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August 4, 2026

Consolidated Financial Results for First Three Months of FY2026 Ended June 30, 2026 [IFRS]

Company name: Mitsubishi Heavy Industries, Ltd.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange / Fukuoka Stock Exchange / Sapporo Securities Exchange
 Securities code: 7011
 URL: <https://www.mhi.com>
 Representative: Eisaku Ito, President and CEO
 Inquiries: Kentaro Ikeda, Senior General Manager of Financial Planning Division
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors, financial analysts, and media)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Profit from business activities		Profit before income taxes		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Quarter of FY2026	1,194,203	15.5	159,645	65.1	176,426	99.0	138,143	93.4
First Quarter of FY2025	1,034,109	-	96,690	-	88,663	-	71,425	5.9

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
First Quarter of FY2026	134,680	97.4	131,916	86.6	40.08	40.07
First Quarter of FY2025	68,227	9.5	70,709	(49.6)	20.32	20.31

*1 “Profit from business activities” on the consolidated statement of profit or loss is presented as a measure that enables continuous comparison and assessment of the Group’s business performance. “Profit from business activities” is calculated by subtracting “cost of sales,” “selling, general and administrative expenses,” and “other expenses” from “revenue” and adding “share of profit (loss) of investments accounted for using the equity method” and “other income” to the resulting amount. “Other income” and “other expenses” consist of dividend income, gains or losses on sales of fixed assets, impairment losses on fixed assets, and others.

*2 Beginning with the interim consolidated accounting period ended September 30, 2025, the business operations related to Mitsubishi Logisnext Co., Ltd. (currently Logisnext Co., Ltd), and its subsidiaries and affiliates, have been classified as discontinued operations. Accordingly, “revenue”, “profit from business activities”, and “profit before income taxes” are presented excluding discontinued operations, reflecting amounts for continuing operations only. Meanwhile, “profit”, “profit attributable to owners of the parent”, and “total comprehensive income” are presented as the total of continuing and discontinued operations. “Basic earnings per share” and “diluted earnings per share” are calculated based on “profit attributable to owners of the parent”. Furthermore, “revenue”, “profit from business activities”, and “profit before income taxes” for the three-month period ended June 30, 2025 have been restated in the same manner. Therefore, year-on-year percentage changes for these items are not presented.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2026	8,151,335	3,239,575	3,171,235	38.9
March 31, 2026	8,269,711	3,228,400	3,088,566	37.3

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	12.00	-	13.00	25.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		14.00	-	15.00	29.00

* Revisions to the forecast of cash dividends most recently announced: None

3. Estimate of Consolidated Financial Results for FY 2026 ending March 31, 2027

(Percentages indicate year-on-year changes.)

	Revenue		Profit from business activities		Profit before income tax		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
From April 1, 2026 to March 31, 2027	5,400,000	8.6	540,000	24.9	530,000	11.7	380,000	14.4	113.09

* Revisions to the estimate of consolidated financial results most recently announced: None

* Notes

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

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

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) The number of shares issued (Common Stock)

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

As of June 30, 2026	3,373,647,810 shares
As of March 31, 2026	3,373,647,810 shares

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

As of June 30, 2026	12,985,995 shares
As of March 31, 2026	13,438,470 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	3,360,575,080 shares
Three months ended June 30, 2025	3,358,271,260 shares

* The Japanese-language originals of the attached consolidated quarterly financial statements are not subject to certified public accountants' or an audit firm's review: None

* Proper use of earnings forecasts, and other special matters

Note regarding forward looking statements:

Forecasts regarding future performance outlined in these materials are based on judgments made in accordance with information available at the time they were prepared. As such, these projections include risk and uncertainty. Investors are recommended not to depend solely on these projections when making investment decisions. Actual results may vary significantly from these projections due to a number of factors, including, but not limited to, economic trends affecting the Company's operating environment, fluctuations in the value of the Japanese yen to the U.S. dollar and other foreign currencies, and trends in Japan's stock markets. The results projected here should not be construed in any way as a guarantee by the Company.

How to obtain supplementary materials regarding the financial results:

Supplementary materials regarding the financial results are available on the Company's website.

