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February 13, 2026

Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)

Company name: MEC COMPANY LTD.
Listing: Tokyo Stock Exchange (Securities code: 4971)
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Scheduled date of annual general meeting of shareholders: March 24, 2026
Scheduled date to commence dividend payments: March 4, 2026
Scheduled date to file annual securities report: March 23, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors, securities analysts)

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

1. Consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	20,947	14.9	5,748	26.0	6,051	29.2	5,028	119.4
December 31, 2024	18,234	30.1	4,562	83.0	4,682	74.5	2,291	-0.6

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥5,778 million [94.6%]
For the fiscal year ended December 31, 2024: ¥2,969 million [-7.4%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2025	272.14	—	17.5	17.4	27.4
December 31, 2024	122.38	—	8.9	15.2	25.0

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended December 31, 2025: ¥- million
For the fiscal year ended December 31, 2024: ¥- million

(2) Financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	36,424	30,472	83.7	1,668.73
December 31, 2024	33,039	26,897	81.4	1,436.45

Reference: Equity
As of December 31, 2025: ¥30,472 million
As of December 31, 2024: ¥26,897 million

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	3,979	-3,394	-2,252	8,749
December 31, 2024	4,200	51	-873	10,254

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1Q-end	2Q-end	3Q-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2024	—	20.00	—	25.00	45.00	850	36.8	3.3
FY2025	—	25.00	—	71.00	96.00	1,769	35.3	6.2
FY2026 (Forecast)	—	40.00	—	56.00	96.00		38.1	

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)
(Percentages indicate changes from previous fiscal year for full-year figures, and year-on-year changes for quarterly changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to parent company's shareholders		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen		Millions of yen	%	Millions of yen
1st half	10,800	15.1	3,000	22.9	3,025	21.3	2,000	5.6	109.53
Full year	22,500	7.4	6,500	13.1	6,550	8.2	4,600	-8.5	251.91

* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Out: 1 (Company Name: MEC (HONG KONG) LTD.)

- (2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

- (3) Number of issued shares (common shares)

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

As of December 31, 2025	19,571,093 shares
As of December 31, 2024	20,071,093 shares

- (ii) Number of treasury shares at the end of the period

As of December 31, 2025	1,310,436 shares
As of December 31, 2024	1,346,241 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	18,478,053 shares
Fiscal year ended December 31, 2024	18,724,852 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

- (1) Operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	13,515	10.2	4,301	23.7	7,224	57.7	5,766	64.9
December 31, 2024	12,263	45.8	3,477	185.9	4,580	138.1	3,497	80.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2025	312.09	-
December 31, 2024	186.80	-

- (2) Financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	27,720	23,733	85.6	1,299.71
December 31, 2024	25,728	19,759	76.8	1,055.28

Reference: Equity

As of December 31, 2025: ¥23,733 million
As of December 31, 2024: ¥19,759 million

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
* Proper use of earnings forecasts, and other special matters
-The business forecasts and such like stated in this material are based on the information currently available to the Company and certain assumptions that are judged to be rational. Actual results may vary significantly from the forecasts due to various factors. In addition, for matters concerning the above forecasts, please refer to “1. Overview of business results etc. (4) Statement of forward looking” on page 5 of the attachment.
- We are planning to hold financial results briefing for institutional investors and analysts on Friday, February 13, 2026. Materials of financial results briefings are posted on our website.

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1. Overview of business results, etc.

(1) Analysis relating to the operating results

[Outline of the current period]

During the current consolidated fiscal year (January 1, 2025 to December 31, 2025), Japan experienced a gradual recovery trend as the employment and income environment continued to improve. On the other hand, the outlook remains uncertain due to price trends, uncertainties in U.S. trade policy, geopolitical risks and other factors.

In the electronics industry, market growth in data centers was driven by generative AI-related products. Sales of PCs, smartphones, and automotive-related products, which are undergoing a technological shift to autonomous driving, generally remained firm. From a medium to long-term perspective, the megatrend of digital technology development due to the telecommunications revolution remains unchanged, and investment in these areas is expected to continue.

The electronic circuit board and components industries, related markets of the Group, made steady progress, influenced by the electronics industry in general.

In this environment, the Group has worked on business activities under the guiding principle of “Create and Transform” to achieve our “Phase 2 Medium-Term Management Plan (FY2025 to FY2027)” towards the realization of our 2030 Vision. In particular, while society is undergoing a period of change and transformation towards digitalization and green technology, we focused on the development and sales of products for high-density electronic substrates, and on activities aimed at the deployment of technology in new markets.

Consequently, the Group’s business results were as follows.

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	YoY
Net sales	18,234 million yen	20,947 million yen	14.9 %
Selling, general and administrative expenses	6,539 million yen	7,229 million yen	10.6 %
Operating income	4,562 million yen	5,748 million yen	26.0 %
Operating profit margin	25.0 %	27.4 %	2.4 ppt
Ordinary income	4,682 million yen	6,051 million yen	29.2 %
Profit before income taxes	4,669 million yen	6,473 million yen	38.6 %
Profit attributable to owners of parent	2,291 million yen	5,028 million yen	119.4 %

The breakdown of net sales was as follows.

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	YoY
Chemicals	17,478 million yen	20,211 million yen	15.6 %
Machinery	579 million yen	312 million yen	-46.1 %
Materials	169 million yen	403 million yen	138.8 %
Other	7 million yen	19 million yen	157.5 %

The overseas sales ratio was 65.1%, up 3.4 percentage points from 61.7% in the previous term. If sales to overseas customers carried out through distributors in Japan are included in the overseas sales ratio, it stands at 80.3%, up 3.0 percentage points from 77.3% in the previous term.

Net sales of chemicals reached a record high, with demand for chemicals remaining firm, mainly for products for advanced semiconductor package substrates related to generative AI, etc., and for general-purpose semiconductor package substrates for PCs, smartphones, etc. Selling, general and administrative expenses increased, mainly in personnel expenses, freight charges, etc. In terms of profit, operating income

increased because chemical shipments increased and demand for profitable products was firm. Ordinary income increased due to the impact of foreign exchange rates, etc. In addition, partly because income from the “Subsidy for Growth Investment for Large-Scale Growth Investment in Labor Saving and Other Measures to Raise Wages for Small and Medium-Sized Enterprises” provided by the Ministry of Economy, Trade and Industry was recorded in extraordinary income, and income taxes increased due to the recording of taxes in both Japan and China in the previous period as a result of the reorganization of the Group, net income attributable to owners of parent increased significantly compared with the previous term.

As for the trends in sales of major products compared with the previous term, the CZ Series of super-roughening adhesive enhancement products, which have a large share of the market for semiconductor-mounted package substrates, achieved strong results, due mainly to demand related to generative AI, PCs, smartphones, etc. Sales of the V-Bond Series of adhesion improvers for multilayer substrates and the EXE Series for displays were at roughly the same level as the previous term, while sales of the SF Series for displays declined due to production trends for related products.

The consolidated subsidiary MEC (HONG KONG) LTD. has been in liquidation since the first quarter consolidated accounting period so the name of the reporting segment known formerly as “Hong Kong (Hong Kong, Zhuhai)” has changed to “Zhuhai (China)” and the name of the reporting segment known formerly as “China (Suzhou)” has changed to “Suzhou (China).” Because these are only changes to the names of the reporting segments, the financial statements of MEC (HONG KONG) LTD., which is currently in liquidation, are included in “Zhuhai (China).”

Results by segment are as follows.

Net sales

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	YoY
Japan	7,206 million yen	7,827 million yen	8.6 %
Taiwan	3,326 million yen	3,887 million yen	16.9 %
Zhuhai (China)	2,305 million yen	2,780 million yen	20.6 %
Suzhou (China)	3,595 million yen	3,953 million yen	9.9 %
Europe	989 million yen	1,393 million yen	40.8 %
Thailand	810 million yen	1,106 million yen	36.5 %

Segment profit

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	YoY
Japan	3,477 million yen	4,301 million yen	23.7%
Taiwan	400 million yen	506 million yen	26.6%
Zhuhai (China)	348 million yen	324 million yen	-7.0%
Suzhou (China)	500 million yen	563 million yen	12.6%
Europe	66 million yen	19 million yen	-71.4%
Thailand	101 million yen	199 million yen	95.8%

In Japan, demand for products for advanced semiconductor package substrates, related to generative AI, etc., was on an expansionary trend. In the South Korean market, where we sell products via a Japanese distributor, semiconductor package substrates for memory were on a recovery trend, and sales of related products remained firm. As a result, net sales increased compared with the previous term.

