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Supplementary Materials of Financial Results for the Year Ended March 31, 2026

May 13, 2026

Sangetsu Corporation

Securities code: 8130

Prime Market of Tokyo Stock Exchange

and Premier Market of Nagoya Stock Exchange

Key Points of Financial Results in FY2025

✓ Consolidated Results

- Net sales hit a record high. All profit lines increased YoY, and profit attributable to owners of the parent also reached a record high, partly due to the recording of approximately 0.8 billion yen in extraordinary income (subsidy income, etc.).
- Net sales: Increased YoY, driven by solid performance across domestic segments and continued growth in the overseas segment.
- Operating profit: Increased YoY, driven by growth in the Domestic Interior Segment and a significant improvement in profit/loss in the Overseas Segment.
- Compared to the plan, net sales fell short due to factors such as weak domestic demand in Japan, but the profit plan was achieved through stable earnings in the Domestic Interior Segment and strong performance in the North American business within the Overseas Segment.

✓ Domestic Interior Segment

- Despite a decrease in sales volume due to factors including sluggish domestic demand and supply constraints from a factory fire at a key supplier, net sales were maintained at the same level YoY through price revisions, an improved product portfolio, and improved performance of group companies.
- The profit plan was achieved through the enhancement of solution proposal capabilities by strengthening cross-functional collaboration, strengthening the profitability of group companies, and reducing SG&A expenses.

Key Points of Financial Results in FY2025

✓ Domestic Exterior Segment

- Despite a challenging business environment, including a downturn in the new housing market, net sales and profit increased YoY, and the plan was achieved.
- The main factors for the improvement in business performance were higher selling prices, growth in orders for non-residential projects in the mainstay Tokai region market, and expanded sales in the focus Kanto region market.

✓ Overseas Segment

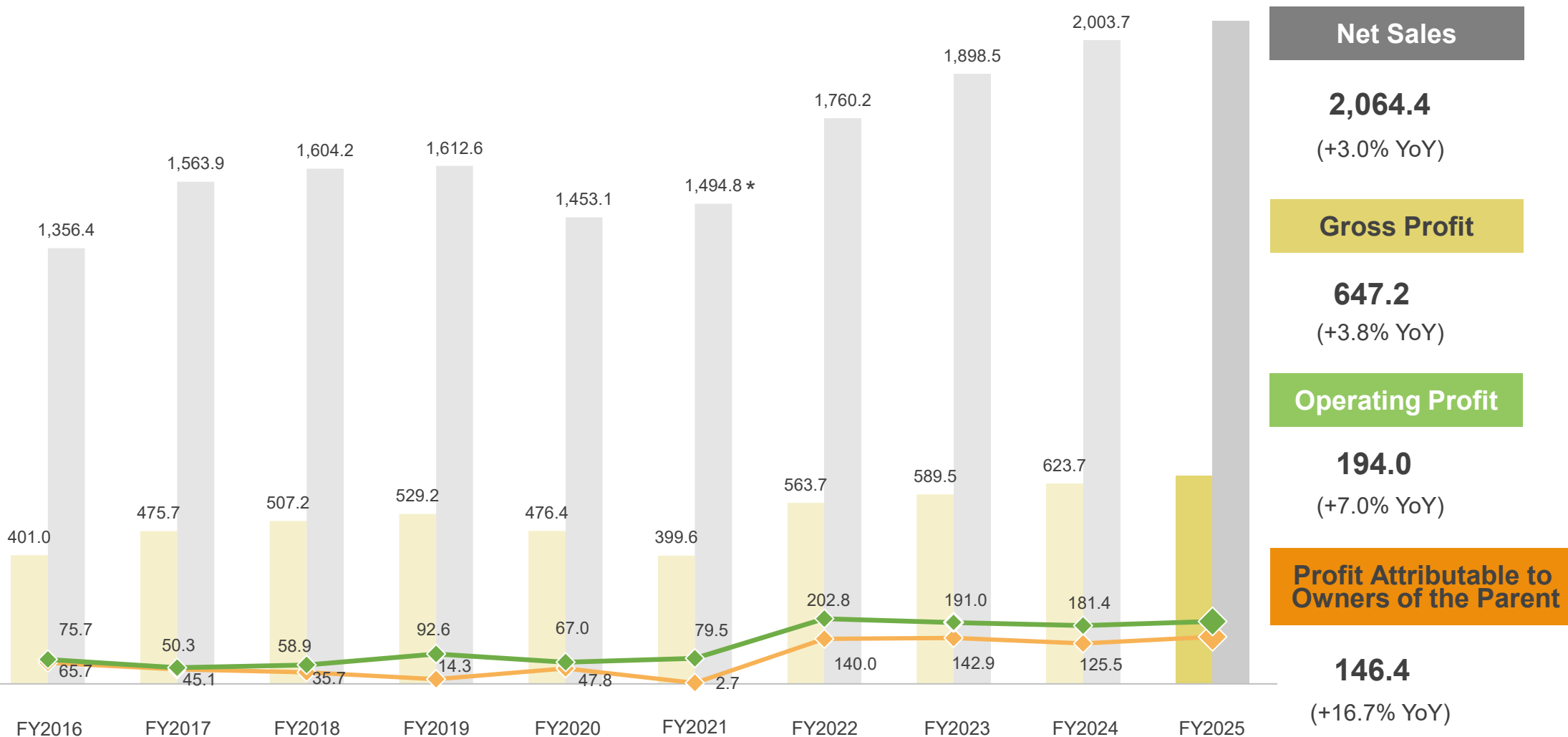
- Net sales increased YoY due to favorable business conditions in North America and management improvements in Southeast Asia and China and Hong Kong. Although profit and loss improved significantly and the operating loss narrowed, the plan was not achieved due to the recording of one-time expenses in the Singapore design and construction business.
- Accelerating growth strategies in North America, while steadily progressing with operational improvements in Southeast Asia and China and Hong Kong following the refreshment of management structures.

