Translation

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Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2027 [Japanese GAAP]

August 10, 2026

Company Name: Nikko Co., Ltd.
Stock Exchange Listing: Tokyo Stock Exchange
Stock Code: 6306
URL: https://www.nikko-net.co.jp
Representative: President and Director Tomomi Nakayama
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Scheduled Date for Cash Dividends: –

Quarterly Earnings Supplementary Explanatory Materials Yes

Quarterly Financial Results Briefing Session Yes (for institutional investors, analysts, and newspaper reporters)

(Amounts rounded down to the nearest million yen)

1. Consolidated Performance for the First Quarter of Fiscal Year Ending March 31, 2027 (April 1, 2026 – June 30, 2026)

(1) Consolidated Operating Results (Cumulative) (% Represents year-on-year change rate from the same period)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
Three months ended	million yen	%	million yen	%	million yen	%	million yen	%
June 30, 2026	11,822	42.5	274	–	459	569.1	203	–
June 30, 2025	8,294	(15.8)	(54)	–	68	(89%)	(61)	–

Note: Comprehensive income: Three months ended June 30, 2026 509 million yen –%
Three months ended June 30, 2025 (45) million yen –%

	Profit Per Share	Diluted Profit Per Share
Three months ended	yen	yen
June 30, 2026	5.28	–
June 30, 2025	(1.59)	–

(2) Consolidated Financial Condition

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	million yen	million yen	%	yen
As of June 30, 2026	65,653	37,030	56.4	960.62
As of March 31, 2026	64,443	37,409	58.0	970.51

Reference: Equity: As of June 30, 2026 37,017 million yen
As of March 31, 2026 37,398 million yen

2. Dividends

	Annual Dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2026	–	17.00	–	23.00	40.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (forecasts)		21.00	–	21.00	42.00

Note: Revision of previously announced dividend forecasts during this reporting period: None

3. Consolidated Performance Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(Percentages indicate year-on-year changes from full fiscal year and first half of the previous fiscal year, respectively)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Profit Per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
1H (first half)	25,300	19.8	1,100	43.1	1,140	25.2	800	15.1	20.77
Full year	55,000	11.4	3,800	22.6	3,830	11.8	2,650	4.5	68.79

Note: Revision of previously announced earnings forecasts during this reporting period: None

* Notes:

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

(2) Use of special accounting methods for preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, accounting estimates, and retrospective restatements:

(i) Changes in accounting policy arising from revision of accounting standards, etc.: None

(ii) Changes in accounting policy other than those noted in (i) above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatements: None

(4) Issued Shares (Common Stock)

(i) Number of issued shares at period-end (including treasury shares)	As of June 30, 2026	40,000,000 shares	As of March 31, 2026	40,000,000 shares
(ii) Number of treasury shares at period-end	As of June 30, 2026	1,465,226 shares	As of March 31, 2026	1,464,826 shares
(iii) Average number of shares outstanding (quarter-to-date)	Three months ended June 30, 2026	38,534,907 shares	Three months ended June 30, 2025	38,487,341 shares

* This quarterly report has not been reviewed by certified public accountants or an audit firm.

* Explanation of the Appropriate Use of Earnings Forecasts and Other Special Notes

(Cautionary Statement Regarding Forward-Looking Statements)

Any forecasts and forward-looking statements included in this report are based on information available at the time of this report's publication and certain assumptions considered reasonable. These forecasts do not guarantee future performance, and actual results may vary significantly due to a variety of factors. For further details on the assumptions underlying these forecasts and other notice regarding the use of earnings forecasts, please refer to "1. Qualitative Information on Quarterly Results: (3) Explanation About Forward-Looking Statements, Including Forecast of Consolidated Financial Results" on page 3 of the accompanying materials.

(How to Obtain Quarterly Earnings Supplementary Explanatory Materials)

The Company will post its quarterly earnings supplementary explanatory materials on its website on Monday, August 10, 2026.

The Company will hold a live-streamed financial results briefing for institutional investors, analysts, and members of the press on Wednesday, September 9, 2026.

