

2. Cash Dividends

	Annual Dividends Per Share					Total Dividend (Aggregate)	Dividend Payout Ratio (Consolidated)	Ratio of Total Dividends to Net Assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal year ended March 31, 2025	–	15.00	–	17.00	32.00	1,231	61.2	3.6
Fiscal year ended March 31, 2026	–	17.00	–	23.00	40.00	1,541	60.7	4.3
Fiscal year ending March 31, 2027 (forecasts)	–	21.00	–	21.00	42.00		61.1	

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

(% figures represent year-on-year change for the full year, and change from the same quarter of the previous year for quarterly figures)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent		Net Income Per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending September 30, 2026	25,300	19.8	1,100	43.1	1,140	25.2	800	15.1	20.77
Fiscal year ending March 31, 2027	55,000	11.4	3,800	22.6	3,830	11.8	2,650	4.5	68.79

* Notes:

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

(2) 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

(Note) Please refer to "4. Consolidated Financial Statements and Notes: (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)" on page 17 of the accompanying materials.

(3) Issued Shares (Common Stock)

(i) Number of issued shares at period-end (including treasury shares)	As of March 31, 2026	40,000,000 shares	As of March 31, 2025	40,000,000 shares
(ii) Number of treasury shares at period-end	As of March 31, 2026	1,464,826 shares	As of March 31, 2025	1,512,226 shares
(iii) Average number of shares outstanding	Fiscal year ended March 31, 2026	38,521,282 shares	Fiscal year ended March 31, 2025	38,427,795 shares

* This quarterly report is not subject to review by certified public accountants or an external auditing 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. Overview of Operating Results, etc.: (1) Overview of Operating Results" on page 2 of the accompanying materials.

(How to Obtain Quarterly Earnings Supplementary Explanatory Materials)

Supplementary materials for the financial results will be posted on the Company's website on Wednesday, May 13, 2026. The Company plans to hold an analyst briefing (live streaming) on Friday, June 12, 2026.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	14,038	11,484
Notes receivable–trade	1,268	439
Accounts receivable–trade	10,153	9,519
Electronically recorded monetary claims	2,149	2,661
Merchandise and finished goods	1,219	3,300
Work in process	9,044	9,295
Raw materials and supplies	1,450	1,404
Foreign exchange contracts	1	8
Other	801	813
Allowance for doubtful accounts	(0)	(0)
Total current assets	40,126	38,927
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	8,279	8,715
Machinery, equipment and vehicles (net)	1,574	1,479
Tools, furniture and fixtures (net)	581	651
Land	4,627	4,781
Leased assets (net)	–	4
Right-of-use assets (net)	106	98
Construction in progress	134	376
Total property, plant and equipment	15,305	16,107
Intangible assets		
Goodwill	166	180
Other	1,032	910
Total Intangible assets	1,198	1,090
Investments and other assets		
Investment securities	5,565	6,894
Investments in capital	107	107
Long-term loans receivable	10	10
Deferred tax assets	538	354
Other	1,002	1,080
Allowance for doubtful accounts	(129)	(128)
Total Investments and other assets	7,094	8,317
Total non-current assets	23,598	25,515
Total assets	63,725	64,443

(million yen)

As of March 31, 2025 As of March 31, 2026

Liabilities		
Current liabilities		
Notes and accounts payable–trade	2,932	3,221
Electronically recorded obligations–operating	1,444	1,025
Accounts payable–factoring	2,964	2,074
Short-term borrowings	5,489	3,734
Income taxes payable	873	994
Accounts payable–other	962	1,045
Advances received	17	17
Contract liabilities	5,092	6,311
Provision for bonuses	665	800
Provision for bonuses for directors (and other officers)	124	143
Provision for loss on orders received	116	167
Provision for loss on liquidation of subsidiaries and associates	–	402
Other	830	669
Total current liabilities	21,515	20,609
Non-current liabilities		
Long-term borrowings	4,761	4,270
Deferred tax liabilities	163	60
Provision for retirement benefits for directors (and other officers)	128	164
Retirement benefit liability	2,147	1,546
Other	448	381
Total non-current liabilities	7,649	6,424
Total liabilities	29,164	27,033
Net assets		
Shareholders' equity		
Share capital	9,197	9,197
Capital surplus	7,805	7,820
Retained earnings	14,648	15,875
Treasury shares	(667)	(645)
Total shareholders' equity	30,984	32,248
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,610	3,601
Foreign currency translation adjustment	983	1,159
Deferred gains or losses on hedges	1	5
Remeasurements of defined benefit plans	(27)	383
Total accumulated other comprehensive income	3,567	5,150
Non-controlling interests	8	10
Total net assets	34,560	37,409
Total liabilities and net assets	63,725	64,443

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

Consolidated Statement of Income

(million yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 – March 31, 2026)
Net sales	49,162	49,371
Cost of sales	35,169	34,173
Gross profit	13,992	15,198
Selling, general and administrative expenses	11,225	12,098
Operating profit (loss)	2,766	3,099
Non-operating income		
Interest income	8	28
Dividend income	182	231
Foreign exchange gains	77	127
Other	174	157
Total non-operating income	443	544
Non-operating expenses		
Interest expenses	99	133
Loss on disposal of non-current assets	0	36
Compensation for damage	19	24
Other	20	24
Total non-operating expenses	139	218
Ordinary profit	3,071	3,425
Extraordinary income		
Gain on sale of investment securities	104	420
Gain on sale of non-current assets	29	3
Total extraordinary income	134	424
Extraordinary losses		
Loss on sale of investment securities	0	–
Loss on sale of non-current assets	–	402
Impairment losses	–	171
Special retirement allowance	7	–
Total extraordinary losses	8	573
Profit before taxes	3,197	3,276
Income taxes—current	1,245	1,225
Income taxes—deferred	(57)	(487)
Total income taxes	1,187	737
Net income	2,009	2,538
Profit (loss) attributable to non-controlling shareholders	0	2
Profit attributable to owners of parent	2,009	2,536

