

Financial Report for Fiscal Year ended March 31, 2026 [Japanese GAAP] (Consolidated)

May 14, 2026

Company name: Unitika Ltd.

Listed stock exchange: Tokyo Stock Exchange

Code number: 3103 URL: <https://www.unitika.co.jp/e/home.htm>

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Expected date for holding a regular shareholders meeting: June 26, 2026

Expected date for submitting securities report: June 25, 2026

Expected commencement date for paying dividend: –

Preparation of the attachment of Financial Report: Yes

Holding of a results presentation: Yes (for securities analysts and institutional investors)

(Figures rounded down to nearest million yen.)

1. Consolidated performance for fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Consolidated business results (Percentages represent changes from same period in previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended March 31, 2026	118,563	(6.2)	10,549	80.3	10,392	121.4	18,153	—
FY ended March 31, 2025	126,411	6.8	5,851	—	4,693	—	(24,283)	—

(Note) Comprehensive income FY ended March 31, 2026: 17,811 million yen (—%)

FY ended March 31, 2025: (22,014) million yen (—%)

	Profit per share	Diluted profit per share	Return on equity	Return on asset	Ratio of operating profit to sales
	Yen	Yen	%	%	%
FY ended March 31, 2026	310.33	34.93	52.4	6.9	8.9
FY ended March 31, 2025	(421.18)	—	(92.8)	2.8	4.6

(Reference) Equity in earnings/losses of affiliates FY ended March 31, 2026: 2 million yen

FY ended March 31, 2025: 8 million yen

(2) Consolidated financial situation

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY ended March 31, 2026	150,704	54,044	35.7	581.43
FY ended March 31, 2025	149,430	16,233	10.4	(123.42)

(Reference) Shareholders' equity: FY ended March 31, 2026: 53,784 million yen

FY ended March 31, 2025: 15,568 million yen

(3) Consolidated cash flows situation

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Balance of cash and cash equivalents at period end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY ended March 31, 2026	5,614	34,312	(6,119)	47,314
FY ended March 31, 2025	6,293	(3,146)	(435)	13,120

2. Dividend payment

	Annual dividend per share					Annual dividends paid (Total)	Dividend payout ratio (consolidated)	Dividend ratio of net assets (consolidated)
	End of Q1	End of Q2	End of Q3	Year end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY ended March 31, 2025	—	0.00	—	0.00	0.00	—	—	—
FY ended March 31, 2026	—	0.00	—	0.00	0.00	—	—	—
FY ending March 31, 2027 (forecast)	—	0.00	—	0.00	0.00	—	—	—

(Note) The abovementioned *Dividend payment* refers to dividends paid to the holders of common stock. For details of dividend payment to the holders of classified shares (unlisted), the rights of which are different from those of common stock, please refer to *Dividend payment to the holders of classified shares* mentioned below.

3. Forecast of consolidated performance for fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentages represent changes from same period in previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY ending March 31, 2027	84,000	(29.2)	8,000	(24.2)	6,500	(37.5)	5,000	(72.5)	80.35

* Notes

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

New companies: — (company name)

Excluded companies: 5 companies (company name) Unitika Garment Technology Co., Ltd., Unitika Spinning Co., Ltd., PT. UNITIKA TRADING INDONESIA, Precision Kamijo Co., Ltd., Unitika Textile Co., Ltd.

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

(i) Changes in accounting policies due to revisions of accounting standards: No

(ii) Changes of accounting policies other than the above: No

(iii) Changes in accounting estimates: No

(iv) Retrospective restatement: No

(3) Number of shares outstanding (Common stock)

(i) Number of shares outstanding at end of term (including treasury share):

Fiscal year ended March 31, 2026: 57,752,343 shares

Fiscal year ended March 31, 2025: 57,752,343 shares

(ii) Number of treasury shares at end of term:

Fiscal year ended March 31, 2026: 98,495 shares

Fiscal year ended March 31, 2025: 97,826 shares

(iii) Average number of shares outstanding during the term:

Fiscal year ended March 31, 2026: 57,654,315 shares

Fiscal year ended March 31, 2025: 57,655,001 shares

(Reference) Summary of non-consolidated performance

Non-consolidated performance for fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Non-consolidated business results

(Percentages represent changes from same period in previous year.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended March 31, 2026	80,276	(5.3)	7,969	44.6	9,897	103.1	6,619	—
FY ended March 31, 2025	84,810	10.2	5,510	—	4,874	177.8	(28,927)	—

	Profit per share		Diluted profit per share	
	Yen		Yen	
FY ended March 31, 2026	110.26		12.74	
FY ended March 31, 2025	(501.74)		—	

(2) Non-consolidated financial situation

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY ended March 31, 2026	149,807	36,782	24.6	286.54
FY ended March 31, 2025	132,965	10,004	7.5	(219.93)

(Reference) Shareholders' equity: FY ended March 31, 2026: 36,782 million yen

FY ended March 31, 2025: 10,004 million yen

* The financial report is not subject to audit procedures by a certified public accountant or an independent auditor.

