

Consolidated Earnings Report for the Fiscal Year Ended December 31, 2025 (Japanese GAAP)

These financial statements have been prepared for reference in accordance with accounting principles and practices generally accepted in Japan.

Company name: Star Micronics Co., Ltd. Stock listing: Tokyo Stock Exchange
Code: 7718 URL <https://www.star-m.jp>
Representative Director: Mamoru Sato, President and Chief Executive Officer
Inquiries: Seigo Sato, Director, Senior Managing Executive Officer
TEL: 054 -263-1111

Scheduled annual general meeting of shareholders: March 17, 2026 Scheduled payment of dividends: -

Scheduled release of FY2025 business report: To be determined

Preparation of supplementary explanatory materials for earnings report: Yes

Earnings presentation: None

(Figures less than one million are rounded down)

1. Consolidated Results for the Fiscal Year Ended December 31, 2025 (From January 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results (Percentages represent changes over the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
Year Ended December 31, 2025	74,568	14.7	5,423	34.9	5,575	23.5	3,548	91.3
Year Ended December 31, 2024	64,994	(16.9)	4,021	(61.2)	4,515	(58.8)	1,855	(77.3)

(Note) Comprehensive income

Year Ended December 31, 2025 ¥6,834 million [17.2%] Year Ended December 31 2024 ¥5,831 million [(50.4)%]

	Net Income per Share	Diluted Net Income per Share	Ratio of Net Income to Shareholders' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	(¥)	(¥)	%	%	%
Year Ended December 31, 2025	83.50	83.27	4.0	5.1	7.3
Year Ended December 31, 2024	53.99	53.78	2.4	4.9	6.2

Reference: Equity in earnings of affiliated companies

Year Ended December 31, 2025 ¥(5) million Year Ended December 31, 2024 ¥(5) million

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(¥ million)	(¥ million)	%	(¥)
As of December 31, 2025	126,269	103,583	81.8	2,153.80
As of December 31, 2024	92,784	74,431	79.8	2,327.02

Reference: Shareholders' Equity

As of December 31, 2025 ¥ 103,277 million As of December 31, 2024 ¥74,038 million

(3) Consolidated Cash Flows

	Operating Activities	Investing Activities	Financing Activities	Year-end Cash and Cash Equivalents
	(¥ million)	(¥ million)	(¥ million)	(¥ million)
Year Ended December 31, 2025	3,544	(13,042)	19,670	34,556
Year Ended December 31, 2024	6,153	(5,456)	(10,275)	23,619

2. Dividends

	Dividends per Share					Dividends Total (Total)	Dividend Payout Ratio (Consolidated)	Dividend on Equity Ratio (Consolidated)
	1Q End	2Q End	3Q End	Year-End	Full Year			
	(¥)	(¥)	(¥)	(¥)	(¥)	(¥ million)	%	%
FY 2024	—	30.00	—	30.00	60.00	1,982	111.1	2.7
FY 2025	—	35.00	—	0.00	35.00	1,675	41.9	1.6
FY 2026 (Projected)	—	—	—	—	—		—	

(Note)

As announced in the “Notice of Holding an Extraordinary Shareholders Meeting for Share Consolidation, Abolition of the Provision on Share Units, and Partial Amendments to the Articles of Incorporation” dated January 28, 2026, the Company has not provided dividend projections for the fiscal year ended December 31, 2026. This is in line with plans to delist the Company’s shares effective March 13, 2026 in accordance with prescribed procedures.

3. Consolidated Outlook for the Fiscal Year Ending December 31, 2026 (From January 1, 2026 to December 31, 2026)

As announced in the “Notice of Holding an Extraordinary Shareholders Meeting for Share Consolidation, Abolition of the Provision on Share Units, and Partial Amendments to the Articles of Incorporation” dated January 28, 2026, the Company has not provided Consolidated Earnings Projections for the fiscal year ended December 31, 2026. This is in line with plans to delist the Company’s shares effective March 13, 2026 in accordance with prescribed procedures.

*Note

(1) Significant changes in subsidiaries during the period under review (changes in certain specified subsidiaries resulting in revised scope of consolidation): None

New company: — (Company name), Excluded company: — (Company name)

(2) Changes in accounting policies, estimates and restatement or corrections

(i) Changes associated with revised accounting standards: Yes

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

(iii) Changes in accounting estimates: None

(iv) Retrospective restatement: None

(3) Number of shares issued and outstanding (Common stock)

(i) Number of shares issued and outstanding at period-end (Including treasury stock)

As of December 31, 2025	48,481,334 shares	As of December 31, 2024	41,373,034 shares
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(ii) Number of treasury stock at period-end

As of December 31, 2025	530,114 shares	As of December 31, 2024	9,556,102 shares
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(iii) Average number of outstanding shares

As of December 31, 2025	42,496,820 shares	As of December 31, 2024	34,357,501 shares
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(Reference) Overview of Non-consolidated Financial Results

Non-consolidated Results for the Fiscal Year Ended December 31, 2025 (From January 1, 2025 to December 31, 2025)

(1) Non-consolidated Operating Results

(Percentages represent changes over the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
Year Ended December 31, 2025	28,583	8.3	(649)	—	1,076	—	1,084	—
Year Ended December 31, 2024	26,404	(36.0)	(1,235)	—	(766)	—	(639)	—

	Net Income per Share	Diluted Net Income per Share
	(¥)	(¥)
Year Ended December 31, 2025	25.52	25.44
Year Ended December 31, 2024	(18.62)	—

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(¥ million)	(¥ million)	%	(¥)
As of December 31, 2025	78,434	60,151	76.4	1,250.37
As of December 31, 2024	53,866	36,651	67.5	1,143.00

Reference: Shareholders' Equity

As of December 31, 2025 ¥59,956million As of December 31, 2024 ¥36,366 million

* This earnings report is not included in the scope of the audit or the certified public accountant.

* Regarding the appropriate use of earnings projections and other noteworthy matters

As announced in the “Notice of Holding an Extraordinary Shareholders Meeting for Share Consolidation, Abolition of the Provision on Share Units, and Partial Amendments to the Articles of Incorporation” dated January 28, 2026, the Company has not provided Consolidated Earnings Projections for the fiscal year ended December 31, 2026. This is in line with plans to delist the Company’s shares effective March 13, 2026 in accordance with prescribed procedures.

