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May 15,2026

Consolidated Financial Results for the Fiscal Year Ended March 31,2026 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 3104
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 Scheduled date of annual general meeting of shareholders: June 26,2026
 Scheduled date to commence dividend payments: June 29,2026
 Scheduled date to file annual securities report: June 24,2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

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

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31,2026	45,929	7.0	8,143	25.7	8,356	25.2	5,612	25.4
March 31,2025	42,912	18.8	6,476	129.8	6,675	103.7	4,477	111.4

Note: Comprehensive income For the fiscal year ended March 31,2026: ¥6,522 million [36.8 %]
 For the fiscal year ended March 31,2025: ¥4,767 million [70.7 %]

	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	%	%	%
March 31,2026	165.94	—	11.3	12.1	17.7
March 31,2025	135.27	—	9.8	10.3	15.1

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31,2026: ¥— million

For the fiscal year ended March 31,2025: ¥— million

The company conducted a three-for-one stock split of the common shares on April 1,2026. Basic earnings per share is calculated based on the assumption that the stock split was carried out at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31,2026	71,816	51,691	72.0	1,533.06
March 31,2025	66,608	47,460	71.3	1,394.66

Reference: Equity

As of March 31,2026: ¥51,691 million

As of March 31,2025: ¥47,459 million

The company conducted a three-for-one stock split of the common shares on April 1,2026. Net assets per share is calculated based on the assumption that the stock split was carried out at the beginning of the previous consolidated fiscal year.

(3) Consolidated 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
March 31,2026	10,143	(6,115)	(2,621)	9,517
March 31,2025	8,656	(6,543)	(2,360)	8,048

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31,2025	—	60.00	—	70.00	130.00	1,474	32.0	3.2
Fiscal year ended March 31,2026	—	75.00	—	105.00	180.00	2,024	36.2	4.1
Fiscal year ending March 31,2027 (Forecast)	—	39.00	—	39.00	78.00		—	

The company conducted a three-for-one stock split of the common shares on April 1,2026. For the fiscal year ended March 31, 2025 and the fiscal year ended March 31, 2026, the actual amounts of dividends before the stock split are stated. For the fiscal year ending March 31, 2027 (forecast), the figures after the stock split are stated.

3. Forecast of Consolidated financial results for the March 31,2027(from April 1,2026 to March 31,2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six Months Ending September 30,2026	26,000	15.4	4,400	16.7	4,500	15.3	3,000	9.9	88.97
Fiscal year ending March 31,2027	52,700	14.7	9,200	13.0	9,400	12.5	6,300	12.2	186.85

The company conducted a three-for-one stock split of the common shares on April 1,2026. Basic earnings per share in the Forecast of Consolidated financial results for the March 31,2027 has been calculated taking into account the impact of this stock split.

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (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: None
 - (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 March 31,2026	34,062,000 shares
As of March 31,2025	34,062,000 shares

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

As of March 31,2026	344,313 shares
As of March 31,2025	32,199 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31,2026	33,823,461 shares
Fiscal year ended March 31,2025	33,097,041 shares

The company conducted a three-for-one stock split of the common shares on April 1,2026. The number of shares issued at the end of the fiscal year, the number of treasury shares at the end of the fiscal year, and the average number of shares during the fiscal year have been calculated on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31,2026 (from April 1,2025 to March 31,2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31,2026	5,864	34.9	2,460	119.0	2,690	111.2	2,026	39.9
March 31,2025	4,348	21.4	1,123	92.0	1,273	72.3	1,448	92.0

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31,2026	59.90	—
March 31,2025	43.76	—

The company conducted a three-for-one stock split of the common shares on April 1,2026. Basic earnings per share is calculated based on the assumption that the stock split was carried out at the beginning of the previous consolidated fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31,2026	35,206	25,946	73.7	769.54
March 31,2025	33,010	25,663	77.7	754.16

Reference: Equity

As of March 31,2026: ¥25,946 million
As of March 31,2025: ¥25,663 million

The company conducted a three-for-one stock split of the common shares on April 1, 2026. Net assets per share is calculated based on the assumption that the stock split was carried out at the beginning of the previous consolidated fiscal year.

