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November 9, 2026

Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2027 (Under Japanese GAAP)

Company name: Denka Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 4061
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Scheduled date to file semi-annual securities report: November 9, 2026
Scheduled date to commence dividend payments: December 2, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for equity analysts and institutional investors)

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

1. Consolidated financial results for the first six months of the fiscal year ending March 31, 2027 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	208,721	6.1	24,709	153.7	21,170	211.7	6,930	77.6
September 30, 2025	196,699	(1.2)	9,740	3.8	6,791	21.8	3,902	15.7

Note: Comprehensive income For the six months ended September 30, 2026: ¥8,634 million [–%]
For the six months ended September 30, 2025: ¥(1,336) million [–%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	80.41	–
September 30, 2025	45.28	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	718,047	342,084	44.0
March 31, 2026	681,006	338,826	45.6

Reference: Equity
As of September 30, 2026: ¥315,801 million
As of March 31, 2026: ¥310,709 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	50.00	–	50.00	100.00
Fiscal year ending March 31, 2027	–	50.00			
Fiscal year ending March 31, 2027 (Forecast)			–	50.00	100.00

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

3. Forecasts for 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
Full fiscal year	425,000	10.6	37,000	41.1	26,000	34.7	16,000	1.9	185.67

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: 0 companies (Company name)
Excluded: 0 companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of September 30, 2026	88,555,840 shares
As of March 31, 2026	88,555,840 shares

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

As of September 30, 2026	2,389,653 shares
As of March 31, 2026	2,356,126 shares

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

Six months ended September 30, 2026	86,189,023 shares
Six months ended September 30, 2025	86,185,629 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters
(Notes on statements about the future)
Earnings forecasts and other forward-looking statements in this report are based on information presently available to management and assumptions that management deems reasonable. Actual earnings and other forecasts may differ significantly from those in this report in accordance with numerous factors.

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1. Qualitative Information on Financial Results for the Period under Review

(1) Operating Results

During the six months ended September 30, 2026, the Japanese economy experienced a moderate recovery as personal consumption and capital investment showed signs of improvement while market prices for crude oil and petroleum products soared due to escalating tensions in the Middle East. The global economy as a whole showed a rebound. However, the outlook is uncertain due to factors such as developments in U.S. trade policy and the situation in the Middle East.

Amid such circumstances, the Group has launched Phase 2 of its "Mission 2030" management plan starting this fiscal year. This involves a review of the "Mission 2030" management plan, which began in FY2023, in light of rapid changes in the business environment and other factors. The three-year period from FY2026 to FY2028 has been designated as Phase 2, during which we will focus our resources on select priority areas and work to "rebuild our earning power" and "strengthen foundations for a new growth stage" to drive further growth.

For the six months ended September 30, 2026, net sales were ¥208,721 million, up ¥12,021 million, or 6.1%, year on year mainly due to higher sales volumes, particularly in electronics and innovative products, as well as sales price reviews in response to soaring raw material and fuel prices, and increased proceeds resulting from the depreciation of the yen. In terms of earnings, in addition to these factors, there was a temporary profit-boosting effect from inventory effects. Consequently, operating profit was ¥24,709 million (up ¥14,969 million, or 153.7%, year on year), and ordinary profit was ¥21,170 million (up ¥14,378 million, or 211.7%, year on year). Profit attributable to owners of parent was ¥6,930 million (up ¥3,027 million, or 77.6%, year on year), mainly due to the recording of an extraordinary loss related to Denka Performance Elastomer LLC, a U.S.-based subsidiary that has elected not to restart production at its chloroprene rubber manufacturing facilities for an indefinite period.

[Electronics & Innovative Products Division]

Demand for products in this division continued to increase for AI-related applications and power infrastructure. Sales of spherical silica and spherical alumina remained strong with the expansion of demand for semiconductors for AI applications. Sales of high-performance film also increased, supported by a gradual recovery in demand for electronic component applications. Regarding acetylene black, sales increased for energy storage system (ESS) applications for data centers, but sales for high-voltage cable applications were impacted by reduced production due to difficulties with procuring raw materials as a result of the deteriorating situation in the Middle East. Meanwhile, sales of ALSINK, a high-reliability heat dissipating plate, increased due to a recovery in demand for electric railway applications and growth in demand for direct current transmission applications. Sales of SNECTON, a low-dielectric organic insulating resin, also remained strong.

As a result, division net sales increased ¥6,000 million, or 12.0%, year on year to ¥56,119 million, and operating profit increased ¥2,028 million, or 32.2%, year on year to ¥8,334 million.

[Life Innovation Division]

Sales volume of POCT test reagents declined year on year due to prolonged market inventory adjustments. Sales of other test reagents resulted in a year-on-year increase, supported by a gradual recovery in demand and the addition of KAINOS Laboratories, Inc. as a consolidated subsidiary. Sales volume of influenza vaccines fell below the previous year's level due to timing differences with some shipments.