Summary of Consolidated Statement of Profit or Loss

	FY2024		FY2025				
	Q4	Full-year	Q4	Full-year		Full-year	
	Results		Results		YoY	Forecasts	Achievement rates
Net Sales	530.7	2,003.7	550.3	2,064.4	+60.6 +3.0%	2,100.0	98.3%
Gross Profit	168.7	623.7	173.1	647.2	+23.5 +3.8%	658.0	98.4%
GP Margin	31.8%	31.1%	31.5%	31.4%	-	31.3%	-
SG&A expenses	113.5	442.3	115.0	453.2	+10.8 +2.5%	468.0	96.8%
Operating Profit	55.1	181.4	58.0	194.0	+12.6 +7.0%	190.0	102.1%
OP Margin	10.4%	9.1%	10.6%	9.4%	-	9.0%	-
Ordinary Profit	56.0	185.7	60.9	201.5	+15.8 +8.5%	195.0	103.3%
Profit Attributable to Owners of the Parent	37.5	125.5	44.5	146.4	+20.9 +16.7%	130.0	112.6%

Trends in Consolidated Net Sales, Gross Profit, Operating Profit, and Profit Attributable to Owners of the Parent

(100 million yen)

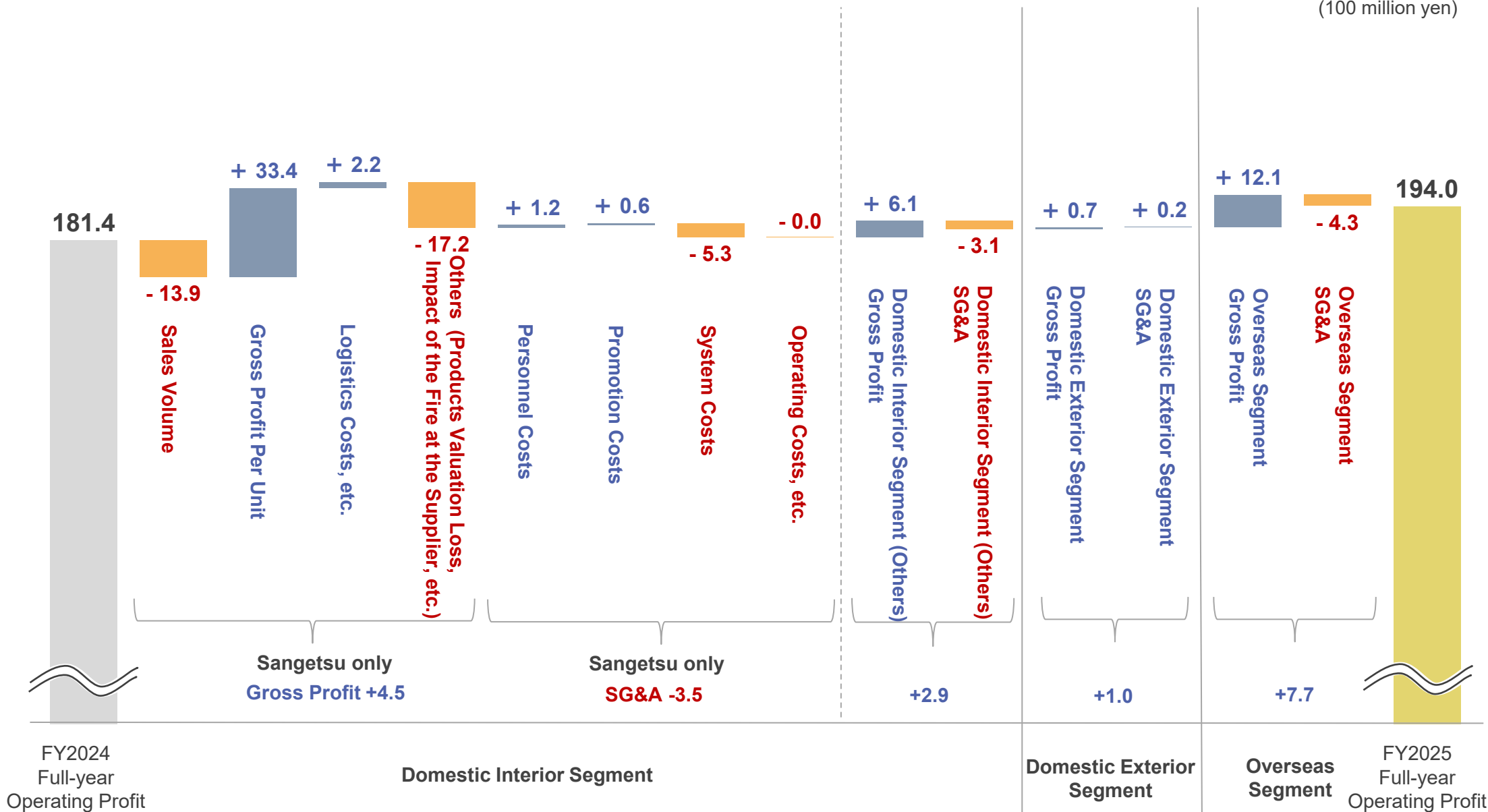


Net Sales and Operating Profit of Each Segment

	FY2024		FY2025 [100 million yen, %]				
	Q4	Full-year	Q4	Full-year		Full-year	
	Results		Results		YoY	Forecasts	Achievement rates
Domestic Interior Net Sales	423.8	1,639.8	440.5	1,641.0	+1.2 +0.1%	1,660.0	98.9%
Wallcoverings Unit	199.9	786.4	202.0	799.4	+13.0 +1.7%	-	-
Flooring Materials Unit	146.6	573.7	154.2	556.1	-17.6 -3.1%	-	-
Fabrics Unit	25.4	96.0	27.0	101.2	+5.1 +5.4%	-	-
Construction and Others	51.8	183.5	57.2	184.1	+0.6 +0.3%	-	-