- * 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 earnings forecasts and other forward-looking statements herein are based on information currently available and certain assumptions deemed reasonable by the Company, and actual results may differ significantly from these forecasts due to various factors. Please refer to “1. Overview of Operating Results, etc. (4) Future Outlook” on page 4 of the attached documents for the assumptions used in forecasting financial results and precautionary statements regarding the use of financial results forecasts.

(Availability of supplementary explanatory materials on financial results and details of financial results briefing session)

The Company plans to hold a financial results briefing session (online) for institutional investors and analysts on May 18, 2026. In addition, the Company plans to post a video of the financial results briefing session and the briefing material on the Company’s website after the briefing session

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for Fiscal Year Ended March 31, 2026

During the fiscal year ended March 31, 2026, the Japanese economy has been on track for a moderate recovery, supported by improvements in corporate earnings and the employment and income environment. However, the economic outlook remains uncertain mainly due to mounting geopolitical risks, including the situations in the Middle East and East Asia, trends in U.S. trade policies, and the continuing frugal mindset of consumers driven by rising prices.

In this economic environment, the Fujibo Group implemented business portfolio reforms and the reinforcement of individual businesses in accordance with the basic strategies of its Medium-term Management Plan, “Zokyo 21- 25,” which concludes in the fiscal year under review. The Polishing Pad Business, which is the mainstay of our business, experienced strong order volume, driven by growing demand for advanced semiconductors for AI applications and investment in data centers. The Industrial Chemicals Business also saw a strong flow of orders, driven by growth in high-potential fields such as electronic materials and functional resins. Meanwhile, in the Lifestyle Apparel Business, the difficult business environment persisted due to soaring personnel expenses and other costs, as well as the impact of the weak yen. Even our mainstay sales at stores were affected by restrained consumer spending trends due to temperature fluctuations and reduced selling floor space.

As a result, for the fiscal year ended March 31, 2026, net sales amounted to ¥45,929 million, a year-on-year increase of ¥3,016 million (7.0%), operating profit amounted to ¥8,143 million, a year-on-year increase of ¥1,667 million (25.7%), and ordinary profit amounted to ¥8,356 million, a year-on-year increase of ¥1,681 million (25.2%). Adjusting results by adding or subtracting extraordinary income and losses, income taxes, etc., profit attributable to owners of parent amounted to ¥5,612 million, a year-on-year increase of ¥1,135 million (25.4%).

Results by segment are as described below.

1) Polishing Pad Business

The global semiconductor market is projected to continue growing, supported by ongoing demand for AI, cloud infrastructure, and advanced electronic devices. Against this backdrop, orders for polishing pads for semiconductor devices (CMP) remained strong as demand increased for semiconductors for use in advanced logic applications, fueled by the adoption of generative AI. A certain level of sales for silicon wafers was secured due to strong demand in advanced product applications, despite the sluggish demand in applications for general-use products. Demand for hard disks applications by data centers recovered, while in terms of LCD glass applications, demand for LCD panels remained strong due to China’s home appliance subsidy policy, resulting in an increase in orders.

As a result, net sales amounted to ¥22,561 million, a year-on-year increase of ¥3,253 million (16.9%), and operating profit amounted to ¥6,385 million, a year-on-year increase of ¥1,655 million (35.0%).

2) Industrial Chemicals Business

Orders for contract manufacturing of functional materials, pharmaceutical intermediates, agricultural chemical intermediates, etc. remained strong, supported by the continued expansion of the electronic materials market, including semiconductors, as the agricultural chemical market, which had remained in a phase of inventory adjustments, showed signs of a gradual recovery. Both plants maintained high operating rates overall despite U.S. trade policies and the escalating tension in the Middle East.

As a result, net sales amounted to ¥14,113 million, a year-on-year increase of ¥638 million (4.7%), and operating profit amounted to ¥1,417 million, a year-on-year increase of ¥200 million (16.4%).

3) Lifestyle Apparel Business

A difficult environment for textile materials continued due to the weak yen and rising personnel expenses and costs. The Kozakai Plant, which had been manufacturing functional fibers, discontinued production and sales based on the policy of concentrating management resources in high-profit businesses. In terms of textile products,

sales of core year-round standard products declined, affected by reduced selling floor space and constraints in consumer spending trends. Overseas sales also declined due to a decrease in new orders, reflecting the impact of the conflict between Japan and China.