In addition, with plans to submit an application for exemption from filing a securities report, the scheduled date of securities report filing remains undetermined.

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1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results for the Year Ended December 31, 2025

Looking at fiscal 2025, the fiscal year ended December 31, 2025, the global economy as a whole exhibited a moderate recovery trend. This was largely supported by the easing of monetary policies by a number of major countries and the growth in digital-related investment. Despite the aforementioned, the economic outlook remained uncertain due to a variety of factors, including growing anxiety over the future of trade policies in the U.S., the prolonged status of conditions in Ukraine and the Middle East, and the impact of geopolitical risks stemming from tensions between the U.S. and China.

In each of the major markets in which the Star Micronics Group operates, while demand for the Group's mainstay machine tools was weak in the domestic market, trends overseas showed signs of a recovery mainly in the U.S. and China with partial movement also in Europe. In addition, demand for POS printers continued to exhibit a positive turnaround in the mainstay U.S. market.

Under these circumstances, with the Group overall being affected by fluctuations in foreign currency exchange rates, the Star Micronics Group recorded sales of ¥74,568 million in the fiscal year under review, up 14.7% compared with the previous fiscal year. This was mainly due to the upswing in sales of both machine tools and special products. From a profit perspective, operating income climbed 34.9% year on year, to ¥5,423 million buoyed by such factors as the increase in sales. Ordinary income came in at ¥5,575 million, up 23.5%, and net income attributable to owners of parent totaled ¥3,548 million, up 91.3% compared with the previous fiscal year.

Performance by segment was as follows:

Please note that the order in which reportable segments are listed has been changed effective from this fiscal year.

(Machine Tools)

Sales of CNC automatic lathes increased compared with the previous fiscal year, which experienced generally sluggish market conditions. Amid a firm Chinese market, this was largely due to sales growth in other markets. Looking at trends by geographical region, there were signs of an improvement in sales and orders in the U.S. despite the impact of interest rate trends and the new administration's trade policies. As a result, sales in the U.S. increased significantly. In Europe, while market conditions remained weak, particularly in Germany, sales increased compared with the previous fiscal year due to a variety of factors, including sales from large-scale project orders. In the Asian market, sales also grew year on year, centered on China, owing to such factors as the government's measures aimed at expanding domestic demand and an upswing in new component processing needs. In addition, sales in Japan increased even though overall market conditions remained generally sluggish.

Accounting for each of these factors, the Machine Tools segment reported an increase in revenue and earnings. In specific terms, sales climbed 12.7% compared with the previous fiscal year, to ¥57,974 million. From a profit perspective, operating income increased 19.8% year on year, to ¥6,045 million.

(Special Products)

Sales of POS printers increased mainly in the U.S. market. By geographical segment, sales in the U.S. market increased substantially as distribution inventories returned to appropriate levels from the second half of the previous fiscal year and demand for mPOS remained firm. In Europe, sales grew on the back of firm market trends. Meanwhile, sales declined in the domestic market due to generally weak market conditions.

Based on each of the aforementioned, revenue and earnings in the Special Products segment grew substantially. Sales increased 22.2% compared with the previous fiscal year, to ¥16,593 million, while operating income jumped to ¥1,935 million, up 118.6% year on year.

(2) Overview of Financial Position for the Year Ended December 31, 2025

Total assets as of the end of the fiscal year under review stood at ¥126,269 million, an increase of ¥33,484 million compared with the end of the previous fiscal year. This was largely due to the increase in cash and deposits as well as property, plant and equipment. Total liabilities stood at ¥22,685 million, an increase of ¥4,331 million compared with the previous fiscal year-end. Despite the decrease in short-term borrowings, this upturn was mainly attributable to the increase in trade notes and accounts payable and other current liabilities. Total net assets increased ¥29,152 million compared with the end of the previous fiscal year, to ¥103,583 million, due to a variety of factors, including upswings in capital stock and capital surplus following the issuance of new shares through third-party allotment.

(3) Overview of Cash Flows for the Year Ended December 31, 2025

Cash and cash equivalents as of the end of the fiscal year under review came to ¥34,556 million, an increase of ¥10,936 million compared with the end of the previous fiscal year. This was the result of net cash provided by operating and financing activities of ¥3,544 million and ¥19,670 million, respectively, and partially offset by net cash used in investing activities of ¥13,042 million as well as the addition of a translation adjustment on cash and cash equivalents.

(Operating Activities)

Net cash provided by operating activities totaled ¥3,544 million (¥6,153 million for the previous fiscal year). While the principal cash outflows included increases in trade receivables and inventories, the major cash inflows included income before income taxes as well as depreciation and amortization.

(Investing Activities)

Net cash used in investing activities came to ¥13,042 million (¥5,456 million for the previous fiscal year). The major cash outflow was for purchases of property, plant and equipment.

(Financing Activities)

Net cash provided by financing activities totaled ¥19,670 million (compared with net cash used in financing activities of ¥10,275 million for the previous fiscal year). While the principal cash outflows included dividends paid and a net decrease in short-term bank loans, the major cash inflow came from the issuance of shares in connection with a third-party allotment.

(Reference) Trends in Cash Flow Related Indices

	FY12 2021	FY12 2022	FY12 2023	FY12 2024	FY12 2025
Equity Ratio (%)	74.1	73.0	85.6	79.8	81.8
Market Value Basis Equity Ratio (%)	72.8	61.2	67.6	64.7	83.1
Debt / Cash Flow Ratio (Years)	0.1	0.2	0.2	0.5	0.2
Interest Coverage Ratio (Times)	512.4	271.8	233.9	162.5	106.8

Equity Ratio : Shareholders Equity / Total Assets
Market Value Basis Equity Ratio : Market Capitalization / Total Assets
Debt / Cash Flow Ratio : Debt / Cash Flows
Interest Coverage Ratio : Cash Flows / Interest Payments

(Note)

- 1 Calculation based on the consolidated basis financial figures.
- 2 Market capitalization is calculated by multiplying the closing price as of the end of the fiscal year by the total number of shares issued and outstanding (excluding treasury stock).
- 3 “Cash flow” uses the net cash provided by operating activities.
- 4 “Interest-bearing liabilities” comprises all the liabilities recorded on the consolidated balance sheet for which interest must be paid.

