Translation

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Consolidated Financial Results for the Six Months of the Fiscal Year Ending December 31, 2026 (Under Japanese GAAP)

August 6, 2026

Company name:	TAKI CHEMICAL CO., ltd.
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	4025
URL:	https://www.takichem.co.jp/
Representative:	Katsuhiko Taki, Representative Director, President
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Scheduled date for submission of interim report:	August 7, 2026
Supplementary materials for financial summaries:	None
Financial results briefing:	None

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending December 31, 2026 (from January 01, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	23,489	12.0	2,257	32.6	2,624	30.6	1,868	33.5
June 30, 2025	20,969	7.4	1,702	48.0	2,009	42.1	1,400	38.0

(Note) Comprehensive income Interim period for the fiscal year ended December 31, 2026: 4,748 million yen (194.4%) Interim period for the fiscal year ended December 31, 2025: 1,612 million yen ((53.7) %)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	223.98	-
June 30, 2025	165.10	-

(2) Consolidated financial positions

	Total assets	Equity	Equity to total assets ratio
As of	Million yen	Million yen	%
June 30, 2026	70,643	47,492	66.6
December 31, 2025	65,653	43,328	65.3

(Reference) Owner's equity Interim period for the fiscal year ending December 2026: 47,041 million yen Fiscal year ended December 2025: 42,887 million yen

2. Cash dividends

	Annual dividends per share				
	1 st quarter-end	2 nd quarter-end	3 rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	-	-	75.00	75.00
Fiscal year ending December 31, 2026	-	-			
Fiscal year ending December 31, 2026 (Forecast)			-	105.00	105.00

Note: Whether there are revisions to the most recently announced dividend forecast: Yes

Fiscal year ended December 2025 Detail of dividend per share-fiscal year end Ordinary dividend 60.00 yen Commemorative dividend 5.00 yen (140th anniversary of founding) Special dividend 10.00 yen

Fiscal year ending December 2026 (Forecast) Detail of dividend per share-fiscal year end Ordinary dividend 105.00 yen

3. Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2026 (from January 01, 2026 to December 31, 2026)

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending December 31, 2026	45,300	7.9	3,450	9.0	4,100	8.5	3,500	6.8	419.57

(Note) Correction of financial forecast from the most recent financial forecast: Yes

* Notes

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

Newly included - companies (company names) , excluded - companies (company names)

(2) Application of accounting treatment specific to the preparation of interim consolidated financial statements: None

(3) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard :None

(ii) Changes in accounting policies other than those in (i) :None

(iii) Changes in accounting estimates :None

(iv) Retrospective restatement :None

(4) Number of issued shares (common stock)

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

As of June 30, 2026	9,458,768 shares
As of December 31, 2025	9,458,768 shares

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

As of June 30, 2026	1,111,399 shares
As of December 31, 2025	1,119,946 shares

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

Six months ended June 30, 2026	8,341,910 shares
Six months ended June 30, 2025	8,480,193 shares

* The Summary of Financial Results for the second quarter (interim period) is not subject to review by a certified public accountant or an audit firm.

* Notes regarding the appropriate use of Forecasts, and other special notes

Forecasts are based on information available as of the announcement date and certain assumptions judged to be reasonable, and actual results, etc. may differ significantly due to various factors. In addition, please also refer to page 3 of the attached materials, "1. Overview of Operating results, etc. (4) Explanation of forward-looking information such as consolidated Forecasts."

○Table of Contents of Attached Materials

1. Overview of operating results, etc.

(1) Overview of operating results for the current interim period

During the Current interim consolidated accounting period, the Japanese economy recovered moderately, partly due to the effects of various policies, but remained in an uncertain situation due to downside risks such as rising prices, the situation in the Middle East, and fluctuations in the financial and capital markets.

In this environment, based on the “Medium-Term Management Plan 2028” being promoted since January 2024, the Group worked to improve the profitability of its existing businesses and other measures, and as a result, Net sales for the Current interim consolidated accounting period amounted to 23,489 million yen (up 12.0% YoY), Operating profit amounted to 2,257 million yen (up 32.6% YoY), Ordinary profit amounted to 2,624 million yen (up 30.6% YoY), and Profit attributable to owners of parent amounted to 1,868 million yen (up 33.5% YoY).

Operating results by segment are as follows.