Table of Contents for Attachments

1. Condensed Quarterly Consolidated Financial Statements	2
(1) Condensed Consolidated Statement of Financial Position	2
(2) Condensed Consolidated Statement of Profit or Loss	4
(3) Condensed Consolidated Statement of Comprehensive Income	5
(4) Condensed Consolidated Statement of Changes in Equity	6
(5) Condensed Consolidated Statement of Cash Flows	7
(6) Notes to Condensed Quarterly Consolidated Financial Statements	9
Notes to Going Concern Assumption	9
Operating Segment	9
Assets Held for Sale	11
Discontinued Operations	12
2. Outline of Financial Results	13

1. Condensed Quarterly Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
<u>Assets</u>		
Current assets		
Cash and cash equivalents	1,334,874	1,684,084
Trade and other receivables	1,108,557	828,020
Other financial assets	56,836	65,930
Contract assets	1,019,196	1,070,336
Inventories	1,041,899	1,154,881
Assets held for sale	548,409	—
Other current assets	330,652	467,142
Total current assets	5,440,426	5,270,395
Non-current assets		
Property, plant and equipment ("PPE")	794,467	798,607
Goodwill	106,394	107,159
Intangible assets	77,471	77,406
Right-of-use assets	62,849	65,310
Investments accounted for using the equity method	326,932	325,143
Other financial assets	489,341	531,248
Deferred tax assets	84,810	88,940
Other non-current assets	887,018	887,124
Total Non-current assets	2,829,285	2,880,940
Total assets	8,269,711	8,151,335

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
<u>Liabilities and Equity</u>		
Current liabilities		
Bonds, borrowings and other financial liabilities	255,067	296,771
Trade and other payables	1,000,863	913,467
Income taxes payable	86,557	50,070
Contract liabilities	2,161,881	2,483,221
Provisions	244,851	227,563
Liabilities directly associated with assets held for sale	281,931	—
Other current liabilities	230,058	224,263
Total Current liabilities	4,261,212	4,195,358
Non-current liabilities		
Bonds, borrowings and other financial liabilities	621,173	557,051
Deferred tax liabilities	11,099	11,212
Retirement benefit liabilities	56,701	57,983
Provisions	54,905	53,958
Other non-current liabilities	36,218	36,196
Total non-current liabilities	780,098	716,401
Total liabilities	5,041,310	4,911,760
<u>Equity</u>		
Share capital	265,608	265,608
Capital surplus	48,274	47,101
Treasury shares	(12,915)	(12,423)
Retained earnings	1,880,339	1,971,219
Other components of equity	907,258	899,729
Equity attributable to owners of the parent	3,088,566	3,171,235
Non-controlling interests	139,834	68,339
Total Equity	3,228,400	3,239,575
Total Liabilities and Equity	8,269,711	8,151,335

(2) Condensed Consolidated Statement of Profit or Loss

(Millions of yen)

	FY2025 First 3 Months (From Apr. 1, 2025 to Jun. 30, 2025)	FY2026 First 3 Months (From Apr. 1, 2026 to Jun. 30, 2026)
Continuing operations		
Revenue	1,034,109	1,194,203
Cost of sales	806,938	914,506
Gross Profit	227,171	279,697
Selling, general and administrative expenses	144,460	152,799
Share of profit of investments accounted for using the equity method	3,430	9,090
Other income	15,460	28,728
Other expenses	4,910	5,070
Profit from business activities	96,690	159,645
Finance income	3,825	20,476
Finance costs	11,852	3,695
Profit before income taxes	88,663	176,426
Income taxes	21,746	44,863
Profit from continuing operations	66,917	131,563
Discontinued operations		
Profit (loss) from discontinued operations	4,508	6,580
Profit	71,425	138,143
Profit attributable to:		
Owners of the parent	68,227	134,680
Non-controlling interests	3,198	3,462

(yen)

Earnings per share attributable to owners of the parent		
Basic earnings per share	20.32	40.08
Continuing operations	19.45	38.45
Discontinued operations	0.86	1.62
Diluted earnings per share	20.31	40.07
Continuing operations	19.45	38.44
Discontinued operations	0.86	1.62

(3) Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2025 First 3 Months (From Apr. 1, 2025 to Jun. 30, 2025)	FY2026 First 3 Months (From Apr. 1, 2026 to Jun. 30, 2026)
Profit	71,425	138,143
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gains from financial assets measured at FVTOCI	10,923	(774)
Remeasurement of defined benefit plans	61	115
Share of other comprehensive income of entities accounted for using the equity method	132	688
Total	11,117	29
Items that may be reclassified to profit or loss		
Cash flow hedges	(1,798)	(1,118)
Exchange differences on translating foreign operations	(13,230)	(7,134)
Share of other comprehensive income of entities accounted for using the equity method	3,195	1,997
Total	(11,833)	(6,256)
Total other comprehensive income	(715)	(6,226)
Comprehensive income	70,709	131,916
Comprehensive income attributable to		
Owners of the parent	69,488	126,807
Non-controlling interests	1,221	5,109