* Explanation on appropriate use of forecasts of performance and other special items

(Note on forward-looking statements)

The forward-looking statements in this document concerning forecasting of performance, etc. are based on currently available information and assumptions considered by the Company to be reasonable. Such statements are neither promises nor guarantees of future performance. The actual performance may be significantly different from forecasts due to various factors. Concerning assumptions used as a basis for forecasting business performance and precautionary statements when using the forecast of performance, please refer to *1. Overview of Business Performance (4) Future forecast* on page 3 of the attachment.

(Method to obtain information on the presentation of financial results)

The Company plans to hold a results presentation conference call for securities analysts and institutional investors on Tuesday, May 26, 2026. It plans to post on its website supplementary documents to the financial results to be distributed at the results presentation.

Dividend payment to the holders of classified shares

The breakdown of dividends per share related to classified shares, the rights of which are different from those of common stock, is as follows:

	Annual dividends				
	End of Q1	End of Q2	End of Q3	Year end	Total
Class A share	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2025	—	0.00	—	0.00	0.00
FY ended March 31, 2026	—	—	—	—	—
FY ending March 31, 2027 (forecast)	—	—	—	—	—
Class B share	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2025	—	0.00	—	0.00	0.00
FY ended March 31, 2026	—	—	—	—	—
FY ending March 31, 2027 (forecast)	—	—	—	—	—
Class C share	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2025	—	—	—	0.00	0.00
FY ended March 31, 2026	—	0.00	—	2.27	2.27
FY ending March 31, 2027 (forecast)	—	0.00	—	3.18	3.18

(Note) As of April 30, 2025, the Company had acquired and cancelled all outstanding Class A and Class B shares. In addition, it had issued Class C shares via a third-party allotment.

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1. Overview of Business Performance

(1) Overview of business performance of the year

During the consolidated fiscal year under review (April 1, 2025 to March 31, 2026), the Japanese economy showed signs of a mild recovery in general against the backdrop of solid corporate earnings and improvements in the employment and income environment.

Production activity remained firm, particularly in the manufacturing sector, driven by AI-related demand, equipment upgrade demand, and the weaker yen. Capital investment aimed at strengthening corporate competitiveness and addressing labor shortages also remained strong. Meanwhile, with labor shortages worsening, rising labor and logistics costs have weighed on corporate earnings. Furthermore, tensions in the Middle East have escalated since February 2026.

Looking ahead, the business environment is expected to remain uncertain due to the prolonged geopolitical risks, including heightened tensions in the Middle East, and the resulting fluctuations in raw material and energy prices, interest rates, and foreign exchange rates, as well as developments in U.S. monetary and trade policies and concerns about a slowdown in the Chinese economy.

Under these circumstances, in accordance with its business restructuring plan, the UNITIKA Group steadily implemented structural reforms, such as withdrawal from unprofitable businesses, including business transfers. Furthermore, the Group continued to take the following measures to enhance profitability: expanding sales of high value-added functional products, revising prices, and promoting cost-reduction initiatives such as expense cuts.

As a result, in the consolidated fiscal year under review, net sales decreased to 118,563 million yen (down 6.2% year on year) due to sales decrease caused by the withdrawal from some businesses, etc. Operating profit amounted to 10,549 million yen (up 80.3% year on year) due to the suspension of unprofitable sales and implementation of price revisions and cost reduction measures, as well as an increase in sales of high value-added functional products. In addition to increased operating profit, the progress of yen depreciation resulted in the posting of foreign exchange valuation gains of 1,432 million yen on foreign currency-denominated assets. Consequently, ordinary profit increased to 10,392 million yen (up 121.4% year on year). Additionally, in line with the withdrawal from unprofitable businesses, including business transfers, the Group recorded a gain on the sale of non-current assets of 23,697 million yen as extraordinary income. Furthermore, as part of the financial support provided under the business restructuring plan, the Group requested debt forgiveness from its financial institutions and received debt waivers totaling 12,015 million yen, which was recorded as extraordinary income. On the other hand, as a result of recording a business restructuring cost of 14,884 million yen as an extraordinary loss, profit attributable to owners of parent was 18,153 million yen (versus loss attributable to owners of parent of 24,283 million yen in the previous consolidated fiscal year).

Here is an overview of the business results by segment.