Operating Profit	55.0	189.4	58.7	193.3	+3.9 +2.1%	188.5	102.6%
Domestic Exterior Net Sales	17.1	66.1	20.0	73.1	+6.9 +10.6%	72.5	100.8%
Operating Profit	0.3	0.1	0.4	1.1	+1.0 +586.7%	0.5	236.3%
Overseas Net Sales	89.7	297.9	89.8	350.2	+52.3 +17.6%	367.5	95.3%
Operating Profit	-0.3	-8.2	-1.1	-0.4	+7.7 -	1.0	-
Eliminations (Net Sales)	-0.0	-0.1	-0.0	-0.0	+0.0 -	-	-
Eliminations (Operating Profit)	0.0	0.0	0.0	0.0	+0.0 +3.1%	-	-
Consolidated Net Sales	530.7	2,003.7	550.3	2,064.4	+60.6 +3.0%	2,100.0	98.3%
Consolidated Operating Profit	55.1	181.4	58.0	194.0	+12.6 +7.0%	190.0	102.1%

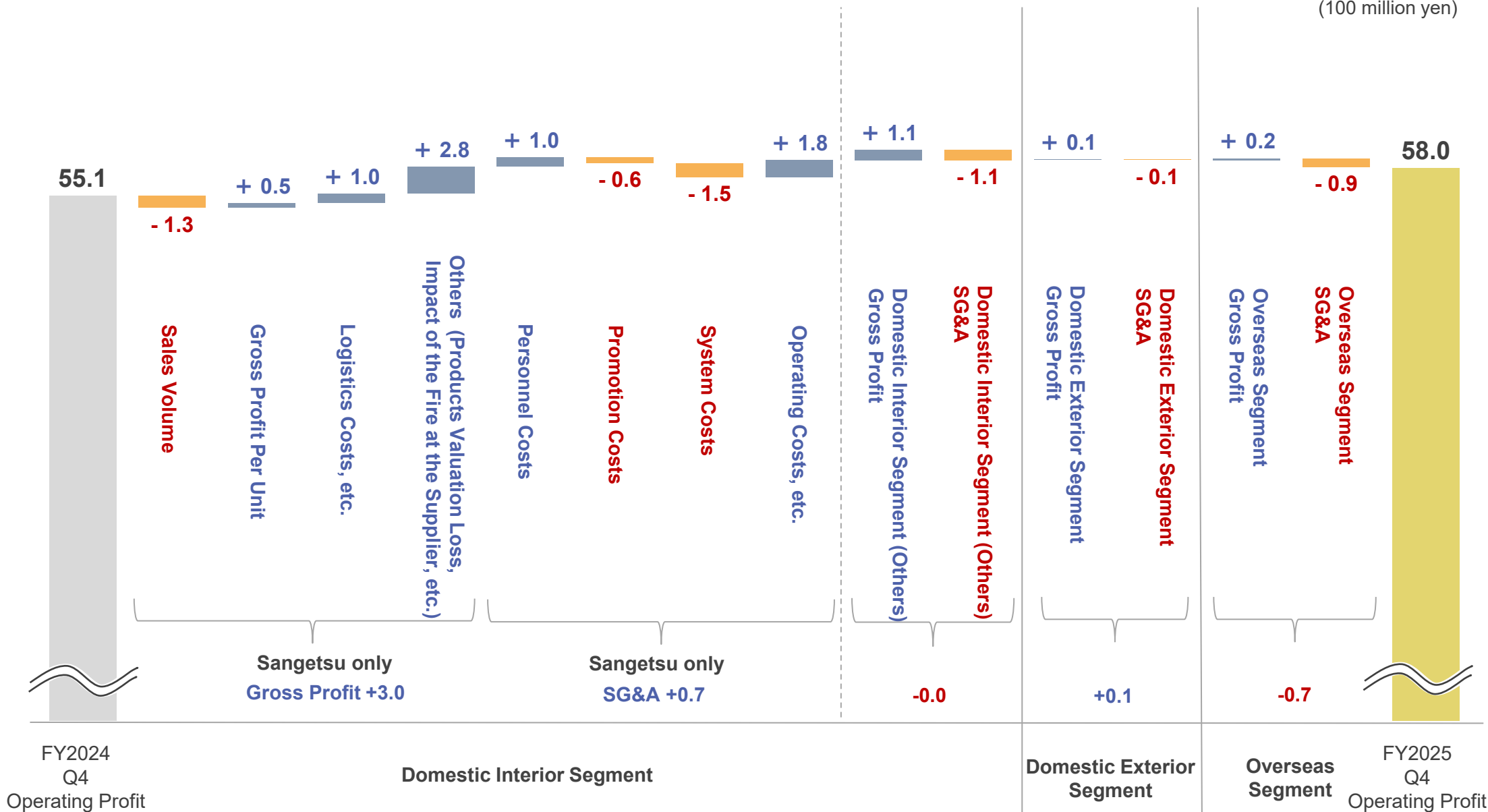
Change in Consolidated Operating Profit (YoY : April-March)

