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Consolidated Financial Results for the Six Months Ended September 30, 2026 [Under IFRS]

November 11, 2026

Company name: Dexerials Corporation
Listing: Tokyo Stock Exchange
Security code: 4980
URL: https://www.dexerials.jp/en
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Scheduled date to file Semi-annual Securities Report: November 11, 2026
Scheduled date to commence dividend payments: December 18, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for securities analysts and institutional investors)

(Note) Amounts less than one million yen have been omitted.

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative) (Percentage indicates year-on-year changes.)

	Net sales		Business profit		EBITDA		Operating profit		Profit before tax	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	55,959	(2.6)	17,696	(12.2)	21,726	(8.4)	17,603	(11.6)	17,492	(11.6)
September 30, 2025	57,456	(3.7)	20,153	(9.7)	23,723	(7.2)	19,902	(14.7)	19,794	(12.2)

	Profit		Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2026	12,639	(5.7)	12,639	(5.7)	12,895	(5.0)	75.41	72.68
September 30, 2025	13,410	(15.4)	13,410	(15.4)	13,569	(7.4)	79.65	76.39

Notes: For details of business profit and EBITDA, please refer to "* Proper use of earnings forecast, and other special notes, (Business profit and EBITDA)."

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
September 30, 2026	189,921	118,270	118,270	62.3	705.15
March 31, 2026	165,104	109,363	109,363	66.2	652.87

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	-	29.00	-	29.00	58.00
Fiscal year ending March 31, 2027	-	32.00			
Fiscal year ending March 31, 2027 (forecast)			-	32.00	64.00

Notes: Revisions to dividend forecast published most recently: None

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		Business profit		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year	123,000	8.1	40,000	1.6	38,500	1.1	38,500	0.3	27,500	(1.8)	163.45

Notes: Revisions to earnings forecast published most recently: None

[Notes]

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates
- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to reasons other than (i) above: None
- (iii) Changes in accounting estimates: None

(3) Number of shares of common shares issued

(a) Number of shares issued (including treasury shares)

As of September 30, 2026: 174,741,400 shares
As of March 31, 2026: 174,741,400 shares

(b) Number of treasury shares

As of September 30, 2026: 7,019,431 shares
As of March 31, 2026: 7,231,259 shares

(c) Average number of common shares during the period

Six months ended September 30, 2026: 167,600,502 shares
Six months ended September 30, 2025: 168,368,814 shares

Notes:
1. As the Company has introduced a stock compensation plan which delivers shares with restrictions on transfer, the Company's shares are included in the number of treasury shares at the end of the period mainly for the purpose of allotting them as restricted shares.
2. As the Company has introduced an Employee Stock Ownership Plan (J-ESOP) and a Board Benefit Trust-Restricted Stock (BBT-RS), the number of shares of the Company held by Custody Bank of Japan, Ltd., (Trust Account E) is included in the number of treasury shares at the end of the period. In addition, the number of shares of the Company held by Custody Bank of Japan, Ltd., (Trust Account E) was included in the number of treasury shares to be deducted in the calculation of the average number of shares outstanding during the period.

* Semi-annual financial results reports are not subject to review by certified public accountants or an audit firm.

* Proper use of earnings forecast, and other special notes

(Business profit and EBITDA)

Although business profit and EBITDA are not disclosures under IFRS, the Company believes that these disclosures provide useful information to investors. The details of business profit and EBITDA are as follows.

Business profit: A profit indicator that measures the Company's recurring operating results, which are determined by deducting cost of sales and selling, general and administrative expenses from net sales

EBITDA: A profit indicator that is determined by adding back depreciation, which is recorded as cost of sales and selling, general and administrative expenses, to business profit

(Method of obtaining supplementary materials on financial results)

Supplementary materials on financial results will be posted on our website at https://www.dexerials.jp/en/ir/library/index.html.

(Disclaimer with respect to earnings and other forecasts)

The forward-looking statements including results forecasts contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. Accordingly, the Company does not intend to promise their achievement. Actual results may differ from these forecasts and forward-looking statements due to various factors.

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1. Overview of Consolidated Financial Results

(1) Operating results

The Group's operating results for the six months ended September 30, 2026 (hereinafter, the "period under review") were as follows: Net sales were ¥55,959 million (down 2.6% year-on-year), business profit was ¥17,696 million (down 12.2% year-on-year), operating profit was ¥17,603 million (down 11.6% year-on-year), and profit attributable to owners of parent was ¥12,639 million (down 5.7% year-on-year).