[Polymers Segment]

The Polymers Segment recorded generally steady sales throughout the period due to continued strong demand in the electronic materials field. In addition, profitability improved due to the efforts continued from the previous year to expand sales of high value-added functional products, as well as the effects of price revisions and cost-reduction measures.

In the Film business, sales volumes of both nylon films and polyester films in the packaging sector declined slightly amid stagnant market conditions caused by continued price increases for food products and other goods, as well as inflows of overseas products. Sales of EMBLEM-HG, a high gas barrier nylon film, remained strong. In the industrial sector, sales remained solid due to continuous growth in the electronic materials field. Overseas, profitability improved significantly due to the effects of changes in sales strategies and productivity improvements. As a result, the Film business recorded a decrease in net sales but an increase in operating profit.

In the Plastics business, overall sales of engineering plastic materials increased, driven by continued steady growth in sales for electric and electronic component applications, as well as for automotive applications. Net sales of functional plastics remained flat, but operating profit declined due to an increase in polyester-related costs. Sales at affiliated companies grew significantly mainly for office and industrial materials applications. As a result, the business as a whole recorded increases in both sales and profits.

Consequently, the Polymers Segment achieved growth in both net sales and operating profit, with net sales reaching 56,395 million yen (up 1.8% year on year) and operating profit reaching 9,429 million yen (up 57.1% year on year).

[Performance Materials Segment]

The Performance Materials Segment saw a growth in sales across a wide range of applications and fields. In addition, as a result of continuing the suspension of unprofitable sales and product price revisions, profitability improved.

Divestiture of the Non-woven Fabrics business and the Industrial Fibers business (excluding the monofilament business) was completed through business transfers. In connection with withdrawal from these businesses, the Group implemented various measures, including price revisions, to minimize losses.

In the Activated Carbon Fibers business, despite a decrease in sales of VOC removal sheets for air purification applications, sales for household water purification applications, which are a mainstay of this business, remained strong both in Japan and overseas.

In the Glass Fibers business, in the industrial material sector, sales of transparent sheets for building material applications were sluggish while noncombustible materials for tents and sheet applications remained generally robust. The electrical and electronics sector continued to perform well. In the electronic materials sector, the profitability of ultra-thin Low CTE Glass Fabrics and ultra-thin E Glass Fabrics significantly increased as their adoption expanded not only for mobile memory applications in high-end mobile devices but also for non-memory applications.

In the Glass Beads business, sales for road applications declined due to a continued decrease in the number of road construction projects and price competition from low-priced overseas products. In contrast, sales for industrial applications and reflective materials remained steady in overseas markets.

In the Non-woven Fabrics business, divestiture of the spunbond non-woven fabrics business was completed through

business transfers. by January 1, 2026, and divestiture of the cotton spunlace non-woven fabrics business was completed through business transfers on December 31, 2025.

In the Industrial Fibers business, business transfers and other measures, excluding the monofilament business, were completed by January 1, 2026. In the continuing monofilament business, the sales volume of nylon hollow fiber membranes used for removing foreign matter from chemical solutions in semiconductor manufacturing processes increased against the backdrop of a strong semiconductor market.

Consequently, the Performance Materials Segment recorded a decrease in net sales but an increase in operating profit, with net sales of 33,695 million yen (down 9.0% year on year) and operating profit reaching 1,603 million yen (up 436.5% year on year).

[Fibers and Textiles Segment]

In the Garments, Lifestyle Materials and Bedding business, business transfers of its business was completed by December 31, 2025. The Industrial Materials business as a whole recorded decreases both in sales and operating profit due to business transfers. although sales were strong for civil engineering applications and household products, driven by the recovery in market conditions.

Consequently, the Fibers & Textiles Segment recorded a decline in both net sales and operating profit, with net sales of 28,399 million yen (down 16.3% year on year) and operating loss reaching 515 million yen (versus an operating loss of 357 million yen in the previous year).

[Others]

The Others category posted an operating loss of 18 million yen (versus an operating loss of 82 million yen in the previous consolidated fiscal year) on net sales of 73 million yen (up 28.2% year on year).

(2) Overview of financial position

Total assets rose by 1,273 million yen from the end of the previous consolidated fiscal year to 150,704 million yen. This was primarily due to a rise in cash and deposits. Liabilities declined by 36,537 million yen from the end of the previous consolidated fiscal year to 96,659 million yen. This was primarily due to a decrease in borrowings. Net assets rose by 37,811 million yen from the end of the previous consolidated fiscal year to 54,044 million yen. This was mainly due to an increase in capital surplus caused by the issuance of shares.

(3) Overview of cash flow

Cash and cash equivalents (hereinafter referred to as “net cash”) as of March 31, 2026 increased by 34,194 million yen from the end of the previous consolidated fiscal year to 47,314 million yen.