For outdoor-oriented products, on the other hand, the Company has been implementing proactive initiatives, including the combining of e-commerce and physical stores, the enhancement of wholesale operations and promotional activities to specialty retailers.

As a result, net sales amounted to ¥6,323 million, a year-on-year decrease of ¥643 million (9.2%), and operating profit amounted to ¥438 million, a year-on-year decrease of ¥148 million (25.3%).

4) Other

In Chemical Products division, orders for medical device parts and digital camera parts remained steady. In Molding division, automotive applications suffered under industry-wide uncertainty, and a full recovery has yet to materialize. For office equipment applications, although sales remained sluggish due to a changeover period in development projects, proactive efforts to expand into new fields continue, particularly in the medical sector.

As a result, net sales amounted to ¥2,930 million, a year-on-year decrease of ¥231 million (7.3%), and operating profit amounted to a loss of ¥98 million, a year-on-year decrease of ¥40 million.

(2) Overview of Financial Position for Fiscal Year Ended March 31, 2026

(Assets)

Total assets increased ¥5,207 million from the end of the previous fiscal year to ¥71,816 million.

Current assets increased ¥528 million to ¥25,580 million. This was mainly due to increases in cash and deposits and inventories, despite a decrease in trade receivables.

Non-current assets increased ¥4,679 million to ¥46,235 million. This was due to an increase in property, plant and equipment as a result of capital investments in the Polishing Pad Business and the Industrial Chemicals Business.

(Liabilities)

Total liabilities increased ¥976 million from the end of the previous fiscal year to ¥20,124 million.

Current liabilities increased ¥806 million to ¥13,305 million, and non-current liabilities increased ¥170 million to ¥6,819 million. This was mainly due to an increase in liability relating to capital investments included in other liabilities, despite decreases in trade payables and income taxes payable.

(Net assets)

Total net assets increased ¥4,231 million from the end of the previous fiscal year to ¥51,691 million. This was mainly due to an increase of ¥5,612 million resulting from the recording of profit attributable to owners of parent, despite a decrease of ¥1,638 million due to dividends of surplus and a decrease of ¥656 million due to purchase of treasury shares, etc.

(3) Overview of Cash Flows for Fiscal Year Ended March 31, 2026

Cash provided by operating activities during the fiscal year ended March 31, 2026, amounted to ¥10,143million, due mainly to the recording of profit before income taxes and depreciation, and a decrease in trade receivables, despite income taxes paid, etc.

Cash used in investing activities amounted to ¥6,115 million due mainly to purchase of non-current assets.

Cash used in financing activities amounted to ¥2,621 million due mainly to purchase of treasury shares and dividends paid.

As a result, the balance of cash and cash equivalents as of March 31, 2026 increased by ¥1,469 million from the end of the previous fiscal year to ¥9,517 million.

(4) Future Outlook

In the mainstay Polishing Pad Business, due to the continued expansion of AI-related investments in the semiconductor market, strong performance is anticipated going forward.

In the Industrial Chemicals Business, the Company expects generally firm results, due to the expansion of the electronic materials market and the stable operations of the new plant, which commenced operations in April 2026.

In the Lifestyle Apparel Business, the Company will strive to secure profits through the reinforcement of e-commerce sales and other measures, despite the ongoing harsh business environment.

As for the impact of the situation in the Middle East, there are no changes in customer demand in each business at the moment. However, the Company expects profits will be affected mainly in the Polishing Pad Business and the Industrial Chemicals Business.

Furthermore, although the Company has secured the necessary raw materials and fuel associated with manufacturing for the time being, concerns for procurement remain. Accordingly, going forward, the Company will strive to secure the necessary volume by diversifying our suppliers and taking other measures. Prices of certain raw materials and fuels have risen, and the Company expects to pass on these increases to sales prices going forward. Therefore, decreases in operating profit of approximately 5% in the Polishing Pad Business and approximately 10% in the Industrial Chemicals Business have been factored in.

As a result of the above, for the fiscal year ending March 31, 2027, the Company expects net sales of ¥52,700 million, up 14.7% year on year, operating profit of ¥9,200 million, up 13.0% year on year, ordinary profit of ¥9,400 million, up 12.5% year on year, and profit attributable to owners of parent of ¥6,300 million, up 12.2% year on year.