(Agri)

In addition to an increase in fertilizer sales volume due to last-minute demand in anticipation of price hikes for autumn-use fertilizers, sales prices rose as a result of higher raw material prices, and Net sales increased significantly by 20.9% compared with the same period of the previous year to 7,832 million yen, while Operating profit increased significantly by 45.2% compared with the same period of the previous year to 670 million yen.

(Chemicals)

For water treatment chemicals, although sales volume of flocculants, the mainstay product, remained at the same level as the same period of the previous year, efforts to revise selling prices in response to rising raw material prices resulted in Net sales of 6,922 million yen, an increase of 9.6% compared with the same period of the previous year.

Although sales volumes of high-purity tantalum oxide for smartphones and highly basic aluminum chloride for ceramic fibers related to automobiles decreased in Functional Materials, Net sales increased significantly by 13.4% compared with the same period of the previous year to 3, 673 million yen, due to efforts to revise selling prices in line with rising raw material prices and the launch of new Finished goods for pharmaceutical additives into the market.

Net sales of other chemical products were 77 million yen, a decrease of 12.2% compared with the same period of the previous year.

As a result, Net sales increased significantly by 10.7% compared with the same period of the previous year to 10,673 million yen, and Operating profit increased significantly by 25.6% compared with the same period of the previous year to 1,338 million yen.

(Building materials)

Although the sales volume of gypsum board remained at the same level as the same period of the previous year, sales prices increased, and Net sales rose 3.8% compared with the same period of the previous year to 1,908 million yen. In addition, due to a decrease in energy costs, Operating profit increased significantly by 673.4% compared with the same period of the previous year to 87 million yen.

(Petroleum)

Sales volume of fuel oil decreased due to the impact of the situation in the Middle East and other factors, and Net sales amounted to 896 million yen, a significant decrease of 13.3% compared with the same period of the previous year. In addition, due to an increase in Selling, general and administrative expenses and other factors, Operating profit amounted to 1 million yen, a decrease of 89.8% compared with the same period of the previous year.

(Real estate)

Rental income from shopping centers remained at the same level as the same period of the previous year, Net sales decreased 0.3% compared with the same period of the previous year to 656 million yen, and Operating profit decreased 3.1% compared with the same period of the previous year to 373 million yen.

(Transportation)

Although merchandise sales decreased, cargo transportation volume and cargo handling volume increased, resulting in a significant 15.4% increase in Net sales to 1,521 million yen compared with the same period of the previous year, and Operating profit increased 32.9% to 193 million yen compared with the same period of the previous year.

(2) Overview of Financial positions for the Current interim period

Total assets at the end of the Current interim consolidated accounting period amounted to 70,643 million yen (an increase of 4,989 million yen compared with the end of the Previous consolidated fiscal year). Current assets amounted to 30,925 million yen (an increase of 1,108 million yen compared with the end of the Previous consolidated fiscal year), mainly due to increases of 1,008 million yen in Cash and deposits and 1,387 million yen in Notes and accounts receivable - trade, despite decreases of 743 million yen in Merchandise and finished goods and 391 million yen in Other under Current assets. Non-current assets amounted to 39,717 million yen (an increase of 3,881 million yen compared with the end of the Previous consolidated fiscal year), mainly due to an increase of 4,255 million yen in Investment securities, despite a decrease of 244 million yen in Property, plant and equipment.

Liabilities amounted to 23,150 million yen (an increase of 825 million yen compared with the end of the Previous consolidated fiscal year), mainly due to a decrease of 805 million yen in Notes and accounts payable - trade, while Accrued consumption taxes increased by 230 million yen and Deferred tax liabilities increased by 1,363 million yen.

Net assets amounted to 47,492 million yen (an increase of 4,164 million yen compared with the end of the previous consolidated fiscal year), mainly due to increases of 1,243 million yen in retained earnings and 2,892 million yen in valuation difference on available-for-sale securities.

(3) Overview of cash flows for the current interim period

Cash flows from operating activities during the Current interim consolidated accounting period resulted in income of 2,106 million yen, cash flows from investing activities resulted in expenditures of 520 million yen, and cash flows from financing activities resulted in expenditures of 710 million yen. As a result, the balance of cash and cash equivalents at the end of the Current interim consolidated accounting period increased by 980 million yen compared with the balance at the end of the Previous consolidated fiscal year, to 8,164 million yen.

