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December 19, 2025

**Consolidated Financial Results  
for the Six Months Ended November 20, 2025  
(Under Japanese GAAP)**



Company name: COSEL CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 6905  
 URL: <https://www.cosel.co.jp/>  
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 Scheduled date to file semi-annual securities report: January 5, 2026  
 Scheduled date to commence dividend payments: February 3, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

**1. Consolidated financial results for the six months ended November 20, 2025 (from May 21, 2025 to November 20, 2025)**

**(1) Consolidated operating results (cumulative)**

(Percentages indicate year-on-year changes.)

|                                    | Net sales       |        | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |        |
|------------------------------------|-----------------|--------|------------------|--------|-----------------|--------|---|--------|
|                                    | Millions of yen | %      | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %      |
| Six months ended November 20, 2025 | 11,134          | (25.0) | (659)            | –      | 117             | (80.3) | (6)                                     | –      |
| November 20, 2024                  | 14,855          | (31.2) | 634              | (85.0) | 594             | (87.9) | 278                                     | (92.1) |

Note: Comprehensive income For the six months ended November 20, 2025: ¥867 million [223.4%]  
 For the six months ended November 20, 2024: ¥268 million [(93.3)%]

|                                    | Earnings per share | Diluted earnings per share |
|------------------------------------|--------------------|----------------------------|
|                                    | Yen                | Yen                        |
| Six months ended November 20, 2025 | (0.15)             | –                          |
| November 20, 2024                  | 7.16               | –                          |

**(2) Consolidated financial position**

|                   | Total assets    | Net assets      | Equity-to-asset ratio | Net assets per share |
|-------------------|-----------------|-----------------|-----------------------|----------------------|
| As of             | Millions of yen | Millions of yen | %                     | Yen                  |
| November 20, 2025 | 59,993          | 55,551          | 92.6                  | 1,350.50             |
| May 20, 2025      | 59,998          | 55,836          | 93.1                  | 1,357.41             |

Reference: Equity  
 As of November 20, 2025: ¥55,551 million  
 As of May 20, 2025: ¥55,836 million

## 2. Cash dividends

|   | Annual dividends per share |                    |                   |                 |              |
|---|----------------------------|--------------------|-------------------|-----------------|--------------|
|   | First quarter-end          | Second quarter-end | Third quarter-end | Fiscal year-end | Total        |
| Fiscal year ended May 20, 2025                | Yen<br>–                   | Yen<br>27.00       | Yen<br>–          | Yen<br>28.00    | Yen<br>55.00 |
| Fiscal year ending May 20, 2026               | –                          | 27.00              | –                 | –               | –            |
| Fiscal year ending May 20, 2026<br>(Forecast) | –                          | –                  | –                 | 28.00           | 55.00        |

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated financial forecast for the fiscal year ending May 20, 2026 (from May 21, 2025 to May 20, 2026)

(Percentages indicate year-on-year changes.)

|                                 | Net sales       |        | Operating profit |   | Ordinary profit |        | Profit attributable to owners of parent |   | Earnings per share |
|---------------------------------|-----------------|--------|------------------|---|-----------------|--------|---|---|--------------------|
|                                 | Millions of yen | %      | Millions of yen  | % | Millions of yen | %      | Millions of yen                         | % | Yen                |
| Fiscal year ending May 20, 2026 | 24,119          | (10.8) | (814)            | – | 47              | (93.7) | 30                                      | – | 0.73               |

Note: Revisions to the financial forecast most recently announced: Yes

\* **Notes**

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

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

|                         |                   |
|-------------------------|-------------------|
| As of November 20, 2025 | 41,186,100 shares |
| As of May 20, 2025      | 41,186,100 shares |
- 2) Number of treasury shares at the end of the period

|                         |               |
|-------------------------|---------------|
| As of November 20, 2025 | 51,938 shares |
| As of May 20, 2025      | 51,930 shares |
- 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

|                                    |                   |
|------------------------------------|-------------------|
| Six months ended November 20, 2025 | 41,134,170 shares |
| Six months ended November 20, 2024 | 38,938,308 shares |

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters  
(Caution concerning forward-looking statements)

The forward-looking statements such as result forecasts included in this document are based on the information currently available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ substantially due to various factors.

