

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026

<Japanese GAAP>

May 11, 2026

Company Name: **NICHIAS Corporation**
 Stock Exchange Listing: Tokyo Stock Exchange (Code number 5393)
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 Scheduled date of Ordinary General Meeting of Shareholders: June 26, 2026
 Scheduled date of filing annual securities report: June 24, 2026
 Supplementary materials for financial results: Available
 Organization of financial results briefing: Yes (for institutional investors and analysts)
 Scheduled date of commencement of dividend payment: June 29, 2026

(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for fiscal 2025 (April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results

(Percentage figures represent changes from previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2025	251,910	(1.8)	37,014	(6.8)	39,377	(5.6)	31,634	(1.4)
FY2024	256,512	2.9	39,732	12.8	41,693	7.5	32,073	19.0

Note: Comprehensive income FY2025 ¥39,573 million---29.3%; FY2024 ¥30,596 million---(15.6)%

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income on total assets	Operating margin
	Yen	Yen	%	%	%
FY2025	165.59	—	13.9	13.2	14.7
FY2024	163.79	—	15.5	14.4	15.5

(Reference) Share of profit or loss on investments using the equity method: FY2025 ¥52 million; FY2024 ¥63 million

Note: Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. Basic earnings per share has been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	307,123	239,612	77.7	1,261.39
As of March 31, 2025	289,044	216,434	74.5	1,116.25

(Reference) Shareholders' equity: FY2025 ¥238,515 million; FY2024 ¥215,421 million

Note: Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. Net assets per share has been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Net cash from (used in) operating activities	Net cash from (used in) investing activities	Net cash from (used in) financing activities	Cash and cash equivalents at the end of fiscal year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2025	23,936	(10,154)	(16,992)	56,631
FY2024	31,246	(913)	(27,404)	58,611

2. Dividends

	Annual Dividends					Total Dividends	Dividend payout ratio	Ratio of dividends to net assets
	End of 1st quarter	End of 1st half	End of 3rd quarter	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2024	—	52.00	—	56.00	108.00	7,019	22.0	3.4
FY2025	—	76.00	—	88.00	164.00	10,392	33.0	4.6
FY2026 (Forecast)	—	35.00	—	30.00	65.00		38.8	

Note: Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. For FY2024 and FY2025, the actual dividend amounts prior to the stock split are shown. For FY2027 (forecast), the figures following the stock split are shown.

3. Forecast of consolidated financial results for fiscal 2026 (April 1, 2026 to March 31, 2027)

(Percentage figures represent changes from previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	130,000	5.9	20,500	15.3	20,500	11.6	14,500	13.8	75.90
Full year	270,000	7.2	45,000	21.6	45,000	14.3	32,000	1.2	167.51

*Notes

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

(2) Changes in accounting policies, changes in accounting estimates, and restatements

1) Changes in accounting policies due to revision of accounting standards: None

2) Changes other than those in 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of shares outstanding (ordinary shares)

1) Number of shares outstanding at the end of the year (including treasury stock)

FY2025 (As of March 31, 2026) 190,985,751 shares

FY2024 (As of March 31, 2025) 203,435,751 shares

2) Number of shares of treasury stock at the end of the year

FY2025 (As of March 31, 2026) 1,896,849 shares

FY2024 (As of March 31, 2025) 10,448,946 shares

3) Average number of shares outstanding during the year

FY2025 (As of March 31, 2026) 191,037,523 shares

FY2024 (As of March 31, 2025) 195,824,886 shares

Note: Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. Number of shares outstanding at the end of the year (including treasury stock), number of shares of treasury stock at the end of the year, and average number of shares outstanding during the year have been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

*This summary of financial statements is not subject to audit by a certified public accountant or auditor.

*Information concerning proper use of financial forecasts and other special notes

(Information concerning forward-looking statements)

1. Forward-looking statements concerning financial forecasts contained in these materials are based on information available to the Company when the forecasts were made, and certain assumptions judged to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual results may differ significantly from the forecasts due to a variety of factors. Please refer to "(4) Earnings forecasts" in "1. Overview of operating results" on page 3 for information concerning financial forecasts such as the assumptions used and factors that could cause these assumptions to change.