(4) Future Outlook

As announced in the “Notice of Holding an Extraordinary Shareholders Meeting for Share Consolidation, Abolition of the Provision on Share Units, and Partial Amendments to the Articles of Incorporation” dated January 28, 2026, the Company has not provided Consolidated Earnings Projections for the fiscal year ended December 31, 2026. This is in line with plans to delist the Company’s shares effective March 13, 2026 in accordance with prescribed procedures.

(5) Basic Dividend Policy and Dividends for This Fiscal Year and the Next Fiscal Year

As announced in the “Notice of Holding an Extraordinary Shareholders Meeting for Share Consolidation, Abolition of the Provision on Share Units, and Partial Amendments to the Articles of Incorporation” dated January 28, 2026, the Company has not provided dividend projections for the fiscal year ended December 31, 2026. This is in line with plans to delist the Company’s shares effective March 13, 2026 in accordance with prescribed procedures.

2. Basic Policy regarding the Selection of Accounting Standards

Taking into consideration comparability of consolidated financial statements between periods and between companies, the policy of the Star Micronics Group is to prepare consolidated financial statements according to Japanese accounting standards for the foreseeable future.

We will address the application of International Financial Reporting Standards as appropriate, taking into account conditions in Japan and other countries.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Unit: Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	23,619,570	34,556,499
Trade notes and accounts receivable	20,170,101	26,387,974
Merchandise and finished goods	14,169,299	16,075,903
Work in process	4,714,009	6,372,832
Raw materials and supplies	3,683,213	3,824,525
Other	2,089,074	2,690,449
Allowance for doubtful accounts	(115,494)	(143,966)
Total current assets	68,329,773	89,764,218
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,086,884	17,140,438
Machinery, equipment and vehicles, net	3,420,113	5,262,026
Tools, furniture and fixtures, net	1,488,769	1,515,684
Land	2,491,261	2,821,880
Lease assets, net	53,595	68,163
Construction in progress	3,553,245	1,851,318
Other, net	1,227,754	943,921
Total property, plant and equipment	19,321,624	29,603,433
Intangible assets		
Other	1,257,955	1,349,309
Total intangible assets	1,257,955	1,349,309
Investments and other assets		
Investment securities	903,529	1,300,678
Deferred tax assets	432,566	531,872
Net defined benefit asset	2,053,971	3,242,408
Other	485,216	477,099
Total investments and other assets	3,875,284	5,552,059
Total non-current assets	24,454,865	36,504,802
Total assets	92,784,638	126,269,020

(Unit: Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Trade notes and accounts payable	5,827,719	8,273,229
Electronically recorded obligations-operating	532,489	573,172
Short-term borrowings	2,000,000	—
Current portion of long-term bank loans	8,315	—
Lease obligations	22,495	25,259
Income taxes payable	540,901	715,136
Contract liabilities	534,935	709,137
Provision for bonuses	696,107	1,134,249
Other	5,648,525	8,324,656
Total current liabilities	15,811,490	19,754,841
Non-current liabilities		
Lease obligations	37,243	50,583
Net defined benefit liability	425,853	423,227
Deferred tax liabilities	1,318,083	1,790,945
Other	760,889	665,674
Total non-current liabilities	2,542,070	2,930,430
Total liabilities	18,353,560	22,685,272
Net assets		
Shareholders' equity		
Capital stock	12,721,939	25,221,980
Capital surplus	10,171,152	16,424,958
Retained earnings	55,127,327	46,772,752
Treasury stock	(16,481,370)	(917,277)
Total shareholders' equity	61,539,049	87,502,413
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	149,641	229,688
Foreign currency translation adjustments	11,248,444	13,880,735
Remeasurements of defined benefit plans	1,101,414	1,664,303
Total accumulated other comprehensive income	12,499,500	15,774,727
Stock acquisition rights	284,436	194,757
Noncontrolling interests	108,091	111,849
Total net assets	74,431,078	103,583,748
Total liabilities and net assets	92,784,638	126,269,020

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

(Unit: Thousands of yen)

	As of December 31, 2024 (from January 1, 2024 to December 31, 2024)	As of December 31, 2025 (from January 1, 2025 to December 31, 2025)
Net sales	64,994,694	74,568,780
Cost of sales	41,558,573	46,767,642
Gross profit	23,436,120	27,801,138
Selling, general and administrative expenses	19,414,874	22,377,464
Operating income	4,021,245	5,423,673
Non-operating income		
Interest income	323,136	270,451
Foreign exchange gain	84,287	370,382
Rent income	41,539	42,261
Miscellaneous income	97,633	189,640
Total non-operating income	546,597	872,735
Non-operating expenses		
Interest expense	32,816	36,852
Loss on valuation of investment securities	—	185,909
Share issuance costs	—	278,144
TOB related expenses	—	149,912
Miscellaneous loss	19,834	70,021
Total non-operating expenses	52,651	720,840
Ordinary income	4,515,192	5,575,568
Extraordinary income		
Gain on sales of non-current assets	14,998	25,493
Gain on sale of investment securities	46,121	—
Total extraordinary income	61,120	25,493
Extraordinary losses		
Loss on disposal of non-current assets	195,513	135,690
Total extraordinary losses	195,513	135,690
Income before income taxes	4,380,799	5,465,370
Income taxes-current	1,656,873	1,846,279
Income taxes-deferred	875,948	57,029
Total income taxes	2,532,822	1,903,309
Net income	1,847,977	3,562,061
Net income(loss) attributable to noncontrolling interests	(7,133)	13,395
Net income attributable to owners of the parent	1,855,111	3,548,665

(Consolidated Statement of Comprehensive Income)

(Unit: Thousands of yen)