(Changing the display unit of the amount)

Starting from the first quarter of the fiscal year ending May 20, 2026 and the three months ended August 20, 2025, figures, which were previously rounded down to thousands, are rounded down to millions. Amounts for items and other matters previously presented in our semi-annual consolidated financial statements were stated in units of thousands of yen. However, we have changed to presenting amounts in units of millions of yen. For ease of comparison, amounts for the previous fiscal year and the semi-annual period of the previous fiscal year have also been restated in units of millions of yen.

(Availability of supplementary material on financial results)

Supplementary material on financial results is disclosed via TDnet on the same day as the date of this document. Said material is also scheduled to be posted on our website on the same day.

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## 1. Overview of operating results, etc.

### (1) Overview of operating results for the period

During the six months under review, the global economy maintained generally solid growth. This was supported by the expanding demand related to AI, in addition to the tariff responses of various countries, amidst concerns about potential adverse effects from U.S. tariffs. Nevertheless, uncertainty over the future outlook is increasing due to the policy interest rate trends of major countries and rising geopolitical risks, such as the deterioration of Japan-China relations. Looking at each geographical region, the United States continued to show resilience even under high tariffs, while Europe and Japan maintained moderate growth due to strong domestic demand. On the other hand, China showed a slowing trend as the effects of government stimulus measures diminished.

In the electronics industry, demand for semiconductors for servers and data centers continued to increase against the backdrop of promoting digitalization of society through the use of AI. However, due to rising U.S.-China tariff risks, capital investment in the industrial equipment market has remained sluggish. Additionally, in the automotive market, the stagnation in demand related to electric vehicles continued, resulting in persistently low demand for electronic parts and capital investment.

Under these circumstances, the Group has continued to promote efforts to expand sales through door-to-door sales and strengthen cooperation between the sales and development departments. We have focused on making proposals to key customers, particularly centered on new products. Furthermore, in our collaboration with LITE-ON TECHNOLOGY CORPORATION (“LITEON”), we promoted joint development with LITEON, and also focused on activities to expand sales of “CXLA Series,” the first product line of new brand “COSELSYNC.,” along with LITEON products.

In regard to new products, we have launched two new models, “PDA300F” and “PDA600F,” to expand our PDA Series of unit-type single output AC-DC power supplies, which can be used in a wide range of fields, including FA control equipment, measuring instruments, indicators, and semiconductor production machinery. Together with the existing models, we now offer a total of seven models. We also expanded our lineup by introducing four new models of the low-profile, compact general-purpose DC-DC converters in the “MU Series”: the “MUS6,” “MUW6,” “MUS10,” and “MUW10.” This has resulted in a diverse lineup, including existing models, thereby enhancing our ability to meet customer needs. Moreover, we launched the high-input voltage power module “DCS1400B” into the market.

With regard to financial results for the six months under review, orders received showed a recovery trend at ¥11,425 million (up 29.7% year on year), while net sales came to ¥11,134 million (down 25.0% year on year). In terms of profit, despite the effects of cost reduction, the decline in profitability due to a considerable decrease in net sales resulted in an operating loss of ¥659 million (operating profit of ¥634 million in the same period of the previous fiscal year). In addition, due to the impact of forex among other factors, ordinary profit came to ¥117 million (down 80.3% year on year), and although there was a reduction in the burden of income taxes and other factors, the loss attributable to owners of parent was ¥6 million (profit attributable to owners of parent of ¥278 million in the same period of the previous fiscal year).

The following are the financial results by segment.

#### (i) Japan Production and Sales Business

In Japan, driven by factors such as the promotion of digitalization in society through the use of AI, demand recovery and inventory reduction are progressing in some areas related to semiconductor production equipment. Orders are showing a gradual recovery trend, and the order performance significantly exceeded the same period of the previous fiscal year. However, many customers still have excess inventory, and the recovery in orders fell short of expectations, resulting in sluggish net sales.

With regard to sales activities, we have continued to strengthen information sharing with dealers and promote the expansion of sales focused on new products through door-to-door sales. Additionally, we are actively promoting the expansion of sales for COSELSYNC. and LITEON products.