The financial results forecast is based on information available at the present time. Actual results may differ materially from forecast figures depending on various factors.

2. Basic Policy on the Selection of Accounting Standards

The Group intends to prepare its consolidated financial statements in accordance with Japanese standards for the time being, to ensure comparability of the consolidated financial statements between periods as well as between companies.

With regard to the International Financial Reporting Standards (IFRS), the Group will appropriately determine its application while considering various circumstances in Japan and overseas.

2. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 25, 2026
Assets		
Current assets		
Cash and deposits	8,065	9,535
Notes receivable - trade	214	6
Electronically recorded monetary claims - operating	533	202
Accounts receivable – trade	9,823	8,735
Merchandise and finished goods	1,031	1,162
Work in process	2,558	2,655
Raw materials and supplies	1,830	2,044
Other	1,000	1,243
Allowance for doubtful accounts	(7)	(7)
Total current assets	25,052	25,580
Non-current assets		
Property, plant and equipment		
Buildings and structures	25,038	25,722
Accumulated depreciation	(12,957)	(13,627)
Buildings and structures, net	12,080	12,094
Machinery, equipment and vehicles	36,076	37,525
Accumulated depreciation	(29,087)	(30,141)
Machinery, equipment and vehicles, net	6,989	7,383
Land	15,068	14,803
Leased assets	200	181
Accumulated depreciation	(140)	(143)
Leased assets, net	60	37
Construction in progress	1,251	5,700
Other	5,058	5,392
Accumulated depreciation	(3,733)	(4,192)
Other, net	1,325	1,200
Total property, plant and equipment	36,776	41,220
Intangible assets	1,073	376
Investments and other assets		
Investment securities	2,923	3,864
Deferred tax assets	319	245
Other	462	528
Total investments and other assets	3,705	4,638
Total non-current assets	41,556	46,235
Total assets	66,608	71,816

(Millions of yen)

	As of March 31, 2025	As of March 25, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,772	3,704
Electronically recorded obligations - operating	1,276	1,745
Short-term borrowings	321	134
Lease liabilities	44	40
Income taxes payable	1,863	1,329
Contract liabilities	128	173
Provision for bonuses	815	965
Other	3,276	5,211
Total current liabilities	12,499	13,305
Non-current liabilities		
Long-term borrowings	150	90
Lease liabilities	46	56
Deferred tax assets	995	1,065
Deferred tax liabilities for land revaluation	744	744
Retirement benefit liability	4,088	4,047
Asset retirement obligations	523	529
Other	100	285
Total non-current liabilities	6,649	6,819
Total liabilities	19,148	20,124
Net assets		
Shareholders' equity		
Share capital	6,673	6,673
Capital surplus	1,273	1,277
Retained earnings	35,846	39,760
Treasury shares	(28)	(684)
Total shareholders' equity	43,765	47,027
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,329	1,971
Deferred gains or losses on hedges	(5)	(0)
Revaluation reserve for land	1,505	1,566
Foreign currency translation adjustment	936	1,208
Remeasurements of defined benefit plans	(71)	(81)
Total accumulated other comprehensive income	3,694	4,664
Non-controlling interests	0	0
Total net assets	47,460	51,691
Total liabilities and net assets	66,608	71,816

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

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	42,912	45,929
Cost of sales	28,028	28,992
Gross profit	14,884	16,937
Selling, general and administrative expenses		
Salaries and wages	1,576	1,645
Retirement benefit expenses	151	147
Provision for bonuses	183	208
Technical research expenses	1,747	1,722
Other	4,748	5,069
Total selling, general and administrative expenses	8,407	8,793
Operating profit	6,476	8,143
Non-operating income		
Interest income	5	18
Dividend income	83	103
Rental income from non-current assets	298	311
Other	61	87
Total non-operating income	449	520
Non-operating expenses		
Interest expenses	20	10
Rental expenses on non-current assets	99	62
Commitment fees	32	32
DisasterRecoveryExpenses	—	69
RestructuringExpenses	—	56
Other	98	75
Total non-operating expenses	250	307
Ordinary profit	6,675	8,356
Extraordinary income		
Gain on sale of non-current assets	5	214
Gain on sale of investment securities	208	—
Total extraordinary income	214	214
Extraordinary losses		
Loss on disposal of non-current assets	109	165
Impairment losses	141	778
Total extraordinary losses	251	944
Profit before income taxes	6,638	7,626
Income taxes - current	2,208	2,157
Income taxes - deferred	(47)	(143)
Total income taxes	2,161	2,013
Profit	4,477	5,612
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	4,477	5,612