In Taiwan, net sales increased compared with the previous term, driven by demand for products advanced

semiconductor package substrates related to generative AI, etc., and for general-purpose semiconductor package substrates for PCs, smartphones, etc.

In Zhuhai (China), demand for products related to generative AI, smartphones and PCs trended strongly, and net sales increased compared with the previous term.

In Suzhou (China), demand for products for smartphones, PCs and displays remained firm, and net sales increased compared with the previous term.

In Europe, although differences were apparent in demand trends depending on the customer, net sales increased compared with the previous term due to emergence from the inventory adjustment phase and temporary demand for materials.

In Thailand, while capital investment by electronic substrate manufacturers in Southeast Asia was active, net sales increased compared with the previous term due to sales of products related to satellite communications remaining firm and demand for products at our customers for semiconductor package substrate applications, although sales of products for automotive applications were sluggish.

(2) Analysis relating to the financial situation

Assets increased by 3,385 million yen compared with the end of the previous consolidated fiscal year to 36,424 million yen due to an increase in construction in progress, etc.

Liabilities decreased by 189 million yen compared with the end of the previous consolidated fiscal year to 5,952 million yen due to a decrease in electronically recorded obligations - operating.

Net assets increased by 3,574 million yen compared with the end of the previous consolidated fiscal year to 30,472 million yen due to an increase in retained earnings, etc.

As a result of the above, the equity ratio reached 83.7% and ROE was 17.5%.

(3) Analysis relating to the cash flows

Looking at the financial position in the current consolidated fiscal year, cash and cash equivalents (hereinafter referred to as “cash”) fell 1,504 million yen compared with the end of the previous consolidated fiscal year to 8,749 million yen.

Outlines of cash flow conditions and reasons for fluctuations at the end of the current consolidated fiscal year are as follows.

(Cash flow from operating activities)

Cash from operating activities amounted to 3,979 million yen (down 220 million yen year-on-year).

This was mainly because we recorded profit before taxes of 6,473 million yen, depreciation of 823 million yen, an increase in accounts receivable of 1,229 million yen, and income taxes paid of 1,719 million yen.

(Cash flow from investment activities)

As a result of investment activities, cash used amounted to 3,394 million yen (up 3,446 million yen year-on-year).

This was mainly because 2,735 million yen was recorded for the purchase of property, plant and equipment.

(Cash flow from financing activities)

As a result of financing activities, cash used amounted to 2,252 million yen (up 1,379 million yen year-on-year).

This was mainly because we recorded 1,292 million yen for the purchase of treasury shares and 935 million yen for dividends paid.

Changes in cash flow indicators

	Year ended December 2021	Year ended December 2022	Year ended December 2023	Year ended December 2024	Year ended December 2025
Equity ratio (%)	82.7	84.8	86.4	81.4	83.7
Equity ratio based on market value (%)	300.8	143.7	287.1	198.6	255.7
Debt repayment period (years)	0.0	0.0	0.0	0.0	0.0
Interest coverage ratio	3,698.6	3,836.1	2,463.9	2,638.3	614.0

(Note) Equity ratio : Shareholders' equity / total assets
Equity ratio based on market value : Stock market capitalization / total assets
Debt repayment period : Interest-bearing debt / cash flow from operating activities
Interest coverage ratio : Cash flow from operating activities / interest payment

- 1 Each of these indicators was calculated on a consolidated basis.
- 2 Stock market capitalization is calculated by multiplying the closing share price by the number of shares outstanding at the end of the period.
- 3 The figures for operating cash flow come from the "cash flow from operating activities" in the consolidated statements of cash flows. Interest-bearing debt consists of all liabilities on which interest is paid that are recorded in the consolidated balance sheet. Further, the figures for interest payment come from the amount of interest paid as stated in the consolidated statements of cash flows.

(4) Statement of forward looking

As an R&D-oriented company with a core focus on interface processing technologies in electronics-related fields, the Group provides high value-added products to the global market. Based on our management philosophy of "Visionary Technology," "Reliable Quality" and "Meticulous Service," we will pursue sustainable growth and the maximization of corporate value under the guiding principle of "Create and Transform" to realize the MEC 2030 Vision of "Becoming the world's best creator of interfaces and connecting them to the world." We are currently promoting various measures based on the "2030 Vision Phase 2 Medium-Term Management Plan," covering the period from the fiscal year ended December 31, 2025 to the fiscal year ending December 31, 2027.

In the electronics industry, the Group's main market, while the development of next-generation communication networks is advancing, technological innovation continues against the backdrop of the progress of digital technologies such as the diversification of AI, next-generation mobility being accelerated by autonomously driven vehicles, IoT, DX (digital transformation) and GX (green transformation), and we think that the markets related to the Company will expand over the medium to long-term. In particular, demand for the "CZ Series," the Company's mainstay products, is expected to increase due to the increase in the number of semiconductor package substrates in response to vigorous demand for semiconductors and the trend towards larger, more multilayered substrates in association with higher performance.

With regard to the business environment next fiscal year, we expect the expansion of demand for advanced semiconductor package substrates for generative AI-related applications, and demand for our related products to increase as a growth driver.

In light of these developments, the Group's full-year consolidated forecast is outlined as follows.

	Fiscal year ended December 31, 2025 (Million yen)	Fiscal year ending December 31, 2026 (Forecast) (Million yen)	YoY (%)
Net sales	20,947	22,500	7.4%
Operating income	5,748	6,500	13.1%
Ordinary income	6,051	6,550	8.2%
Profit attributable to owners of parent	5,028	4,600	-8.5%
Basic earnings per share (yen)	272.14	251.91	-
Operating margin (%)	27.4%	28.9%	1.5 points
ROE (%)	17.5%	14.5%	3.0 points

(Reference) Exchange rates for the current fiscal year and the next fiscal year

	Fiscal year ended December 31, 2025 (Million yen)	Fiscal year ending December 31, 2026 (Forecast) (Million yen)
US \$	150.40	151.02
NT \$	4.81	4.95
RMB ¥	20.94	21.24
HK \$	19.30	19.36
€	169.14	175.76
THB	4.57	4.67

2. Basic policy for the selection of accounting standards

The Group places great importance on ensuring comparability between companies and over time, and intends to continue applying Japanese standards for the time being.

Further, regarding the application of International Financial Reporting Standards (IFRS), we will take appropriate measures while paying close attention to future changes in the ratio of foreign shareholders and the trends of the application of IFRS at other companies in the same industry.

3. Consolidated financial statements and major notes

(1) Consolidated balance sheet

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	11,476,446	10,345,999
Notes and accounts receivable - trade	*1 5,826,419	*1 7,172,904
Electronically recorded monetary claims-operating	*1 376,347	*1 438,384
Merchandise and finished goods.	756,456	820,928
Work-in-process	182,416	237,885
Raw materials and supplies	858,543	804,007
Other	188,364	258,349
Allowance for doubtful accounts	-5,936	-9,113
Total current assets	19,659,058	20,069,346
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,161,445	8,451,453
Accumulated depreciation	-3,818,132	-4,179,428
Buildings and structures, net	*2 4,343,313	*2 4,272,025
Machinery, equipment and vehicles	3,924,994	4,166,782
Accumulated depreciation	-2,771,359	-2,919,603
Machinery, equipment and vehicles, net	1,153,635	1,247,179
Tools, furniture and fixtures	1,826,123	1,965,936
Accumulated depreciation	-1,364,151	-1,468,279
Tools, furniture and fixtures, net	461,971	497,656
Land	*2 3,691,281	*2 3,728,236
Right-of-use asset	104,954	103,881
Accumulated depreciation	-34,612	-45,954
Right-of-use asset, net	70,342	57,927
Construction in progress	133,204	2,050,330
Total property, plant and equipment	9,853,747	11,853,354
Intangible assets	150,468	142,029
Investments and other assets		
Investment securities	1,627,553	2,213,895
Retirement benefits assets	1,424,782	1,593,540
Deferred tax assets	1,711	10,466
Other	321,850	542,231
Total investments and other assets	3,375,898	4,360,134
Total non-current assets	13,380,114	16,355,518
Total assets	33,039,172	36,424,864