As a result, sales to external customers came to ¥6,329 million (down 35.3% year on year), and segment loss was ¥395 million (segment profit of ¥647 million in the same period of the previous fiscal year).

(ii) North America Sales Business

In the United States, the resolution of excess inventory at customers did not progress due to shipments in response to increased production in the previous fiscal year. Additionally, the emergent impact of U.S. tariffs has led to continued demand adjustments amid uncertainty about the future. As customers continued to adjust their orders, new orders struggled to grow compared to the same period of the previous fiscal year, resulting in a decrease in net sales.

With regard to sales activities, we have continued to work to expand sales by strengthening collaboration with sales representatives and enhancing the promotion of new products using videos. We have also worked to expand sales of COSELSYNC. and LITEON products.

As a result, sales to external customers came to ¥690 million (down 12.8% year on year), and segment loss was ¥31 million (segment profit of ¥47 million in the same period of the previous fiscal year).

(iii) Europe Production and Sales Business

In Europe, although the uncertainty in the economy has slightly receded, there is still a risk of potential adverse effects from U.S. tariffs, leading to continued demand adjustments. Due to order adjustments by customers, new orders decreased compared to the same period of the previous fiscal year, and net sales struggled to grow, resulting in outcomes at the same level as the same period of the previous fiscal year.

With regard to sales activities, we have increased our efforts to expand sales through both door-to-door based sales and teleworking.

As a result, sales to external customers came to ¥3,003 million (up 2.5% year on year), and segment loss was ¥341 million (segment loss of ¥343 million in the same period of the previous fiscal year).

(iv) Asia Sales Business

In Asia, the demand adjustment phase continues due to the economic slowdown in China and the impact of U.S.-China tariff trends. As a result of order adjustments by customers, new orders struggled to grow, leading to net sales falling below the level of the same period of the previous fiscal year.

With regard to sales activities, we continued to engage in web marketing to develop new business and expand sales of new products.

As a result, sales to external customers came to ¥1,111 million (down 17.7% year on year), and segment profit was ¥28 million (down 36.1% year on year).

(v) China Production Business

In China Production Business, we are continuing production adjustments due to sluggish orders for both existing products and new products. However, as orders are showing a recovery trend across the Group as a whole, we are actively promoting production improvement initiatives focused on “productivity enhancement,” “quality improvement,” and “cost reduction.” Simultaneously, we are working to establish a flexible production system to accommodate anticipated increases in production volumes in the future. We have also strengthened the production system for the expanded models of the new PDA Series.

As a result, intersegment sales came to ¥795 million (down 20.8% year on year), and segment loss was ¥45 million (segment profit of ¥69 million in the same period of the previous fiscal year).

For reference, the following are the financial results by product.

1) Orders received and backlog of orders received

|                        | Six months ended November 20, 2025 |                         | As of November 20, 2025                      |                         |
|------------------------|------------------------------------|-------------------------|--|-------------------------|
|                        | Orders received (Millions of yen)  | Year-on-year change (%) | Backlog of orders received (Millions of yen) | Year-on-year change (%) |
| COSEL products (*1)    |                                    |                         |  |                         |
| Unit power supplies    | 5,867                              | 35.3                    | 3,827  | (27.7)                  |
| Onboard power supplies | 2,763                              | 50.9                    | 1,624  | (33.0)                  |
| EMI filters            | 574                                | 52.5                    | 220  | (7.8)                   |
| PRBX products (*2)     | 2,219                              | (2.1)                   | 4,335  | 0.5                     |
| Total                  | 11,425                             | 29.7                    | 10,008                                       | (18.4)                  |

2) Net sales

|                        | Six months ended November 20, 2025 |                         |
|------------------------|------------------------------------|-------------------------|
|                        | Net sales (Millions of yen)        | Year-on-year change (%) |
| COSEL products (*1)    |                                    |                         |
| Unit power supplies    | 5,564                              | (29.8)                  |
| Onboard power supplies | 2,666                              | (36.2)                  |
| EMI filters            | 557                                | 3.2                     |
| PRBX products (*2)     | 2,345                              | 6.1                     |
| Total                  | 11,134                             | (25.0)                  |

(\*1) From the nine months ended February 20, 2025 onward, figures include the results of cross-selling activities with LITE-ON TECHNOLOGY CORPORATION.