	As of December 31,2024 (from January 1, 2024 to December 31, 2024)	As of December 31,2025 (from January 1, 2025 to December 31, 2025)
Net income	1,847,977	3,562,061
Other comprehensive income		
Valuation difference on available-for-sale securities	(17,544)	80,047
Foreign currency translation adjustments	4,215,644	2,618,321
Remeasurements of defined benefit plans	(203,026)	562,888
Share of other comprehensive income of entities accounted for using equity method	(11,131)	11,648
Total other comprehensive income	3,983,942	3,272,906
Comprehensive income	5,831,919	6,834,968
(Total comprehensive income attributable to:)		
Owners of parent	5,824,100	6,823,892
Noncontrolling interests	7,819	11,075

(3) Consolidated Statement of Changes in Equity

Fiscal year ended December 31, 2024 (From January 1, 2024 to December 31, 2024)

(Unit : Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity
Balance at beginning of current period	12,721,939	10,948,546	55,401,296	(7,637,848)	71,433,933
Changes of items during period					
Cash dividends			(2,129,079)		(2,129,079)
Net income attributable to owners of parent			1,855,111		1,855,111
Purchase of treasury stock				(9,825,499)	(9,825,499)
Disposal of treasury stock		25,463		179,120	204,583
Retirement of treasury stock		(802,857)		802,857	—
Net changes of items other than shareholders' equity					
Net change in the year	—	(777,394)	(273,968)	(8,843,521)	(9,894,884)
Balance at end of current period	12,721,939	10,171,152	55,127,327	(16,481,370)	61,539,049

	Accumulated other comprehensive income				Stock Acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	167,186	7,058,883	1,304,441	8,530,511	274,809	107,166	80,346,421
Changes of items during period							
Cash dividends							(2,129,079)
Net income attributable to owners of parent							1,855,111
Purchase of treasury stock							(9,825,499)
Disposal of treasury stock							204,583
Retirement of treasury stock							—
Net changes of items other than shareholders' equity	(17,544)	4,189,560	(203,026)	3,968,989	9,627	924	3,979,541
Net change in the year	(17,544)	4,189,560	(203,026)	3,968,989	9,627	924	(5,915,342)
Balance at end of current period	149,641	11,248,444	1,101,414	12,499,500	284,436	108,091	74,431,078

Fiscal year ended December 31, 2025(From January 1, 2025 to December 31, 2025)

(Unit : Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity
Balance at beginning of current period	12,721,939	10,171,152	55,127,327	(16,481,370)	61,539,049
Changes of items during period					
Issuance of new shares	12,500,040	12,500,040			25,000,081
Cash dividends			(2,629,753)		(2,629,753)
Net income attributable to owners of parent			3,548,665		3,548,665
Purchase of treasury stock				(178,310)	(178,310)
Disposal of treasury stock		24,858		208,402	233,261
Retirement of treasury stock		(15,534,000)		15,534,000	—
Transfer from retained earnings to capital surplus		9,273,487	(9,273,487)		
Purchase of shares of consolidated subsidiaries		(10,579)			(10,579)
Net changes of items other than shareholders' equity					
Net change in the year	12,500,040	6,253,806	(8,354,575)	(15,564,092)	25,963
Balance at end of current period	25,221,980	16,424,958	46,772,752	(917,277)	87,502,413

	Accumulated other comprehensive income				Stock Acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	149,641	11,248,444	1,101,414	12,499,500	284,436	108,091	74,431,078
Changes of items during period							
Issuance of new shares							25,000,081
Cash dividends							(2,629,753)
Net income attributable to owners of parent							3,548,665
Purchase of treasury stock							(178,310)
Disposal of treasury stock							233,261
Retirement of treasury stock							—
Transfer from retained earnings to capital surplus							
Purchase of shares of consolidated subsidiaries							(10,579)
Net changes of items other than shareholders' equity	80,047	2,632,291	562,888	3,275,226	(89,679)	3,757	3,189,305
Net change in the year	80,047	2,632,291	562,888	3,275,226	(89,679)	3,757	29,152,670
Balance at end of current period	229,688	13,880,735	1,664,303	15,774,727	194,757	111,849	103,583,748

(4) Consolidated Statements of Cash Flows

(Unit: Thousands of yen)

	As of December 31, 2024 (From January 1, 2024 to December 31, 2024)	As of December 31, 2025 (From January 1, 2025 to December 31, 2025)
Operating activities		
Income before income taxes	4,380,799	5,465,370
Depreciation and amortization	2,703,364	3,241,488
Loss (gain) on sale of investment securities	(46,121)	—
Loss (gain) on valuation of investment securities	—	185,909
Share issuance costs	—	278,144
TOB related expenses	—	149,912
Increase (decrease) in allowance for doubtful receivables	(90,920)	111,157
Increase (decrease) in net defined benefit liability	(383,760)	(363,804)
Interest and dividends income	(343,683)	(290,840)
Interest expenses	32,816	36,852
Loss (gain) on sales of property, plant and equipment	(14,998)	(25,493)
Loss (gain) on disposal of property, plant and equipment	195,513	135,690
Decrease (increase) in trade receivables	(27,908)	(4,561,887)
Decrease (increase) in inventories	335,953	(2,988,474)
Increase (decrease) in trade payables	767,636	2,809,903
Other-net	(274,940)	482,905
Subtotal	7,233,749	4,666,835
Interest and dividends income received	391,945	295,722
Interest expenses paid	(37,857)	(33,195)
Income taxes refund	368,198	562,233
Income taxes paid	(1,802,471)	(1,947,409)
Net cash provided by operating activities	6,153,565	3,544,187
Investing activities		
Purchases of property, plant and equipment	(4,956,500)	(11,665,493)
Proceeds from sales of property, plant and equipment	13,768	34,395
Purchases of investment securities	(303,515)	(508,429)
Proceeds from sales of investment securities	75,014	—
Payments into time deposits	(3,303)	(10,000,000)
Proceeds from withdrawal of time deposits	310,520	10,000,000
Other-net	(592,612)	(903,291)
Net cash provided by (used in) investing activities	(5,456,628)	(13,042,818)
Financing activities		
Increase (decrease) in short-term bank loans	2,000,000	(2,000,000)
Repayments of long-term bank loans	(28,404)	(8,315)
Repayments of finance lease obligations	(34,627)	(25,400)
Proceeds from issuance of shares	—	24,721,936
Payments for purchase of treasury stock	(9,832,117)	(178,573)
Disposal of treasury stock	135,996	164,021
Dividends paid to shareholders	(2,130,423)	(2,627,036)
Dividends paid to noncontrolling shareholders of consolidated subsidiaries	(6,894)	(7,317)
Other-net	(378,571)	(368,592)
Net cash used in financing activities	(10,275,041)	19,670,721
Foreign currency translation adjustments on cash and cash equivalents	1,763,195	764,837
Net increase (decrease) in cash and cash equivalents	(7,814,909)	10,936,928
Cash and cash equivalents at beginning of year	31,434,479	23,619,570
Cash and cash equivalents at end of year	23,619,570	34,556,499

(5) Notes to Consolidated Financial Statements
(Note on Going Concern Assumption)

Not applicable

(Notes on Changes in Accounting Policies)

Application of the Accounting Standard for Current Income Taxes, etc.