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	4,477	5,612
Other comprehensive income		
Valuation difference on available-for-sale securities	124	642
Deferred gains or losses on hedges	(1)	5
Revaluation reserve for land	(21)	—
Foreign currency translation adjustment	193	271
Remeasurements of defined benefit plans, net of tax	(4)	(9)
Total other comprehensive income	290	909
Comprehensive income	4,767	6,522
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,767	6,522
Comprehensive income attributable to non-controlling interests	0	0

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,673	2,213	32,684	(1,002)	40,569
Changes during period					
Dividends of surplus			(1,304)		(1,304)
Profit attributable to owners of parent			4,477		4,477
Reversal of revaluation reserve for land					—
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		11		13	25
Cancellation of treasury shares		(962)		962	—
Transfer from retained earnings to capital surplus		10	(10)		—
Net change in items other than shareholders' equity					
Total changes during period	—	(940)	3,162	973	3,195
Balance at end of period	6,673	1,273	35,846	(28)	43,765

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,204	(4)	1,527	742	(67)	3,403	0	43,973
Changes during period								
Dividends of surplus								(1,304)
Profit attributable to owners of parent								4,477
Reversal of revaluation reserve for land								—
Purchase of treasury shares								(2)
Disposal of treasury shares								25
Cancellation of treasury shares								—
Transfer from retained earnings to capital surplus								—
Net change in items other than shareholders' equity	124	(1)	(21)	193	(4)	290	0	290
Total changes during period	124	(1)	(21)	193	(4)	290	0	3,486
Balance at end of period	1,329	(5)	1,505	936	(71)	3,694	0	47,460

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,673	1,273	35,846	(28)	43,765
Changes during period					
Dividends of surplus			(1,638)		(1,638)
Profit attributable to owners of parent			5,612		5,612
Reversal of revaluation reserve for land			(60)		(60)
Purchase of treasury shares				(680)	(680)
Disposal of treasury shares		3		23	27
Cancellation of treasury shares					—
Transfer from retained earnings to capital surplus					—
Net change in items other than shareholders' equity					
Total changes during period	—	3	3,913	(656)	3,261
Balance at end of period	6,673	1,277	39,760	(684)	47,027

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,329	(5)	1,505	936	(71)	3,694	0	47,460
Changes during period								
Dividends of surplus								(1,638)
Profit attributable to owners of parent								5,612
Reversal of revaluation reserve for land								(60)
Purchase of treasury shares								(680)
Disposal of treasury shares								27
Cancellation of treasury shares								—
Transfer from retained earnings to capital surplus								—
Net change in items other than shareholders' equity	642	5	60	271	(9)	969	0	969
Total changes during period	642	5	60	271	(9)	969	0	4,231
Balance at end of period	1,971	(0)	1,566	1,208	(81)	4,664	0	51,691

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	6,638	7,626
Depreciation	3,382	3,285
Amortization of goodwill	140	140
Impairment losses	141	778
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in retirement benefit liability	(98)	(62)
Interest and dividend income	(89)	(121)
Interest expenses	20	10
Foreign exchange losses (gains)	25	7
Loss (gain) on sale of non-current assets	(5)	(214)
Loss (gain) on disposal of non-current assets	109	165
Loss (gain) on sale of investment securities	(208)	—
Decrease (increase) in trade receivables	(1,399)	1,643
Decrease (increase) in inventories	78	(404)
Increase (decrease) in trade payables	779	(610)
Other, net	(188)	428
Subtotal	9,326	12,673
Interest and dividends received	89	121
Interest paid	(20)	(10)
Subsidies received	30	30
Income taxes paid	(768)	(2,670)
Net cash provided by (used in) operating activities	8,656	10,143
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(6,751)	(6,446)
Proceeds from sale of property, plant and equipment and intangible assets	15	442
Payments for retirement of property, plant and equipment	(71)	(105)
Purchase of investment securities	(6)	(6)
Proceeds from sale of investment securities	270	—
Net cash provided by (used in) investing activities	(6,543)	(6,115)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(947)	(199)
Repayments of long-term borrowings	(60)	(60)
Purchase of treasury shares	(2)	(680)
Dividends paid	(1,299)	(1,635)
Repayments of lease liabilities	(50)	(46)
Net cash provided by (used in) financing activities	(2,360)	(2,621)
Effect of exchange rate change on cash and cash equivalents	50	62
Net increase (decrease) in cash and cash equivalents	(197)	1,469
Cash and cash equivalents at beginning of period	8,245	8,048
Cash and cash equivalents at end of period	8,048	9,517