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	984,031	1,131,846
Electronically recorded obligations-operating	894,293	340,323
Accounts payable	558,309	570,264
Accrued expenses	198,645	194,406
Income taxes payable	952,302	1,417,949
Provision for bonuses	421,520	454,161
Provision for directors' bonuses	50,827	56,029
Accounts payable - facilities	95,985	110,080
Other	302,461	354,332
Total current liabilities	4,458,376	4,629,395
Non-current liabilities		
Deferred tax liabilities	1,490,783	1,016,392
Retirement benefit liability	7,131	14,656
Provision for Share-based compensation	126,951	137,803
Other	58,654	154,546
Total non-current liabilities	1,683,521	1,323,400
Total liabilities	6,141,898	5,952,795
Net assets		
Shareholders' equity		
Capital stock	594,142	594,142
Capital surplus	541,273	446,358
Retained earnings	24,163,977	27,428,552
Treasury shares	-2,031,602	-2,353,360
Total shareholders' equity	23,267,790	26,115,693
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	496,822	884,356
Foreign currency translation adjustment	2,799,596	3,133,199
Remeasurements of defined benefit plans	333,064	338,818
Total accumulated other comprehensive income	3,629,483	4,356,374
Total net assets	26,897,274	30,472,068
Total liabilities and net assets	33,039,172	36,424,864

(2) Consolidated statement of income and consolidated statement of comprehensive income
(Consolidated statement of income)

(Thousands of yen)

	Fiscal year ended December 31, 2024		Fiscal year ended December 31, 2025	
Net sales		18,234,377		20,947,752
Cost of sales	*1	7,132,647	*1	7,970,529
Gross profit		11,101,729		12,977,222
Selling, general and administrative expenses	*2, *3	6,539,261	*2, *3	7,229,208
Operating income		4,562,467		5,748,013
Non-operating income				
Interest income		56,551		30,170
Dividends income		15,259		31,098
Proceeds from sales of prototypes		6,591		7,364
Gain on investments in partnership		11,572		13,528
Foreign exchange gains		7,963		208,177
Other		24,740		27,560
Total non-operating income		122,676		317,900
Non-operating expenses				
Interest expenses		1,179		6,251
Other		1,214		8,156
Total non-operating expenses		2,393		14,407
Ordinary income		4,682,750		6,051,506
Extraordinary income				
Gain on sales of non-current assets	*4	7,021	*4	4,362
Subsidy income		—		546,447
Reversal of provision incurred from foreign currency translation adjustment		—		23,448
Total extraordinary income		7,021		574,257
Extraordinary losses				
Loss on sales of non-current assets	*5	301	*5	344
Loss on retirement of non-current assets	*6	19,535	*6	152,183
Total extraordinary losses		19,837		152,527
Profit before income taxes		4,669,934		6,473,236
Income taxes - current		1,680,554		2,123,680
Income taxes - deferred		697,763		-679,052
Total income taxes		2,378,318		1,444,627
Net income		2,291,615		5,028,609
Profit attributable to owners of parent		2,291,615		5,028,609

(Consolidated statement of comprehensive income)

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit	2,291,615	5,028,609
Other comprehensive income		
Valuation difference on available-for-sale securities	-161,187	387,534
Foreign currency translation adjustment	766,434	357,051
Remeasurements of defined benefit plans	73,015	5,753
Total other comprehensive income	* 678,263	* 750,339
Comprehensive income	2,969,879	5,778,948
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,969,879	5,778,948
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated statement of changes in shareholders' equity

Previous fiscal year (From January 1, 2024 to December 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	594,142	541,273	22,722,374	-2,031,602	21,826,187
Changes during period					
Dividends of surplus			-850,013		-850,013
Profit attributable to owners of parent			2,291,615		2,291,615
Purchase of treasury shares					—
Disposal of treasury shares					—
Retirement of treasury shares					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,441,602	—	1,441,602
Balance at end of period	594,142	541,273	24,163,977	-2,031,602	23,267,790

(Thousands of yen)

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	658,010	2,033,161	260,048	2,951,220	24,777,408
Changes during period					
Dividends of surplus					-850,013
Profit attributable to owners of parent					2,291,615
Purchase of treasury shares					—
Disposal of treasury shares					—
Retirement of treasury shares					—
Net changes in items other than shareholders' equity	-161,187	766,434	73,015	678,263	678,263
Total changes during period	-161,187	766,434	73,015	678,263	2,119,865
Balance at end of period	496,822	2,799,596	333,064	3,629,483	26,897,274

Current fiscal year (From January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	594,142	541,273	24,163,977	-2,031,602	23,267,790
Changes during period					
Dividends of surplus			-936,016		-936,016
Profit attributable to owners of parent			5,028,609		5,028,609
Purchase of treasury shares				-1,292,474	-1,292,474
Disposal of treasury shares				47,784	47,784
Retirement of treasury shares		-94,914	-828,017	922,932	—
Net changes in items other than shareholders' equity					
Total changes during period	—	-94,914	3,264,575	-321,757	2,847,903
Balance at end of period	594,142	446,358	27,428,552	-2,353,360	26,115,693

(Thousands of yen)

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	496,822	2,799,596	333,064	3,629,483	26,897,274
Changes during period					
Dividends of surplus					-936,016
Profit attributable to owners of parent					5,028,609
Purchase of treasury shares					-1,292,474
Disposal of treasury shares					47,784
Retirement of treasury shares					—
Net changes in items other than shareholders' equity	387,534	333,603	5,753	726,891	726,891
Total changes during period	387,534	333,603	5,753	726,891	3,574,794
Balance at end of period	884,356	3,133,199	338,818	4,356,374	30,472,068

(4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	4,669,934	6,473,236
Depreciation	816,013	823,461
Increase (decrease) in allowance for doubtful accounts	-60	2,274
Increase (decrease) in provision for share-based payments	24,784	10,852
Increase (decrease) in provision for bonuses	131,453	32,310
Increase (decrease) in provision for directors' bonuses	13,005	5,202
Increase (decrease) in retirement benefit liability	1,598	6,495
Decrease (increase) in retirement benefit asset	-229,123	-166,488
Interest and dividend income	-71,810	-61,269
Interest expenses	1,179	6,251
Proceeds from Subsidy	—	-546,447
Decrease (increase) in trade receivable	-932,070	-1,229,740
Decrease (increase) in inventories	-178,935	22,366
Increase (decrease) in trade payable	505,683	-461,012
Loss (gain) on investments in partnerships	-11,572	-13,528
Other	335,821	194,040
Subtotal	5,075,900	5,098,004
Interest and dividend received	75,976	61,103
Interest paid	-1,592	-6,480
Income taxes paid	-950,163	-1,719,751
Subsidy received	—	546,447
Net cash provided by (used in) operating activities	4,200,122	3,979,322
Cash flows from investing activities		
Payments into time deposits	-2,566,232	-2,383,610
Proceeds from withdrawal of time deposits	3,537,351	2,043,000
Purchase of property, plant and equipment	-729,661	-2,735,772
Proceeds from sales of property, plant and equipment	8,356	4,523
Purchase of intangible assets	-29,599	-38,401
Purchase of investment securities	-45,807	-11,522
Proceeds from sales and redemption of investment securities	100,000	—
Other	-222,808	-272,984
Net cash provided by (used in) investing activities	51,598	-3,394,768

Cash flows from financing activities		
Purchase of treasury shares	—	-1,292,474
Dividends paid	-849,533	-935,208
Payments of lease liabilities	-23,558	-25,024
Net cash provided by (used in) financing activities	-873,092	-2,252,707
Effect of exchange rate change on cash and cash equivalents	186,032	163,170
Net increase (decrease) in cash and cash equivalents	3,564,661	-1,504,983
Cash and cash equivalents at beginning of year	6,690,174	10,254,835
Cash and cash equivalents at end of year	* 10,254,835	* 8,749,852

(5) Notes to consolidated financial statements
(Notes on the premise of a going concern)

N/A

(Basis of presentation and summary of significant accounting policies for the preparation of consolidated financial statements)

1 Scope of Consolidation

Number of consolidated subsidiaries	6
Name of consolidated subsidiaries	MEC TAIWAN COMPANY LTD. MEC FINE CHEMICAL (ZHUHAI) LTD. MEC CHINA SPECIALTY PRODUCTS (SUZHOU) CO., LTD. MEC EUROPE NV. MEC SPECIALTY CHEMICAL(THAILAND)CO., LTD. MEC INDIA SPECIALTY CHEMICALS PRIVATE LTD.