The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter the “Revised Accounting Standard of 2022”), etc. since the beginning of the current consolidated accounting period.

With regard to the revision concerning where to recognize current income taxes (taxes on other comprehensive income), the Company has followed the transitional treatments provided for in the proviso clause of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatments provided for in proviso clause of paragraph 65-2(2) of the “Implementation Guidance on Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter, the “Revised Implementation Guidance of 2022”). This change in accounting policies has no impact on the consolidated financial statements.

As for the revision related to the change in the treatment in consolidated financial statements of tax deferral of gain on sale of shares of subsidiaries, etc. between consolidated companies, the Company has applied the Revised Implementation Guidance of 2022 since the beginning of the fiscal year ended December 31, 2025. This change in accounting policies has been applied retrospectively and the consolidated financial statements for the fiscal year ended December 31, 2024 have been restated accordingly. This change in accounting policies has no impact on the consolidated financial statements for the fiscal year ended December 31, 2024.

(Segment Information)

1. Description of reportable segments

The Group’s reportable segments are those for which separate financial information is available and regular evaluation by the Company’s management is being performed in order to decide how resources are allocated among the Group. Star Micronics is comprised of the Machine Tools and Special Products segments. These two reporting segments are configured on a business division basis by products and services.

The Machine Tools Segment undertakes the manufacture and sale of machine tools including CNC automatic lathes. The Special Products Segment engages in the manufacture and sale of point-of-sale (POS) printers.

2. Methods of measurement for the amounts of sales, profit (loss), assets, liabilities and other items for each Reportable segment

The accounting method for reportable business segments is consistent with the accounting method use to prepare consolidated financial statements.

Figures for income in reportable segment are on an operating income basis.

3. Information about sales, profit (loss), assets, liabilities and other items

Fiscal year ended December 31, 2024 (From January 1, 2024 to December 31, 2024)

(Unit: Thousands of yen)

	Reportable Segment			Adjustments (Note 1)	Consolidated Financial Statement Amounts (Note 2)
	Machine Tools	Special Products	Total		
Sales					
Sales to external customers	51,419,817	13,574,876	64,994,694	—	64,994,694
Intersegment sales or transfers	—	—	—	—	—
Total	51,419,817	13,574,876	64,994,694	—	64,994,694
Segment profit	5,047,602	885,161	5,932,764	(1,911,518)	4,021,245
Segment assets	70,656,200	13,297,353	83,953,554	8,831,084	92,784,638
Other items:					
Depreciation	2,148,296	407,648	2,555,945	147,418	2,703,364
Investments in associates	—	284,165	284,165	—	284,165
Increase in property, plant and equipment and intangible assets	5,015,436	611,872	5,627,309	293,738	5,921,047

Notes:

1. Adjustments were made as follows.

- (1) Adjustments to segment income represent corporate expenses that are not allocated to a particular reporting segment. Corporate expenses mainly comprise expenses relating to the Company's head office administration department.
 - (2) Adjustments to segment assets represent corporate assets that are not allocated to a particular reporting segment. Corporate assets mainly comprise surplus funds (cash and deposits) as well as assets relating to the Company's administration department.
 - (3) Reconciliations recorded for depreciation include depreciation incurred by corporate assets that are not allocated to any reportable segment.
 - (4) Reconciliations recorded for increase in property, plant and equipment and intangible assets are capital investments principally for corporate assets that are not allocated to any reportable segment.
2. Segment profit agrees with operating profit in the accompanying consolidated statement of income.

Fiscal year ended December 31, 2025 (From January 1, 2025 to December 31, 2025)

(Unit: Thousands of yen)

	Reportable Segment			Adjustments (Note 1)	Consolidated Financial Statement Amounts (Note 2)
	Machine Tools	Special Products	Total		
Sales					
Sales to external customers	57,974,782	16,593,998	74,568,780	—	74,568,780
Intersegment sales or transfers	—	—	—	—	—
Total	57,974,782	16,593,998	74,568,780	—	74,568,780
Segment profit	6,045,172	1,935,215	7,980,387	(2,556,713)	5,423,673
Segment assets	88,825,148	14,599,527	103,424,676	22,844,344	126,269,020
Other items:					
Depreciation	2,506,797	562,021	3,068,818	172,669	3,241,488
Investments in associates	—	290,360	290,360	—	290,360
Increase in property, plant and equipment and intangible assets	12,466,889	273,766	12,740,656	885,063	13,625,720

Notes:

1. Adjustments were made as follows.

- (1) Adjustments to segment income represent corporate expenses that are not allocated to a particular reporting segment. Corporate expenses mainly comprise expenses relating to the Company's head office administration department.
 - (2) Adjustments to segment assets represent corporate assets that are not allocated to a particular reporting segment. Corporate assets mainly comprise surplus funds (cash and deposits) as well as assets relating to the Company's administration department.
 - (3) Reconciliations recorded for depreciation include depreciation incurred by corporate assets that are not allocated to any reportable segment.
 - (4) Reconciliations recorded for increase in property, plant and equipment and intangible assets are capital investments principally for corporate assets that are not allocated to any reportable segment.
2. Segment profit agrees with operating profit in the accompanying consolidated statement of income.

(Per Share Information)

	FY12/2024 (From January 1, 2024 to December 31, 2024)	FY12/2025 (From January 1, 2025 to December 31, 2025)
Net assets per share	¥2,327.02	¥2,153.80
Net income per share	¥53.99	¥83.50
Diluted net income per share	¥53.78	¥83.27

Notes: Basis for calculations of net assets per share and diluted net income per share are as follows.