Accompanying Material – Table of Contents

1. Qualitative Information on Quarterly Results

(1) Explanation About Operating Results

During the first quarter of the fiscal year under review, the global economy remained uncertain. The U.S. economy stayed firm, while uncertainty continued due to the delayed recovery of the Chinese economy, the prolonged situation in Ukraine, rising tensions in the Middle East, and trends in trade and monetary policies in various countries.

In Japan, corporate earnings and capital investment showed signs of recovery. However, uncertainty remained high due to elevated energy and material prices, labor shortages, and foreign exchange fluctuations.

Under these conditions, the Company's core Asphalt Plant (AP)-related Business and Concrete Batching Plant (BP)-related Business remained firm, mainly in maintenance services. In addition, sales recognition from the order backlog progressed, supported by demand for energy-saving, labor-saving, environmental impact reduction, and renewal of aging equipment. As a result, net sales for the first quarter were 11,822 million yen, up 42.5% year on year.

In terms of profit, gross profit increased to 3,396 million yen, up 21.0% year on year, due to higher net sales. However, the gross profit margin declined year on year to 28.7%, mainly due to changes in the sales mix. SG&A expenses increased to 3,122 million yen, up 9.1% year on year, reflecting higher personnel expenses, freight costs, and depreciation. However, the effect of higher net sales outweighed these increases, and operating profit was 274 million yen, compared with an operating loss of 54 million yen in the same period of the previous fiscal year.

Profit attributable to owners of parent was 203 million yen, compared with a loss of 61 million yen in the same period of the previous fiscal year.

Results by segment are as follows.

- Asphalt Plant-Related Business
  Domestic product sales and domestic maintenance service sales increased, while overseas sales decreased. As a result, net sales in this business increased 33.8% year on year to 4,130 million yen. Order intake and order backlog during the first quarter also increased compared with the same period of the previous fiscal year.

- Concrete Plant-Related Business
  Domestic product sales and domestic maintenance service sales increased, while overseas sales decreased. Total sales in this segment were 4,879 million yen, a 101.2% increase year on year. Order intake and order backlog both increased compared with the same period of the previous fiscal year.

- Environment- and Conveyor-Related Business
  Sales of environmental products decreased, while sales of conveyance products increased. As a result, net sales in this segment decreased 11.8% year on year to 699 million yen. Order intake and order backlog also decreased compared with the same period of the previous fiscal year.

- Crusher-Related Business
  Net sales in this segment rose to 352 million yen, up 25.7% year on year. However, both order intake and order backlog decreased compared with the same period of the previous fiscal year.

- Contract Manufacturing-Related Business
  Net sales in this segment declined to 501 million yen, marking a 26.2% decrease year on year. However, order intake and order backlog increased compared with the same period of the previous fiscal year.

- Other Business
  Sales of temporary construction equipment increased, while sales of agricultural and construction tools decreased. As a result, net sales of the business increased by 22.4% to 1,259 million yen. Order intake and order backlog increased compared with the same period of the previous fiscal year.

(2) Explanation About Financial Position

As of the end of the first quarter, total assets amounted to 65,653 million yen, an increase of 1,209 million yen compared to the end of the previous fiscal year.

Assets

- Current Assets: Current assets were 39,607 million yen, up 680 million yen from the end of the previous fiscal year. This decrease is primarily due to rises in cash and cash equivalents by 2,685 million yen, work in progress by 1,283 million yen, electronically recorded monetary claims by 445 million yen and a fall in accounts receivable–trade by 3,115 million yen.
- Non-Current Assets: Non-current assets amounted to 26,045 million yen, an increase of 529 million yen from the end of the previous fiscal year. The main contributors to this increase were higher amounts in investment securities by 378 million yen, construction in progress by 257 million yen, and a decline in intangible assets by 58 million yen.

Liabilities

- Total Liabilities: Total liabilities were 28,622 million yen, an increase of 1,588 million yen from the end of the previous fiscal year. This increase was mainly due to rises in contract liabilities by 2,717 million yen, accounts payable–other by 570 million yen and decreases in income taxes payable by 599 million yen notes and provision for bonuses by 563 million yen.