As a result, division net sales decreased ¥1,668 million, or 7.8%, year on year to ¥19,765 million, and operating profit decreased ¥1,663 million, or 43.5%, year on year to ¥2,156 million.

[Elastomers & Infrastructure Solutions Division]

Demand for chloroprene rubber remained roughly on par with the previous fiscal year's level. However, profitability improved as high-cost manufacturing facilities at a U.S.-based subsidiary remained suspended. In

addition, sales of corrugated pipes for agricultural and civil engineering applications increased, but sales of special cement additives fell below the previous fiscal year's level due to construction delays and other factors.

As a result, division net sales decreased ¥1,729 million, or 3.5%, year on year to ¥48,149 million, and operating profit was ¥5,687 million (operating loss in the corresponding period of the previous fiscal year was ¥3,413 million).

[Polymer Solutions Division]

In response to soaring raw material and fuel costs, the division revised the selling price of each product. In terms of sales volume, sales of polystyrene resins contributed as a result of the addition of TOYO STYRENE Co., Ltd. as a consolidated subsidiary. On the other hand, sales of MS resins by Denka Singapore Pte. Ltd. fell below the previous fiscal year's level due to a delayed recovery in demand. Shipments of styrene monomer declined due to scheduled maintenance, and sales of AS and ABS resins also fell below the previous fiscal year's level. Also, sales of sheets for food wrapping materials and their processed products remained roughly on par with the previous fiscal year's level.

As a result, division net sales increased ¥11,320 million, or 17.3%, year on year to ¥76,739 million, and operating profit increased ¥5,711 million, or 380.6%, year on year to ¥7,211 million.

[Others Division]

Transaction volumes of Akros Trading Co., Ltd. and other trading companies remained roughly unchanged year on year.

As a result, division net sales decreased ¥1,901 million, or 19.3%, year on year to ¥7,947 million, and operating profit decreased ¥192 million, or 13.1%, year on year to ¥1,277 million.

(2) Financial Position

Total assets at the end of the six months ended September 30, 2026 increased by ¥37,040 million from the end of the previous fiscal year to ¥718,047 million. Current assets increased by ¥19,796 million from the end of the previous fiscal year to ¥279,872 million, mainly due to an increase in inventories. Non-current assets increased by ¥17,244 million from the end of the previous fiscal year to ¥438,175 million, mainly due to an increase in property, plant and equipment.

Liabilities increased by ¥33,782 million from the end of the previous fiscal year to ¥375,962 million, mainly due to an increase in interest-bearing debt.

Net assets, including non-controlling interests, increased by ¥3,258 million from the end of the previous fiscal year to ¥342,084 million.

As a result, the equity ratio decreased from 45.6% at the end of the previous fiscal year to 44.0%.

(3) Consolidated Financial Results Forecast and Other Forward-Looking Information

We have revised the full-year consolidated financial results forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027), which was previously announced on May 13, 2026, taking into account recent performance trends and other factors, as follows. For details, please refer to "Notice Regarding Differences Between Forecast and Actual Results for First Six Months and Revisions to the Forecast for Fiscal Year Ending March 31, 2027," which was released today.

1. Forecasts for consolidated financial results for the fiscal year ending March 31, 2027

	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
Previous forecast (A)	450,000	30,000	20,000	16,000	185.67
Revised forecast (B)	425,000	37,000	26,000	16,000	185.67
Amount of change (B−A)	(25,000)	7,000	6,000	–	
Change (%)	(5.6)%	23.3%	30.0%	–	
(Reference) Previous fiscal year consolidated results (fiscal year ended March 31, 2026)	384,247	26,225	19,295	15,695	182.10

Note: The above forecasts are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly due to various factors.

Supplementary information

Forecasts for financial results by segment for the fiscal year ending March 31, 2027

(Millions of yen)

		Initial forecast (A)	Revised forecast (B)	Amount of change (B−A)
Electronics & Innovative Products	Net sales	110,000	117,000	7,000
	Operating profit	13,000	16,000	3,000
Life Innovation	Net sales	45,000	40,000	(5,000)
	Operating profit	6,000	3,500	(2,500)
Elastomers & Infrastructure Solutions	Net sales	105,000	100,000	(5,000)
	Operating profit	7,000	8,000	1,000
Polymer Solutions	Net sales	170,000	150,000	(20,000)
	Operating profit	2,000	7,500	5,500
Others	Net sales	20,000	18,000	(2,000)
	Operating profit	2,000	2,000	–
Total	Net sales	450,000	425,000	(25,000)
	Operating profit	30,000	37,000	7,000