(Net cash provided by [used in] operating activities)

Net cash provided by operating activities amounted to 5,614 million yen during the consolidated fiscal year under review (versus 6,293 million yen in the previous consolidated fiscal year) mainly due to a decrease in trade receivables.

(Net cash provided by [used in] investing activities)

Net cash provided by investing activities amounted to 34,312 million yen during the consolidated fiscal year under review (versus 3,146 million yen used in the previous consolidated fiscal year) mainly due to the sale of property, plant and equipment.

(Net cash provided by [used in] financing activities)

Net cash used in financing activities amounted to 6,119 million yen during the consolidated fiscal year under review (versus 435 million yen used in the previous consolidated fiscal year) mainly due to repayment of borrowings.

(4) Future forecast

In order to promptly and appropriately execute its business restructuring plan, the Company renewed its management structure on April 30, 2025 by appointing directors and Audit & Supervisory Board members from the Regional Economy Vitalization Corporation of Japan and Mitsubishi UFJ Bank, Ltd.

In the fiscal year ended March 2026, the first year of the business restructuring plan, the Company advanced the formulation and implementation of measures such as business transfers, production transfers, and business withdrawals in the businesses targeted for structural reform, and has largely completed its withdrawal from unprofitable businesses. Meanwhile, in its Polymers and Performance Materials businesses, the Company worked to improve profitability by expanding sales of high value-added products and developing new applications while also promoting cost reductions through logistics reforms and operational efficiency improvements in its head office operations and other areas.

With regard to the future business environment, the Company recognizes that uncertainty in the global economy will continue and that concerns remain regarding the impact of foreign exchange rates, raw material and fuel prices, geopolitical risks and other factors.

Under these business conditions, the fiscal year ending March 2027 marks the second year of the business restructuring plan. The Company will continue to work toward establishing a low-cost operating structure while also expanding sales of high value-added products, making capital investments, and developing new products in the Polymers and Performance Materials businesses. At the same time, the Company will work to further strengthen its organizational management structure and stabilize its revenue base.

For the full fiscal year, the Company forecasts net sales of 84,000 million yen, operating profit of 8,000 million yen, ordinary

profit of 6,500 million yen, and profit attributable to owners of parent of 5,000 million yen.

(5) Basic policy for profit distribution and dividends for the fiscal year ended March 31, 2026 and the fiscal year ending March 31, 2027

The Unitika Group considers profit distribution to its shareholders to be one of its important management priorities. However, the Group is currently in the process of executing its business restructuring plan and is allocating its management resources on a priority basis to the steady implementation of restructuring measures and the improvement of its financial position. In light of these circumstances, the Company regrettably plans to pay no dividends on common stock for the fiscal year under review.

Going forward, the Company's basic policy is to determine shareholder dividends based on its earnings performance, while taking into consideration the improvements in its financial position and the enhancement of internal reserves in order to secure long-term shareholder value.

In addition, the Company newly issued Class C preferred shares through a third-party allotment on April 30, 2025. Dividends on the Class C preferred shares for the fiscal year ending March 2027 are scheduled to be 2.27 yen per share in accordance with the terms and conditions for the issuance of the class shares established at the time of issuance.

2. Basic Approach to the Selection of Accounting Standards

The Unitika Group adopts Japanese Accounting Standards (Japanese GAAP), since the Group intends to ensure the comparability of performance with competitors in Japan.

3. Consolidated Financial Statements and Major Notes to Consolidated Financial Statements**(1) Consolidated balance sheets**

	(Unit: Millions of yen)	
	Previous consolidated fiscal year (March 31, 2025)	Current consolidated fiscal year (March 31, 2026)
Assets		
Current assets		
Cash and deposits	13,501	47,700
Notes receivable-trade	3,498	2,093
Accounts receivable-trade	20,360	13,855
Inventories	34,196	20,204
Other	3,765	3,151
Allowance for doubtful accounts	(44)	(18)
Total current assets	75,277	86,987
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,719	7,210
Machinery equipment and vehicles, net	12,106	11,536
Tools, furniture and fixtures, net	553	539
Land	45,114	35,733
Leased assets, net	66	1,677
Construction in progress	2,014	2,044
Total property, plant and equipment	67,574	58,741
Intangible assets	1,194	804
Investments and other assets		
Investment securities	2,974	3,118
Investments in capital	8	8
Long-term loans receivable	13	2
Retirement benefit asset	22	12
Deferred tax assets	1,293	95
Other	1,126	989
Allowance for doubtful accounts	(53)	(55)
Total investments and other assets	5,384	4,170
Total non-current assets	74,152	63,717
Total assets	149,430	150,704