Disclaimer: This is a Japanese-English translation of the summary of financial statements of the Company produced for your convenience. Since no auditor audited this report, officially only the Japanese version is assumed to be the summary of financial statements of the Company. This summary does not constitute any guarantee and the Company will not compensate any losses and/or damage stemming from actions taken based on these statements. In the case that there is any discrepancy between the Japanese and English versions, the Japanese version is assumed to be correct.

(1) Consolidated balance sheets

(Millions of yen)

	FY2024 (As of March 31, 2025)	FY2025 (As of March 31, 2026)
Assets		
Current assets		
Cash and deposits	59,678	57,723
Notes and accounts receivable – trade	31,855	33,549
Electronically recorded monetary claims	16,277	16,606
Accounts receivable from completed construction contracts	23,885	22,327
Merchandise and finished goods	24,571	22,875
Work in process	3,848	3,896
Raw materials and supplies	24,612	27,290
Costs on uncompleted construction contracts	1,663	2,505
Other	3,661	5,562
Allowance for doubtful accounts	(7)	(22)
Total current assets	190,047	192,315
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	75,323	79,935
Accumulated depreciation and impairment loss	(40,953)	(43,359)
Buildings and structures, net	34,369	36,576
Machinery, equipment and vehicles	87,253	90,234
Accumulated depreciation and impairment loss	(75,180)	(77,385)
Machinery, equipment and vehicles, net	12,073	12,849
Land	15,255	15,270
Lease assets	445	471
Accumulated depreciation	(243)	(290)
Lease assets, net	202	181
Construction in progress	3,427	4,434
Other	13,927	14,531
Accumulated depreciation and impairment loss	(11,562)	(12,078)
Other, net	2,364	2,453
Total property, plant and equipment	67,692	71,765
Intangible assets		
Software	736	619
Other	775	1,449
Total intangible assets	1,511	2,068
Investments and other assets		
Investment securities	13,834	17,926
Long-term loans receivable	90	858
Net defined benefit asset	10,524	15,194
Deferred tax assets	1,381	2,552
Other	4,015	5,245
Allowance for doubtful accounts	(54)	(804)
Total investments and other assets	29,792	40,973
Total noncurrent assets	98,996	114,807
Total assets	289,044	307,123

(Millions of yen)

	FY2024 (As of March 31, 2025)	FY2025 (As of March 31, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	18,400	16,638
Electronically recorded monetary obligations	8,426	7,029
Short-term loans payable	9,870	9,750
Lease obligations	317	298
Accounts payable – other	4,897	7,046
Income taxes payable	8,582	2,439
Advances received on uncompleted construction contracts	205	611
Provision for bonuses	3,516	2,900
Other	5,556	5,430
Total current liabilities	59,774	52,144
Noncurrent liabilities		
Lease obligations	854	977
Deferred tax liabilities	3,400	6,298
Net defined benefit liability	4,513	4,344
Reserves for litigation losses	532	285
Other	3,533	3,458
Total noncurrent liabilities	12,835	15,365
Total liabilities	72,609	67,510
Net assets		
Shareholders' equity		
Capital stock	12,128	12,128
Capital surplus	13,852	12,753
Retained earnings	185,429	190,210
Treasury stock	(14,555)	(2,974)
Total shareholders' equity	196,855	212,117
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,978	9,090
Foreign currency translation adjustment	6,898	9,670
Remeasurement of defined benefit plans	4,689	7,636
Total accumulated other comprehensive income	18,566	26,397
Non-controlling interests	1,013	1,097
Total net assets	216,434	239,612
Total liabilities and net assets	289,044	307,123