(100 million yen)

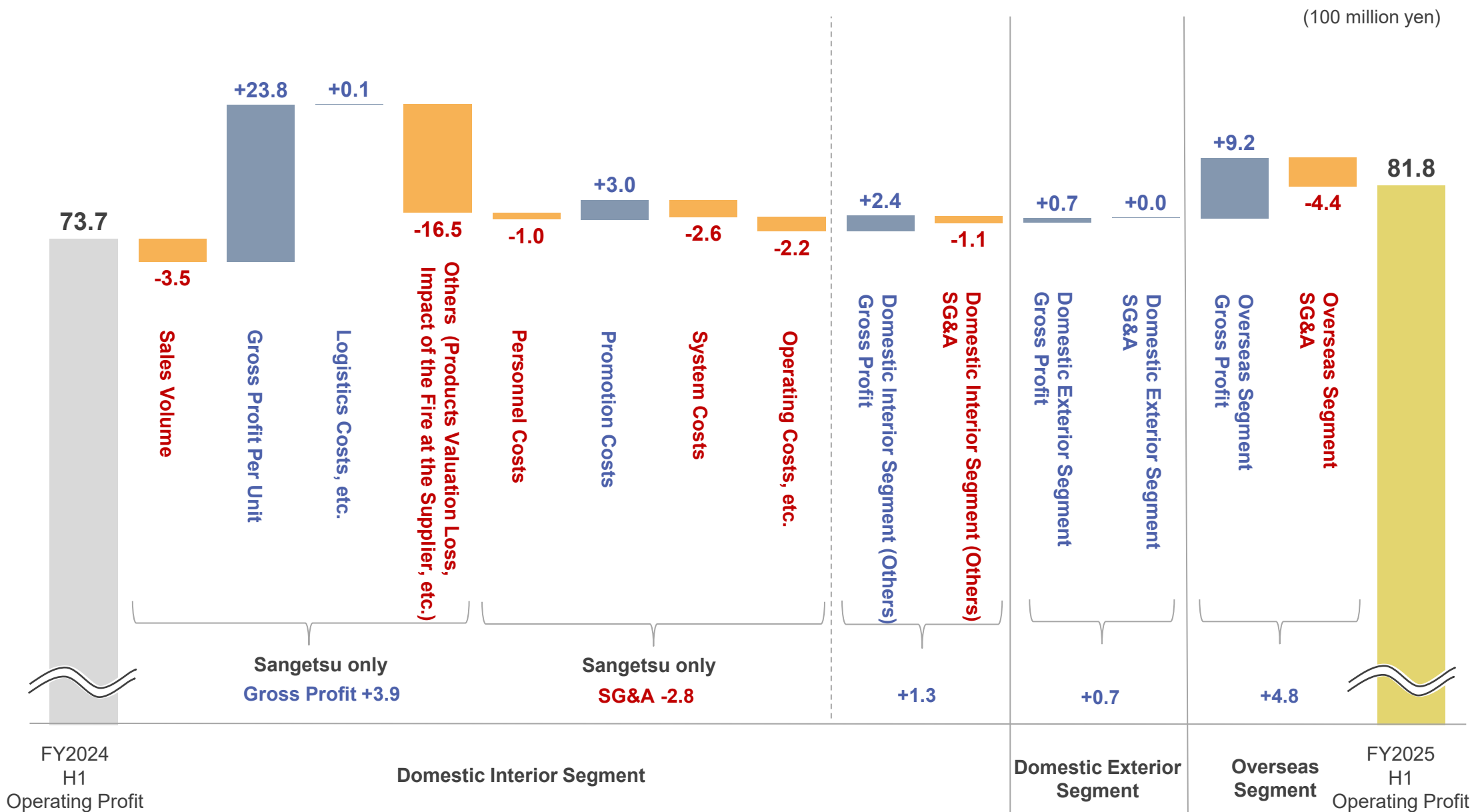


Change in Consolidated Operating Profit (YoY : January-March)

(100 million yen)



Change in Consolidated Operating Profit (YoY : April-September)



Assumptions for Financial Forecast for FY2026

✓ **Business Environment and Incorporation into Forecasts**

- **Macro Environment:** The global economy is expected to grow moderately, while supply chain uncertainties due to factors such as U.S. trade policies and geopolitical risks are projected to persist.
- **Construction Market:** New construction in both residential and non-residential sectors is expected to remain sluggish due to factors such as high construction costs, while renovations and renewals are projected to see solid demand.