MEC (HONG KONG) LTD., was excluded from the scope of consolidation from the end of the current consolidated fiscal year because its importance decreased due to the distribution of its residual assets for liquidation. Please note that, for the current consolidated fiscal year, the statement of income and statement of cash flows are consolidated.

2 Fiscal Year-End of Consolidated Subsidiaries

Of the consolidated subsidiaries, the closing date of MEC INDIA SPECIALTY CHEMICALS PRIVATE LTD. is March 31. The consolidated financial statements are prepared based on the financial statements with a provisional closing as of the consolidated fiscal year-end.

The last day of the business year of other consolidated subsidiaries is the same as the consolidated fiscal year-end.

3 Summary of Significant Accounting Policies

(1) Basis and Methods of Valuation of Significant Assets

i) Marketable securities

Other marketable securities

Securities with determinable market value:

Market value method (evaluation differences are reported in a component of shareholders' equity, with the cost of securities sold being calculated by the moving-average method).

Securities without a determinable market value:

Stated at cost using the moving-average method

ii) Derivatives

Stated at the market value method

iii) Inventories

(i) Goods, products (chemicals), work in progress, raw materials, inventories of merchandise and supplies:

Stated at cost based on the periodic average method (book price devaluation based on the decrease in profitability of balance sheet values)

(ii) Products (Machinery):

Stated at cost based on the specific identification method (book price devaluation based on the decrease in profitability of balance sheet values)

(2) Depreciation and Amortization of Significant Depreciable Assets

i) Tangible fixed assets

Tangible fixed assets are amortized using the straight-line method.

The principal useful lives are as follows:

Buildings and structures:	7 – 50 years
Machinery and vehicles:	4 – 10 years
Tools, furniture and fixtures:	3 – 10 years

ii) Intangible fixed assets

Intangible fixed assets are amortized using the straight-line method.

(3) Method of Accounting for Significant Allowances

i) Allowance for Doubtful Accounts

The Company provides allowance for doubtful accounts in an amount sufficient to cover probable losses on collection. Provision for normal receivables is calculated by using the actual percentage of credit losses, while for certain identified doubtful receivables, recoverability is assessed separately to estimate the uncollectible amount.

ii) Reserve for Bonuses

The Company provides reserve for bonuses for employees and Executive Officers who are not Directors based on the estimated amount of payment in the current consolidated year.

iii) Provision for Directors' Bonuses

The Company provides allowance for bonuses for Directors based on the estimated amount of payment in the current consolidated year.

iv) Reserve for stock compensation

The Company provides for the delivery of the Company's shares etc. to the Company's directors and executive officers based on the estimated amount of payment in the end of the fiscal year.

(4) Basis for recognition of significant revenues and expenses

The Group's main business is the sale of chemicals for electronic substrates and electronic components, machinery for electronic substrates, and merchandise and finished goods regarding materials for electronic substrates.

Revenue from the sale of products (chemicals) and products (materials) is recognized at the time the product is delivered to the customer based on the provisions of the contract, or at the time the risk burden is transferred to the customer under the terms of trade stipulated in the Incoterms, etc., and the customer gains control of the product, as that is when it is determined that performance obligations have been fulfilled. However, for domestic transactions of products, etc., revenue is recognized at the time of shipment if the period from the time of shipment to the time when control of the product, etc., is transferred to the customer is an ordinary period, by applying the alternative treatment set forth in Paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition."

Revenue from the sales of products (machinery) is recognized at the time of acceptance by the customer.

Revenue from the sales of products (materials) for which the Company's Group is deemed to be an agent is recognized as the net amount of the total amount of consideration received from the customer minus the amount paid to the suppliers.

Furthermore, since business partner considerations are mainly received within one year after the fulfillment of the performance obligation, no important financial factors are included.

(5) Method of accounting for retirement benefits

i) Method of periodical allocation of estimated retirement benefits

In calculating retirement benefit obligations, the Company adopts benefit formula criteria as a method for allocating estimated retirement benefits in the period up to the end of the current consolidated fiscal year.

ii) Actuarial differences and method of processing prior service costs

Prior service costs are amortized by the straight-line method over a certain period within the average estimated remaining service period of employees (10 years) at the time of occurrence.

Actuarial differences are amortized by the declining-balance method over a certain period within the average estimated remaining service period of employees (10 years) at the time of occurrence of each year, beginning from the following fiscal year.

(6) Basis of translation of significant assets and liabilities denominated in foreign currencies into

Japanese yen

Monetary receivables and payables denominated in foreign currencies are translated into yen using the prevailing spot exchange rate on the consolidated balance sheet date and any exchange differences are accounted for as profit or loss. Assets and liabilities of overseas consolidated subsidiaries are translated into yen at the prevailing spot rate at the balance sheet date of consolidated subsidiaries. The profit and loss of consolidated subsidiaries are translated into yen at the average spot rate during the period and any exchange differences are recorded as foreign currency translation adjustment under net assets.

(7) Cash and cash equivalent in the consolidated statement of cash flow

Cash and cash equivalent comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, having been within three months of maturity at acquisition.

(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), the “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No. 25, October 28, 2022) and the “Implementation Guidance on Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022) from the beginning of the current consolidated accounting period. This will have no impact on the consolidated financial statements.

(Notes to consolidated balance sheet)

*1 Notes maturing at end of current fiscal year

In accounting for notes maturing at the end of the current fiscal year, we process payments using the date of the notes. Please note that because the last day of the fiscal year under review was a holiday for financial institutions, notes maturing on the last day of the next fiscal year are included in the balance of bills on the last day of the fiscal year.

(Thousands of yen)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Notes receivable	3,908	2,973
Electronically recorded receivable	9,716	34,771

*2 Pledged assets

(Thousands of yen)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Buildings and structures	99,685	115,270
Land	34,638	38,712
Total	134,323	153,983

There is no obligation corresponding to the above pledged assets.

(Notes to consolidated statements of income)

*1 The inventories at the fiscal year end are the amounts after write-down of book value as a result of a decrease in profitability, and the following loss on valuation of inventories is included in cost of sales.

(Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
	2,161	-18,074

*2 Breakdown of selling, general, and administrative expenses.

(Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Provision of allowance for doubtful accounts	1,010	2,274
Salaries and bonuses	1,857,988	1,981,501
Packing and transportation expenses	779,894	872,357
Provision for allowance for bonuses	231,098	266,082
Provision for directors' bonuses	50,827	56,029
Provision for share-based compensation	24,784	55,986
Retirement benefit expenses	103,376	88,695
Research and development expenses	1,333,997	1,379,055

*3 Research and development expenses included in general expenses were as follows.

(Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
	1,333,997	1,379,055

*4 Breakdown of profit on sale of fixed assets is as follows.

(Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Machinery, equipment and vehicles	6,998	4,306
Tools, furniture and fixtures	22	56
Total	7,021	4,362

*5 Breakdown of loss on sale of fixed assets is as follows.

(Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Machinery, equipment and vehicles	12	—
Tools, furniture and fixtures	289	344
Total	301	344

*6 Breakdown of loss on disposal of fixed assets is as follows.

(Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Buildings and structures	163	1,696
Machinery, equipment and vehicles	15,494	9,484
Tools, furniture and fixtures	2,982	7,330
Rightt-of-use assets	143	—
Construction in progress.	—	133,672
Fixed asset removal costs	751	70
Total	19,535	152,183

(Matters related to consolidated statement of comprehensive income)

* Amount of reclassification adjustment and tax effect amount pertaining to other comprehensive income

(Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Valuation difference on available-for-sale securities:		
Amount arising in the current fiscal year under review	-232,191	574,789
Before income tax effect	-232,191	574,789
Income tax effect	71,004	-187,255
Valuation difference on available-for-sale securities	-161,187	387,534
Foreign currency translation adjustment:		
Amount arising in the current fiscal year under review	766,434	357,051
Adjustments related to retirement benefits:		
Amount arising in the current fiscal year under review	182,347	113,460
Amount of reclassification adjustment	-77,168	-98,833
Before income taxes and deferred tax adjustments	105,179	14,627
Income taxes and deferred tax amounts	-32,164	-8,873
Adjustments related to retirement benefits	73,015	5,753
Other comprehensive income	678,263	750,339

(Matters related to consolidated statement of changes in shareholders' equity)

Previous fiscal year (From January 1, 2024 to December 31, 2024)

1. Class and numbers of total shares issued and treasury stock held

	Number of shares at the beginning of the current fiscal year	Increase in number of shares during the fiscal year	Decrease in number of shares during the fiscal year	Number of shares at the end of the fiscal year
Shares issued				
Common stock	20,071,093	—	—	20,071,093
Total	20,071,093	—	—	20,071,093
Treasury stock (Note)				
Common stock	1,346,241	—	—	1,346,241
Total	1,346,241	—	—	1,346,241

(Note) A total of 164,329 shares were contributed to Custody Bank of Japan (trust account) as trust property in the stock-based compensation system for directors and stock-based compensation system for executive officers. They are treated as treasury stocks in consolidated financial statements and financial statements.