	(Unit: Millions of yen)	
	Previous consolidated fiscal year (March 31, 2025)	Current consolidated fiscal year (March 31, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	14,667	9,279
Short-term borrowings	38,319	12,966
Current portion of long-term borrowings	52,623	28,593
Lease liabilities	426	501
Income taxes payable	267	4,521
Contract liabilities	895	433
Provision for bonuses	1,437	1,261
Provision for product repair	28	28
Provision for business restructuring	522	399
Other	6,981	5,631
Total current liabilities	116,170	63,616
Non-current liabilities		
Long-term borrowings	1,198	13,133
Lease liabilities	959	2,075
Deferred tax liabilities	174	8,492
Deferred tax liabilities for land revaluation	1,543	1,231
Provision for business restructuring	—	472
Retirement benefit liability	12,995	7,407
Other	155	230
Total non-current liabilities	17,026	33,042
Total liabilities	133,197	96,659
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	11,476	31,848
Retained earnings	756	19,592
Treasury shares	(57)	(58)
Total shareholders' equity	12,275	51,482
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,167	1,326
Deferred gains or losses on hedges	(0)	(0)
Revaluation reserve for land	2,899	2,293
Foreign currency translation adjustment	(2,781)	(3,589)
Remeasurements of defined benefit plans	2,008	2,271
Total accumulated other comprehensive income	3,292	2,302
Non-controlling interests	664	259
Total net assets	16,233	54,044
Total liabilities and net assets	149,430	150,704

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

	(Unit: Millions of yen)	
	Previous consolidated fiscal year (April 1, 2024 to March 31, 2025)	Current consolidated fiscal year (April 1, 2025 to March 31, 2026)
Net sales	126,411	118,563
Cost of sales	100,714	89,261
Gross profit	25,696	29,301
Selling, general and administrative expenses	19,845	18,751
Operating profit	5,851	10,549
Non-operating income		
Interest income	102	166
Dividend income	68	135
Share of profit of entities accounted for using equity method	8	2
Foreign exchange gains	—	1,432
Other	844	622
Total non-operating income	1,024	2,359
Non-operating expenses		
Interest expenses	1,402	1,627
Foreign exchange losses	155	—
Other	625	890
Total non-operating expenses	2,183	2,517
Ordinary profit	4,693	10,392
Extraordinary income		
Gain on sales of non-current assets	164	23,697
Gain on sales of investment securities	—	6
Gain on sale of shares of subsidiaries and associates	—	310
Gain on sale of businesses	—	824
Gain on forgiveness of debts	—	12,015
Total extraordinary income	164	36,854
Extraordinary losses		
Loss on disposal of non-current assets	350	483
Loss on valuation of investment securities	—	9
Business restructuring expenses	39,320	14,884
Total extraordinary losses	39,671	15,377
Profit (Loss) before income taxes	(34,813)	31,869
Income taxes-current	497	4,479
Income taxes-deferred	(10,405)	9,200
Total income taxes	(9,908)	13,679
Profit (Loss)	(24,905)	18,189
Profit (loss) attributable to non-controlling interests	(622)	35
Profit (loss) attributable to owners of parent	(24,283)	18,153

(Consolidated comprehensive income statement)

	(Unit: Millions of yen)	
	Previous consolidated fiscal year (April 1, 2024 to March 31, 2025)	Current consolidated fiscal year (April 1, 2025 to March 31, 2026)
Profit (Loss)	(24,905)	18,189
Other comprehensive income		
Valuation difference on available-for-sale securities	237	159
Deferred gains or losses on hedges	(6)	0
Revaluation reserve for land	(46)	—
Foreign currency translation adjustment	1,559	(801)
Remeasurements of defined benefit plans, net of tax	1,146	263
Total other comprehensive income	2,890	(377)
Comprehensive income	(22,014)	17,811
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	(21,195)	17,768
Comprehensive income attributable to non-controlling interests	(818)	42

(3) Consolidated statements of changes in net assets

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

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	11,476	21,740	(57)	33,259
Changes in items during period					
(Loss) attributable to owners of parent			(24,283)		(24,283)
Purchase of treasury shares				(0)	(0)
Reversal of revaluation reserve for land			3,299		3,299
Net changes in items other than shareholders' equity					
Total changes in items during period	—	—	(20,983)	(0)	(20,983)
Balance at end of period	100	11,476	756	(57)	12,275

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	929	5	6,244	(4,537)	862	3,504	1,483	38,247
Changes in items during period								
(Loss) attributable to owners of parent								(24,283)
Purchase of treasury shares								(0)
Reversal of revaluation reserve for land								3,299
Net changes in items other than shareholders' equity	237	(6)	(3,345)	1,755	1,146	(212)	(818)	(1,031)
Total changes in items during period	237	(6)	(3,345)	1,755	1,146	(212)	(818)	(22,014)
Balance at end of period	1,167	(0)	2,899	(2,781)	2,008	3,292	664	16,233