- **Incorporation into Forecasts:** While supply constraints from the previous year's factory fire at a key supplier have been largely resolved, the forecasts incorporate increases in raw material procurement and logistics costs, higher SG&A expenses including personnel expenses, and investments for growth strategies.

✓ **Impact of the Situation in the Middle East**

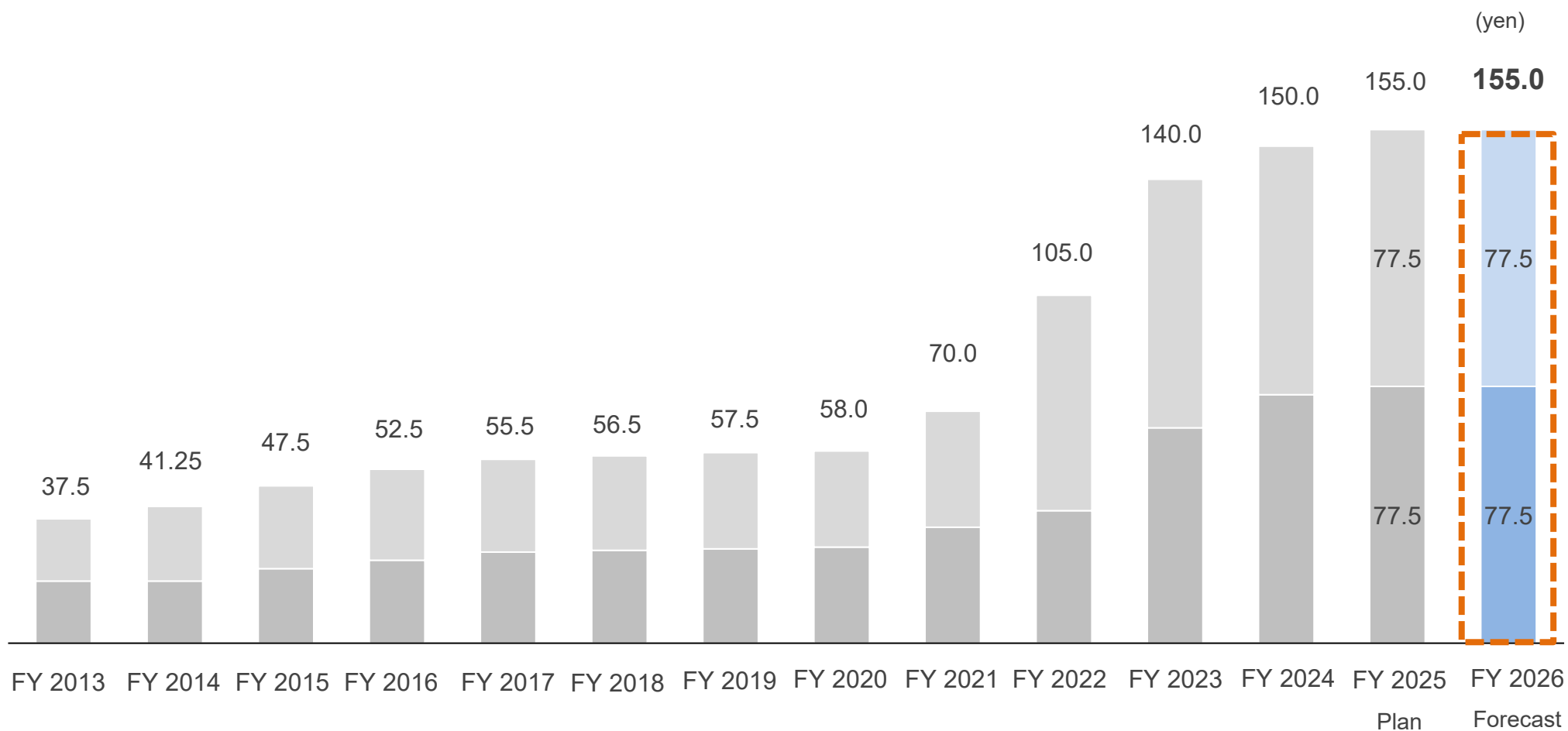
- Due to the current difficulty in reasonably estimating the financial impact, the current earnings forecasts do not incorporate uncertainties such as surging energy prices driven by heightened geopolitical risks including the escalating situation in the Middle East, difficulties in raw material procurement caused by supply chain disruptions, and rising raw material prices. We will promptly revise our earnings forecasts as soon as it becomes possible to reasonably estimate these impacts.