2. Dividends

(1) Dividends paid

(Resolution)	Class of shares	Total amount of dividends (Thousands of yen)	Dividend per share (yen)	Date of record	Effective date
February 14 2024 Board of directors' meeting	Common stock	472,229	25	December 31, 2023	February 28, 2024
August 8, 2024 Board of directors' meeting	Common stock	377,783	20	June 30, 2024	September 3, 2024

(Note)1. The total amount of dividends based on a resolution made by the Board of Directors on February 14, 2024, includes a dividend of 4,108 thousand yen related to Company stock held by the Stock Delivery Trust for Directors and Stock Delivery Trust for Executive Officers.

2. The total amount of dividends based on a resolution made by the Board of Directors on August 8, 2024, includes a dividend of 3,286 thousand yen related to Company stock held by the Stock Delivery Trust for Directors and Stock Delivery Trust for Executive Officers.

(2) Dividends with a record date within the current fiscal year that become effective after the end of the fiscal year

(Resolution)	Class of shares	Total amount of dividends (Thousands of yen)	Source of dividends	Dividend per share (yen)	Date of record	Effective date
February 14, 2025 Board of directors' meeting	Common stock	472,229	Retained earnings	25	December 31, 2024	March 4, 2025

(Note) The total amount of dividends based on a resolution made by the Board of Directors on February 14, 2025, includes a dividend of 4,108 thousand yen related to Company stock held by the Stock Delivery Trust for Directors and Stock Delivery Trust for Executive Officers.

Current fiscal year (From January 1, 2025 to December 31, 2025)

1. Class and numbers of total shares issued and treasury stock held

	Number of shares at the beginning of the current fiscal year	Increase in number of shares during the fiscal year	Decrease in number of shares during the fiscal year	Number of shares at the end of the fiscal year
Shares issued				
Common stock (Note1)	20,071,093	—	500,000	19,571,093
Total	20,071,093	—	500,000	19,571,093
Treasury stock (Note2,3,4)				
Common stock	1,346,241	500,098	535,903	1,310,436
Total	1,346,241	500,098	535,903	1,310,436

(Note)1. The decrease of 500,000 shares of common stock was due to the cancellation of treasury shares.

2. A total of 128,426 shares were contributed to Custody Bank of Japan, Ltd. (trust account) as trust property for the stock-based compensation system for directors and stock-based compensation system for executive officers. They are treated as treasury stocks in the consolidated financial statements.
3. The increase of 500,098 shares of treasury stock in common stock is an increase of 500,000 shares due to the purchase of treasury stock as resolved by the Board of Directors and an increase of 98 shares due to the purchase of shares of less than one unit.
4. The decrease of 535,903 shares of treasury stock in common stock was a decrease of 500,000 shares due to the cancellation of treasury stock as resolved by the Board of Directors, and a decrease of 35,903 shares due to the contribution to Custody Bank of Japan, Ltd. (trust account) as trust property for the stock-based compensation system for directors and stock-based compensation system for executive officers.

2. Dividends

(1) Dividends paid

(Resolution)	Class of shares	Total amount of dividends (Thousands of yen)	Dividend per share (yen)	Date of record	Effective date
February 14 2025 Board of directors' meeting	Common stock	472,229	25	December 31, 2024	March 4, 2025
August 8, 2025 Board of directors' meeting	Common stock	463,787	25	June 30, 2025	September 2, 2025

(Note)1. The total amount of dividends based on a resolution made by the Board of Directors on February 14, 2025, includes a dividend of 4,108 thousand yen related to Company stock held by the Stock Delivery Trust for Directors and Stock Delivery Trust for Executive Officers.

2. The total amount of dividends based on a resolution made by the Board of Directors on August 8, 2025, includes a dividend of 3,210 thousand yen related to Company stock held by the Stock Delivery Trust for Directors and Stock Delivery Trust for Executive Officers.

(2) Dividends with a record date within the current fiscal year that become effective after the end of the fiscal year

(Resolution)	Class of shares	Total amount of dividends (Thousands of yen)	Source of dividends	Dividend per share (yen)	Date of record	Effective date
February 13, 2026 Board of directors' meeting	Common stock	1,305,624	Retained earnings	71	December 31, 2025	March 4, 2026

(Note) The total amount of dividends based on a resolution made by the Board of Directors on February 13, 2026, includes a dividend of 9,118 thousand yen related to Company stock held by the Stock Delivery Trust for Directors and Stock Delivery Trust for Executive Officers.

(Consolidated statement of cash flows)

* Reconciliation of cash and cash equivalents at the end of the fiscal year with the consolidated balance sheet accounts (Thousands of yen)

	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Cash and deposits	11,476,446	10,345,999
Time deposits with maturities extending over three months	-1,221,611	-1,596,147
Cash and cash equivalents	10,254,835	8,749,852

(Retirement benefit)

1. Outline of retirement benefit plan applied

The Company adopts a contract-type defined benefit corporate pension plan ("cash balance plan") based on the Defined Benefit Corporate Pension Law and a defined contribution pension plan.

Certain consolidated subsidiaries adopt a defined contribution pension plan or defined benefit plan. We calculate the retirement benefit expenses and liabilities related to retirement benefits by the simplified method for these defined benefit plans.

2. Defined benefit plans

(1) Reconciliation of the beginning and ending balances of retirement benefit obligations (excluding the scheme that applies the simplified method, which is listed in (3)) (Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year (From January 1, 2025 to December 31, 2025)
Beginning balance of the retirement benefit obligation	993,961	1,020,301
Service costs	82,317	88,839
Interest expense	15,903	20,406
Accruals of actuarial gains and losses	8,894	36,929
Payment of retirement benefits	-80,775	-50,978
Balance of retirement benefit obligations at end of year	1,020,301	1,115,497

(2) Reconciliation of the beginning and ending balances of pension assets (excluding the scheme that applies the simplified method, which is listed in (3)) (Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year (From January 1, 2025 to December 31, 2025)
Beginning balance of pension assets	2,153,293	2,394,939
Expected return	15,073	26,344
Accruals of actuarial gains and losses	191,242	150,397
Contributions from the employer	116,105	122,848
Amount of retirement benefits paid	-80,775	-50,986
Balance of the pension assets at end of year	2,394,939	2,643,544

(3) Reconciliations of beginning and ending balances of the liability for the retirement benefits of the system that uses the simplified method (Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year (From January 1, 2025 to December 31, 2025)
Beginning balance of the liability for retirement benefits	-29,703	-43,012
Retirement benefit expense	-9,660	-6,225
Payment of retirement benefits	-1,736	-702
Other	-1,912	-896
Ending balance of the liability for retirement benefits	-43,012	-50,837

(4) Reconciliation of the ending balance of the retirement benefit obligations and pension assets, and liabilities and assets relating to retirement benefits that have been recorded in the consolidated balance sheet

(Thousands of yen)

	Previous consolidated fiscal year (As of December 31, 2024)	Consolidated fiscal year (As of December 31, 2025)
Retirement benefit obligation of funded plans	1,055,811	1,153,140
Pension assets	-2,480,594	-2,746,681
	-1,424,782	-1,593,540
Retirement benefit obligation of unfunded plans	7,131	14,656
Net amount of liabilities and assets that have been recorded in the consolidated balance sheet	-1,417,651	-1,578,883
Liabilities related to retirement benefits	7,131	14,656
Net defined benefit asset	-1,424,782	-1,593,540
Net amount of liabilities and assets that have been recorded in the consolidated balance sheet	-1,417,651	-1,578,883

(5) Amount of retirement benefit costs and their breakdown

(Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year (From January 1, 2025 to December 31, 2025)
Service cost	82,317	88,839
Interest expense	15,903	20,406
Expected return on plan assets	-15,073	-26,344
Expensed amount of actuarial gains and losses	-77,168	-98,833
Retirement benefit costs which are calculated using the simplified method	-9,660	-6,225
Retirement benefit cost of defined benefit plans	-3,681	-22,157

(6) Adjustments related to retirement benefits

A breakdown of the items that were recorded in the adjustments for retirement benefits (before income taxes and deferred tax adjustments) is as follows.