Consolidated Statements of Comprehensive Income

(million yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 – March 31, 2026)
Net income	2,009	2,538
Other comprehensive income		
Valuation difference on available-for-sale securities	274	990
Deferred gains or losses on hedges	288	175
Foreign currency translation adjustment	(20)	4
Retirement benefit-related adjustment	35	411
Total other comprehensive income	577	1,582
Comprehensive income	2,587	4,121
(Breakdown)		
Comprehensive income attributable to owners of parent	2,586	4,119
Comprehensive income attributable to non-controlling interests	0	2

(3) Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at beginning of period	9,197	7,787	13,791	(738)	30,038
Changes during period					
Dividends of surplus			(1,152)		(1,152)
Profit attributable to owners of parent			2,009		2,009
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		43		70	114
Change in ownership interest of parent due to transactions with non-controlling interests		(25)			(25)
Changes in items other than Shareholders' equity for the current fiscal year (net)					–
Total changes during period	–	17	856	70	945
Balance at end of period	9,197	7,805	14,648	(667)	30,984

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Deferred gains/losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,335	696	21	(62)	2,990	57	33,086
Changes during period							
Dividends of surplus							(1,152)
Profit attributable to owners of parent							2,009
Purchase of treasury shares							(0)
Disposal of treasury shares							114
Change in ownership interest of parent due to transactions with non-controlling interests							(25)
Changes in items other than Shareholders' equity for the current fiscal year (net)	274	287	(20)	35	577	(48)	528
Total changes during period	274	287	(20)	35	577	(48)	1,474
Balance at end of period	2,610	983	1	(27)	3,567	8	34,560

Fiscal year ended March 31, 2026 (April 1, 2025 – March 31, 2026)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at beginning of period	9,197	7,805	14,648	(667)	30,984
Changes during period					
Dividends of surplus			(1,309)		(1,309)
Profit attributable to owners of parent			2,536		2,536
Purchase of treasury shares					–
Disposal of treasury shares		14		22	37
Change in ownership interest of parent due to transactions with non-controlling interests					–
Net changes in items other than shareholders' equity					–
Total changes during period	–	14	1,227	22	1,264
Balance at end of period	9,197	7,820	15,875	(645)	32,248

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Deferred gains/losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,610	983	1	(27)	3,567	8	34,560
Changes during period							
Dividends of surplus							(1,309)
Profit attributable to owners of parent							2,536
Purchase of treasury shares							–
Disposal of treasury shares							37
Change in ownership interest of parent due to transactions with non-controlling interests							–
Net changes in items other than shareholders' equity	990	175	4	411	1,582	1	1,584
Total changes during period	990	175	4	411	1,617	1	2,849
Balance at end of period	3,601	1,159	5	383	5,150	10	37,409

(4) Consolidated Statement of Cash Flows

(million yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 – March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	3,197	3,276
Depreciation	1,127	1,263
Amortization of goodwill	40	39
Impairment losses	–	171
Loss on liquidation of subsidiaries and associates	–	402
Increase (decrease) in allowance for doubtful accounts	(1)	(0)
Increase (decrease) in retirement benefit liability	52	(16)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(78)	36
Interest and dividend income	(191)	(260)
Interest expenses	99	133
Foreign exchange losses (gains)	2	(98)
Loss (gain) on sales of property, plant and equipment	(29)	(3)
Loss (gain) on sales and valuation of investment securities	(104)	(420)
Decrease (increase) in trade receivables	(319)	1,133
Decrease (increase) in inventories	138	(2,123)
Increase (decrease) in trade payables	(257)	(1,170)
Decrease (increase) in accounts receivable–other	65	(106)
Increase (decrease) in accounts payable–other	254	200
Increase (decrease) in accrued consumption taxes	(242)	(119)
Increase (decrease) in contract liabilities	370	1,184
Other	126	64
Subtotal	4,249	3,586
Interest and dividends received	191	260
Interest paid	(99)	(133)
Income taxes paid	(1,346)	(1,120)
Cash flows from operating activities	2,994	2,592
Cash flows from investing activities		
Payments into time deposits	(60)	(87)
Proceeds from withdrawal of time deposits	48	105
Purchase of investment securities	(18)	(17)
Proceeds from sale and redemption of investment securities	136	558
Purchase of property, plant and equipment and intangible assets	(2,918)	(2,004)
Proceeds from sale of property, plant and equipment	30	3
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(43)
Loan advances	(2)	(3)
Proceeds from collection of loans receivable	4	4
Other	(26)	54
Cash flows from investing activities	(2,805)	(1,428)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(683)	(1,818)
Proceeds from long-term borrowings	796	–
Repayments of long-term borrowings	(634)	(655)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(75)	–
Purchase of treasury shares	(0)	–
Repayments of finance lease liabilities	–	(0)
Dividends paid	(1,152)	(1,308)
Dividends paid to non-controlling interests	–	(0)
Cash flows from financing activities	(1,749)	(3,783)
Effect of exchange rate change on cash and cash equivalents	34	36
Net increase (decrease) in cash and cash equivalents	(1,526)	(2,583)
Cash and cash equivalents at beginning of period	15,504	13,977
Cash and cash equivalents at end of period	13,977	11,394