marumae

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Consolidated Financial Results for the Nine Months Ended May 31, 2026 (Japanese GAAP)

July 3, 2026

Name of Listed Company:	Marumae Co., Ltd.	Stock Exchange Listing: Tokyo
Security Code:	6264	
URL:	https://www.marumae.com/en/	
Representative:	Toshikazu Maeda, President and Representative Director	
Contact:	Takeshi Shimomai, General Manager of the Administration Department Email: inquiry_en@marumae.com	

Scheduled start date of dividend payment: –

Supplementary materials for financial results prepared: Yes

Earnings release conference: None

Note: Amounts are rounded down to the nearest million yen.

1. Consolidated Financial Results for the Nine Months Ended May 31, 2026 (September 1, 2025 to May 31, 2026)

(1) Consolidated Operating Results (Cumulative)

Note: Percentages indicate changes from the same period of the previous fiscal year.

	Nine months ended			
	May 31, 2025		May 31, 2026	
		%		%
Net sales (millions of yen)	7,269	-	14,022	92.9
Operating profit (millions of yen)	1,436	-	2,644	84.1
Ordinary profit (millions of yen)	1,325	-	2,460	85.7
Profit attributable to owners of parent (millions of yen)	936	-	2,431	159.7
Earnings per share of common stock (yen)				
Basic	36.98		95.69	
Diluted	-		-	

Note: Comprehensive income For the nine months ended May 31, 2026: 2,550 million yen [162.4%]
For the nine months ended May 31, 2025: 972 million yen [- %]

Note: 1. Since the Company began preparing quarterly consolidated financial statements starting with the third quarter of the fiscal year ended August 2025, year-over-year percentage changes for the third quarter of the fiscal year ended August 2025 are not presented.

2. Diluted quarterly earnings per share is not presented because there are no dilutive shares.

3. The Company implemented a 2-for-1 stock split effective April 1, 2026. “Quarterly earnings per share” has been calculated on the assumption that this stock split had taken place at the beginning of the previous fiscal year.
4. During the third quarter of the fiscal year ending August 2026, the Company finalized the provisional accounting treatment related to a business combination. The figures for the fiscal year ended August 2025 reflect the details of this finalized provisional accounting treatment. Accordingly, year-over-year change rates have also been calculated using the figures after this adjustment.

(2) Consolidated Financial Position

	As of	
	August 31, 2025	May 31, 2026
Total assets (millions of yen)	25,869	33,960
Net assets (millions of yen)	8,140	15,181
Equity ratio (%)	31.5	44.7

Reference: Equity: 15,181 million yen (as of May 31, 2026)
8,140 million yen (as of August 31, 2025)

Note: During the third quarter of the fiscal year ending August 2026, the Company finalized the provisional accounting treatment related to a business combination; the figures for the fiscal year ended August 2025 reflect the details of this finalized provisional accounting treatment.

2. Dividends

	Fiscal year ended August 31, 2025	Fiscal year ending August 31, 2026
1Q-end dividends per share (yen)	-	-
2Q-end dividends per share (yen)	15.00	38.00
3Q-end dividends per share (yen)	-	-
Year-end dividends per share (yen)	25.00	26.00 (Forecast)
Annual dividends per share (yen)	40.00	-

Note: 1. Revision to the most recently announced dividends forecast: None
2. The Company carried out a 2-for-1 stock split effective April 1, 2026. Since the dividend amounts listed for the fiscal year ended August 2025 and the second quarter-end of the fiscal year ending August 2026 are based on pre-split share counts, while the year-end dividend amount for the fiscal year ending August 2026 (forecast) is based on post-split share counts, the total for the fiscal year ending August 2026 (forecast) is not shown.

3. Consolidated Financial Forecasts for the Fiscal Year Ending August 31, 2026 (September 1, 2025 to August 31, 2026)

Note: Percentages indicate changes from the corresponding period of the previous fiscal year.

	Fiscal year ending August 31, 2026	
		%
Net sales (millions of yen)	20,000	75.4
Operating profit (millions of yen)	4,100	98.3
Ordinary profit (millions of yen)	3,900	105.2
Profit attributable to owners of parent (millions of yen)	3,300	145.4
Earnings per share (yen)	126.56	

Note: 1. Revisions to the most recently announced financial forecasts: None

2. The Company implemented a 2-for-1 stock split effective April 1, 2026. Earnings per share in the consolidated earnings forecasts is calculated based on the number of shares outstanding (excluding treasury shares) following the stock split.