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	35,270	31,195
Notes and accounts receivable - trade, and contract assets	88,299	93,594
Merchandise and finished goods	84,661	97,788
Work in process	7,235	5,303
Raw materials and supplies	35,500	37,461
Other	9,367	14,812
Allowance for doubtful accounts	(258)	(283)
Total current assets	260,075	279,872
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	87,304	88,008
Machinery, equipment and vehicles, net	106,783	106,794
Tools, furniture and fixtures, net	5,264	5,390
Land	61,412	61,413
Leased assets, net	3,424	6,327
Construction in progress	78,997	92,085
Total property, plant and equipment	343,187	360,020
Intangible assets		
Goodwill	2,246	2,189
Patent right	264	248
Software	1,701	1,892
Other	841	732
Total intangible assets	5,053	5,063
Investments and other assets		
Investment securities	47,463	46,787
Long-term loans receivable	980	908
Retirement benefit asset	9,032	9,176
Deferred tax assets	6,822	6,885
Other	8,670	9,863
Allowance for doubtful accounts	(278)	(530)
Total investments and other assets	72,690	73,091
Total non-current assets	420,930	438,175
Total assets	681,006	718,047

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	43,005	45,206
Short-term borrowings	51,797	55,538
Commercial papers	20,000	23,000
Current portion of long-term borrowings	150	15,200
Current portion of bonds payable	15,000	15,000
Income taxes payable	7,520	5,393
Accrued consumption taxes	491	239
Provision for bonuses	3,647	3,896
Other	43,484	38,896
Total current liabilities	185,096	202,370
Non-current liabilities		
Bonds payable	10,000	30,000
Long-term borrowings	124,766	117,926
Deferred tax liabilities	5,341	5,897
Deferred tax liabilities for land revaluation	8,524	8,524
Retirement benefit liability	1,895	1,876
Provision for share awards	141	122
Other	6,414	9,244
Total non-current liabilities	157,083	173,592
Total liabilities	342,180	375,962
Net assets		
Shareholders' equity		
Share capital	36,998	36,998
Capital surplus	49,415	49,095
Retained earnings	174,127	176,744
Treasury shares	(7,716)	(7,838)
Total shareholders' equity	252,825	254,999
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,258	13,539
Deferred gains or losses on hedges	760	961
Revaluation reserve for land	10,176	10,176
Foreign currency translation adjustment	26,934	30,625
Remeasurements of defined benefit plans	5,752	5,498
Total accumulated other comprehensive income	57,883	60,801
Non-controlling interests	28,117	26,283
Total net assets	338,826	342,084
Total liabilities and net assets	681,006	718,047

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	196,699	208,721
Cost of sales	152,003	148,796
Gross profit	44,695	59,925
Selling, general and administrative expenses	34,955	35,215
Operating profit	9,740	24,709
Non-operating income		
Interest income	169	134
Dividend income	414	514
Share of profit of entities accounted for using equity method	1,023	545
Subsidy income	1	1,556
Other	466	392
Total non-operating income	2,076	3,144
Non-operating expenses		
Interest expenses	1,136	1,321
Loss on disposal of non-current assets	1,001	605
Cost during the suspension of plant operation	1,613	2,343
Foreign exchange losses	294	173
Other	978	2,239
Total non-operating expenses	5,025	6,684
Ordinary profit	6,791	21,170
Extraordinary income		
Gain on sale of non-current assets	8,188	—
Other	540	—
Total extraordinary income	8,728	—
Extraordinary losses		
Loss on liquidation of business	9,415	10,491
Total extraordinary losses	9,415	10,491
Profit before income taxes	6,105	10,679
Income taxes – current	4,253	5,615
Profit	1,851	5,063
Loss attributable to non-controlling interests	(2,051)	(1,866)
Profit attributable to owners of parent	3,902	6,930

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	1,851	5,063
Other comprehensive income		
Valuation difference on available-for-sale securities	3,375	(791)
Deferred gains or losses on hedges	440	(33)
Foreign currency translation adjustment	(7,166)	4,230
Remeasurements of defined benefit plans, net of tax	42	(207)
Share of other comprehensive income of entities accounted for using equity method	120	373
Total other comprehensive income	(3,187)	3,571
Comprehensive income	(1,336)	8,634
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,120	9,848
Comprehensive income attributable to non-controlling interests	(2,456)	(1,213)