Current consolidated fiscal year (April 1, 2025 to March 31, 2026)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100	11,476	756	(57)	12,275
Changes in items during period					
Issuance of new shares	10,000	10,000			20,000
Capital decrease	(10,000)	10,000			—
Profit attributable to owners of parent			18,153		18,153
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		370			370
Reversal of revaluation reserve for land			682		682
Net changes in items other than shareholders' equity					
Total changes in items during period	(0)	20,371	18,836	(0)	39,206
Balance at end of period	100	31,848	19,592	(58)	51,482

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,167	(0)	2,899	(2,781)	2,008	3,292	664	16,233
Changes in items during period								
Issuance of new shares								20,000
Capital decrease								—
Profit attributable to owners of parent								18,153
Purchase of treasury shares								(0)
Change in ownership interest of parent due to transactions with non-controlling interests								370
Reversal of revaluation reserve for land								682
Net changes in items other than shareholders' equity	159	0	(605)	(808)	263	(990)	(404)	(1,395)
Total changes in items during period	159	0	(605)	(808)	263	(990)	(404)	37,811
Balance at end of period	1,326	(0)	2,293	(3,589)	2,271	2,302	259	54,044

(4) Consolidated statements of cash flow

	(Unit: Millions of yen)	
	Previous consolidated fiscal year (April 1, 2024 to March 31, 2025)	Current consolidated fiscal year (April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Profit (Loss) before income taxes	(34,813)	31,869
Depreciation	5,240	3,367
Business restructuring expenses	38,100	9,727
Loss (gain) on sale of shares of subsidiaries and associates	—	(310)
Loss (gain) on sale of businesses	—	(824)
Gain on forgiveness of debts	—	(12,015)
Increase (decrease) in allowance for doubtful accounts	(62)	(24)
Increase (decrease) in retirement benefit liability	207	(5,304)
Increase (decrease) in provision for product repair	(6)	(0)
Increase (decrease) in provision for business restructuring	522	349
Increase (decrease) in other provisions	64	(164)
Interest expenses	1,402	1,627
Foreign exchange losses (gains)	155	(1,432)
Loss (gain) on disposal of non-current assets	350	483
Loss (gain) on sales of non-current assets	(164)	(23,697)
Loss (gain) on sales of investment securities	—	(6)
Decrease (increase) in trade receivables	559	7,687
Decrease (increase) in inventories	(647)	3,043
Increase (decrease) in trade payables	(2,795)	(5,400)
Increase (decrease) in contract liabilities	39	(461)
Increase (decrease) in accrued expenses	58	(713)
Increase (decrease) in deposits received	(390)	(1,409)
Other, net	370	248
Subtotal	8,189	6,636
Interest and dividends received	171	302
Interest paid	(1,349)	(1,669)
Income taxes refund (paid)	(718)	343
Net cash provided by (used in) operating activities	6,293	5,614
Cash flows from investing activities		
Decrease (increase) in time deposits	702	(65)
Purchase of investment securities	(11)	(11)
Proceeds from sales of investment securities	21	25
Purchase of property, plant and equipment	(3,887)	(2,305)
Proceeds from sales of property, plant and equipment	303	23,947
Payments for retirement of property, plant and equipment	(171)	(280)
Proceeds from sale of businesses	—	12,736
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	—	(24)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	440
Other, net	(103)	(148)
Net cash provided by (used in) investing activities	(3,146)	34,312
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	35,234	(7,796)
Proceeds from long-term borrowings	48,098	—
Repayments of long-term borrowings	(83,339)	(17,636)
Proceeds from issuance of shares	—	19,930
Other, net	(429)	(617)
Net cash provided by (used in) financing activities	(435)	(6,119)
Effect of exchange rate change on cash and cash equivalents	221	387
Net increase (decrease) in cash and cash equivalents	2,933	34,194
Cash and cash equivalents at beginning of period	10,187	13,120
Cash and cash equivalents at end of period	13,120	47,314

(5) Notes on consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes on segment information, etc.)

[Segment Information]

1. Summary of reportable segment

Unitika's reportable segments are components of the Company for which separate financial information is available. These segments are subject to regular reviews by the Board of Directors to decide the distribution of managerial resources and evaluate business results.