(Cash flows from operating activities)

There was a decrease in funds due to an increase in trade receivables of 1,283 million yen, a decrease in funds due to a decrease in trade payables of 805 million yen, and Income taxes paid of 555 million yen; however, due mainly to Net income before income taxes of 2,614 million yen, Depreciation of 704 million yen, an increase in funds due to a decrease in Inventories of 706 million yen, an increase in funds due to a decrease in Other assets of 512 million yen, and an increase in funds due to an increase in Other liabilities of 242 million yen, funds increased by 2,106 million yen (compared with a decrease of 22 million yen in the same period of the previous year).

(Cash flows from investing activities)

Due mainly to Purchase of non-current assets of 443 million yen, funds decreased by 502 million yen (a decrease of 1,033 million yen in the same period of the previous year).

(Cash flows from financing activities)

Due to factors such as dividends paid of 625 million yen, there was a decrease in funds of 701 million yen (a decrease of 671 million yen in the same period of the previous year).

(4) Explanation regarding forward-looking information such as consolidated forecasts

Regarding Forecasts, based on the business results, etc. for the Current interim consolidated accounting period, we revised the full-year Forecasts announced on February 9, Reiwa 8. For details, please refer to the separately disclosed "Notice Regarding Upward Revision of Forecasts and Revision of Dividend Forecast (Dividend Increase)" dated today (August 6, Reiwa 8).

2. Interim consolidated financial statements and main notes (1) Interim consolidated Balance sheet

(Unit: Million yen)

	Previous consolidated fiscal year (December 31, 2025)	Current interim consolidated accounting period (June 30, 2026)
Assets		
Current assets		
Cash and deposit	7,166	8,174
Notes and trade receivables	10,968	12,356
Electronically recorded monetary claims - operating	2,962	2,858
Securities	199	99
Merchandise and finished goods	4,779	4,036
Work in process	383	551
Raw materials and supplies	2,230	2,099
Other	1,141	750
Allowance for doubtful accounts	(15)	(2)
Total current asset	29,816	30,925
Non-current assets		
Property, plant, and equipment		
Buildings and structures	24,782	24,906
Accumulated depreciation	(17,042)	(17,329)
Buildings and structures, net	7,740	7,576
Machinery, equipment and vehicles	17,737	17,784
Accumulated depreciation	(16,343)	(16,489)
Machinery, equipment and vehicles, net	1,394	1,294
Tools, furniture and fixtures	2,024	2,100
Accumulated depreciation	(1,561)	(1,649)
Tools, furniture and fixtures, net	463	450
Land	7,695	7,680
Leased assets	440	440
Accumulated depreciation	(160)	(174)
Leased assets, net	279	265
Construction in progress	197	259
Total property, plant and equipment, net	17,771	17,527
Intangible assets		
Goodwill	82	78
Leasehold interests in land	66	66
Software	258	184
Right to use water facilities, etc.	10	10
Total intangible assets	418	339
Investments and other assets		
Investment securities	17,235	21,490
Deferred tax assets	59	49
Other	386	342
Allowance for doubtful accounts	(34)	(31)
Investments and Other assets Total	17,646	21,850
Total non-current assets	35,836	39,717
Total assets	65,653	70,643

(Unit: Million yen)

	Previous consolidated fiscal year (December 31, 2025)	Current interim consolidated accounting period (June 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,478	6,673
Short-term borrowings	454	484
Current portion of long-term borrowings	106	91
Lease liabilities	31	31
Accounts payable	1,624	1,462
Income taxes payable	555	718
Accrued consumption taxes	134	364
Provision for bonuses	70	61
Provision for loss on disaster	94	102
Other	599	747
Total current liabilities	11,150	10,736
Non-current liabilities		
Long-term borrowings	398	323
Lease liabilities	276	261
Deferred tax liabilities	4,140	5,503
Provision for loss on disaster	275	258
Liabilities for retirement benefits	3,384	3,366
Guarantee deposits received	2,557	2,556
Other	141	143
Total non-current liabilities	11,174	12,413
Total liabilities	22,324	23,150
Net assets		
Shareholders' equity		
Share capital	2,147	2,147
Capital surplus	1,544	1,572
Retained earnings	31,122	32,365
Treasury shares	(1,964)	(1,948)
Total shareholders' equity	32,849	34,136
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,788	12,680
Remeasurements of defined benefit plans	249	224
Accumulated other comprehensive income total	10,038	12,904
Non-controlling interests	440	451
Total net assets	43,328	47,492
Total liabilities and net assets	65,653	70,643

(2) Interim Consolidated Statement of Income and Interim Consolidated Statement of Comprehensive Income

(Interim consolidated Statement of income)

(Unit: Million yen)