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Accounting standards, etc., issued but not yet applied)

- “Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024, ASBJ)
- “Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024, ASBJ), and other revisions of relevant guidance, including Accounting Standards, Implementation Guidance, Practical Solutions, and Transferred Guidance.

(1) Overview

Similar to international accounting standards, these standards stipulate the treatment of all leases held by lessees, including the recognition of assets and liabilities.

(2) Scheduled date of application

The Company plans to apply these standards from the beginning of the fiscal year ending March 31, 2028.

(3) Impact of the application of these accounting standards

The impact of the application of “Accounting Standard for Leases” and other standards on the consolidated financial statements is currently being evaluated.

(Changes in presentation method)

(Consolidated Balance Sheets)

“Goodwill,” which had been presented separately under “Intangible assets” in the previous fiscal year, has been included in “Intangible assets” starting from the fiscal year under review, due to its diminished monetary significance. To reflect this change in presentation method, the consolidated financial statements of the previous fiscal year have been reclassified.

As a result, “Goodwill” of ¥862 million and “Other” of ¥211 million, which had been presented under “Intangible assets” in the consolidated balance sheet in the previous fiscal year, have been reclassified as “Intangible assets” of ¥1,073 million.

(Segment information, etc.)

(1) Segment information

1. Overview of reportable segments

The reportable segments of the Company are those units for which discrete financial information can be obtained among the constituent units of the Group and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

The Company, as a holding company, engages in business activities by formulating comprehensive strategies for its products and services, both in Japan and overseas.

Therefore, the Group's segments are classified by products and services, and the three reportable segments are the "Polishing Pad Business," the "Industrial Chemicals Business," and the "Lifestyle Apparel Business."

The Polishing Pad Business manufactures and sells ultra-high precision polishing pads and non-woven fabric. The Industrial Chemicals Business manufactures and sells industrial chemicals. The Lifestyle Apparel Business manufactures, processes, and sells various textile products from materials such as spun yarns, knitted fabrics, and functional fibers to secondary products.

2. Method of calculating the amounts of net sales, profit or loss, assets, and other items of reportable segments

The accounting methods for reportable segments are mostly the same as the methods used in preparing the consolidated financial statements.

Segment profit is based on the values of operating profit.

3. Information on net sales, profit or loss, and assets and other items for each reportable segment and information on disaggregation of revenue

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the Consolidated Financial Statements (Note 3)
	Polishing Pad Business	Industrial Chemicals Business	Lifestyle Apparel Business	Total				
Net sales								
Revenue from contracts with customers	19,307	13,474	6,967	39,750	3,162	42,912	—	42,912
Other revenue	—	—	—	—	—	—	—	—
Net sales to outside customers	19,307	13,474	6,967	39,750	3,162	42,912	—	42,912
Inter-segment net sales or transfers	1	—	3	4	—	4	(4)	—
Total	19,309	13,474	6,970	39,754	3,162	42,917	(4)	42,912
Segment profit	4,729	1,217	586	6,534	(57)	6,476	(0)	6,476
Segment assets	25,026	14,089	5,870	44,986	5,022	50,009	16,599	66,608
Other items								
Depreciation	1,866	1,145	132	3,144	220	3,364	—	3,364
Amortization of goodwill	—	—	—	—	140	140	—	140
Increase in property, plant and equipment and intangible assets	3,628	2,287	51	5,967	90	6,057	87	6,145

Notes: 1. The “Other” category represents business segments that are not included in the reportable segments. It includes the automotive-related business and the chemical products business.