3. During the third quarter of the fiscal year ending August 2026, the Company finalized the provisional accounting treatment related to a business combination. The figures for the fiscal year ended August 2025 reflect the details of this finalized provisional accounting treatment. Accordingly, year-over-year change rates have also been calculated using the figures after this adjustment.

Notes:

(1) Significant changes in the scope of consolidation during the current consolidated cumulative quarter: Yes

Additions: 0 companies (Company name: —)

Exclusions: 1 company (Company name: KMX Co., Ltd.)

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: None

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

1. Changes in accounting policies along with changes in accounting standards: None
2. Changes in accounting policies other than those included in 1 above: Yes
3. Changes in accounting estimates: None
4. Restatements: None

Note: For details, please refer to page 9 of the attached document, “2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes on the Quarterly Consolidated Financial Statements (Changes in accounting policies that are difficult to distinguish from changes in accounting estimates).”

(4) Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding (including treasury shares)

As of May 31, 2026:	28,106,000 shares
As of August 31, 2025:	26,106,000 shares

2. Number of treasury shares

As of May 31, 2026:	55,510 shares
As of August 31, 2025:	781,412 shares

3. Average number of shares outstanding (cumulative quarterly period)

For the nine months ended May 31, 2026:	25,407,388 shares
For the nine months ended May 31, 2025:	25,316,473 shares

Note: The Company implemented a 2-for-1 stock split effective April 1, 2026. The “number of shares issued and outstanding,” “number of treasury shares,” and “average number of shares outstanding” have been calculated on the assumption that this stock split had taken place at the beginning of the previous consolidated fiscal year.

* Status of external auditor’s review of the attached quarterly consolidated financial statements: None

* Explanation regarding the appropriate use of financial forecasts and other notes

The financial forecasts and other forward-looking statements presented in this Summary of Financial Results are based on information available to the Company at the time of the issuance of this report and certain assumptions that the Company judges to be reasonable. Actual financial results may differ significantly due to various factors. Please refer to “1. Business Results, (3) Explanation of Forward-looking Information such as Consolidated Earnings Forecasts” on page 4 for the assumptions underlying the financial forecasts and other notes on their use.

Change in the unit of monetary amounts

Effective from the first quarter of the current fiscal year and the first quarter cumulative period, the Company has changed the unit of monetary amounts from thousands of yen to millions of yen. Consequently, the amounts for account items and other matters presented in the Company’s quarterly consolidated financial statements, which were previously stated in thousands of yen, are now stated in millions of yen. Furthermore, to facilitate comparison, the figures for the previous fiscal year have also been restated in millions of yen.

Contents

1. Business Results

During the nine months ended May 31, 2026, the Company finalized the provisional accounting treatment related to the business combination with KM Aluminium Co., Ltd. Furthermore, for the prior nine-month period, the Company has reflected a revision to the initial allocation of the acquisition cost resulting from the finalization of this provisional accounting treatment. Therefore, when comparing and analyzing results against the prior nine-month period, the Company has used the amounts revised based on the finalized provisional accounting treatment. For further details, please refer to "(3) Notes on the Quarterly Consolidated Financial Statements (Business Combinations, etc.)."

(1) Overview of Operating Results for the Current Quarter

During the nine months ended May 31, 2026, the Japanese economy recovered at a moderate pace, although the situation in the Middle East required close attention.

In the semiconductor manufacturing equipment market, which is closely related to the Group's business, in addition to the traditionally robust investment in advanced logic foundries, investment in DRAM has expanded rapidly since the start of 2026, and investment plans for NAND have also begun to emerge. Furthermore, investment for the Chinese market is expected to remain strong.

In the FPD sector, capital investment for G6 and G8 OLEDs has been increasing since the start of 2026, primarily for the Chinese market.

Under these conditions, the Group's operating results for the third quarter of the current fiscal year were as follows: net sales of 14,022 million yen (up 92.9% year-on-year), operating profit of 2,644 million yen (up 84.1% year-on-year), ordinary profit of 2,460 million yen (up 85.7% year-on-year), and profit attributable to owners of parent of 2,431 million yen (up 159.7% year-on-year).

Segment performance is detailed below:

(Precision Components Business: Marumae)

In the precision components business, performance within the semiconductor sector expanded rapidly due to high utilization rates at semiconductor factories and a recovery in the manufacturing equipment market, with both order intake and net sales reaching record highs for a single quarter.

In the FPD sector, sales for OLED products have recovered rapidly.

There were no significant developments in the other sectors.