The Company sets up divisions by product and service in its head office. Each division formulates comprehensive domestic and overseas strategies for its products and services and conducts business activities according to the strategies. Unitika consists of segments by product and service based on divisions. The following three are its reportable segments: Polymers, Performance Materials, and Fibers & Textiles. The Polymers segment manufactures and markets films and resins. The Performance Materials segment makes and sells glass fibers, nonwoven fabrics and so on. The Fibers & Textiles segment makes and distributes various types of fibers (threads, cotton, textiles, fabrics and the like).

2. Methods to calculate the amount of net sales, profit or loss, assets and other items by reportable segment

Methods of accounting treatment of reported business segments are pursuant to accounting policies adopted for preparation of consolidated financial statements.

Inter-segment earnings and transfers are based on prevailing market prices.

3. Information on the amount of net sales, profit or loss, assets and other items by reportable segment

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

(Unit: Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount posted in Consoli- dated financial statements (Note 3)
	Polymers	Performance Materials	Fibers & Textiles	Total				
Net sales								
Net sales to outside customers	55,393	37,037	33,923	126,354	57	126,411	—	126,411
Inter-segment sales or transfer	5,712	2,157	63	7,932	—	7,932	(7,932)	—
Total	61,105	39,194	33,987	134,287	57	134,344	(7,932)	126,411
Segment income (loss)	6,000	298	(357)	5,941	(82)	5,859	(7)	5,851
Segment assets	78,577	41,589	21,468	141,634	529	142,164	7,266	149,430
Other items								
Depreciation and amortization	3,204	1,135	173	4,513	5	4,519	720	5,240
Increase in property, plant and equipment and intangible assets	1,471	919	104	2,495	20	2,515	379	2,894

(Notes) 1. The *Other* segment includes business segments that are not included in reportable segments.

2. Adjustment details are as follows.

- (1) Adjustment of (7) million yen for *Segment income (loss)* is attributable to the elimination of inter-segment transactions and the adjustment of inventories.
- (2) Adjustment of 7,266 million yen for *Segment assets* includes investment of surplus funds (cash and deposits) by the parent company, long-term investment funds (investment securities) and assets, etc. related to the Administration Division and the Research and Development Division of the parent company.
- (3) Adjustment of 720 million yen for *Depreciation and amortization* is depreciation and amortization of common assets that are not allocated to each reportable segment.
- (4) Adjustment of 379 million yen for *Increase in property, plant and equipment and intangible assets* is an increase in common assets that are not allocated to each reportable segment.

3. *Segment income (loss)* is adjusted with operating profit in the consolidated income statement.

Current consolidated fiscal year (April 1, 2025 to March 31, 2026)

(Unit: Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount posted in Consoli- dated financial statements (Note 3)
	Polymers	Performance Materials	Fibers & Textiles	Total				
Net sales								
Net sales to outside customers	56,395	33,695	28,399	118,490	73	118,563	—	118,563
Inter-segment sales or transfer	4,519	1,726	84	6,331	—	6,331	(6,331)	—
Total	60,915	35,422	28,484	124,821	73	124,895	(6,331)	118,563
Segment income (loss)	9,429	1,603	(515)	10,518	(18)	10,500	49	10,549
Segment assets	67,932	26,932	6,602	101,466	409	101,876	48,828	150,704
Other items								
Depreciation and amortization	2,116	708	73	2,898	4	2,903	464	3,367
Increase in property, plant and equipment and intangible assets	2,862	897	57	3,817	5	3,823	569	4,392

(Notes) 1. The *Other* segment includes business segments that are not included in reportable segments.

2. Adjustment details are as follows.

- (1) Adjustment of (49) million yen for *Segment income (loss)* is attributable to the elimination of inter-segment transactions and the adjustment of inventories.
- (2) Adjustment of 48,828 million yen for *Segment assets* includes investment of surplus funds (cash and deposits) by the parent company, long-term investment funds (investment securities) and assets, etc. related to the Administration Division and the Research and Development Division of the parent company.
- (3) Adjustment of 464 million yen for *Depreciation and amortization* is depreciation and amortization of common assets that are not allocated to each reportable segment.
- (4) Adjustment of 569 million yen for *Increase in property, plant and equipment and intangible assets* is an increase in common assets that are not allocated to each reportable segment.

3. *Segment income (loss)* is adjusted with operating loss in consolidated income statement.

(Per share information)

	Previous consolidated fiscal year (April 1, 2024 to March 31, 2025)	Current consolidated fiscal year (April 1, 2025 to March 31, 2026)
Net assets per share	(123.42 yen)	581.43 yen
Profit (Loss) per share	(421.18) yen	310.33 yen
Profit per share after full dilution	—	34.93 yen

(Notes) 1. The Company did not present profit per share after full dilution for the previous consolidated fiscal year since it posted a loss per share, although there are potential common shares with dilutive effects.