(Thousands of yen)

	Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)	Consolidated fiscal year (From January 1, 2025 to December 31, 2025)
Accruals of actuarial gains and losses	-105,179	-14,635
Total	-105,179	-14,635

(7) Cumulative adjustment to retirement benefits

A breakdown of the items that were recorded in the cumulative adjustments for retirement benefits (before income taxes and deferred tax adjustments) is as follows.

(Thousands of yen)

	Previous consolidated fiscal year (As of December 31, 2024)	Consolidated fiscal year (As of December 31, 2025)
Difference with unrecognized actuarial gain and loss	-479,782	-494,409
Total	-479,782	-494,409

(8) Matters relating to pension assets

i) Main components of the pension assets

The ratios of the major classifications for the total pension assets are as follows.

	Previous consolidated fiscal year (As of December 31, 2024)	Consolidated fiscal year under review (As of December 31, 2025)
Bonds	33%	30%
Stocks	40%	40%
General accounts	21%	21%
Other	6%	9%
Total	100%	100%

ii) Method of setting the expected long-term rate of return on pension assets

To determine the expected long-term rate of return on pension assets, we consider the current and expected allocation of pension assets, and the current and expected long-term rate of return from the variety of assets that make up the pension assets.

(9) Matters relating to actuarial assumptions

Major actuarial assumptions (representing a weighted average)

	Previous consolidated fiscal year (As of December 31, 2024)	Consolidated fiscal year under review (As of December 31, 2025)
Discount rate	2.0%	2.5%
Expected long-term rate of return on pension assets	0.7%	1.1%

3. Defined contribution plans

The required contributions to defined contribution plans of consolidated subsidiaries that use defined contribution plans came to 151,448 thousand yen for the previous consolidated fiscal year (From January 1, 2024 to December 31, 2024) and 167,700 thousand yen for the consolidated fiscal year under review (From January 1, 2025 to December 31, 2025).

(Tax effect accounting)

1 Breakdown of deferred tax assets and deferred tax liabilities by major causes of occurrence

	(Thousands of yen)	
	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Deferred tax assets		
Allowance for bonuses	128,015	136,997
Accrued enterprise tax	47,604	80,036
Social insurance premiums	19,569	20,911
Loss on valuation of inventory assets	12,766	15,021
Unrealized income on inventory assets	257,111	320,336
Unpaid officer retirement benefits	4,379	4,506
Loss carryforwards (Note.2)	136,197	19,551
Reserve for stock compensation	30,890	29,970
Impairment loss	176,806	188,907
Other	16,852	25,637
Deferred tax assets subtotal	830,193	841,876
Valuation allowance for tax loss carryforwards	-136,197	-19,551
Valuation allowance for total future deductible temporary differences	-176,986	-189,092
Valuation allowance subtotal (Note.1)	-313,183	-208,643
Total deferred tax assets	517,009	633,233
Deferred tax liabilities		
Valuation difference on other securities	-218,853	-406,109
Retained earnings of overseas subsidiaries	-616,095	-703,395
Retirement benefits assets	-430,423	-493,979
Controlled foreign company tax	-706,102	—
Other	-34,606	-35,673
Total deferred tax liabilities	-2,006,081	-1,639,159
Net deferred tax assets	-1,489,071	-1,005,926

The amount of “net deferred tax liabilities” (previous fiscal year: -1,489,071 thousand yen; current fiscal year: -1,005,926 thousand yen) is included in the following items in the consolidated balance sheet.

	(Thousands of yen)	
	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Fixed assets - deferred tax assets	1,711	10,466
Fixed liabilities - deferred tax liabilities	-1,490,783	-1,016,392

- (Note) 1. The valuation allowance decreased by 104,539 thousand yen. The main details of this decrease were the recognition of an additional valuation allowance of -49,848 thousand yen related to a tax loss carryforwards at the consolidated subsidiary MEC SPECIALTY CHEMICAL (THAILAND) CO. Ltd., and the recognition of an additional valuation allowance of -66,797 thousand yen related to a tax loss carryforwards in association with the liquidation proceedings of the consolidated subsidiary MEC (HONG KONG) LTD.
2. Tax loss carryforwards and their deferred tax assets by rollover date

Previous fiscal year (As of December 31, 2024)							(Thousands of yen)
	Within 1 year	Within 1 to 2 years	Within 2 to 3 years	Within 3 to 4 years	Within 4 to 5 years	Over 5 years	Total
Tax loss carryforwards(a)	117,867	15,610	—	2,719	—	—	136,197
Valuation allowance	-117,867	-15,610	—	-2,719	—	—	-136,197
Deferred tax asset	—	—	—	—	—	—	—

(a) Tax losses carried forward are multiplied by the statutory tax rate.

Current fiscal year (As of December 31, 2025)

(Thousands of yen)

	Within 1 year	Within 1 to 2 years	Within 2 to 3 years	Within 3 to 4 years	Within 4 to 5 years	Over 5 years	Total
Tax loss carryforwards(a)	16,650	—	2,900	—	—	—	19,551
Valuation allowance	-16,650	—	-2,900	—	—	—	-19,551
Deferred tax asset	—	—	—	—	—	—	—

(a) Tax losses carried forward are multiplied by the statutory tax rate.

2 Breakdown by major items that caused the difference between the statutory effective tax rate and the burden rate of corporation tax etc. after applying tax effect accounting

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Statutory effective tax rate	30.6	30.6
(Adjustment)		
Permanent differences such as entertainment expenses	0.6	1.4
Inhabitant tax equivalent	0.1	0.1
Examination research expenses etc. Tax deduction	-2.9	-3.4
Foreign tax credit	—	-4.0
Foreign withholding tax	1.9	1.9
Overseas Subsidiary Income Retention Taxation	0.1	0.1
Increase (decrease) in valuation allowance	-0.3	-1.8
Retained earnings of foreign subsidiaries	2.5	1.3
Overseas tax rate discrepancy	-2.2	-2.0
Controlled foreign company tax	15.1	-2.4
Consolidated adjustment for gain on sale of subsidiary shares	5.0	—
Other	0.4	0.5
Burden of corporate tax etc. after applying tax effect accounting	50.9	22.3

3 Revision to the amount of deferred tax assets and deferred tax liabilities due to changes in the tax rate for income taxes

The “Act for Partial Amendment of the Income Tax Act, etc.” (Act No. 13 of 2025) was established by the Diet on March 31, 2025, and the “Defense Special Corporate Tax” will be imposed for fiscal years from April 1, 2026.

In association with this, we are calculating deferred tax assets and deferred tax liabilities related to temporary differences expected to be eliminated in fiscal years beginning from January 1, 2027, by changing the effective statutory tax rate from 30.6% to 31.5%.

The impact of this change is immaterial.

(Revenue recognition)

1. Information breaking down the revenue generated from customer contracts

Previous consolidated fiscal year (From January 1, 2024 to December 31, 2024)

(Thousands of yen)

	Reportable segment						Total
	Japan	Taiwan	Zhuhai (China)	Suzhou (China)	Thailand	Europe	
Chemicals	6,609,059	3,325,167	2,305,688	3,594,012	810,009	834,230	17,478,167
Machinery	570,254	1,061	—	1,956	554	5,693	579,521
Materials	19,917	10	—	—	—	149,248	169,176
Other	7,071	—	—	—	—	440	7,512
Revenue from customer contracts	7,206,303	3,326,239	2,305,688	3,595,968	810,564	989,612	18,234,377
Sales to external customers	7,206,303	3,326,239	2,305,688	3,595,968	810,564	989,612	18,234,377

Current consolidated fiscal year (From January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Reportable segment						Total
	Japan	Taiwan	Zhuhai (China)	Suzhou (China)	Thailand	Europe	
Chemicals	7,488,402	3,887,138	2,780,493	3,951,539	1,102,924	1,001,298	20,211,797
Machinery	308,808	—	—	—	3,811	—	312,620
Materials	10,631	—	—	1,570	—	391,788	403,990
Other	19,343	—	—	—	—	—	19,343
Revenue from customer contracts	7,827,186	3,887,138	2,780,493	3,953,110	1,106,736	1,393,086	20,947,752
Sales to external customers	7,827,186	3,887,138	2,780,493	3,953,110	1,106,736	1,393,086	20,947,752

(Note) Effective from the current consolidated fiscal year, because the consolidated subsidiary MEC (HONG KONG) LTD. is under liquidation, the name of the reporting segment previously referred to as “Hong Kong (Hong Kong and Zhuhai)” has been changed to “Zhuhai (China)” and the name of the reporting segment previously referred to as “China (Suzhou)” has been changed to “Suzhou (China).” These changes are changes in the names of the reporting segments and have no impact on segment information. The segment information for the previous consolidated fiscal year has also been presented under the new names.

