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Consolidated Financial Results for the Three Months Ended March 31, 2026 [Japanese GAAP]



May 13, 2026

Company name: K&O Energy Group Inc.
Stock exchange listings: Tokyo Stock Exchange
Securities code: 1663
URL: <https://www.k-and-o-energy.co.jp/>
Representative: Akio Midorikawa, Representative Director, President and Chief Executive Officer
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Dividend payable date (as planned): –
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended March 31, 2026 (from January 1, 2026 to March 31, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended March 31, 2026	25,453	(3.0)	3,667	8.1	3,923	7.4	2,404	(25.5)
March 31, 2025	26,242	1.2	3,393	36.1	3,653	40.6	3,227	90.8

(Note) Comprehensive income: Three months ended March 31, 2026: ¥2,950 million [(15.1)%]
Three months ended March 31, 2025: ¥3,476 million [37.3%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2026	90.07	89.76
March 31, 2025	120.98	120.52

(2) Consolidated Financial Positions

	Total assets	Net assets	Equity-to-asset ratio
	Million yen	Million yen	%
As of March 31, 2026	129,886	110,824	82.6
As of December 31, 2025	127,773	108,888	82.4

(Reference) Equity As of March 31, 2026: ¥107,265 million
As of December 31, 2025: ¥105,318 million

2. Dividends

	Annual dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	—	24.00	—	30.00	54.00
Fiscal year ending December 31, 2026	—				
Fiscal year ending December 31, 2026 (Forecast)		30.00	—	15.00	—

(Note) Correction of dividend forecast from the most recent dividend forecast: Yes

The Company plans to implement a 2-for-1 common stock split, effective July 1, 2026. The second quarter-end dividend for the fiscal year ending December 31, 2026 (Forecast) is presented in an amount before the stock split, and the fiscal year-end dividend for the fiscal year ending December 31, 2026 (Forecast) is presented in an amount after the stock split. Total annual dividend per share is not presented as it is impossible to simply total the figures due to the stock split. Without taking the stock split into consideration, annual dividend per share is expected to be ¥60.00. For details, please refer to “Notice Regarding Stock Split, and Partial Amendments to Articles of Incorporation and Revision to Dividend Forecast in Connection with the Stock Split” announced today, on May 13, 2026).

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	43,900	(9.6)	5,800	(12.2)	6,300	(11.7)	4,000	(27.2)	149.84
Full year	87,000	(4.8)	9,200	(13.2)	10,300	(12.0)	6,300	(24.8)	118.00

(Note) Correction of financial forecast from the most recent financial forecast: None

Since the Company plans to implement a 2-for-1 common stock split, effective July 1, 2026, basic earnings per share for consolidated financial results forecasts for the fiscal year ending December 31, 2026 (full year) take into consideration the effect of the stock split. Without taking the stock split into consideration, basic earnings per share for consolidated financial results forecasts for the fiscal year ending December 31, 2026 (full year) are ¥236.01

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of consolidated quarterly financial statements: Yes
(Note) For details, please refer to “2. Consolidated Quarterly Financial Statements and Principal Notes, (3) Notes to Consolidated Quarterly Financial Statements (Adoption of accounting treatment specific to the preparation of consolidated quarterly financial statements)” on page 7 of the attachment (in Japanese).
- (3) Changes in accounting policies, accounting estimates and retrospective restatement
- 1) Changes in accounting policies based on revisions of accounting standard: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Number of issued shares (common stock)
- 1) Number of issued shares at the end of the period (including treasury shares)

March 31, 2026:	28,336,061 shares
December 31, 2025:	28,336,061 shares
 - 2) Number of treasury shares at the end of the period

March 31, 2026:	1,633,349 shares
December 31, 2025:	1,641,754 shares
 - 3) Average number of shares outstanding during the period

Three months ended March 31, 2026:	26,699,833 shares
Three months ended March 31, 2025:	26,673,520 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

*** Notes for using forecasted information and other notes**

- Forward-looking statements and other statements about the future in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Actual performance and other results may differ significantly due to various factors. For the financial results forecast, etc., please refer to “1. Qualitative Information on Quarterly Financial Results for the Period under Review, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 2 of the attachment (in Japanese).
- Due to the nature of the Group’s business, which is heavily weighted toward gas business, the Group’s performance is subject to significant seasonal fluctuations caused by temperatures and other factors.