During the period under review, sales of Smart precision Adhesives and Pre-cut Anisotropic Conductive Film (ACF) for camera modules used in high-end smartphones remained firm. On the other hand, sales volumes of Anti-reflection film (ARF) for laptop PC displays and automotive displays decreased. In addition, display-related ACF was affected by a decline in production volumes of smartphones and other devices due to soaring memory prices. Although sales of optical semiconductors increased, procurement of InP (indium phosphide) substrates for certain products fell short of plan, affecting sales volumes.

The performance of each segment is as follows.

a. Optical Materials and Components

During the period under review, Smart precision Adhesives remained firm due to an increase in sales volumes of high-end smartphones. On the other hand, sales volumes of Anti-reflection film (ARF) for laptop PC displays decreased due to an increase in the proportion of models not adopting the Group's products. Sales of ARF for automotive displays also remained weak due to sluggish conditions in the Chinese automotive market.

As a result, the business segment reported net sales of ¥21,396 million (down 15.6% year-on-year) and business profit of ¥5,785 million (down 28.1% year-on-year).

b. Electronic Materials and Components

During the period under review, although display-related Anisotropic Conductive Film (ACF) was affected by soaring memory prices, Pre-cut ACF for camera modules remained firm due to an increase in sales volumes of high-end smartphones. Sales of optical semiconductors increased due to expanding demand for products used in optical transceivers for data centers and other applications. However, procurement of InP (indium phosphide) substrates for certain products fell short of plan, affecting sales.

As a result, the business segment reported net sales of ¥35,062 million (up 7.9% year-on-year) and business profit of ¥11,911 million (down 1.6% year-on-year).

Note: Segment sales include inter-segment transactions.

(2) Financial position

(i) Summary of assets, liabilities and equity

Total assets at the end of the period under review amounted to ¥189,921 million, an increase of ¥24,817 million from the end of the previous fiscal year, due to increases in property, plant and equipment and other current assets, which were partially offset by decreases in trade and other receivables and deferred tax assets.

Total liabilities amounted to ¥71,650 million, an increase of ¥15,910 million from the end of the previous fiscal year, due to increases in other financial liabilities and non-current interest-bearing debt, despite decreases in employee benefits and deferred tax liabilities.

Total equity amounted to ¥118,270 million, an increase of ¥8,906 million from the end of the previous fiscal year, due to increases in retained earnings and capital surplus.

(ii) Summary of Cash flow

Cash flow from operating activities for the period under review resulted in an inflow of ¥15,622 million, an increase of ¥4,768 million compared to the same period of the previous fiscal year. Profit before tax amounted to ¥17,492 million, and although income tax payments led to a decrease in cash flow, this was partially offset by non-cash items such as depreciation.

Cash flow from investing activities resulted in an outflow of ¥14,911 million, a decrease of ¥434 million compared to the same period of the previous fiscal year, due to expenditures such as the acquisition of property, plant and equipment.

Cash flow from financing activities resulted in an inflow of ¥1,601 million, compared with an outflow of ¥8,259 million in the same period of the previous fiscal year, as proceeds from long-term borrowings more than offset expenditures such as dividend payments.

As a result of the above, cash and cash equivalents increased by ¥2,214 million compared to the end of the previous fiscal year, amounting to ¥18,870 million at the end of the period under review.

(3) Forward-looking statements including consolidated earnings forecast

The full-year earnings forecast for the fiscal year ending March 31, 2027 remains unchanged from that announced in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2026" disclosed on May 13, 2026.

2. Semi-annual Consolidated Financial Statements and Notes

(1) Semi-annual consolidated statement of financial position

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and cash equivalents	16,655	18,870
Trade and other receivables	21,171	20,766
Inventories	10,672	12,075
Other financial assets	17	157
Other current assets	984	5,440
Total current assets	49,500	57,310
Non-current assets		
Property, plant and equipment	76,858	93,121
Goodwill	21,288	21,288
Intangible assets	7,497	7,890
Investments accounted for using equity method	4,702	4,885
Other financial assets	599	1,058
Deferred tax assets	4,433	4,128
Other non-current assets	223	239
Total non-current assets	115,603	132,610
Total assets	165,104	189,921

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	12,710	14,295
Interest-bearing liabilities	3,176	4,416
Employee benefits accruals	4,473	3,556
Income taxes payable	3,879	4,432
Other financial liabilities	12,011	18,938
Other current liabilities	1,574	1,588
Total current liabilities	37,825	47,227
Non-current liabilities		
Interest-bearing liabilities	13,330	20,039
Retirement benefit liability	3,721	3,666
Provisions	458	459
Deferred tax liabilities	387	231
Other non-current liabilities	17	25
Total non-current liabilities	17,914	24,422
Total liabilities	55,740	71,650
Equity		
Share capital	16,262	16,262
Capital surplus	19,331	19,882
Retained earnings	77,667	85,449
Treasury shares	(5,110)	(4,792)
Other components of equity	1,212	1,468
Total equity attributable to owners of parent	109,363	118,270
Total equity	109,363	118,270
Total liabilities and equity	165,104	189,921