(4) Condensed Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total Equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total		
Balance as of Apr. 1, 2025	265,608	44,742	(16,452)	1,588,643	464,159	2,346,702	123,121	2,469,823
Profit				68,227		68,227	3,198	71,425
Other comprehensive income					1,261	1,261	(1,977)	(715)
Comprehensive income	-	-	-	68,227	1,261	69,488	1,221	70,709
Transfer to retained earnings				2,564	(2,564)	-		-
Purchase of treasury shares			(1)			(1)		(1)
Disposal of treasury shares		0	0			0		0
Dividends				(40,292)		(40,292)	(2,386)	(42,679)
Others		(256)	216	236	(10)	186	126	312
Total transactions with owners	-	(255)	215	(40,056)	(10)	(40,107)	(2,260)	(42,367)
Balance as of Jun. 30, 2025	265,608	44,486	(16,236)	1,619,379	462,845	2,376,083	122,082	2,498,165

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total Equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total		
Balance as of Apr. 1, 2026	265,608	48,274	(12,915)	1,880,339	907,258	3,088,566	139,834	3,228,400
Profit				134,680		134,680	3,462	138,143
Other comprehensive income					(7,873)	(7,873)	1,646	(6,226)
Comprehensive income	-	-	-	134,680	(7,873)	126,807	5,109	131,916
Transfer to retained earnings				(431)	431	-		-
Purchase of treasury shares			(1)			(1)		(1)
Disposal of treasury shares		9	13			23		23
Dividends				(43,683)		(43,683)	(2,386)	(46,070)
Change in scope of consolidation		(359)		313		(46)	(74,822)	(74,868)
Others		(822)	479	0	(87)	(430)	605	174
Total transactions with owners	-	(1,172)	491	(43,370)	(87)	(44,138)	(76,603)	(120,741)
Balance as of Jun. 30, 2026	265,608	47,101	(12,423)	1,971,219	899,729	3,171,235	68,339	3,239,575

(5) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	FY2025 First 3 Months (From Apr. 1, 2025 to Jun. 30, 2025)	FY2026 First 3 Months (From Apr. 1, 2026 to Jun. 30, 2026)
Cash flows from operating activities		
Profit before income taxes	88,663	176,426
Profit (loss) from discontinued operations	6,300	(3,770)
Depreciation, amortization and impairment loss	39,319	27,523
Finance income and costs	(500)	(20,835)
Share of profit of investments accounted for using the equity method	(3,426)	(9,090)
Loss (gain) on sale of PPE and intangible assets	(5,398)	(9,908)
Loss on disposal of PPE and intangible assets	1,296	1,270
Decrease (increase) in trade receivables	123,822	299,498
Decrease (increase) in contract assets	(47,134)	(48,228)
Decrease (increase) in inventories and advanced payments	(118,991)	(178,616)
Increase (decrease) in trade payables	(58,255)	(82,106)
Increase (decrease) in contract liabilities	126,515	307,187
Increase (decrease) in provisions	(18,269)	(18,361)
Increase (decrease) in retirement benefit liabilities	1,584	1,441
Others	(38,895)	(104,642)
Subtotal	96,631	337,787
Interest received	2,790	5,200
Dividends received	8,638	11,921
Interest paid	(2,802)	(1,882)
Income taxes paid	(15,595)	(68,428)
Net cash provided by operating activities	89,661	284,598

(Millions of yen)

	FY2025 First 3 Months (From Apr. 1, 2025 to Jun. 30, 2025)	FY2026 First 3 Months (From Apr. 1, 2026 to Jun. 30, 2026)
Cash flows from investing activities		
Payments into fixed-term deposits	(2,592)	(1,685)
Proceeds from withdrawal of fixed-term deposits	4,844	954
Purchases of PPE, and intangible assets	(42,108)	(32,459)
Proceeds from sales of PPE, and intangible assets	7,927	10,695
Purchases of investments (including investments accounted for using the equity method)	(2,301)	(34,670)
Proceeds from sales and redemption of investments (including investments accounted for using the equity method)	5,010	8,714
Proceeds from sale of businesses (including subsidiaries)	4,574	146,166
Net decrease (increase) in short-term loans	(132)	790
Disbursement of long-term loans	(23)	(6,983)
Collection of long-term loans	242	9
Payments for derivative transactions	(14,378)	(7,424)
Proceeds from derivative transactions	14,522	23,393
Others	(895)	(587)
Net cash provided by (used in) investing activities	(25,309)	106,913
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(999)	8,631
Repayment of long-term borrowings	(472)	(5,626)
Dividends paid to owners of the parent	(39,051)	(42,625)
Dividends paid to non-controlling interests	(1,156)	(664)
Proceeds from factoring agreements	45,186	21,031
Repayment of liabilities under factoring agreements	(44,217)	(55,856)
Repayment of lease liabilities	(6,979)	(7,317)
Others	(196)	272
Net cash provided by (used in) financing activities	(47,886)	(82,153)
Effect of exchange rate changes on cash and cash equivalents	(2,405)	18,501
Net increase (decrease) in cash and cash equivalents	14,060	327,859
Cash and cash equivalents at the beginning of the year	657,816	1,334,874
Net increase (decrease) in cash and cash equivalents included in assets held for sale	-	21,350
Cash and cash equivalents at the end of the period	671,876	1,684,084

(6) Notes to Condensed Quarterly Consolidated Financial Statements

➤ Notes to Going Concern Assumption: None

➤ Operating Segment

(i) Overview of reporting segments

The reporting segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by MHI's Board of Directors to make decisions about resource allocation and assess their performance.