2. Information forming the basis for understanding the revenue generated from customer contracts

The information that forms the basis for understanding the revenue generated from customer contracts is described in “(Basis of presentation and summary of significant accounting policies for the preparation of consolidated financial statements) 3. Matters concerning accounting policies (4) Basis for recognition of significant revenues and expenses.”

3. Information on the relationship between fulfillment of performance obligations under contracts with customers and cash flows arising from such contracts, and information on the amount and timing of revenue expected to be recognized from contracts with customers existing at the end of the consolidated fiscal year in review to the following consolidated fiscal year and beyond

i) Balance of contract assets and contract liabilities, etc.

(Thousands of yen)

	Previous fiscal year		Current fiscal year	
	Balance at beginning of the period	Balance at end of the period	Balance at beginning of the period	Balance at end of the period
Contractual liabilities	9,080	36,316	36,316	14,914

Contract liabilities primarily represent consideration received from customers prior to the delivery of products and are included in other current liabilities on the consolidated balance sheets.

There were no contract assets in the previous fiscal year or the current fiscal year.

ii) Transaction price allocated to remaining performance obligations

The description is omitted because there is no material contract with an initial expected contract period of more than one year.

(Segment information)

[Information by operating segment]

1. Overview of reportable segments

The Company's reportable segments are those for which financial information on the Company's separate units is available and such information is used by the Board of Directors to decide how to allocate management resources and to evaluate achievements. Thus, they are subject to regular reviews.

The Company's Group mainly manufactures and sells chemicals involved in manufacturing PCBs. The Company is located in Japan. Overseas, it has bases in Taiwan, China, Thailand, and Europe (mainly Germany, Italy, and France). These are respectively overseen by MEC TAIWAN COMPANY LTD.; MEC FINE CHEMICAL (ZHUHAI) LTD.; MEC CHINA SPECIALTY PRODUCTS (SUZHOU) CO., LTD.; MEC SPECIALTY CHEMICAL (THAILAND) CO., LTD COMPANY LTD.; and MEC EUROPE NV. Each local corporation is an independent business unit. They formulate comprehensive strategies for each region with regards to the products they handle, and expand their business activities.

For India, MEC EUROPE NV. is in charge of sales and MEC INDIA SPECIALTY CHEMICALS PRIVATE LTD. provides technical support.

Therefore, the Company's Group consists of segments that are separated on the basis of their regional production and marketing systems. There are six reportable segments: Japan, Taiwan, Zhuhai (China), Suzhou (China), Thailand and Europe.

2. Method of calculating net sales, profit or loss, assets, liabilities and other items by reportable segment

The method of accounting treatment used for reportable business segments is approximately the same as that stated in "Basis of presentation and summary of significant accounting policies for the preparation of consolidated financial statements."

Figures for the profits at reportable segments are based on operating income.

Inter-segment revenue and transfers are based on current market prices.

3. Information on net sales, profit or loss, assets, liabilities and other items by reportable segment

Previous fiscal year (From January 1, 2024 to December 31, 2024)

(Thousands of yen)

	Reportable segment						Total
	Japan	Taiwan	Zhuhai (China)	Suzhou (China)	Thailand	Europe	
Net sales							
Sales to external customers	7,206,303	3,326,239	2,305,688	3,595,968	810,564	989,612	18,234,377
Inter-segment sales and transfers	5,057,552	—	4,981	18,060	—	23,776	5,104,369
Total	12,263,855	3,326,239	2,310,669	3,614,028	810,564	1,013,389	23,338,746
Segment profit	3,477,490	400,339	348,361	500,630	101,681	66,422	4,894,927
Segment assets	25,728,395	4,107,701	4,921,306	2,993,372	1,379,014	1,150,887	40,280,678
Other items							
Depreciation and amortization	554,710	35,506	46,388	78,043	63,001	38,363	816,013
Increase in property, plant and equipment and intangible assets	236,028	83,731	37,317	275,670	19,450	46,845	699,045

Current fiscal year (From January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Reportable segment						Total
	Japan	Taiwan	Zhuhai (China)	Suzhou (China)	Thailand	Europe	
Net sales							
Sales to external customers	7,827,186	3,887,138	2,780,493	3,953,110	1,106,736	1,393,086	20,947,752
Inter-segment sales and transfers	5,688,477	—	624	61,094	—	42,561	5,792,758
Total	13,515,663	3,887,138	2,781,118	4,014,204	1,106,736	1,435,647	26,740,510
Segment profit	4,301,885	506,979	324,090	563,566	199,073	19,005	5,914,601
Segment assets	27,720,451	4,601,589	2,924,821	3,472,386	1,684,211	1,410,568	41,814,028
Other items							
Depreciation and amortization	524,148	43,057	36,636	113,251	65,547	40,820	823,461
Increase in property, plant and equipment and intangible assets	2,582,019	82,629	25,062	102,148	14,209	40,142	2,846,211

4. Differences between the total amount at reportable segments and the amount stated in the consolidated financial statements, and main details of such differences (matters concerning reconciliation)

(Thousands of yen)

Net sales	Previous fiscal year	Current fiscal year
Reportable segment total	23,338,746	26,740,510
Intersegment eliminations	-5,104,369	-5,792,758
Sales stated in the Consolidated Financial Statements	18,234,377	20,947,752

(Thousands of yen)

Profit	Previous fiscal year	Current fiscal year
Reportable segment total	4,894,927	5,914,601
Intersegment eliminations	-332,459	-166,587
Operating income in the Consolidated Financial Statements	4,562,467	5,748,013

(Thousands of yen)

Assets	Previous fiscal year	Current fiscal year
Reportable segment total	40,280,678	41,814,028
Intersegment eliminations	-7,241,505	-5,389,164
Total assets in the Consolidated Financial Statements	33,039,172	36,424,864

(Thousands of yen)

Other items	Reportable segment total		Adjustment		Amount stated in the Consolidated Financial Statements	
	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year
Depreciation and amortization	816,013	823,461	—	—	816,013	823,461
Increase in property, plant and equipment and intangible assets	699,045	2,846,211	—	—	699,045	2,846,211

[Related Information]

Previous fiscal year (From January 1, 2024 to December 31, 2024)

1. Information by product and by service

Because there is a single category of products and services, information by product or by service is omitted.

2. Information by geographical segment

(1) Net sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
6,976,115	3,326,239	5,882,067	2,049,954	18,234,377

Note: Net sales to customers are based on location, and are classified by country or region.

(2) Tangible fixed assets

(Thousands of yen)

Japan	Taiwan	China	Thailand	Europe	Total
7,029,095	973,941	930,750	682,221	237,738	9,853,747

3. Information on each major customer

Of sales to external customers, because there is no destination for 10% or more of net sales in the consolidated statements of income, the statement of such has been omitted in this material.

Current fiscal year (From January 1, 2025 to December 31, 2025)

1. Information by product and by service

Because there is a single category of products and services, information by product or by service is omitted.

2. Information by geographical segment

(1) Net sales

(Thousands of yen)

Japan	Taiwan	China	Other	Total
7,311,718	3,887,138	6,733,604	3,015,290	20,947,752

Note: Net sales to customers are based on location, and are classified by country or region.

(2) Tangible fixed assets

(Thousands of yen)

Japan	Taiwan	China	Thailand	Europe	Total
8,962,262	1,055,251	898,467	672,405	264,968	11,853,354

3. Information on each major customer

Of sales to external customers, because there is no destination for 10% or more of net sales in the consolidated statements of income, the statement of such has been omitted in this material.

[Information on impairment of fixed assets by reportable segment]

N/A

[Information on amortized and unamortized goodwill by reportable segment]

N/A

[Information on gain on negative goodwill by reportable segment]

N/A

(Per share information)

(Yen)

Item	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Net assets per share	1,436.45	1,668.73
Net income per share	122.38	272.14

Notes: 1. Information of diluted net income per share is omitted because of no issue of potential stocks.