Equity

- Net Assets: Net assets were 37,030 million yen, a decrease of 378 million yen from the end of the previous fiscal year. The decrease is attributed to rises in valuation difference on available-for-sale securities by 269 million yen, foreign currency translation adjustment by 40 million yen and declines in retained earnings by 457 million yen, capital surplus by 38 million yen.
- Equity Ratio: As a result, the equity ratio decreased to 56.4% from 58.0% at the end of the previous fiscal year.

(3) Explanation About Forward-Looking Statements, Including Forecast of Consolidated Financial Results

There are no changes to the earnings forecast for the fiscal year ending March 31, 2027, as previously announced on May 13, 2026.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(million yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	11,484	14,170
Notes receivable–trade	439	200
Accounts receivable–trade	9,519	6,403
Electronically recorded monetary claims	2,661	3,106
Merchandise and finished goods	3,300	2,599
Work in process	9,295	10,578
Raw materials and supplies	1,404	1,798
Forward exchange contracts	8	0
Others	813	749
Allowance for doubtful accounts	(0)	(0)
Total current assets	38,927	39,607
Non-current assets		
Property and equipment		
Buildings and structures (net)	8,715	8,779
Machinery, equipment and vehicles (net)	1,479	1,523
Tools, furniture and fixtures (net)	651	611
Land	4,781	4,772
Leased assets (net)	4	4
Right-of-use assets (net)	98	98
Construction in progress	376	633
Total property and equipment	16,107	16,423
Intangible assets		
Goodwill	180	169
Others	910	861
Total intangible assets	1,090	1,031
Investments and other assets		
Investment securities	6,894	7,273
Investments in capital	107	107
Long-term loans receivable	10	9
Deferred tax assets	354	349
Others	1,080	979
Allowance for doubtful accounts	(128)	(129)
Total investments and other assets	8,317	8,589
Total noncurrent assets	25,515	26,045
Total assets	64,443	65,653

(million yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable–trade	3,221	2,922
Electronically recorded obligations	1,025	1,038
Accounts payable–factoring	2,074	1,907
Short-term loans payable	3,734	3,728
Income taxes payable	994	395
Accounts payable–other	1,045	1,616
Advances received	17	17
Contract liabilities	6,311	9,029
Provision for bonuses	800	236
Provision for directors' bonuses	143	40
Provision for loss on order intake	167	178
Provision for loss on liquidation of subsidiaries and associates	402	177
Others	669	909
Total current liabilities	20,609	22,197
Non-current liabilities		
Long-term loans payable	4,270	4,133
Deferred tax liabilities	60	67
Provision for directors' retirement benefits	164	103
Retirement benefit-related liabilities	1,546	1,558
Others	381	378
Total non-current liabilities	6,424	6,242
Total liabilities	27,033	28,439
Net assets		
Shareholders' equity		
Share capital	9,197	9,197
Capital surplus	7,820	7,782
Retained earnings	15,875	15,417
Treasury stock	(645)	(645)
Total shareholders' equity	32,248	31,752
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,601	3,870
Foreign currency translation adjustment	1,159	1,199
Deferred gains or losses on hedges	5	0
Accumulated retirement benefit-related adjustment	383	381
Total accumulated other comprehensive income	5,150	5,451
Non-controlling interests	10	9
Total net assets	37,409	37,213
Total liabilities and net assets	64,443	65,653

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

(i) Quarterly Consolidated Statement of Income
Three Months Ended June 30, 2026

(million yen)

	Three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)	Three months ended June 30, 2026 (April 1, 2026 – June 30, 2026)
Net sales	8,294	11,822
Cost of sales	5,487	8,425
Gross profit	2,806	3,396
Selling, general and administrative expenses	2,861	3,122
Operating profit (loss)	(54)	274
Non-operating income		
Interest income	0	0
Dividend income	127	155
Foreign exchange gains	12	7
Others	29	60
Total non-operating income	170	224
Non-operating expenses		
Interest expenses	32	31
Compensation for damage		2
Loss (gain) on disposal of non-current assets	10	3
Others	3	1
Total non-operating expenses	47	38
Ordinary profit	68	459
Extraordinary losses		
Loss on valuation of investment securities	–	18
Total extraordinary loss	–	18
Profit (loss) before income taxes	68	440
Income taxes–current	221	349
Income taxes–deferred	(91)	(111)
Total income taxes	130	237
Profit (loss)	(61)	203
Profit (loss) attributable to non-controlling interests	(0)	(0)
Profit (loss) attributable to owners of parent	(61)	203