(3) Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	6,105	10,679
Depreciation	14,439	15,649
Amortization of goodwill	9	56
Increase (decrease) in provision for bonuses	703	221
Increase (decrease) in retirement benefit liability	(11)	(513)
Increase (decrease) in allowance for doubtful accounts	51	262
Interest and dividend income	(584)	(649)
Interest expenses	1,136	1,321
Share of loss (profit) of entities accounted for using equity method	(1,023)	(545)
Loss (gain) on valuation of investment securities	2	–
Loss (gain) on sale of investment securities	4	–
Loss (gain) on sale and retirement of non-current assets	(7,357)	58
Loss on liquidation of business	18	845
Decrease (increase) in trade receivables	(4,062)	(4,075)
Decrease (increase) in inventories	11,254	(12,673)
Increase (decrease) in trade payables	(5,729)	1,071
Other, net	(1,664)	(8,371)
Subtotal	13,291	3,333
Interest and dividends received	987	769
Interest paid	(1,130)	(1,214)
Income taxes paid	(1,618)	(6,727)
Net cash provided by (used in) operating activities	11,530	(3,838)
Cash flows from investing activities		
Purchase of property, plant and equipment	(31,010)	(28,354)
Proceeds from sale of property, plant and equipment	11,340	3
Purchase of intangible assets	(192)	(430)
Purchase of investment securities	(80)	(265)
Proceeds from sale of investment securities	91	111
Proceeds from sale of shares of subsidiaries	318	–
Other, net	484	(281)
Net cash provided by (used in) investing activities	(19,048)	(29,216)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(10,934)	6,561
Proceeds from long-term borrowings	23,640	7,355
Repayments of long-term borrowings	–	(150)
Proceeds from issuance of bonds	–	20,000
Redemption of bonds	(15,000)	–
Purchase of treasury shares	(2)	(126)
Dividends paid	(4,313)	(4,313)
Dividends paid to non-controlling interests	(100)	(271)
Proceeds from share issuance to non-controlling shareholders	7,781	1,702
Other, net	59	(2,566)
Net cash provided by (used in) financing activities	1,130	28,191
Effect of exchange rate change on cash and cash equivalents	(1,672)	568
Net increase (decrease) in cash and cash equivalents	(8,059)	(4,294)
Cash and cash equivalents at beginning of period	37,002	35,270
Cash and cash equivalents at end of period	28,943	30,975

(4) Notes to Semi-annual Consolidated Financial Statements

Notes on going concern assumption

Not applicable.

Notes in case of significant changes in shareholders' equity

Not applicable.

Segment information, etc.

[Segment information]

I. Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment					Other businesses (Note 1)	Total	Adjustments (Note 2)	Amount in semi-annual consolidated statement of income (Note 3)
	Electronics & Innovative Products	Life Innovation	Elastomers & Infrastructure Solutions	Polymer Solutions	Total				
Net sales									
Sales to external customers	50,118	21,433	49,879	65,418	186,850	9,849	196,699	–	196,699
Intersegment sales or transfers	–	–	133	51	184	2,013	2,198	(2,198)	–
Total	50,118	21,433	50,012	65,470	187,034	11,862	198,897	(2,198)	196,699
Segment profit (loss)	6,306	3,820	(3,413)	1,500	8,214	1,469	9,683	56	9,740

Notes: 1. The other businesses category refers to business segments not included in the reportable segments, including plant engineering business and trading company business, etc.

2. Adjustments to segment profit (loss) of ¥56 million were due to elimination of intersegment transactions.

3. Segment profit (loss) is adjusted with operating profit in the semi-annual consolidated statement of income.

2. Information on net sales by region

(Millions of yen)

	Japan	Overseas			Total
		Asia	Other	Total	
Net sales	111,110	53,862	31,726	85,589	196,699
Percentage of consolidated net sales (%)	56.5	27.4	16.1	43.5	100.0

Note: Net sales are classified by country or region based on the location of customers.

II. Six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment					Other businesses (Note 1)	Total	Adjustments (Note 2)	Amount in semi-annual consolidated statement of income (Note 3)
	Electronics & Innovative Products	Life Innovation	Elastomers & Infrastructure Solutions	Polymer Solutions	Total				
Net sales									
Sales to external customers	56,119	19,765	48,149	76,739	200,773	7,947	208,721	–	208,721
Intersegment sales or transfers	–	–	137	63	200	2,286	2,486	(2,486)	–
Total	56,119	19,765	48,286	76,803	200,974	10,234	211,208	(2,486)	208,721
Segment profit	8,334	2,156	5,687	7,211	23,390	1,277	24,668	41	24,709

Notes: 1. The other businesses category refers to business segments not included in the reportable segments, including plant engineering business and trading company business, etc.

2. Adjustments to segment profit of ¥41 million are due to elimination of intersegment transactions.

3. Segment profit is adjusted with operating profit in the semi-annual consolidated statement of income.

2. Information on net sales by region

(Millions of yen)

	Japan	Overseas			Total
		Asia	Other	Total	
Net sales	123,596	50,911	34,213	85,124	208,721
Percentage of consolidated net sales (%)	59.2	24.4	16.4	40.8	100.0

Note: Net sales are classified by country or region based on the location of customers.