(\*2) PRBX products: Products developed, manufactured and sold by Powerbox International AB

**(2) Overview of financial position for the period**

(i) Assets, liabilities and net assets

(Assets)

Current assets as of November 20, 2025, were ¥47,426 million, down ¥333 million from the end of the previous fiscal year. This was mainly due to decreases of ¥192 million in notes and accounts receivable - trade, ¥174 million in electronically recorded monetary claims - operating, ¥1,065 million in inventories, and ¥814 million in other, despite increases of ¥1,612 million in cash and deposits and ¥300 million in securities.

Non-current assets were ¥12,566 million, up ¥329 million from the end of the previous fiscal year. This was mainly due to an increase of ¥274 million in property, plant and equipment resulting from the increase in construction in progress, etc., an increase of ¥31 million in intangible assets due to the increase in software, etc., and an increase of ¥23 million in investments and other assets due to the increase in investment securities.

As a result, total assets were ¥59,993 million, down ¥4 million from the end of the previous fiscal year.

(Liabilities)

Current liabilities as of November 20, 2025, were ¥2,932 million, up ¥101 million from the end of the previous fiscal year. This was mainly due to an increase of ¥104 million in accounts payable - other.

Non-current liabilities were ¥1,509 million, up ¥178 million from the end of the previous fiscal year. This was mainly due to an increase of ¥232 million in deferred tax liabilities, while lease liabilities decreased by ¥32 million and other decreased by ¥26 million.

As a result, total liabilities were ¥4,442 million, up ¥279 million from the end of the previous fiscal year.

(Net assets)

Total net assets as of November 20, 2025, were ¥55,551 million, down ¥284 million from the end of the previous fiscal year. This was due to a decrease of ¥1,157 million in shareholders' equity, despite an increase of ¥873 million in accumulated other comprehensive income. The increase in accumulated other comprehensive income is mainly due to increases of ¥237 million in valuation difference on available-for-sale securities and ¥696 million in foreign currency translation adjustment, offset by a decrease of ¥60 million in remeasurements of defined benefit plans. The decrease in shareholders' equity is mainly due to dividends of surplus of ¥1,151 million.

As a result, the equity-to-asset ratio was 92.6% (93.1% as of the end of the previous fiscal year).

(ii) Cash flows

Cash and cash equivalents ("net cash") at the end of the six months under review was ¥28,029 million, an increase of ¥1,476 million compared with the end of the fiscal year ended May 20, 2025.

The status of each cash flow and their factors during the six months under review are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥2,724 million (compared to ¥2,048 million net cash provided in the same period of the previous fiscal year). This was mainly attributable to recording of profit before income taxes of ¥113 million, depreciation of ¥695 million, a decrease in trade receivables of ¥561 million, a decrease in inventories of ¥1,349 million, and income taxes refund of ¥914 million, despite recording an increase in retirement benefit asset of ¥66 million, foreign exchange gains of ¥620 million, and a decrease in trade payables of ¥173 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥692 million (compared to ¥992 million used in the same period of the previous fiscal year). This was mainly attributable to recording of purchase of property, plant and equipment of ¥743 million, despite recording proceeds from sale of property, plant and equipment of ¥97 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥1,219 million (compared to ¥10,400 million provided in the same period of the previous fiscal year). This was mainly attributable to recording of repayments of lease liabilities of ¥68 million and dividends paid of ¥1,151 million.

**(3) Explanation of consolidated financial forecasts and other forward-looking statements**

We have reassessed our full-year financial forecasts to take into account the progress of financial results during the six months under review, as well as the future economic environment and market trends. As a result, we have revised the full-year financial forecasts (consolidated and non-consolidated) we announced in "Consolidated Financial Results for the Fiscal Year Ended May 20, 2025" announced on June 18, 2025.

For specific details, please refer to the "Notice of Differences between Forecast and Actual Results for the First Half of the Fiscal Year Ending May 2026 and Revision of Full-Year Financial Result Forecast" released today (December 19, 2025).