2. Adjustments are as follows.

(1) Adjustment of ¥(0) million for segment profit (loss) includes elimination of intersegment transactions.

(2) Adjustment of ¥16,599 million for segment assets includes corporate assets of ¥16,599 million not attributable to any reportable segment and ¥(0) million in offsetting and elimination of receivables between segments. Corporate assets mainly comprise surplus funds (cash and deposits), long-term investments (investment securities), and rental real estate and assets attributable to the administrative department.

(3) Adjustment of ¥87 million for the increase in property, plant and equipment and intangible assets comprises capital investments including interior work for the Head Office building.

3. Segment profit (loss) is adjusted with operating profit in the Consolidated Statements of Income.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the Consolidated Financial Statements (Note 3)
	Polishing Pad Business	Industrial Chemicals Business	Lifestyle Apparel Business	Total				
Net sales								
Revenue from contracts with customers	22,561	14,113	6,323	42,998	2,930	45,929	—	45,929
Other revenue	—	—	—	—	—	—	—	—
Net sales to outside customers	22,561	14,113	6,323	42,998	2,930	45,929	—	45,929
Inter-segment net sales or transfers	—	—	7	7	0	7	(7)	—
Total	22,561	14,113	6,331	43,006	2,931	45,937	(7)	45,929
Segment profit (loss)	6,385	1,417	438	8,241	(98)	8,143	(0)	8,143
Segment assets	27,268	16,655	5,480	49,405	4,024	53,430	18,386	71,816
Other items								
Depreciation	1,775	1,183	96	3,055	213	3,269	—	3,269
Amortization of goodwill	—	—	—	—	140	140	—	140
Increase in property, plant and equipment and intangible assets	2,985	4,432	46	7,464	541	8,005	75	8,081

- Notes:
1. The “Other” category represents business segments that are not included in the reportable segments. It includes the automotive-related business and the chemical products business.
 2. Adjustments are as follows.
 - (1) Adjustment of ¥(0) million for segment profit (loss) includes elimination of intersegment transactions.
 - (2) Adjustment of ¥18,386 million for segment assets includes corporate assets of ¥18,386 million not attributable to any reportable segment and ¥(0) million in offsetting and elimination of receivables between segments. Corporate assets mainly comprise surplus funds (cash and deposits), long-term investments (investment securities), and rental real estate and assets attributable to the administrative department.
 - (3) Adjustment of ¥75 million for the increase in property, plant and equipment and intangible assets comprises capital investments in information systems, etc.
 3. Segment profit (loss) is adjusted with operating profit in the Consolidated Statements of Income.

(2) Related information

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

1. Information by products and services

Information is omitted, as similar information has been disclosed in “Segment information.”

2. Geographic information

1) Net sales

(Millions of yen)

Japan	Others	Total
37,435	5,477	42,912

Note: Net sales are classified by country or region, based on the location of the customer.

2) Property, plant and equipment

(Millions of yen)

Japan	Others	Total
33,028	3,747	36,776

3. Information by major customers

(Millions of yen)

Name of customer	Net sales	Name of relevant segment
Sumitomo Shoji Chemicals Co., Ltd.,	8,229	Polishing Pad Business
Mitsui Chemicals, Inc.	5,874	Industrial Chemicals Business

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

1. Information by products and services

Information is omitted, as similar information has been disclosed in “Segment information.”

2. Geographic information

1) Net sales

(Millions of yen)

Japan	Others	Total
40,253	5,676	45,929

Note: Net sales are classified by country or region, based on the location of the customer.