2. In calculating net assets per share, we treat the trust account for stock issuance for Directors and stock issuance trust account for Executive Officers as own shares owned by the Company (treasury stock). Therefore, the number of shares at the end of the fiscal year is calculated by including the shares of treasury stock subject to deduction. Also, in calculating net income per share, the average number of shares during the fiscal year is determined by including the shares of treasury stock subject to deduction. Further, the number of shares of treasury stock deducted at the end of the period in calculating “net assets per share” was 164,329 shares in the previous consolidated fiscal year and 128,426 shares in the consolidated fiscal year under review. In addition, the average number of shares of treasury stock deducted during the period in calculating “net income per share” was 164,329 shares in the previous consolidated fiscal year and 141,543 shares in the consolidated fiscal year under review.

3. The basis for calculating net income per share is as follows.

Item	Previous fiscal year (From January 1, 2024 to December 31, 2024)	Current fiscal year (From January 1, 2025 to December 31, 2025)
Net income (Thousands of yen)	2,291,615	5,028,609
Amount not available for common shareholders (Thousands of yen)	—	—
Net profit available for common stocks (Thousands of yen)	2,291,615	5,028,609
Weighted-average number of common shares outstanding during the year (shares)	18,724,852	18,478,053

(Important subsequent events)

N/A

4. Non-consolidated financial statements

(1) Balance sheet

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	7,597,655	5,894,605
Notes receivable - trade	29,529	10,901
Electronically recorded monetary calims-operating	376,347	438,384
Accounts receivable - trade	2,920,770	3,785,379
Merchandise and finished goods	227,889	304,732
Raw materials and supplies	563,421	557,923
Prepaid expenses	14,417	15,815
Accounts receivable - other	48,468	65,739
Other	100,118	171,202
Total current assets	11,878,619	11,244,683
Non-current assets		
Property, plant and equipment		
Buildings	3,260,821	3,168,627
Structures	160,647	191,223
Machinery and equipment	475,796	546,454
Vehicles	17,973	15,457
Tools, furniture and fixtures	219,086	203,712
Land	2,821,838	2,821,838
Construction in progress	72,934	2,014,948
Total property, plant and equipment	7,029,095	8,962,262
Intangible assets		
Leasehold right	29,380	29,380
Software	85,272	66,728
Other	1,737	1,497
Total intangible assets	116,389	97,605
Investments and other assets		
Investment securities	1,627,553	2,213,895
Affiliated company shares	3,263,562	3,115,247
Capital	5	5
Long-term loans receivable from subsidiaries and affiliates	641,700	553,040
Long-term prepaid expenses	261,716	484,757
Prepaid pension expense	894,856	1,033,637
Other	14,896	15,316
Total investments and other assets	6,704,290	7,415,898
Total non-current assets	13,849,776	16,475,767
Total assets	25,728,395	27,720,451

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Notes payable	45,121	35,664
Electronically recorded obligations-operating	894,293	340,323
Accounts payable -trade-	419,872	413,706
Accounts payable -other-	2,526,251	316,992
Accrued expenses	165,835	174,985
Income taxes payable	834,137	1,255,830
Deposits received	93,639	91,167
Provision for bonuses	418,626	447,997
Provision for directors' bonuses	50,827	56,029
Notes payable - facilities	7,425	—
Electronically recorded obligations-facilities	32,448	117,350
Accounts payable - facilities	56,107	108,968
Other	3,403	—
Total current liabilities	5,547,989	3,359,014
Non-current liabilities		
Deferred tax liabilities	268,998	465,459
Asset retirement obligations	587	587
Provision for share-based payments	126,951	137,803
Other	23,942	23,964
Total non-current liabilities	420,480	627,815
Total liabilities	5,968,470	3,986,829
Net assets		
Shareholders' equity		
Capital stock	594,142	594,142
Capital surplus		
Legal capital surplus	446,358	446,358
Other capital surplus	94,914	—
Total capital surpluses	541,273	446,358
Retained earnings		
Legal retained earnings	63,557	63,557
Other retained earnings		
General reserve	15,300,000	15,300,000
Retained earnings brought forward	4,795,731	8,798,565
Total retained earnings	20,159,288	24,162,123
Treasury shares	-2,031,602	-2,353,360
Total shareholders' equity	19,263,102	22,849,264
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	496,822	884,356
Total valuation and translation adjustments	496,822	884,356
Total net assets	19,759,925	23,733,621
Total liabilities and net assets	25,728,395	27,720,451

(2) Statement of income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	12,263,855	13,515,663
Cost of sales	4,439,366	4,599,874
Gross profit	7,824,488	8,915,789
Selling, general and administrative expenses	4,346,998	4,613,903
Operating profit	3,477,490	4,301,885
Non-operating income		
Interest and dividend income	1,059,044	2,690,209
Proceeds from sales of prototypes	6,591	7,364
Foreign exchange gains	16,533	210,473
Other	21,288	22,695
Total non-operating income	1,103,458	2,930,743
Non-operating expenses		
Other	42	7,907
Total non-operating expenses	42	7,907
Ordinary profit	4,580,906	7,224,721
Extraordinary income		
Gain on sales of non-current assets	510	923
Gain on sales of investment securities	—	546,447
Total extraordinary income	510	547,370
Extraordinary losses		
Loss on retirement of non-current assets	1,544	137,049
Loss on valuation of shares of subsidiaries and associates	—	68,333
Total extraordinary losses	1,544	205,383
Profit before income taxes	4,579,872	7,566,708
Income taxes - current	1,115,718	1,790,635
Income taxes - deferred	-33,704	9,204
Total income taxes	1,082,014	1,799,839
Profit	3,497,858	5,766,868

(3) Statement of changes in shareholders' equity

Previous fiscal year (From January 1, 2024 to December 31, 2024)

(Thousands of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance at beginning of period	594,142	446,358	94,914	541,273	63,557	14,300,000	3,147,885	17,511,443
Changes during period								
Provision of general reserve						1,000,000	-1,000,000	—
Dividends of surplus							-850,013	-850,013
Net income							3,497,858	3,497,858
Purchase of treasury shares								
Disposal of treasury shares								
Retirement of treasury shares								
Net changes in items other than shareholders' equity								
Total changes during period	—	—	—	—	—	1,000,000	1,647,845	2,647,845
Balance at end of period	594,142	446,358	94,914	541,273	63,557	15,300,000	4,795,731	20,159,288

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	-2,031,602	16,615,257	658,010	658,010	17,273,267
Changes during period					
Provision of general reserve		—			—
Dividends of surplus		-850,013			-850,013
Net income		3,497,858			3,497,858
Purchase of treasury shares		—			—
Disposal of treasury shares		—			—
Retirement of treasury shares		—			—
Net changes in items other than shareholders' equity			-161,187	-161,187	-161,187
Total changes during period	—	2,647,845	-161,187	-161,187	2,486,657
Balance at end of period	△2,031,602	19,263,102	496,822	496,822	19,759,925

Current fiscal year (From January 1, 2025 to December 31, 2025)

(Thousands of yen)

Current fiscal year (From January 1, 2023 to December 31, 2023)								
	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance at beginning of period	594,142	446,358	94,914	541,273	63,557	15,300,000	4,795,731	20,159,288
Changes during period								
Provision of general reserve								—
Dividends of surplus							-936,016	-936,016
Net income							5,766,868	5,766,868
Purchase of treasury shares								
Disposal of treasury shares								
Retirement of treasury shares			-94,914	-94,914			-828,017	-828,017
Net changes in items other than shareholders' equity								
Total changes during period	—	—	-94,914	-94,914	—	—	4,002,834	4,002,834
Balance at end of period	594,142	446,358	—	446,358	63,557	15,300,000	8,798,565	24,162,123

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	-2,031,602	19,263,102	496,822	496,822	19,759,925
Changes during period					
Provision of general reserve		—			—
Dividends of surplus		-936,016			-936,016
Net income		5,766,868			5,766,868
Purchase of treasury shares	-1,292,474	-1,292,474			-1,292,474
Disposal of treasury shares	47,784	47,784			47,784
Retirement of treasury shares	922,932	—			—
Net changes in items other than shareholders' equity			387,534	387,534	387,534
Total changes during period	-321,757	3,586,162	387,534	387,534	3,973,696
Balance at end of period	-2,353,360	22,849,264	884,356	884,356	23,733,621