## 2. Semi-annual consolidated financial statements and significant notes thereto

### (1) Semi-annual consolidated balance sheets

|   | (Millions of yen)  |                         |
|---|--------------------|-------------------------|
|   | As of May 20, 2025 | As of November 20, 2025 |
| <b>Assets</b>                                       |                    |                         |
| <b>Current assets</b>                               |                    |                         |
| Cash and deposits                                   | 27,789             | 29,401                  |
| Notes and accounts receivable - trade               | 5,664              | 5,471                   |
| Electronically recorded monetary claims - operating | 1,517              | 1,343                   |
| Securities  | 300                | 600                     |
| Merchandise and finished goods                      | 3,081              | 2,963                   |
| Work in process                                     | 662                | 719                     |
| Raw materials and supplies                          | 7,494              | 6,490                   |
| Other   | 1,255              | 440                     |
| Allowance for doubtful accounts                     | (4)                | (3)                     |
| <b>Total current assets</b>                         | <b>47,760</b>      | <b>47,426</b>           |
| <b>Non-current assets</b>                           |                    |                         |
| Property, plant and equipment                       |                    |                         |
| Buildings and structures                            | 7,530              | 7,662                   |
| Accumulated depreciation                            | (4,081)            | (4,232)                 |
| Buildings and structures, net                       | 3,449              | 3,429                   |
| Machinery, equipment and vehicles                   | 8,010              | 8,222                   |
| Accumulated depreciation                            | (6,514)            | (6,748)                 |
| Machinery, equipment and vehicles, net              | 1,496              | 1,474                   |
| Tools, furniture and fixtures                       | 6,907              | 7,002                   |
| Accumulated depreciation                            | (6,155)            | (6,223)                 |
| Tools, furniture and fixtures, net                  | 752                | 778                     |
| Land  | 1,276              | 1,225                   |
| Leased assets                                       | 638                | 710                     |
| Accumulated depreciation                            | (371)              | (473)                   |
| Leased assets, net                                  | 267                | 237                     |
| Construction in progress                            | 26                 | 397                     |
| <b>Total property, plant and equipment</b>          | <b>7,268</b>       | <b>7,543</b>            |
| Intangible assets                                   |                    |                         |
| Software  | 20                 | 76                      |
| Software in progress                                | 56                 | 24                      |
| Technical assets                                    | 226                | 211                     |
| Customer relationship                               | 686                | 712                     |
| Goodwill  | 45                 | 41                      |
| Other   | 5                  | 5                       |
| <b>Total intangible assets</b>                      | <b>1,040</b>       | <b>1,072</b>            |
| Investments and other assets                        |                    |                         |
| Investment securities                               | 3,355              | 3,392                   |
| Retirement benefit asset                            | 325                | 315                     |
| Deferred tax assets                                 | 55                 | 53                      |
| Other   | 191                | 189                     |
| <b>Total investments and other assets</b>           | <b>3,927</b>       | <b>3,951</b>            |
| <b>Total non-current assets</b>                     | <b>12,237</b>      | <b>12,566</b>           |
| <b>Total assets</b>                                 | <b>59,998</b>      | <b>59,993</b>           |

(Millions of yen)

|   | As of May 20, 2025 | As of November 20, 2025 |
|---|--------------------|-------------------------|
| <b>Liabilities</b>  |                    |                         |
| <b>Current liabilities</b>  |                    |                         |
| Accounts payable - trade  | 1,027              | 980                     |
| Accounts payable - other  | 360                | 464                     |
| Lease liabilities   | 116                | 116                     |
| Income taxes payable  | 137                | 158                     |
| Provision for bonuses   | 283                | 270                     |
| Provision for product warranties                                    | 89                 | 80                      |
| Provision for loss on liquidation of<br>subsidiaries and associates | -                  | 9                       |
| Other   | 816                | 852                     |
| <b>Total current liabilities</b>                                    | <b>2,830</b>       | <b>2,932</b>            |
| <b>Non-current liabilities</b>                                      |                    |                         |
| Deferred tax liabilities  | 793                | 1,026                   |
| Retirement benefit liability  | 227                | 232                     |
| Lease liabilities   | 165                | 132                     |
| Other   | 145                | 118                     |
| <b>Total non-current liabilities</b>                                | <b>1,331</b>       | <b>1,509</b>            |
| <b>Total liabilities</b>  | <b>4,162</b>       | <b>4,442</b>            |
| <b>Net assets</b>   |                    |                         |
| <b>Shareholders' equity</b>   |                    |                         |
| Share capital   | 6,042              | 6,042                   |
| Capital surplus   | 7,157              | 7,157                   |
| Retained earnings   | 40,876             | 39,718                  |
| Treasury shares   | (57)               | (57)                    |
| <b>Total shareholders' equity</b>                                   | <b>54,020</b>      | <b>52,862</b>           |
| <b>Accumulated other comprehensive income</b>                       |                    |                         |
| Valuation difference on available-for-sale<br>securities            | 606                | 843                     |
| Foreign currency translation adjustment                             | 1,089              | 1,785                   |
| Remeasurements of defined benefit plans                             | 120                | 60                      |
| <b>Total accumulated other comprehensive<br/>  income</b>           | <b>1,816</b>       | <b>2,689</b>            |
| <b>Total net assets</b>   | <b>55,836</b>      | <b>55,551</b>           |
| <b>Total liabilities and net assets</b>                             | <b>59,998</b>      | <b>59,993</b>           |