	Previous interim consolidated accounting period (From January 1, Reiwa 7) to June 30, 2025)	Current interim consolidated accounting period (From January 1, Reiwa 8) to June 30, Reiwa 8)
Revenue	20,969	23,489
Cost of sales	15,837	17,487
Gross profit	5,132	6,002
Selling, general and administrative expenses	3,429	3,744
Operating profit	1,702	2,257
Non-operating income		
Interest income	3	7
Dividend income	295	336
Other	40	40
Total non-operating income	339	383
Non-operating expenses		
Interest expense	7	9
Waste disposal expenses	6	3
Foreign exchange losses	14	-
Other	2	3
Total non-operating expenses	31	16
Ordinary profit	2,009	2,624
Extraordinary income		
Gain on exchange of non-current assets	-	3
Gain on sale of non-current assets	6	1
Gain on sale of investment securities	9	1
Reversal of allowance for doubtful accounts	-	2
Total extraordinary income	16	9
Extraordinary losses		
Loss on sale of non-current assets	0	4
Loss on retirement of fixed assets	37	16
Loss on valuation of investment securities	8	0
Total extraordinary losses	46	20
Income before income taxes Net income	1,979	2,614
Income taxes - current	570	715
Income taxes - deferred	11	17
Total income taxes	581	732
Net income	1,398	1,881
Net income attributable to non-controlling shareholders or interim net loss attributable to non-controlling shareholders (-)	(1)	13
Profit attributable to owners of parent	1,400	1,868

(Interim consolidated Statement of comprehensive income)

(Unit: Million yen)

	Previous interim consolidated accounting period (From January 1, Reiwa 7) to June 30, 2025)	Current interim consolidated accounting period (From January 1, Reiwa 8 to June 30, 2026)
Net income	1,398	1,881
Other comprehensive income (loss), net of tax		
Valuation difference on available-for-sale securities	211	2,892
Remeasurements of defined benefit plans, net of tax	2	(25)
Other comprehensive income, net of tax	214	2,866
Comprehensive income	1,612	4,748
Comprehensive income attributable to		
Interim comprehensive income attributable to owners of parent	1,614	4,735
Interim comprehensive income attributable to non-controlling shareholders	(1)	13

(3) Interim Consolidated Statement of cash flows

(Unit: Million yen)

	Previous interim consolidated accounting period (From January 1, Reiwa 7) to June 30, 2025)	Current interim consolidated accounting period (From January 1, Reiwa 8 to June 30, 2026)
Cash flows from operating activities		
Income before income taxes Net income	1,979	2,614
Depreciation	622	704
Amortization of goodwill	2	4
Loss (gain) on sale of investment securities	(9)	(1)
Loss (gain) on sale of fixed assets	(5)	2
Loss (gain) on valuation of investment securities	8	0
Loss on retirement of fixed assets	37	16
Increase (decrease) in allowance for doubtful accounts	(0)	(15)
Increase (decrease) in provision for loss on disaster	(31)	(9)
Increase (decrease) in liabilities for retirement benefits	(41)	(54)
Interest income and dividends income	(298)	(343)
Interest expense	7	9
Gain on exchange of non-current assets	-	(3)
Decrease (increase) in trade receivables	(1,833)	(1,283)
(Increase) decrease in inventories	(327)	706
Increase (decrease) in trade payables	91	(805)
Increase (decrease) in other assets (- indicates increase)	216	512
Increase (decrease) in Other liabilities (- indicates decrease)	(21)	242
Other	28	30
Subtotal	423	2,324
Interest and dividends received	298	343
Interest paid	(4)	(5)
Income taxes paid	(740)	(555)
Cash flows from operating activities	(22)	2,106
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(769)	(443)
Proceeds from sales of property, plant and equipment, and intangible assets	7	20
Purchase of investment securities	(2)	(4)
Proceeds from the sale of investment securities	20	10
Payment for acquisition of subsidiaries resulting in change in scope of consolidation	(172)	-
Other	(117)	(83)
Cash flows from investing activities	(1,033)	(502)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(107)	30
Repayment of long-term borrowings	(81)	(90)
Cash dividends paid	(466)	(625)
Dividends paid to non-controlling interests	(1)	(1)
Other	(15)	(14)
Cash flows from financing activities	(671)	(701)
Effect of exchange rate change on cash and cash equivalents	(14)	5
Increase (decrease) in cash and cash equivalents	(1,742)	908

Cash and cash equivalents at the beginning of the period	7,458	7,256
Cash and cash equivalents at the end of the interim period	5,715	8,164

(4) Notes on interim consolidated financial statements

(Notes when there have been significant changes in the amount of shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes on segment information, etc.)