(2) Semi-annual consolidated statement of profit or loss and Semi-annual consolidated statement of comprehensive income

Semi-annual consolidated statement of profit or loss

(Millions of yen, except for per share data)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	57,456	55,959
Cost of sales	(25,382)	(24,618)
Gross profit	32,073	31,340
Selling, general and administrative expenses	(11,920)	(13,644)
Other income	267	558
Other expenses	(517)	(651)
Operating profit	19,902	17,603
Finance income	47	56
Finance costs	(194)	(397)
Share of profit or loss of investments accounted for using equity method	38	229
Profit before tax	19,794	17,492
Income tax expense	(6,384)	(4,853)
Profit	13,410	12,639
Profit attributable to:		
Owners of parent	13,410	12,639
Profit	13,410	12,639
Earnings per share		
Basic earnings per share (Yen)	79.65	75.41
Diluted earnings per share (Yen)	76.39	72.68

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	13,410	12,639
Other comprehensive income, net of tax:		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans	(0)	-
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(1)	(10)
Total of items that will not be reclassified to profit or loss	(1)	(10)
Items that may be reclassified to profit or loss:		
Cash flow hedges	(38)	86
Hedging costs	(5)	(17)
Exchange differences on translation of foreign operations	109	(11)
Share of other comprehensive income of investments accounted for using equity method	95	208
Items that may be reclassified to profit or loss	160	266
Total other comprehensive income (after tax effect)	159	255
Comprehensive income	13,569	12,895
Comprehensive income attributable to:		
Owners of parent	13,569	12,895
Comprehensive income	13,569	12,895

(3) Semi-annual consolidated statement of changes in equity

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

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Net change in fair value of equity instruments designated as measured at fair value through other comprehen-sive income	Remeasure-ments of defined benefit plans	Cash flow hedges
Balance at April 1, 2025	16,262	19,526	64,442	(4,727)	6	0	12
Profit			13,410				
Other comprehensive income					(1)	(0)	(38)
Total comprehensive income	-	-	13,410	-	(1)	(0)	(38)
Purchase of treasury shares		(0)		(992)			
Dividends of surplus			(5,377)				
Share-based payment transactions		(948)		1,056			
Transfer from other components of equity to retained earnings			(0)			0	
Other							
Total transactions with owners	-	(949)	(5,377)	64	-	0	-
Balance at September 30, 2025	16,262	18,576	72,475	(4,663)	5	-	(26)

	Equity attributable to owners of parent				Total equity
	Other components of equity			Total	
	Hedging costs	Exchange differences on translation of foreign operations	Total		
Balance at April 1, 2025	(1)	394	412	95,915	95,915
Profit				13,410	13,410
Other comprehensive income	(5)	205	159	159	159
Total comprehensive income	(5)	205	159	13,569	13,569
Purchase of treasury shares			-	(992)	(992)
Dividends of surplus			-	(5,377)	(5,377)
Share-based payment transactions			-	107	107
Transfer from other components of equity to retained earnings			0	-	-
Other			-	-	-
Total transactions with owners	-	-	0	(6,262)	(6,262)
Balance at September 30, 2025	(7)	599	571	103,222	103,222

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

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Net change in fair value of equity instruments designated as measured at fair value through other comprehen-sive income	Remeasure-ments of defined benefit plans	Cash flow hedges
Balance at April 1, 2026	16,262	19,331	77,667	(5,110)	(12)	(0)	(39)
Profit			12,639				
Other comprehensive income					(10)		86
Total comprehensive income	-	-	12,639	-	(10)	-	86
Purchase of treasury shares							
Dividends of surplus			(4,857)				
Share-based payment transactions		550		318			
Transfer from other components of equity to retained earnings							
Other				(0)		0	
Total transactions with owners	-	550	(4,857)	318	-	0	-
Balance at September 30, 2026	16,262	19,882	85,449	(4,792)	(22)	-	46