On the expense side, the volume of materials purchased increased due to higher projected production in the semiconductor sector and a recovery in orders in the FPD sector; in addition, labor costs rose due to an increase in headcount and higher compensation levels. On the other hand, depreciation within manufacturing costs decreased compared to the previous period due to changing the depreciation method for production equipment to the straight-line method. Additionally, provision for loss on orders received and other related items decreased.

As a result, net sales totaled 6,353 million yen (up 8.7% year-on-year), and segment profit was 1,430 million yen (up 1.6% year-on-year).

(Functional Materials Business: KMAC)

In the IT equipment segment—a key sales segment of the functional materials business—sales of semiconductor targets for memory applications remained strong, while those for legacy logic applications stagnated slightly. Meanwhile, orders for consumable materials used in CVD processes continued to perform well.

In the semiconductor equipment components and materials segment, orders expanded rapidly after customers completed their inventory adjustments in February 2026. Currently, the Company is establishing production capacity, including securing additional personnel, to meet the surge in orders.

Next, in the basic materials segment, the Company handles materials for electrolytic capacitors and hard disk drives (HDDs), as well as small-lot material sales.

During the reporting period, shipments of electrolytic capacitors remained at a high level, while shipments of materials for HDDs continued to trend upward. Additionally, in the small-lot sales segment, demand for vacuum pumps used in the semiconductor industry remained strong.

Furthermore, as a result of a significant revision to the allocation of the acquisition cost of shares, the Company recognized “customer-related intangible assets.” This led to amortization of goodwill and other items increasing, which resulted in an expense of 291 million yen. Moreover, the projected amount of amortization of goodwill and other items for the next fiscal year is 388 million yen.

As a result, net sales totaled 7,668 million yen (up 437.6% year-on-year), and segment profit, after deducting 143 million yen in amortization of goodwill and 147 million yen in amortization of customer-related intangible assets, amounted to 1,231 million yen (up 808.1% year-on-year).

Note that the functional materials business became a consolidated subsidiary in April 2025; therefore, the year-over-year comparison is based on cumulative figures for the two-month period from April 2025 to May 2025.

(2) Overview of Financial Position for the Current Quarter

Assets

Total assets as of the end of the third quarter of the current consolidated fiscal year increased by 8,091 million yen compared to the end of the previous consolidated fiscal year, reaching 33,960 million yen. The main components were increases of 6,604 million yen in cash and deposits, 573 million yen in work in process, 443 million yen in accounts receivable - trade, 229 million yen in merchandise and finished goods, 227 million yen in raw materials and supplies, 150 million yen in property, plant and equipment, and 123 million yen in investments and other assets, while customer-related intangible assets decreased by 147 million yen and goodwill decreased by 143 million yen.

Liabilities

Total liabilities as of the end of the third quarter of the current consolidated fiscal year increased by 1,050 million yen compared to the end of the previous consolidated fiscal year, amounting to 18,778 million yen. This was primarily due to increases of 966 million yen in accounts payable - trade, 348 million yen in other current liabilities, and 145 million yen in income taxes payable, as well as decreases of 150 million yen in short-term borrowings and 140 million yen in long-term borrowings.

Net Assets

Total net assets at the end of the third quarter of the current consolidated fiscal year increased by 7,041 million yen compared to the end of the previous consolidated fiscal year, reaching 15,181 million yen. The main factors contributing to this change were an increase of 1,949 million yen each in share capital and capital surplus due to the issuance of new shares through a public offering; a decrease of 475 million yen in treasury shares and an increase of 913 million yen in capital surplus resulting from the disposal of treasury shares and other factors; and retained earnings increased by 1,632 million yen due to the recording of quarterly profit attributable to owners of the parent of 2,431million yen, offsetting the payment of dividends totaling 798million yen.

As a result, the equity ratio stood at 44.7% (compared to 31.5% at the end of the previous fiscal year).

(3) Explanation of Forward-looking Information such as Consolidated Earnings Forecasts

The Company transitioned to consolidated financial reporting starting with the third quarter of the previous fiscal year.