**(2) Semi-annual consolidated statements of income and semi-annual consolidated statements of comprehensive income**

**Semi-annual consolidated statements of income**

(Millions of yen)

|  | Six months ended<br>November 20, 2024 | Six months ended<br>November 20, 2025 |
|--|---------------------------------------|---------------------------------------|
| Net sales  | 14,855                                | 11,134                                |
| Cost of sales                                      | 10,806                                | 8,536                                 |
| Gross profit                                       | 4,048                                 | 2,597                                 |
| Selling, general and administrative expenses       | 3,414                                 | 3,257                                 |
| Operating profit (loss)                            | 634                                   | (659)                                 |
| Non-operating income                               |                                       |                                       |
| Interest income                                    | 39                                    | 33                                    |
| Dividend income                                    | 31                                    | 33                                    |
| Foreign exchange gains                             | -                                     | 610                                   |
| Compensation income                                | 92                                    | 89                                    |
| Other  | 9                                     | 13                                    |
| Total non-operating income                         | 172                                   | 780                                   |
| Non-operating expenses                             |                                       |                                       |
| Interest expenses                                  | 7                                     | 3                                     |
| Foreign exchange losses                            | 169                                   | -                                     |
| Share issuance costs                               | 35                                    | -                                     |
| Other  | -                                     | 0                                     |
| Total non-operating expenses                       | 212                                   | 3                                     |
| Ordinary profit                                    | 594                                   | 117                                   |
| Extraordinary income                               |                                       |                                       |
| Gain on sale of non-current assets                 | 0                                     | 2                                     |
| Gain on sale of investment securities              | -                                     | 11                                    |
| Total extraordinary income                         | 0                                     | 14                                    |
| Extraordinary losses                               |                                       |                                       |
| Loss on sale of non-current assets                 | 0                                     | 0                                     |
| Loss on retirement of non-current assets           | 0                                     | 7                                     |
| Loss on liquidation of subsidiaries and associates | -                                     | 9                                     |
| Loss on abandonment of inventories                 | 2                                     | -                                     |
| Total extraordinary losses                         | 2                                     | 17                                    |
| Profit before income taxes                         | 591                                   | 113                                   |
| Income taxes - current                             | 119                                   | 37                                    |
| Income taxes - deferred                            | 174                                   | 82                                    |
| Total income taxes                                 | 293                                   | 119                                   |
| Profit (loss)                                      | 298                                   | (6)                                   |
| Profit attributable to non-controlling interests   | 19                                    | -                                     |
| Profit (loss) attributable to owners of parent     | 278                                   | (6)                                   |

**Semi-annual consolidated statements of comprehensive income**

(Millions of yen)

|  | Six months ended<br>November 20, 2024 | Six months ended<br>November 20, 2025 |
|--|---------------------------------------|---------------------------------------|
| Profit (loss)  | 298                                   | (6)                                   |
| Other comprehensive income                                     |                                       |                                       |
| Valuation difference on available-for-sale securities          | (55)                                  | 237                                   |
| Foreign currency translation adjustment                        | 22                                    | 696                                   |
| Remeasurements of defined benefit plans, net of tax            | 3                                     | (60)                                  |
| Total other comprehensive income                               | (29)                                  | 873                                   |
| Comprehensive income   | 268                                   | 867                                   |
| Comprehensive income attributable to                           |                                       |                                       |
| Comprehensive income attributable to owners of parent          | 245                                   | 867                                   |
| Comprehensive income attributable to non-controlling interests | 23                                    | -                                     |

