			3,054		3,054
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares				23	23
Change in ownership interest of parent due to transactions with non-controlling interests		263			263
Net changes in items other than shareholders' equity					
Total changes during period	-	263	2,281	21	2,566
Balance at end of period	11,196	8,197	25,449	(1,539)	43,303

	Accumulated other comprehensive income		Total net assets

	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income	Non-controlling interests	
Balance at beginning of period	3,932	2,748	1,182	7,863	9,929	58,530
Changes during period						
Dividends of surplus						(773)
Profit attributable to owners of parent						3,054
Purchase of treasury shares						(1)
Disposal of treasury shares						23
Change in ownership interest of parent due to transactions with non-controlling interests						263
Net changes in items other than shareholders' equity	1,028	-	385	1,413	1,103	2,517
Total changes during period	1,028	-	385	1,413	1,103	5,083
Balance at end of period	4,960	2,748	1,568	9,277	11,032	63,613

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	4,832	4,594
Depreciation	3,005	3,406
Impairment losses	50	-
Amortization of goodwill	12	8
Increase (decrease) in provisions	27	125
Increase (decrease) in retirement benefit liability	(2)	3
Interest and dividend income	(505)	(488)
Interest expenses	81	112
Foreign exchange losses (gains)	43	(25)
Loss (gain) on sale of property, plant and equipment	(6)	(23)
Loss on retirement of property, plant and equipment	33	22
Loss (gain) on sale of investment securities	(139)	(417)
Loss (gain) on valuation of investment securities	-	53
Decrease (increase) in trade receivables	393	(931)
Decrease (increase) in inventories	(999)	(199)
Increase (decrease) in trade payables	(280)	447
Increase/decrease in other assets/liabilities	(242)	43
Increase (decrease) in accrued consumption taxes	(202)	(66)
Other, net	427	8
Subtotal	6,529	6,672
Interest and dividends received	477	528
Interest paid	(81)	(112)
Income taxes paid	(1,344)	(1,026)
Income taxes refund	87	30
Net cash provided by (used in) operating activities	5,669	6,092

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(4,823)	(2,113)
Proceeds from withdrawal of time deposits	3,655	3,388
Purchase of property, plant and equipment and intangible assets	(5,407)	(6,329)
Proceeds from sale of property, plant and equipment and intangible assets	13	23
Payments for retirement of property, plant and equipment	(14)	(17)
Purchase of investment securities	(1)	(541)
Proceeds from sale of investment securities	168	717
Loan advances	(154)	(140)
Proceeds from collection of loans receivable	97	71
Payments of guarantee deposits	(120)	(349)
Proceeds from refund of guarantee deposits	84	301
Purchase of long-term prepaid expenses	(15)	(9)
Other, net	(30)	(27)
Net cash provided by (used in) investing activities	(6,548)	(5,026)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	2,000
Repayments of long-term borrowings	(885)	(1,258)
Dividends paid	(670)	(772)
Dividends paid to non-controlling interests	(193)	(212)
Proceeds from sale of treasury shares	0	-
Purchase of treasury shares	(4)	(1)
Repayments of lease liabilities	(128)	(118)
Purchase of treasury shares of subsidiaries	-	(330)
Net cash provided by (used in) financing activities	(1,882)	(694)
Effect of exchange rate change on cash and cash equivalents	(300)	154
Net increase (decrease) in cash and cash equivalents	(3,061)	526
Cash and cash equivalents at beginning of period	10,664	7,602
Cash and cash equivalents at end of period	7,602	8,129