For earnings forecasts for the fiscal year ending August 2026, please refer to the “Notice Regarding Revisions of Earnings Forecasts and Dividend Forecasts (Dividend Increase)” announced on June 11, 2026.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of August 31, 2025	As of May 31, 2026
ASSETS		
Current assets		
Cash and deposits	4,252	10,857
Notes receivable - trade	26	4
Accounts receivable - trade	2,360	2,804
Electronically recorded monetary claims - operating	1,019	1,075
Merchandise and finished goods	164	393
Raw materials and supplies	767	995
Work in process	1,826	2,400
Other	63	65
Allowance for doubtful accounts	(3)	(4)
Total current assets	10,477	18,591
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,183	2,312
Machinery, equipment and vehicles, net	4,387	4,204
Land	2,503	2,503
Leased assets, net	23	19
Construction in progress	392	580
Other, net	46	68
Total property, plant and equipment	9,538	9,688
Intangible assets		
Goodwill	2,990	2,846
Customer-related intangible assets	2,469	2,322
Other	41	36
Total intangible assets	5,501	5,204
Investments and other assets		
Deferred tax assets	232	183
Other	119	292
Total investments and other assets	352	476
Total non-current assets	15,391	15,369
Total assets	25,869	33,960

(Millions of yen)

	As of August 31, 2025	As of May 31, 2026
LIABILITIES		
Current liabilities		
Accounts payable - trade	1,384	2,350
Short-term borrowings	150	-
Current portion of long-term borrowings	1,356	1,433
Lease liabilities	9	9
Income taxes payable	646	791
Provision for bonuses	211	128
Provision for product warranties	7	7
Provision for loss on orders received	12	18
Provision for share-based payments	24	21
Other	821	1,169
Total current liabilities	4,623	5,930
Non-current liabilities		
Long-term borrowings	12,000	11,859
Long-term lease liabilities	14	11
Deferred tax liabilities	483	392
Retirement benefit liability	494	508
Provision for retirement benefits for directors (and other officers)	42	6
Asset retirement obligations	66	66
Other	3	3
Total non-current liabilities	13,105	12,848
Total liabilities	17,728	18,778
NET ASSETS		
Shareholders' equity		
Share capital	1,241	3,190
Capital surplus	1,964	4,827
Retained earnings	5,383	7,016
Treasury shares	(512)	(36)
Total shareholders' equity	8,077	14,998
Accumulated other comprehensive income		
Deferred gains or losses on hedges	57	177
Remeasurements of defined benefit plans	5	5
Total accumulated other comprehensive income	63	183
Total net assets	8,140	15,181
Total liabilities and net assets	25,869	33,960

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

(Quarterly Consolidated Statement of Income)

(Millions of yen)

	Nine months ended May 31, 2025	Nine months ended May 31, 2026
Net sales	7,269	14,022
Cost of sales	4,917	9,522
Gross profit	2,351	4,500
Selling, general and administrative expenses	914	1,855
Operating profit	1,436	2,644
Non-operating income		
Interest income	1	3
Foreign exchange gains	-	9
Commission income	2	2
Other	5	6
Total non-operating income	8	21
Non-operating expenses		
Interest expenses	46	178
Share issuance costs	-	25
Other	73	2
Total non-operating expenses	120	206
Ordinary profit	1,325	2,460
Extraordinary income		
Subsidy income	-	1,013
Total extraordinary income	-	1,013
Profit before income taxes	1,325	3,473
Income taxes - current	444	1,139
Income taxes - deferred	(55)	(97)
Total income taxes	388	1,042
Profit	936	2,431
Profit attributable to owners of parent	936	2,431

(Quarterly Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Nine months ended May 31, 2025	Nine months ended May 31, 2026
Profit	936	2,431
Other comprehensive income		
Deferred gains or losses on hedges	36	120
Remeasurements of defined benefit plans	(0)	(0)
Total other comprehensive income	35	119
Comprehensive income	972	2,550
(Breakdown)		
Comprehensive income attributable to owners of parent	972	2,550

(3) Notes on the Quarterly Consolidated Financial Statements

Changes in accounting policies that are difficult to distinguish from changes in accounting estimates

Change in depreciation method for property, plant and equipment

Regarding the depreciation method for property, plant and equipment, the Company previously adopted the declining-balance method (except for buildings and facilities attached to buildings and structures acquired on or after April 1, 2016, which were depreciated using the straight-line method). However, from the first quarter of the current fiscal year, the Company has changed the depreciation method to the straight-line method.

With the aim of expanding its business activities in the semiconductor production equipment market, the Company made KM Aluminium Co., Ltd. a subsidiary and formulated and launched a new Medium-term Business Plan, "Fusion2028." Taking this opportunity, and from the perspective of unifying accounting treatment within the Group, the Group reviewed the actual usage patterns of its property, plant and equipment. As a result, the Group determined that its property, plant and equipment are expected to be used in a stable manner over their useful lives, and that the adoption of the straight-line method, which allocates expenses evenly, more appropriately reflects the actual usage patterns of these assets.