I Previous interim consolidated accounting period (From January 1, Reiwa 7 to June 30, Reiwa 7)

1.Information on amounts of net sales and profit or loss by reportable segment, as well as disaggregated revenue information

(Unit: Million yen)

	Reportable segments							Adjustments (Note 1)	Interim consolidated Statement of income recorded amount (Note 2)
	Agri	Chemicals	Building materials	Petroleum	Real estate	Transportation	Total		
Revenue									
Agri	6,477	-	-	-	-	-	6,477	-	6,477
Water treatment chemicals	-	6,313	-	-	-	-	6,313	-	6,313
Functional materials	-	3,240	-	-	-	-	3,240	-	3,240
Building materials	-	-	1,837	-	-	-	1,837	-	1,837
Petroleum	-	-	-	1,024	-	-	1,024	-	1,024
Real estate	-	-	-	-	3	-	3	-	3
Transportation	-	-	-	-	-	1,262	1,262	-	1,262
Other	-	88	-	-	-	-	88	-	88
Contracts with customers Revenue arising	6,477	9,642	1,837	1,024	3	1,262	20,247	-	20,247
Other revenue (Note 3)	-	-	-	10	654	56	721	-	721
Net sales to external customers	6,477	9,642	1,837	1,034	658	1,318	20,969	-	20,969
Intersegment internal Net sales or transfer amount	-	36	-	63	40	269	409	(409)	-
Total	6,477	9,679	1,837	1,097	698	1,588	21,379	(409)	20,969
Segment profit	461	1,066	11	14	385	145	2,084	(382)	1,702

(Note) 1. The adjustment amount for segment profit of -382 million yen consists of corporate-wide expenses, etc. not allocated to each reportable segment.

2. Segment profit is reconciled with operating profit in the interim consolidated Statement of income.

3. Other revenue consists of transactions included within the scope of the "Accounting Standard for Lease Transactions."

2. Information on Impairment losses of Non-current assets or Goodwill, etc. by reportable segment

(Significant changes in the amount of goodwill)

In the "Chemicals" segment, Goodwill has arisen as a result of the acquisition of shares of Rakuto Kasei Kogyo Co., Ltd. and its inclusion as a consolidated subsidiary. The increase in Goodwill due to this event was 89 million yen in the Current interim consolidated accounting period.

II Current interim consolidated accounting period (From January 1, Reiwa 8 to June 30, Reiwa 8)

1. Information on amounts of Net sales and profit or loss by reportable segment, as well as disaggregated revenue information

(Unit: Million yen)

	Reportable segment	Adjustments	

	Agri	Chemicals	Building materials	Petroleum	Real estate	Transportation	Total	(Note 1)	Interim consolidated Statement of income recorded amount (Note 2)
Revenue									
Agri	7,832	-	-	-	-	-	7,832	-	7,832
Water treatment chemicals	-	6,922	-	-	-	-	6,922	-	6,922
Functional materials	-	3,673	-	-	-	-	3,673	-	3,673
Building materials	-	-	1,908	-	-	-	1,908	-	1,908
Petroleum	-	-	-	886	-	-	886	-	886
Real estate	-	-	-	-	3	-	3	-	3
Transportation	-	-	-	-	-	1,462	1,462	-	1,462
Other	-	77	-	-	-	-	77	-	77
From contracts with customers Revenue arising	7,832	10,673	1,908	886	3	1,462	22,767	-	22,767
Other revenue (Note 3)	-	-	-	10	652	59	722	-	722
Net sales to external customers	7,832	10,673	1,908	896	656	1,521	23,489	-	23,489
Intersegment internal Net sales or transfer amount	-	34	-	55	39	273	403	(403)	-
Total	7,832	10,707	1,908	952	696	1,795	23,892	(403)	23,489
Segment profit	670	1,338	87	1	373	193	2,665	(407)	2,257

(Note) 1. Segment profit adjustment of -407 million yen consists of corporate-wide expenses, etc. not allocated to each reportable segment.

2. Segment profit is reconciled with operating profit in the interim consolidated Statement of income.

3. Other revenue consists of transactions included within the scope of the "Accounting Standard for Lease Transactions."

2. Information on impairment losses on non-current assets or goodwill, etc. by reportable segment

Not applicable.