	FY12/2024 (From January 1, 2024 to December 31, 2024)	FY12/2025 (From January 1, 2025 to December 31, 2025)
Net income per share		
Net income attributable to owners of parent (¥ thousand)	1,855,111	3,548,665
Value not attributed to common stock (¥ thousand)	—	—
Net income attributable to common shareholders (¥ thousand)	1,855,111	3,548,665
Average number of outstanding shares (shares)	34,357,501	42,496,820
Diluted net income per share		
Net income adjustments attributable to parent company shareholders (¥ thousand)	—	—
The number of shares of common stock increase (shares)	134,936	120,349
[Stock acquisition rights (shares)]	[134,936]	[120,349]
Descriptions of potentially dilutive common shares that were not included in the computation of Diluted net income per share because of their anti-dilutive effect	The 12th stock acquisition rights as ordinary stock options (160,000 shares) The 18th stock acquisition rights as ordinary stock options (116,000 shares)	—

(Significant Subsequent Events))

(Results of the Tender Offer for the Company's Shares and Share Options by Solsticia Corporation, and Changes in the Controlling Shareholder, as well as the Largest and Major Shareholder other than the Parent Company)

The tender offer for the Company's shares (the "Company Shares") and Share Options (Note1) (hereinafter the Company Shares and Share Options are collectively referred to as "Company Share Certificates") that has been implemented by Solsticia Corporation (the "Offeror") since November 13, 2025 (the "Tender Offer"), ended on December 25, 2025.

(Note1) "Share Options" collectively refers to the share options listed in items (1) through (13) below.

- 1) The 1st stock compensation-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on May 22, 2014 (exercise period: from June 9, 2014 to June 8, 2044)
- 2) The 2nd stock compensation-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on May 28, 2015 (exercise period: from June 15, 2015 to June 14, 2045)
- 3) The 3rd stock compensation-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on May 26, 2016 (exercise period: from June 13, 2016 to June 12, 2046)
- 4) The 4th stock compensation-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on May 25, 2017 (exercise period: from June 12, 2017 to June 11, 2047)
- 5) The 5th stock compensation-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on May 24, 2018 (exercise period: from June 11, 2018 to June 10, 2048)
- 6) The 6th stock compensation-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 28, 2019 (exercise period: from April 15, 2019 to April 14, 2049)
- 7) The 7th stock compensation-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 26, 2020 (exercise period: from April 13, 2020 to April 12, 2050)
- 8) The 13th ordinary-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 28, 2019 (exercise period: from June 1, 2021 to May 31, 2026)
- 9) The 14th ordinary-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 26, 2020 (exercise period: from June 1, 2022 to May 31, 2027)
- 10) The 15th ordinary-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 25, 2021 (exercise period: from June 1, 2023 to May 31, 2028)
- 11) The 16th ordinary-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 24, 2022 (exercise period: from June 3, 2024 to June 2, 2029)
- 12) The 17th ordinary-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 23, 2023 (exercise period: from June 2, 2025 to June 1, 2030)
- 13) The 18th ordinary-type share options issued pursuant to the resolution of the Company's Board of Directors meeting held on March 28, 2024 (exercise period: from June 1, 2026 to May 31, 2031)

Furthermore, as a result of the Tender Offer, the Company's largest shareholder and major shareholder has changed as follows on January 6, 2026 (the commencement date of the settlement of the Tender Offer).

1. Date of change

January 6, 2026 (the commencement date of the settlement of the Tender Offer)

2. Background of change

On December 26, 2026, the Company was informed by the Offeror that 24,789,003 Company Share Certificates had been tendered in the Tender Offer, and as the total number of tendered Company Share Certificates reached the minimum number of shares to be purchased (14,800,700 shares), the Offeror would acquire all of the tendered Company Share Certificates.

As a result, the Tender Offer was settled on January 6, 2026 (the commencement date of the settlement of the Tender Offer), and the ratio of the number of the voting rights held by the Offeror to the number of the voting rights of all shareholders in the Company exceeded 20% as of that date, which resulted in the Offeror newly becoming the new largest shareholder and major shareholder of the Company.

Accordingly, Taiyo Unleash Acrux Holdings, LP, who had been the largest shareholder and major shareholder in the Company, ceased to qualify as the largest shareholder as of January 6, 2026 (the commencement date of the settlement of the Tender Offer).

3. Overview of changing shareholders

(1) Name	Solsticia Corporation
(2) Address	6-10-1 Roppongi, Minato-ku, Tokyo
(3) Title and Name of Representative	Representative Director, Christine Watanabe
(4) Description of Business	Acquisition and ownership of the Company Share Certificates, etc.
(5) Capital (as of November 12, 2025)	50,000 yen
(6) Date of Incorporation	October 17, 2025
(7) Major Shareholder and Shareholding Ratio (as of November 12, 2025)	Taiyo Unleash Acrux Holdings, LP 100.0%
(8) Relationship between the Offeror and the Company	
Capital Relationship	Not applicable. Taiyo Unleash Acrux Holdings, LP, which owns all of the issued shares of the Offeror, holds 17,304,700 Company Shares (ownership ratio (Note2): 35.69%) as of today.
Personnel Relationship	Not applicable.
Business Relationship	Not applicable.
Status as a Related Party	Not applicable.

(Note2) “Ownership ratio” refers to the ratio against 48,487,972 shares (hereinafter referred to as the “Base Number of Shares”), which is calculated as follows: the total number of issued shares as of September 30, 2025 (48,481,334 shares), as stated in the “Consolidated Summary of Financial Results for the Third Quarter of the Fiscal Year Ending December 2025 (Japanese Standard)” announced by the Company on November 12, 2025 (hereinafter referred to as the “Summary Financial Results of the Company”), plus the number of Company Shares (624,000 shares) that are the subject of the total of 6,240 Share Options outstanding as of September 30, 2025 (resulting in 49,105,334 shares), less the number of treasury shares (617,362 shares) held by the Company as of September 30, 2025. Figures are rounded to the nearest second decimal place. The same shall apply hereinafter with respect to references to ownership ratios.