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

(Millions of yen)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2025 (From April 1, 2025 to March 31, 2026)
Net sales		
Net sales of merchandise and finished goods	187,858	180,201
Net sales of completed construction contracts	68,654	71,708
Total net sales	256,512	251,910
Cost of sales		
Cost of merchandise and finished goods sold	129,335	123,706
Cost of sales of completed construction contracts	56,403	58,307
Total cost of sales	185,739	182,013
Gross profit	70,773	69,897
Selling, general and administrative expenses		
Selling expenses	9,049	9,502
General and administrative expenses	21,991	23,380
Total selling, general and administrative expenses	31,041	32,883
Operating income	39,732	37,014
Non-operating income		
Interest income	222	153
Dividends income	660	591
Foreign exchange gain	-	588
Rent income	569	614
Equity in earnings of affiliates	63	52
Other	1,062	965
Total non-operating income	2,578	2,966
Non-operating expenses		
Interest expenses	232	214
Foreign exchange losses	86	-
Cost of lease revenue	32	39
Special contribution for asbestos	47	47
Other	218	301
Total non-operating expenses	617	602
Ordinary income	41,693	39,377
Extraordinary income		
Gain on sales of noncurrent assets	73	77
Gain on liquidation of subsidiaries and associates	138	-
Gain on sale of investment securities	4,985	226
Total extraordinary income	5,198	304
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	232	240
Impairment losses	418	-
Provision for litigation loss reserves	112	123
Litigation settlement	-	602
Loss due to disasters	163	-
Expenses related to factory reconstruction	605	-
Total extraordinary losses	1,533	966
Income before income taxes	45,358	38,715
Income taxes – current	13,964	7,539
Income taxes – deferred	(790)	(582)
Total income taxes	13,173	6,957
Net income	32,184	31,758
Net income attributable to non-controlling interests	111	124
Profit attributable to owners of the parent company	32,073	31,634

Consolidated comprehensive income statements

(Millions of yen)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2025 (From April 1, 2025 to March 31, 2026)
Net income	32,184	31,758
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,561)	2,111
Foreign currency translation adjustment	2,589	2,757
Remeasurement of defined benefit plans	1,383	2,946
Total other comprehensive income	(1,587)	7,815
Comprehensive income	30,596	39,573
Breakdown		
Comprehensive income attributable to owners of the parent company	30,446	39,465
Comprehensive income attributable to minority interests	150	107

(3) Consolidated statements of changes in shareholders' equity

Fiscal Year 2024 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	12,128	13,892	160,058	(6,590)	179,488
Changes of items during the period					
Changes in ownership interests in parent company related to transactions with non-controlling interests		(61)			(61)
Dividends from surplus			(6,702)		(6,702)
Profit attributable to owners of the parent company			32,073		32,073
Purchase of treasury stock				(8,006)	(8,006)
Disposal of treasury stock		21		41	63
Cancellation of treasury stock					—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(39)	25,371	(7,964)	17,367
Balance at the end of the period	12,128	13,852	185,429	(14,555)	196,855

	Total other cumulative comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurement of defined benefit plans	Total other cumulative comprehensive income		
Balance at the beginning of the period	12,540	4,351	3,301	20,192	1,236	200,918
Changes of items during the period						
Changes in ownership interests in parent company related to transactions with non-controlling interests						(61)
Dividends from surplus						(6,702)
Profit attributable to owners of the parent company						32,073
Purchase of treasury stock						(8,006)
Disposal of treasury stock						63
Cancellation of treasury stock						-
Net changes of items other than shareholders' equity	(5,561)	2,546	1,388	(1,626)	(223)	(1,850)
Total changes of items during the period	(5,561)	2,546	1,388	(1,626)	(223)	15,516
Balance at the end of the period	6,978	6,898	4,689	18,566	1,013	216,434

Fiscal Year 2025 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	12,128	13,852	185,429	(14,555)	196,855
Changes of items during the period					
Changes in ownership interests in parent company related to transactions with non-controlling interests					-
Dividends from surplus			(8,448)		(8,448)
Profit attributable to owners of the parent company			31,634		31,634
Purchase of treasury stock				(8,009)	(8,009)
Disposal of treasury stock		18		67	85
Cancellation of treasury stock		(1,118)	(18,404)	19,522	-
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	(1,099)	4,781	11,580	15,262
Balance at the end of the period	12,128	12,753	190,210	(2,974)	212,117