As a result of this change, compared with the previous method, operating profit, ordinary profit, and profit before income taxes for the third quarter of the current fiscal year each increased by 108 million yen.

Notes on segment information, etc.

Segment information

I. Previous third-quarter cumulative period (September 1, 2024–May 31, 2025)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment		Total	Adjustment (Note 1)	Quarterly consolidated statement of income (Note 2)
	Precision Components Business	Functional Materials Business			
Net sales					
Semiconductor Production Equipment	4,591	–	4,591	–	4,591
FPD Production Equipment	1,026	–	1,026	–	1,026
IT Equipment	–	512	512	–	512
Semiconductor Equipment Components	–	284	284	–	284
Basic Materials	–	627	627	–	627
Others	217	1	218	–	218
Revenue from contracts with customers	5,834	1,426	7,261	–	7,261
Other revenue	8	–	8	–	8
Net sales to external customers	5,842	1,426	7,269	–	7,269
Inter-segment net sales or transfers	–	0	0	(0)	–
Total	5,842	1,427	7,270	(0)	7,269
Segment profit	1,406	135	1,542	(105)	1,436

(Note) 1. The segment profit adjustment of (105) million yen represents (105) million yen in corporate expenses not allocated to any reportable segment.

2. Segment profit is adjusted with operating profit in the consolidated statements of income.

3. The segment information above is based on amounts that reflect a significant revision to the initial allocation of acquisition costs following finalization of the provisional accounting treatment for business combinations described in "Notes on the Quarterly Consolidated Financial Statements (Business combinations, etc.)."

2. Information on impairment losses on non-current assets and goodwill by reportable segment

(Significant changes in the amount of goodwill)

Following the acquisition of shares in KM Aluminium Co., Ltd. on April 8, 2025, and its inclusion in the scope of consolidation, goodwill increased by 3,070 million yen during the previous third quarter of the consolidated fiscal year. The amount of goodwill reflects a significant revision to the initial allocation of the acquisition cost resulting from the finalization of the provisional accounting treatment for the business combination, as described in "Notes on the Quarterly Consolidated Financial Statements (Business combinations, etc.).”

II. Current third-quarter cumulative period (September 1, 2025–May 31, 2026)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment		Total	Adjustment (Note 1)	Quarterly consolidated statement of income (Note 2)
	Precision Components Business	Functional Materials Business			
Net sales					
Semiconductor Production Equipment	5,244	—	5,244	—	5,244
FPD Production Equipment	804	—	804	—	804
IT Equipment	—	2,573	2,573	—	2,573
Semiconductor Equipment Components	—	1,459	1,459	—	1,459
Basic Materials	—	3,620	3,620	—	3,620
Others	279	16	295	—	295
Revenue from contracts with customers	6,329	7,668	13,998	—	13,998
Other revenue	24	—	24	—	24
Net sales to external customers	6,353	7,668	14,022	—	14,022
Inter-segment net sales or transfers	19	17	36	(36)	—
Total	6,372	7,686	14,058	(36)	14,022
Segment profit	1,430	1,231	2,662	(17)	2,644

(Note) 1. The adjustment of (17) million yen to segment profit primarily consists of (1) million yen in corporate expenses not allocated to any reportable segment and (16) million yen in unrealized gains.

2. Segment profit is adjusted with operating profit in the consolidated statements of income.

3. The segment information above is based on amounts that reflect a significant revision to the initial allocation of acquisition costs following finalization of the provisional accounting treatment for business combinations described in “Notes on the Quarterly Consolidated Financial Statements (Business combinations, etc.).”

2. Information on impairment losses on non-current assets and goodwill by reportable segment

(Significant changes in the amount of goodwill)

The Company had applied provisional accounting treatment in the previous consolidated fiscal year for the business combination with KM Aluminium Co., Ltd. that took place on April 8, 2025, but this treatment was finalized during the current third quarter of the consolidated fiscal year. For details, please refer to “Notes on the Quarterly Consolidated Financial Statements (Business combinations, etc.).”

3. Changes in reportable segments

(Change in depreciation method for property, plant and equipment)

As described in “Changes in accounting policies that are difficult to distinguish from changes in accounting estimates,” the “precision components business” segment of the Group previously used the declining-balance method for the depreciation of property, plant, and equipment (except for buildings and facilities attached to buildings and structures acquired on or after April 1, 2016, for which the straight-line method was used); however, effective from the first quarter of the current fiscal year, it has changed to the straight-line method.