**(3) Semi-annual consolidated statements of cash flows**

|   | (Millions of yen)                     |                                       |
|---|---------------------------------------|---------------------------------------|
|   | Six months ended<br>November 20, 2024 | Six months ended<br>November 20, 2025 |
| <b>Cash flows from operating activities</b>   |                                       |                                       |
| Profit before income taxes  | 591                                   | 113                                   |
| Depreciation  | 710                                   | 695                                   |
| Loss on liquidation of subsidiaries and associates  | -                                     | 9                                     |
| Loss on abandonment of inventories  | 2                                     | -                                     |
| Amortization of goodwill  | 9                                     | 7                                     |
| Increase (decrease) in provision for product warranties   | (23)                                  | (9)                                   |
| Increase (decrease) in provision for bonuses  | (205)                                 | (14)                                  |
| Increase (decrease) in allowance for doubtful accounts  | (2)                                   | (0)                                   |
| Decrease (increase) in retirement benefit asset   | 6                                     | (66)                                  |
| Increase (decrease) in retirement benefit liability   | 2                                     | (10)                                  |
| Interest and dividend income  | (70)                                  | (66)                                  |
| Interest expenses   | 7                                     | 3                                     |
| Foreign exchange losses (gains)   | 3                                     | (620)                                 |
| Share issuance costs  | 35                                    | -                                     |
| Loss (gain) on sale of property, plant and equipment  | 0                                     | (2)                                   |
| Loss on retirement of property, plant and equipment   | 0                                     | 7                                     |
| Loss (gain) on sale of investment securities  | -                                     | (11)                                  |
| Decrease (increase) in trade receivables  | 3,372                                 | 561                                   |
| Decrease (increase) in inventories  | (564)                                 | 1,349                                 |
| Increase (decrease) in trade payables   | (243)                                 | (173)                                 |
| Other, net  | (329)                                 | 41                                    |
| <b>Subtotal</b>   | <b>3,301</b>                          | <b>1,814</b>                          |
| Interest and dividends received   | 70                                    | 66                                    |
| Interest paid   | (7)                                   | (3)                                   |
| Income taxes paid   | (1,317)                               | (67)                                  |
| Income taxes refund   | 0                                     | 914                                   |
| <b>Net cash provided by (used in) operating activities</b>  | <b>2,048</b>                          | <b>2,724</b>                          |
| <b>Cash flows from investing activities</b>   |                                       |                                       |
| Purchase of investment securities   | (0)                                   | (0)                                   |
| Purchase of property, plant and equipment   | (994)                                 | (743)                                 |
| Proceeds from sale of property, plant and equipment   | 0                                     | 97                                    |
| Purchase of intangible assets   | (208)                                 | (37)                                  |
| Proceeds from withdrawal of time deposits   | 422                                   | -                                     |
| Payments into time deposits   | (211)                                 | (6)                                   |
| Other, net  | (1)                                   | (3)                                   |
| <b>Net cash provided by (used in) investing activities</b>  | <b>(992)</b>                          | <b>(692)</b>                          |
| <b>Cash flows from financing activities</b>   |                                       |                                       |
| Repayments of lease liabilities   | (66)                                  | (68)                                  |
| Proceeds from issuance of shares  | 7,940                                 | -                                     |
| Purchase of treasury shares   | (0)                                   | (0)                                   |
| Proceeds from sale of treasury shares   | 3,608                                 | -                                     |
| Dividends paid  | (895)                                 | (1,151)                               |
| Dividends paid to non-controlling interests   | (40)                                  | -                                     |
| Purchase of investments in capital of subsidiaries and associates not resulting in change in scope of consolidation | (145)                                 | -                                     |
| <b>Net cash provided by (used in) financing activities</b>  | <b>10,400</b>                         | <b>(1,219)</b>                        |
| <b>Effect of exchange rate change on cash and cash equivalents</b>  | <b>51</b>                             | <b>664</b>                            |
| <b>Net increase (decrease) in cash and cash equivalents</b>   | <b>11,508</b>                         | <b>1,476</b>                          |
| <b>Cash and cash equivalents at beginning of period</b>   | <b>15,394</b>                         | <b>26,552</b>                         |
| <b>Cash and cash equivalents at end of period</b>   | <b>26,902</b>                         | <b>28,029</b>                         |