	Equity attributable to owners of parent				Total equity
	Other components of equity			Total	
	Hedging costs	Exchange differences on translation of foreign operations	Total		
Balance at April 1, 2026	5	1,259	1,212	109,363	109,363
Profit				12,639	12,639
Other comprehensive income	(17)	197	255	255	255
Total comprehensive income	(17)	197	255	12,895	12,895
Purchase of treasury shares			-	-	-
Dividends of surplus			-	(4,857)	(4,857)
Share-based payment transactions			-	869	869
Transfer from other components of equity to retained earnings			-	-	-
Other			0	(0)	(0)
Total transactions with owners	-	-	0	(3,988)	(3,988)
Balance at September 30, 2026	(12)	1,456	1,468	118,270	118,270

(4) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before taxes	19,794	17,492
Depreciation and amortization	3,604	4,579
Interest and dividend income	(47)	(56)
Interest expenses	39	95
Foreign exchange loss (gain)	(110)	87
Loss (gain) on sale of fixed assets	(221)	(17)
Loss on retirement of fixed assets	316	82
Share-based payment expenses	657	951
Increase or decrease in retirement benefit asset or liability	48	(54)
Decrease (increase) in trade and other receivables	(5,778)	458
Decrease (increase) in inventories	(886)	(1,408)
Increase (decrease) in trade and other payables	2,806	1,522
Other	(1,607)	(4,208)
Subtotal	18,615	19,524
Interest and dividends received	47	295
Interest paid	(89)	(111)
Income taxes paid	(7,720)	(4,086)
Net cash provided by (used in) operating activities	10,853	15,622
Cash flows from investing activities		
Purchase of investment securities	(25)	-
Purchase of property, plant and equipment	(14,475)	(13,770)
Purchase of intangible assets	(958)	(1,167)
Proceeds from sale of property, plant and equipment	120	10
Other	(6)	16
Net cash provided by (used in) investing activities	(15,345)	(14,911)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	7,000
Repayments of long-term borrowings	(1,610)	(83)
Purchase of treasury shares	(992)	-
Dividends paid	(5,377)	(4,857)
Repayments of lease liabilities	(278)	(457)
Net cash provided by (used in) financing activities	(8,259)	1,601
Effect of exchange rate change on cash and cash equivalents	149	(97)
Net increase (decrease) in cash and cash equivalents	(12,602)	2,214
Cash and cash equivalents at beginning of period	34,979	16,655
Cash and cash equivalents at end of period	22,377	18,870

(5) Notes to semi-annual consolidated financial statements

(Going concern assumption)

Not applicable.

(Segment information)

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

Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable Segments			Adjustments	Consolidated
	Optical Materials and Components	Electronic Materials and Components	Total		
Net sales					
Sales to external customers	24,968	32,487	57,456	−	57,456
Intersegment sales and transfers	382	22	404	(404)	−
Total	25,351	32,510	57,861	(404)	57,456
Business Profit (Note)	8,047	12,105	20,153	−	20,153
Other income					267
Other expenses					(517)
Operating profit					19,902
Finance income					47
Finance costs					(194)
Share of profit or loss of investments accounted for using equity method					38
Profit before tax					19,794
Other Items					
Depreciation and Amortization	1,689	1,914	3,604	−	3,604

(Note) Business profit is a profit indicator that measures the Group's recurring operating results, which are determined by deducting cost of sales and selling, general and administrative expenses from net sales.

(Reference) Net sales by region

Japan	¥30,255 million	China	¥13,396 million	South Korea	¥3,646 million
Taiwan	¥6,082 million	Other	¥4,075 million		

(Note) Sales in Japan include sales to customers based in Japan, even when the final destination of the products is overseas.

II Six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)
Information on sales and profit or loss by reportable segment

(Millions of yen)

	Reportable Segments			Adjustments	Consolidated
	Optical Materials and Components	Electronic Materials and Components	Total		
Net sales					
Sales to external customers	20,932	35,026	55,959	−	55,959
Intersegment sales and transfers	464	35	500	(500)	−
Total	21,396	35,062	56,459	(500)	55,959
Business Profit (Note)	5,785	11,911	17,696	−	17,696
Other income					558
Other expenses					(651)
Operating profit					17,603
Finance income					56
Finance costs					(397)
Share of profit or loss of investments accounted for using equity method					229
Profit before tax					17,492
Other Items					
Depreciation and Amortization	1,935	2,643	4,579	−	4,579

(Note) Business profit is a profit indicator that measures the Group's recurring operating results, which are determined by deducting cost of sales and selling, general and administrative expenses from net sales.

(Reference) Net sales by region

Japan	¥27,005 million	China	¥13,605 million	South Korea	¥2,709 million
Taiwan	¥7,821 million	Other	¥4,816 million		

(Note) Sales in Japan include sales to customers based in Japan, even when the final destination of the products is overseas.