As a result of this change in the depreciation method, segment profit for the “precision components business” increased by 108 million yen for the nine-month period ended May 31, 2026.

Notes on significant changes in shareholders’ equity

Pursuant to a resolution of the Board of Directors held on May 8, 2026, the Company issued new shares through a public offering with a payment due date of May 25, 2026, and disposed of treasury shares through a public offering. As a result, the number of the Company’s common shares increased by 2,000,000 shares, share capital and capital surplus each increased by 1,949 million yen, treasury shares decreased by 700,000 shares, resulting in a decrease of 458 million yen in treasury shares and an increase of 906 million yen in capital surplus.

As a result of these and other factors, as of the end of the third quarter of the current consolidated fiscal year, share capital stood at 3,190 million yen, capital surplus at 4,827 million yen, and treasury shares at 36 million yen.

Going-concern assumptions: None

Quarterly consolidated statements of cash flows

The Company has not prepared a quarterly consolidated statement of cash flows for the current nine-month period. The depreciation (including amortization of intangible assets, excluding goodwill and customer-related intangible assets), amortization of goodwill, and amortization of customer-related intangible assets for the nine-month period are as follows. Furthermore, the figures for the prior nine-month period reflect a significant revision to the initial allocation of the acquisition cost following finalization of the provisional accounting treatment for the business combination described in “Notes on the Quarterly Consolidated Financial Statements (Business combinations, etc.).”

(Millions of yen)

	Nine months ended May 31, 2025	Nine months ended May 31, 2026
Depreciation	715	838
Amortization of goodwill	31	143
Amortization of customer-related intangible assets	32	147

Business combinations, etc.

(Finalization of provisional accounting treatment for business combinations)

The Company had applied provisional accounting treatment in the prior consolidated fiscal year for the business combination with KM Aluminium Co., Ltd., which was implemented on April 8, 2025. This treatment has been finalized during the current third quarter of the consolidated fiscal year.

Following finalization of this provisional accounting treatment, the comparative information included in the quarterly consolidated financial statements for the current third-quarter consolidated period reflects a significant revision to the initial allocation of the acquisition cost; as a result, a portion of the amount previously classified as “goodwill” has been reclassified to “customer-related intangible assets.”

As a result, the provisionally calculated amount of goodwill, 4,822 million yen, decreased by 1,752 million yen to 3,070 million yen following finalization of the accounting treatment, while customer-related intangible assets increased by 2,551 million yen and deferred tax liabilities increased by 798 million yen.

Furthermore, in the consolidated quarterly income statement for the first nine months of the previous fiscal year, selling, general and administrative expenses increased by 13 million yen, while income taxes decreased by 9 million yen; consequently, operating profit, ordinary profit, and profit before income taxes decreased by 13 million yen, while profit attributable to owners of parent decreased by 3 million yen. The amortization period for goodwill is 16 years, and the amortization period for customer-related intangible assets is 13 years.

Significant subsequent events

(Issuance of new shares through third-party allotment)

At the Board of Directors meeting held on May 8, 2026, the Company simultaneously resolved to issue new shares through a public offering (general offering) and to dispose of treasury shares through a public offering (general offering), and the secondary offering of shares (including a sale underwritten by an underwriter and an over-allotment offering), and with respect to the issuance of new shares through a third-party allotment resolved simultaneously, the Company received notification from SMBC Nikko Securities Inc., the allottee, that it would subscribe for a portion of the shares to be issued. Payment was completed on June 22, 2026.

1. Payment due date

   June 22, 2026
2. Type and number of shares to be issued

   317,200 shares of common stock
3. Payment price

   1,949.82 yen per share
4. Total issue amount

   618,482,904 yen
5. Amount to be capitalized

   974.91 yen per share
6. Amounts of increased share capital and capital surplus

   Amount of increased share capital: 309,241,452 yen

   Amount of increased capital surplus: 309,241,452 yen
7. Allottee

   SMBC Nikko Securities Inc.

8. Use of proceeds

Of the estimated total proceeds of 5,848,692,904 yen from this general offering and third-party allotment, 2,000,000,000 yen will be used by August 2028 to acquire production equipment and make capital expenditures for the precision components business, 1,500,000,000 yen will be used by August 2028 for production equipment and factory renovations in the functional materials business, and 2,348,692,904 yen by August 2027 for the repayment of long-term borrowings.