Consolidated Earnings Forecasts for FY2026

Announced in May 2026

	FY2025			FY2026 (100 million yen, %)	
	H1	H2	Full-year	Full-year	
	Results			Forecasts	YoY
Net Sales	988.9	1,075.4	2,064.4	2,130.0	+65.5 +3.2%
Gross Profit	306.2	341.0	647.2	663.0	+15.7 +2.4%
GP Margin	31.0%	31.7%	31.4%	31.1%	-
SG&A expenses	224.3	228.8	453.2	473.0	+19.7 +4.4%
Operating Profit	81.8	112.2	194.0	190.0	-4.0 -2.1%
OP Margin	8.3%	10.4%	9.4%	8.9%	-
Ordinary Profit	85.2	116.2	201.5	192.0	-9.5 -4.7%
Profit Attributable to Owners of the Parent	63.1	83.2	146.4	135.0	-11.4 -7.8%

Results and Forecast of Shareholder Return Changes in Dividend Per Share



Forecast to maintain the annual dividend per share for the fiscal year ending March 31, 2027 at ¥155.0 (Interim: ¥77.5, Year-end: ¥77.5), reflecting uncertainties including the situation in the Middle East.

Medium-term Business Plan

On May 13, 2026, the Group formulated its new four-year "Medium-term Business Plan 2029" (for the fiscal years ending March 31, 2027 through March 31, 2030).

For further details, please refer to the relevant timely disclosure materials.

■ Key Management Targets (FY2029)

- Consolidated Net Sales: ¥250.0 billion
- Consolidated Operating Profit: ¥25.0 billion
- Profit Attributable to Owners of Parent: ¥17.0 billion
- ROE: 14.0%
- ROIC: 11.0%

Notes for the Future Outlook

This material includes information that pertains to future-related descriptions. Descriptions of items other than past and present facts are about future forecasts. These descriptions are based on our assumptions and judgment considering currently available information, which includes known or unknown risks, uncertainties, and other factors. Consequently, they may be affected by such factors.

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