4. Number of voting rights and percentage of voting rights owned by the Company’s shareholders subject to before and after change

Solsticia Corporation

	Category	Number of voting rights (percentage of voting rights (Note3) and number of shares owned)			Shareholder ranking
		Directly owned	Consolidated	Total	
Before change	-	-	-	-	-
After change	the largest shareholder and a major shareholder	247,890 units (51.12 %) (24,789,003 shares)	-	247,890 units (51.12 %) (24,789,003 shares)	1st

(Note3) “Percentage of voting rights” is calculated with the number of voting rights represented by the Base Number of Shares (484,879 units) being the denominator, and rounded to the second decimal place.

For further details, please refer to the “Notice Regarding Results of Tender Offer for Company Share Certificates by Solsticia Corporation and Changes in the Largest Shareholder and Major Shareholder” disclosed on December 26, 2025.

(Share Consolidation, Abolition of the Provision Regarding the Number of Shares Constituting One Unit, and Partial Amendment of the Articles of Incorporation)

At the meeting of the Board of Directors held on January 28, 2026, the Company resolved to submit proposals regarding the share consolidation, the abolition of the provision regarding the number of shares constituting one unit, and the partial amendment to the Articles of Incorporation in connection with the share consolidation, to the extraordinary shareholders meeting to be held on February 26, 2026 (the “Extraordinary Shareholders Meeting”).

For further details, please refer to the “Notice of Holding an Extraordinary Shareholders Meeting for Share Consolidation, Abolition of the Provision on Share Units, and Partial Amendments to the Articles of Incorporation” disclosed on January 28, 2026.

1. Share Consolidation

(1) Purposes and reasons for share consolidation

The Offeror conducted the tender offer for the Company’s shares and share acquisition rights (collectively with the Company’s shares, the “Company Share Certificates, etc.”) during the period from November 13, 2025 to December 25, 2025. As a result of the Tender Offer, applications were received for 24,789,003 Company shares, and as of January 6, 2026 (the commencement date of settlement of the Tender Offer), the Offeror came to own such shares. However, since the Offeror was unable to acquire all of the Company Share Certificates, etc. (excluding the treasury shares held by the Company and the Company shares held by the Fund) through the Tender Offer, the Offeror requested the Company to convene an extraordinary general meeting of shareholders to submit proposals for a consolidation of the Company shares pursuant to Article 180 of the Companies Act (the “Share Consolidation”) and a partial amendment to the Articles of Incorporation to abolish the provision regarding the number of shares constituting one unit, conditional upon the Share Consolidation becoming effective.

As described in “(5) Policy Regarding Organizational Restructuring, etc. after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)” under “3. Details, Basis and Reasons for the Opinion on the Tender Offer” in the “Notice Regarding Expression of Opinion on the Tender Offer for the Company Share Certificates, etc. by Solsticia Corporation” (the “Opinion Press Release”) disclosed on November 12, 2025, such request had been originally planned, and the Share Consolidation will be implemented as part of a series of transactions (the “Transaction”), including the Tender Offer, for the purpose of making the Offeror and the Fund the sole shareholders of the Company (excluding the Company itself; the same shall apply hereinafter). For further details regarding the purpose and background of the Transaction including the Tender Offer and the Share Consolidation, please refer to the Opinion Press Release.

(2) Schedule of the Share Consolidation

Date of public notice of record date for the Extraordinary Shareholders Meeting	Thursday, December 25, 2025
Record date for the Extraordinary Shareholders Meeting	Thursday, January 15, 2026
Date of resolution by the Board of Directors	Wednesday, January 28, 2026
Date of Extraordinary Shareholders Meeting	Thursday, February 26, 2026 (scheduled)
Date of designation as securities to be delisted	Thursday, February 26, 2026 (scheduled)
Date of final trading	Thursday, March 12, 2026 (scheduled)
Date of delisting	Friday, March 13, 2026 (scheduled)
Effective date of the Share Consolidation	Tuesday, March 17, 2026 (scheduled)

(3) Details of the Share Consolidation

1) Class of Shares Subject to Consolidation

Common shares

2) Consolidation Ratio

Company Shares will be consolidated at a ratio of 8,652,350 shares to one share

3) Number of Shares to be Reduced

48,481,329 shares

- 4) Total Number of Issued Shares Before the Effective Date
48,481,334 shares (including treasury shares)
- 5) Total Number of Issued Shares After the Effective Date
5 shares
- 6) Total Number of Authorized Shares as of the Effective Date
20 shares

- 7) Method of Treatment of Fractions Less Than One Share and Amount of Money Expected to Be Delivered to Shareholders as a Result of Such Treatment

As stated in “(1) Purposes of and reasons for share consolidation” above, as a result of the Share Consolidation, the number of Company Shares held by shareholders other than the Offeror and the Fund will become less than one share (fractional shares). The total number of such fractional shares will be aggregated, and if the total includes a fraction of less than one whole share, such fraction will be rounded down. The Company will sell a number of Company Shares equivalent to the total number of such aggregated fractional shares, and the proceeds from such sale will be distributed to shareholders in proportion to the number of fractional shares attributable to each shareholder. With respect to such sale, in light of the purpose of this Transaction (to make the Offeror and the Fund the only shareholders of the Company) and the fact that the Company Shares are expected to be delisted as of March 13, 2026 and will have no market price, the Company intends to sell such shares to the Offeror, with court approval, pursuant to Article 234, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act. If court approval is obtained as scheduled, the sale price will be set at a level that will enable the Company to deliver to shareholders money corresponding to the number of Company Shares held by each shareholder as listed or recorded in the final shareholder registry as of March 16, 2026 (the business day immediately preceding the effective date of the Share Consolidation), multiplied by 2,210 yen per share, which is the same amount as the Tender Offer Price. However, the actual amount delivered may differ from the above in cases where court approval is not obtained or if adjustments for rounding are necessary.

- (4) Effects on the information per share

Assuming that the Share Consolidation is carried out at the beginning of the previous consolidated fiscal year, the information per share for the previous and the current consolidated fiscal year is as follows.