#### (4) Notes to semi-annual consolidated financial statements

##### (Notes on segment information)

(1) Six months ended November 20, 2024 (from May 21, 2024 to November 20, 2024)

1) Information about the amounts of net sales and profit (or loss) by reportable segment

|                                | Reportable segments                          |                                       |   |                        |                                 |        | Adjustments<br>(Note 1) | Total amount<br>recorded in<br>semi-annual<br>consolidated<br>statements of<br>income<br>(Note 2) |
|--------------------------------|--|---------------------------------------|---|------------------------|---------------------------------|--------|-------------------------|---|
|                                | Japan<br>Production<br>and Sales<br>Business | North<br>America<br>Sales<br>Business | Europe<br>Production<br>and Sales<br>Business | Asia Sales<br>Business | China<br>Production<br>Business | Total  |                         |   |
| Net sales                      |  |                                       |   |                        |                                 |        |                         |   |
| Sales to external<br>customers | 9,784  | 792                                   | 2,928   | 1,350                  | –                               | 14,855 | –                       | 14,855  |
| Intersegment sales             | 1,763  | –                                     | –   | –                      | 1,004                           | 2,768  | (2,768)                 | –   |
| Total                          | 11,547                                       | 792                                   | 2,928   | 1,350                  | 1,004                           | 17,623 | (2,768)                 | 14,855  |
| Segment profit (loss)          | 647  | 47                                    | (343)   | 45                     | 69                              | 466    | 167                     | 634   |

(Notes) 1. Adjustments for segment profit (or loss) of ¥167 million consists of elimination of intersegment transactions of ¥72 million and elimination of unrealized gain (loss) on non-current assets and inventories of ¥94 million.

2. Total segment profit (loss) and adjustments are consistent with operating profit as reported in the semi-annual consolidated statements of income.

2) Information on impairment losses on non-current assets and goodwill by reportable segment

Not applicable.

(2) Six months ended November 20, 2025 (from May 21, 2025 to November 20, 2025)

1) Information about the amounts of net sales and profit (or loss) by reportable segment

|                                | Reportable segments                          |                                       |   |                        |                                 |        | Adjustments<br>(Note 1) | Total amount<br>recorded in<br>semi-annual<br>consolidated<br>statements of<br>income<br>(Note 2) |
|--------------------------------|--|---------------------------------------|---|------------------------|---------------------------------|--------|-------------------------|---|
|                                | Japan<br>Production<br>and Sales<br>Business | North<br>America<br>Sales<br>Business | Europe<br>Production<br>and Sales<br>Business | Asia Sales<br>Business | China<br>Production<br>Business | Total  |                         |   |
| Net sales                      |  |                                       |   |                        |                                 |        |                         |   |
| Sales to external<br>customers | 6,329  | 690                                   | 3,003   | 1,111                  | –                               | 11,134 | –                       | 11,134  |
| Intersegment sales             | 1,517  | –                                     | –   | –                      | 795                             | 2,313  | (2,313)                 | –   |
| Total                          | 7,846  | 690                                   | 3,003   | 1,111                  | 795                             | 13,447 | (2,313)                 | 11,134  |
| Segment profit (loss)          | (395)  | (31)                                  | (341)   | 28                     | (45)                            | (784)  | 125                     | (659)   |

(Notes) 1. Adjustments for segment profit (or loss) of ¥125 million consists of elimination of intersegment transactions of ¥58 million and elimination of unrealized gain (loss) on inventories of ¥67 million.

2. Total segment profit (loss) and adjustments are consistent with operating loss as reported in the semi-annual consolidated statements of income.

2) Information on impairment losses on non-current assets and goodwill by reportable segment

Not applicable.

**(Notes on significant changes in the amount of shareholders' equity)**

Not applicable.

**(Notes on going-concern assumptions)**

Not applicable.