	Total other cumulative comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurement of defined benefit plans	Total other cumulative comprehensive income		
Balance at the beginning of the period	6,978	6,898	4,689	18,566	1,013	216,434
Changes of items during the period						
Changes in ownership interests in parent company related to transactions with non-controlling interests						-
Dividends from surplus						(8,448)
Profit attributable to owners of the parent company						31,634
Purchase of treasury stock						(8,009)
Disposal of treasury stock						85
Cancellation of treasury stock						-
Net changes of items other than shareholders' equity	2,111	2,772	2,947	7,831	84	7,915
Total changes of items during the period	2,111	2,772	2,947	7,831	84	23,178
Balance at the end of the period	9,090	9,670	7,636	26,397	1,097	239,612

(4) Consolidated statements of cash flows

(Millions of yen)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2025 (From April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Income before income taxes	45,358	38,715
Depreciation & amortization	7,626	7,314
Impairment losses	418	-
Expenses related to factory reconstruction	605	-
Loss on disaster	163	-
Loss (gain) on sales of noncurrent assets	158	162
Loss (gain) on liquidation of subsidiaries and associates	(138)	-
Increase (decrease) in allowance for doubtful accounts	10	702
Decrease (increase) in net defined benefit assets	(577)	(745)
Increase (decrease) in net defined benefit liability	68	199
Loss (gain) on sales of investment securities	(4,985)	(226)
Increase (decrease) in provision for bonuses	118	(620)
Interest and dividends income received	(883)	(745)
Interest expenses	232	214
Foreign exchange losses (gains)	320	(342)
Decrease (increase) in notes and accounts receivable – trade	3,989	308
Decrease (increase) in inventories	(3,527)	(319)
Decrease (increase) in costs on uncompleted construction contracts	(191)	(861)
Increase (decrease) in notes and accounts payable – trade	(5,085)	(3,755)
Decrease (increase) in accounts receivable – other	(149)	147
Increase (decrease) in accounts payable – other	(17)	(32)
Increase (decrease) in advances received on uncompleted construction contracts	(94)	391
Increase (decrease) in provisions for litigation losses	89	(246)
Other	284	(1,512)
Subtotal	43,790	38,748
Interest and dividends income received	883	745
Interest expenses paid	(236)	(214)
Loss due to disaster paid	(42)	-
Loss on liquidation of business paid	(550)	-
Expenses related to factory reconstruction paid	(137)	(234)
Income taxes paid	(12,483)	(15,179)
Income taxes refund	22	70
Net cash provided by (used in) operating activities	31,246	23,936
Cash flows from investing activities		
Net decrease (increase) in time deposits	(224)	(2)
Expenditures for the acquisition of property, plant and equipment	(6,764)	(8,032)
Proceeds from sales of property, plant and equipment	161	123
Expenditures for the acquisition of intangible fixed assets	(263)	(703)
Purchase of investment securities	(8)	(1,008)
Proceeds from sales of investment securities	5,883	292
Payments of loans receivable	(15)	(870)
Collection of loans receivable	91	94
Other	226	(45)
Net cash provided by (used in) investing activities	(913)	(10,154)

(Millions of yen)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2025 (From April 1, 2025 to March 31, 2026)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(6,935)	(120)
Redemption of bonds	(5,000)	-
Repayments of lease obligations	(316)	(357)
Net decrease (increase) in treasury stock	(8,006)	(8,009)
Cash dividends paid	(6,710)	(8,438)
Dividends paid to non-controlling interests	(47)	(23)
Other	(388)	(42)
Net cash provided by (used in) financing activities	(27,404)	(16,992)
Effect of exchange rate change on cash and cash equivalents	107	1,230
Net increase (decrease) in cash and cash equivalents	3,036	(1,979)
Cash and cash equivalents at beginning of period	55,574	58,611
Cash and cash equivalents at end of period	58,611	56,631