2. The basis for the calculation of net assets per share is as follows:

	Previous consolidated fiscal year (March 31, 2025)	Current consolidated fiscal year (March 31, 2026)
Total net assets (millions of yen)	16,233	54,044
Amounts deducted from the total net assets (millions of yen)	23,348	20,522
[of which amounts to be paid in for classified shares (millions of yen)]	[22,684]	[20,000]
[of which preferred dividends (millions of yen)]	[—]	[262]
[of which non-controlling interests (millions of yen)]	[664]	[259]
Net assets at the end of the fiscal year attributable to common stock (millions of yen)	(7,115)	33,521
Number of common stock at the end of the fiscal year used for calculating net assets per share (thousand shares)	57,654	57,653

3. The basis for the calculation of profit (loss) per share and profit per share after full dilution is as follows:

	Previous consolidated fiscal year (April 1, 2024 to March 31, 2025)	Current consolidated fiscal year (April 1, 2025 to March 31, 2026)
Profit (loss) per share		
Profit (loss) attributable to owners of parent (millions of yen)	(24,283)	18,153
Amount not attributable to common stockholders (millions of yen)	—	262
[of which preferred dividends (millions of yen)]	[—]	[262]
(Loss) attributable to common stock owners of parent (millions of yen)	(24,283)	17,891
Average number of common stock during the fiscal year (thousand shares)	57,655	57,654
Profit per share after full dilution		
Adjustment for profit attributable to owners of parent (millions of yen)	—	262
[of which preferred dividends (millions of yen)]	—	[262]
Increase in common stock (thousand shares)	—	462,018
[of which preferred shares (thousand shares)]	—	[462,018]
Outline of potential common shares that were not included in the calculation of profit per share after full dilution due to their anti-dilutive effect	—	—

(Important subsequent event)

Not applicable.

4. Supplemental Materials

(1) Results for fiscal year ended March 31, 2026 and performance forecast for fiscal year ending March 31, 2027
(Consolidated)

(Millions of yen)

			Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Consolidated	FY ended March 2025	Full year	126,411	5,851	4,693	(24,283)
	FY ended March 2026	Interim period	62,147	5,644	4,828	(3,487)
		Full year	118,563	10,549	10,392	18,153
	FY ending March 2027	Full year (forecast)	84,000	8,000	6,500	5,000
	Comparison with previous year	Full year (forecast)	(34,563)	(2,549)	(3,892)	(13,153)

(2) Segment information (consolidated)

(Millions of yen)

			Polymers	Performance Materials	Fibers & Textiles	Other	Adjustment	Consolidated total
Results for previous fiscal year	FY ended March 2025	Net sales to outside customers	55,393	37,037	33,923	57	—	126,411
		Component ratio (%)	43.8	29.3	26.8	0.0	—	100.0
		Operating profit	6,000	298	(357)	(82)	(7)	5,851
		Component ratio (%)	102.5	5.1	(6.1)	(1.4)	(0.1)	100.0
Results for current fiscal year	FY ended March 2026	Net sales to outside customers	56,395	33,695	28,399	73	—	118,563
		Component ratio (%)	47.6	28.4	24.0	0.1	—	100.0
		Operating profit	9,429	1,603	(515)	(18)	49	10,549
		Component ratio (%)	89.4	15.2	(4.9)	(0.2)	0.5	100.0
Comparison with previous year		Net sales to outside customers	1,002	(3,341)	(5,524)	16	—	(7,847)
		Increase/decrease from previous year (%)	1.8	(9.0)	(16.3)	28.2	—	(6.2)
		Operating profit	3,428	1,304	(157)	64	57	4,698
		Increase/decrease from previous year (%)	57.1	436.5	—	—	—	80.3

(3) Capital expenditures, Depreciation (Property, plant and equipment), R&D expenditures, Interest-bearing liabilities, Financial account balance, Number of permanent employees (consolidated)

(Millions of yen, persons)

		Capital expenditures	Depreciation (Property, plant and equipment)	R&D expenditures	Interest-bearing liabilities (end of fiscal year)	Financial account balance	Number of permanent employees (persons)
FY ended March 2024	Full year	6,813	5,516	3,602	92,149	(999)	2,907
FY ended March 2025	Full year	2,725	4,582	3,220	92,143	(1,231)	2,663
FY ended March 2026	Full year	4,238	2,953	3,240	54,694	(1,325)	1,692

(4) Cash flow (consolidated)

(Millions of yen)

		Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of fiscal year
FY ended March 2024	Full year	8,169	(7,541)	(279)	10,187
FY ended March 2025	Full year	6,293	(3,146)	(435)	13,120
FY ended March 2026	Full year	5,614	34,312	(6,119)	47,314