	FY12/2024 (From January 1, 2024 to December 31, 2024)	FY12/2025 (From January 1, 2025 to December 31, 2025)
Net assets per share	¥14,807,710,021.00	¥20,655,428,315.40
Net income per share	¥371,022,205.00	¥709,733,182.00

(Note) Diluted earnings per share have not been stated because, as a result of the share consolidation, there will be no outstanding dilutive shares.

- (5) Schedule for Delisting

As stated in “(2) Schedule of the Share Consolidation” above, the Company plans to implement the Share Consolidation, subject to the approval of shareholders at the Extraordinary Shareholders Meeting, with the intention of making the Offeror and the Fund the sole shareholders of the Company after the completion of the Transaction. As a result, the Company Shares are scheduled to be delisted through the prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange. The Company Shares are expected to be designated as securities to be delisted from February 26, 2026 to March 12, 2026, and to be officially delisted on March 13, 2026. After delisting, the Company Shares will no longer be tradable on the TSE Prime Market.

2. Partial Amendments to the Articles of Incorporation with Share Consolidation and Other Related Actions

(1) Reason of the Amendments

- 1) If the proposal for the Share Consolidation is approved and passed as originally proposed at the Extraordinary Shareholders Meeting and the Share Consolidation takes effect, the total number of authorized shares of the Company will be reduced to 20 shares in accordance with Article 182, Paragraph 2 of the Companies Act. To clarify this point, Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation will be amended, conditional upon the Share Consolidation taking effect.
- 2) If the proposal for the Share Consolidation is approved and passed as originally proposed at the Extraordinary Shareholders Meeting and the Share Consolidation takes effect, the total number of issued shares of the Company will be 5 shares, and it will no longer be necessary to stipulate the number of shares per unit. Therefore, conditional upon the Share Consolidation taking effect, in order to abolish the provision on the number of shares per unit, which is currently 100 shares per unit, the entire text of Article 6 (Number of Shares per Unit), Article 8 (Rights Pertaining to Shares Less Than One Unit) and Article 9 (Purchase of Shares Less Than One Unit) of the Articles of Incorporation will be deleted, and the numbering of subsequent articles will be adjusted accordingly.
- 3) If the proposal for the Share Consolidation is approved and passed as originally proposed at the Extraordinary Shareholders Meeting and the Share Consolidation takes effect, the Company Shares will be delisted. Following the Share Consolidation, and the only shareholders of the Company holding one or more shares will be the Offeror and the Fund. Furthermore, due to the treatment of fractional shares resulting from the Share Consolidation, only the Offeror and the Fund will remain as shareholders of the Company. As a result, the provisions regarding the record date for the Annual General Meeting of Shareholders and the electronic provision of materials for general meetings of shareholders will no longer be necessary. Therefore, conditional upon the Share Consolidation taking effect, the entire text of Article 13 (Record Date of Annual General Meeting of Shareholders) and Article 15 (Measures for Electronic Provision, etc.) of the Articles of Incorporation will be deleted, and the numbering of subsequent articles will be adjusted accordingly.

(2) Details of Amendments to the Articles of Incorporation

(The portions underscored indicate changes)

Details of the amendments are shown below.

Current Articles of Incorporation	Proposed Amendments
Article 1 to Article 5 (Omitted)	Article 1 to Article 5 (Unchanged)
Article 6 (Total Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be <u>158 million</u> .	Article 6 (Total Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be <u>20</u> .
<u>Article 7 (Number of Shares per Unit)</u> The number of shares per unit of the Company shall be <u>100</u> .	(Deleted)
<u>Article 8 (Rights Pertaining to Shares Less Than One Unit)</u> <u>Shareholders of the Company may not exercise any rights with respect to shares less than one unit that they hold, except for the following rights.</u> <u>(1) Rights set forth in each item of Article 189, Paragraph 2 of the Companies Act;</u> <u>(2) The right to make a demand pursuant to the provisions of Article 166, Paragraph 1 of the Companies Act;</u> <u>(3) The right to receive allotment of offered shares and offered share acquisition rights in proportion to the number of shares held by the shareholder;</u> <u>(4) The right to make a demand as provided for in the following Article.</u>	(Deleted)
<u>Article 9 (Purchase of Shares Less Than One Unit)</u> <u>Shareholders of the Company may request the Company, in accordance with the provisions of the Share Handling Regulations, to sell to them</u>	(Deleted)

<p><u>such number of shares that, when combined with the shares less than one unit they hold, will constitute one unit of shares.</u></p> <p>Article <u>10</u> to Article <u>12</u> (Omitted)</p> <p><u>Article 13 (Record Date of Annual General Meeting of Shareholders)</u></p> <p><u>The record date for exercising voting rights at the Annual General Meeting of Shareholders shall be December 31 of each year.</u></p> <p>Article 14 (Omitted)</p> <p><u>Article 15 (Measures for Electronic Provision, etc.)</u></p> <p>(1) <u>When convening a general meeting of shareholders, the Company shall take measures for providing information that constitutes the content of reference materials for the general meeting of shareholders, etc. in an electronic format</u></p> <p>(2) <u>Among items for which the measures for providing information in an electronic format will be taken, the Company may exclude all or part of those items designated by the Order of the Ministry of Justice from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper based documents by the record date of voting rights.</u></p> <p>Article <u>16</u> to Article <u>35</u> (Omitted)</p> <p>Supplementary Provisions Article 1 (Omitted)</p>	<p>Article <u>7</u> to Article <u>9</u> (Unchanged)</p> <p>(Deleted)</p> <p>Article <u>10</u> (Unchanged)</p> <p>(Deleted)</p> <p>Article <u>11</u> to Article <u>30</u> (Unchanged)</p> <p>Supplementary Provisions Article 1 (Unchanged)</p>
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- (3) Schedule for the Amendments to the Articles of Incorporation
March 17, 2026 (scheduled)

(Retirement of Treasury Shares)

At its Board of Directors' meeting held on January 28, 2026, the Company resolved, pursuant to Article 178 of the Companies Act, to retire its treasury shares on March 16, 2026.

- (1) Class of Shares Retired (or Cancelled)
Common shares of the Company
- (2) Total Number of Shares Retired
All treasury shares held by the Company as of the scheduled retirement date
- (3) Scheduled Retirement Date
March 16, 2026