(ii) Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30, 2026

(million yen)

	Three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)	Three months ended June 30, 2026 (April 1, 2026 – June 30, 2026)
Profit (loss)	(61)	203
Other comprehensive income		
Valuation difference on available-for-sale securities	252	269
Deferred gains or losses on hedges	17	(5)
Foreign currency translation adjustment	(257)	45
Retirement benefit-related adjustment	3	(2)
Total other comprehensive income	16	306
Comprehensive income	(45)	509
(Breakdown)		
Comprehensive income attributable to owners of parent	(64)	510
Comprehensive income attributable to non-controlling interests	19	(0)

(3) Notes to Quarterly Consolidated Financial Statements

Note on Going Concern Assumption

There are no relevant matters to report.

Note on Significant Changes in the Amount of Shareholders' Equity

There are no relevant matters to report.

Notes to Consolidated Quarterly Cash Flow Statement

A quarterly consolidated statement of cash flows for the first quarter of the current fiscal year has not been prepared. However, depreciation expenses (including amortization of intangible fixed assets excluding goodwill) and the amortization of goodwill for the first quarter of the current fiscal year are as follows.

(million yen)

	Three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)	Three months ended June 30, 2026 (April 1, 2026 – June 30, 2026)
Depreciation expense	292	332
Amortization of goodwill	8	10

Notes on Segment Information

[Segment Information]

(i) First Quarter Consolidated Cumulative Period for the Previous Year (April 1, 2025 – June 30, 2025)

a. Information on Sales and Profit or Loss by Reportable Segment

(million yen)

	Reportable segments						Other (Note)	Total
	Asphalt plant-related business	Concrete plant-related business	Environment and conveyor-related business	Crusher-related business	Contract manufacturing-related business	Total		
Net sales								
Sales to external customers	3,087	2,425	793	280	678	7,266	1,028	8,294
Inter-segment sales or transfers	–	–	8	–	–	8	27	36
Total	3,087	2,425	802	280	678	7,274	1,056	8,331
Segment profit (loss)	(123)	277	211	(61)	99	402	50	453

Note: The “Other” category includes business segments that are not classified as reportable segments, including the temporary construction equipment business, agricultural and construction tools business, and floodgate business.

b. The difference between the total amount of profit or loss for the reportable segments and the amount recorded in the quarterly consolidated statement of income, as well as the main components of this difference (items related to reconciliation)

(million yen)

Profit (Loss)	Amount
Total of reportable segments	402
Profit for “Other” category	50
Corporate expenses (Note)	(508)
Operating Loss in the Quarterly Consolidated Income Statement	(54)

Note: Corporate expenses primarily consist of costs associated with department such as planning and management that are not attributable to the reportable segments.

(ii) First Quarter Consolidated Cumulative Period (April 1, 2026 – June 30, 2026)

a. Information on Sales and Profit or Loss by Reportable Segment

(million yen)

	Reportable segments						Other (Note)	Total
	Asphalt plant-related business	Concrete plant-related business	Environment and conveyor-related business	Crusher-related business	Contract manufacturing-related business	Total		
Net sales								
Sales to external customers	4,130	4,879	699	352	501	10,563	1,259	11,822
Inter-segment sales or transfers	–	–	0	–	–	0	38	39
Total	4,130	4,879	700	352	501	10,564	1,297	11,862
Segment profit (loss)	(179)	676	208	(23)	86	767	94	861

Note: The "Other" category includes business segments that are not classified as reportable segments, including the temporary construction equipment business, agricultural and construction tools business, and floodgate business.

b. The difference between the total amount of profit or loss for the reportable segments and the amount recorded in the quarterly consolidated statement of income, as well as the main components of this difference (items related to reconciliation)

(million yen)

Profit (Loss)	Amount
Total of reportable segments	767
Profit for "Other" category	94
Corporate expenses (Note)	(587)
Operating profit in the quarterly consolidated income statement	274

Note: Corporate expenses primarily consist of costs associated with departments such as planning and management, that are not attributable to the reportable segments.