2) Property, plant and equipment

(Millions of yen)

Japan	Others	Total
36,163	5,057	41,220

3. Information by major customers

(Millions of yen)

Name of customer	Net sales	Name of relevant segment
Sumitomo Shoji Chemicals Co., Ltd.,	10,887	Polishing Pad Business
Mitsui Chemicals, Inc.	6,159	Industrial Chemicals Business

(3) Information on impairment losses on non-current assets by reportable segment

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment				Other	Corporate and elimination	Total
	Pad Polishing Business	Industrial Chemicals Business	Lifestyle Apparel Business	Total			
Impairment loss	—	15	94	110	30	0	141

For the fiscal year ended March 31, 2026 (from April 1, 2025 March 31, 2026)

(Millions of yen)

	Reportable segment				Other	Corporate and elimination	Total
	Pad Polishing Business	Industrial Chemicals Business	Lifestyle Apparel Business	Total			
Impairment loss	0	11	—	12	600	166	778

(4) Information on amortization of goodwill and unamortized balance by reportable segment

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment				Other	Corporate and elimination	Total
	Pad Polishing Business	Industrial Chemicals Business	Lifestyle Apparel Business	Total			
Amortization of goodwill	—	—	—	—	140	—	140
Balance of unamortized goodwill	—	—	—	—	862	—	862

For the fiscal year ended March 31, 2026 (from April 1, 2025 March 31, 2026)

(Millions of yen)

	Reportable segment				Other	Corporate and elimination	Total
	Pad Polishing Business	Industrial Chemicals Business	Lifestyle Apparel Business	Total			
Amortization of goodwill	—	—	—	—	140	—	140
Balance of unamortized goodwill	—	—	—	—	122	—	122

(5) Information on gain on negative goodwill by reportable segment

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Not applicable.

For the fiscal year ended March 31, 2026 (from April 1, 2025 March 31, 2026)

Not applicable.

(Per share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	1,394.66 yen	1,533.06 yen
Basic earnings per share	135.27 yen	165.94 yen

Notes:

1. Diluted earnings per share are not presented as there were no residual shares with dilutive effects.
2. The company conducted a three-for-one stock split of the common shares on April 1, 2026. Net assets per share and Basic earnings per share are calculated based on the assumption that the stock split was carried out at the beginning of the previous consolidated fiscal year.
3. The basis for the calculation of basic earnings per share is as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (Millions of yen)	4,477	5,612
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (Millions of yen)	4,477	5,612
Average number of common shares outstanding during the period (Thousands of shares)	33,097	33,823

4. The basis for the calculation of net assets per share is as follows.

	As of March 31, 2025	As of March 31, 2026
Total net assets (Millions of yen)	47,460	51,691
Amount deducted from total net assets (Millions of yen)	0	0
(of which is non-controlling interests (Millions of yen))	(0)	(0)
Net assets related to common stock at the end of the period (Millions of yen)	47,459	51,691
Number of shares of common stock at the end of the period used to calculate net assets per share (Thousands of shares)	34,029	33,717

(Significant subsequent events)

The Company, based on the resolution at its Board of Directors meeting held on January 30, 2026, conducted the following stock split to create a more accessible investment environment for investors and expand the investor base by lowering the investment amount per trading unit.

(1) The ratio and timing of the stock split

Effective April 1, 2026, a three-for-one stock split of the common shares held by shareholders recorded in the final shareholder registry as of March 31, 2026 shall be conducted.

(2) Increase in the number of shares due to the stock split

22,708,000 shares

(3) The impact of the stock split on per share information

The impact of the stock split has been reflected in the per share information.

4. Others

(1) Changes in Directors (scheduled on June 26, 2026)

1) Change in Representative

Not applicable.

2) Changes in other Directors

● Candidate for New Director

Director

Takayoshi Takai

(Currently, Advisor, Ebara Business Management Co., Ltd., and
Outside Director, M&A LOYAL ADVISORY Co., Ltd)

*Mr. Takayoshi Takai is a candidate for Outside Director as set forth in Article 2, Item 15 of the
Companies Act.

● Director scheduled to resign

Hisashi Kobayashi

(Currently, Outside Director)

(2) Changes in Corporate Auditors

Not applicable.

(3) Changes in Executive Officers (scheduled June 26, 2026)

1) Executive Officer scheduled to be promoted

Senior Executive Officer

Koji Hirota

(Currently, Executive Officer)

2) Executive Officer scheduled to be newly appointed

Executive Officer

Tomoyuki Nagano

(Currently, General Manager of the
Internal Audit Office)

3) Executive Office scheduled to resign

Makoto Suzuki

(Currently, Managing Executive Officer)

Mr. Makoto Suzuki is scheduled to be appointed as an Advisor of the
Company.