(1) Consolidated Quarterly Balance Sheets

(Million yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	30,547	16,154
Notes and accounts receivable - trade, and contract assets	10,260	11,784
Securities	8,352	21,861
Inventories	2,478	2,548
Other	1,449	1,390
Allowance for doubtful accounts	(4)	(5)
Total current assets	53,083	53,734
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,442	10,403
Machinery, equipment and vehicles, net	21,171	20,753
Other, net	11,383	11,721
Total property, plant and equipment	42,997	42,878
Intangible assets	1,762	1,784
Investments and other assets		
Investment securities	20,045	21,813
Other	9,917	9,710
Allowance for doubtful accounts	(34)	(34)
Total investments and other assets	29,929	31,489
Total non-current assets	74,689	76,152
Total assets	127,773	129,886
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,374	6,139
Provisions	38	77
Income taxes payable	2,426	1,249
Other	4,493	4,672
Total current liabilities	12,333	12,138
Non-current liabilities		
Retirement benefit liability	3,723	3,683
Provisions	315	329
Other	2,512	2,910
Total non-current liabilities	6,551	6,923
Total liabilities	18,884	19,062

(Million yen)

	As of December 31, 2025	As of March 31, 2026
Net assets		
Shareholders' equity		
Share capital	8,000	8,000
Capital surplus	14,021	14,051
Retained earnings	80,252	81,856
Treasury shares	(1,166)	(1,160)
Total shareholders' equity	101,107	102,747
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,489	3,810
Remeasurements of defined benefit plans	720	706
Total accumulated other comprehensive income	4,210	4,517
Share acquisition rights	124	124
Non-controlling interests	3,445	3,434
Total net assets	108,888	110,824
Total liabilities and net assets	127,773	129,886

(2) Consolidated Quarterly Statements of Income and Comprehensive Income
Consolidated Quarterly Statements of Income
Three Months Ended March 31

(Million yen)

	For the three months ended March 31, 2025	For the three months ended March 31, 2026
Net sales	26,242	25,453
Cost of sales	20,133	19,069
Gross profit	6,109	6,383
Selling, general and administrative expenses	2,715	2,716
Operating profit	3,393	3,667
Non-operating income		
Interest income	87	122
Dividend income	137	106
Other	38	32
Total non-operating income	262	261
Non-operating expenses		
Interest expenses	2	3
Miscellaneous losses	—	1
Other	0	0
Total non-operating expenses	2	5
Ordinary profit	3,653	3,923
Extraordinary income		
Compensation for forced relocation	1,399	—
Total extraordinary income	1,399	—
Extraordinary losses		
Loss on retirement of non-current assets	100	99
Total extraordinary losses	100	99
Profit before income taxes	4,952	3,824
Income taxes	1,522	1,200
Profit	3,430	2,623
Profit attributable to non-controlling interests	203	219
Profit attributable to owners of parent	3,227	2,404

Consolidated Quarterly Statements of Comprehensive Income

Three Months Ended March 31

(Million yen)

	For the three months ended March 31, 2025	For the three months ended March 31, 2026
Profit	3,430	2,623
Other comprehensive income		
Valuation difference on available-for-sale securities	48	340
Remeasurements of defined benefit plans, net of tax	(2)	(13)
Total other comprehensive income	45	326
Comprehensive income	3,476	2,950
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,286	2,711
Comprehensive income attributable to non-controlling interests	189	238