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February 13, 2026

CK SAN-ETSU Co., Ltd.
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Notice Concerning Recording of Non-Operating Expenses (Derivative Loss and Loss on Valuation of Derivatives)

CK SAN-ETSU Co., Ltd. (the "Company") hereby announces the recording of non-operating expenses for the consolidated cumulative third quarter of the fiscal year ending March 2026 (from April 1, 2025 to December 31, 2025) as follows.

1. Details of non-operating expenses

In the consolidated cumulative third quarter of the fiscal year ending March 2026, the Company recorded a derivative loss of 2046 million yen, and a loss on valuation of derivatives amounting to 5719 million yen, as non-operating expenses.

Since the Company group uses copper and zinc, which are internationally traded commodities, as its main raw materials, the Company trades derivatives for the purpose of avoiding or mitigating the risk of fluctuations in commodity prices of inventories caused by a decline in prices of raw materials. Costs related to these derivatives have been incurred due to the sharp rise in copper prices since October 2025.

2. Future outlook

For the above non-operating expenses, please refer to the "Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 2026 (Japanese GAAP)" released today.

Gain or loss on valuation of derivatives will fluctuate depending on future trends in the raw materials market.

For the consolidated earnings forecasts for the fiscal year ending March 2026, please refer to the "Notice Concerning Revision of Earnings Forecasts” announced today.