The Group manages its businesses by business domains and segments. Each business domain and segment engages in its business activities by formulating comprehensive strategies on products and services which are provided in both domestic and overseas markets. Accordingly, MHI determines its reporting segments by aggregating these business domains and segments based on similarities in customer and product characteristics

As of April 1, 2026, the Group has reorganized its corporate structure. Consequently, the previous four reporting segments - "Energy Systems," "Plant & Infrastructure Systems," "Logistics, Thermal & Drive Systems," and "Aircraft, Defense & Space" - have been restructured into the following four segments: "Energy Systems," "Plant & Infrastructure Systems," "Industrial Solutions," and "Aircraft, Defense & Space."

Main products and services in each reporting segment are as follows. Segment information for three-month period ended June 30, 2025 has been restated based on the revised reporting segment classification.

Energy Systems	Thermal power systems (GTCC* and Steam power), Nuclear power systems (Light-water reactors, Nuclear fuel cycle & Advanced solutions), Aero engines, Compressors, Marine machinery * Gas turbine combined cycle
Plants & Infrastructure Systems	Metal machinery, Commercial ships, Engineering (Transportation systems, Chemical plants), Environmental systems, Machinery systems (paper converting machinery, ITS*, Test equipment) * Intelligent Transport Systems
Industrial Solutions	Air-conditioning & refrigeration systems, Engines, Turbochargers, Automotive thermal systems, Data center & energy management
Aircraft, Defense & Space	Commercial aircraft, Defense aircraft, Missile systems, Naval ships, Maritime systems (torpedoes), Special vehicles, Space systems

The Data center & energy management business, which was previously excluded from the reporting segments, has been included in the "Industrial Solutions" from the current fiscal year due to a review of the Group's internal management structure.

As described in the notes (discontinued operations), in the previous fiscal year, the Group classified the business operations related to Mitsubishi Logisnext Co., Ltd. (currently Logisnext Co., Ltd.) and its subsidiaries and affiliates, which had been included in the "Logistics, Thermal & Drive Systems," as discontinued operations and has deducted them from the amounts for the three-month periods ended June 30, 2025 and 2026, respectively. The segment information for the three-month period ended June 30, 2025 is restated to reflect these changes.

(ii) Information about revenue, profit or loss and other items by reporting segment
For FY2025 First 3 Months (From April 1, 2025 to June 30, 2025)

(Millions of yen)

	Reporting segment					Others *1	Total	Corporate & Eliminations *2	Consolidated
	Energy Systems	Plants & Infrastructure Systems	Industrial Solutions	Aircraft, Defense & Space	Total				
Revenue									
Revenue from external customers	421,484	195,021	153,203	260,443	1,030,153	1,173	1,031,327	2,782	1,034,109
Inter-segment revenue and transfers	1,737	12,922	1,404	112	16,176	74	16,251	(16,251)	-
Total	423,222	207,943	154,608	260,556	1,046,330	1,247	1,047,578	(13,468)	1,034,109
Segment profit *3	56,402	18,550	4,040	28,812	107,805	7,549	115,355	(18,664)	96,690
Finance income									3,825
Finance costs									11,852
Profit before income taxes									88,663

For FY2026 First 3 Months (From April 1, 2026 to June 30, 2026)

(Millions of yen)

	Reporting segment					Others *1	Total	Corporate & Eliminations *2	Consolidated
	Energy Systems	Plants & Infrastructure Systems	Industrial Solutions	Aircraft, Defense & Space	Total				
Revenue									
Revenue from external customers	535,148	192,028	175,976	285,973	1,189,126	1,670	1,190,796	3,407	1,194,203
Inter-segment revenue and transfers	1,242	7,981	1,926	96	11,247	129	11,376	(11,376)	-
Total	536,390	200,009	177,902	286,070	1,200,373	1,799	1,202,172	(7,969)	1,194,203
Segment profit *3	101,397	21,719	9,951	32,428	165,497	12,827	178,324	(18,679)	159,645
Finance income									20,476
Finance costs									3,695
Profit before income taxes									176,426

*1 "Others" includes asset businesses and other businesses, which are not included in the reporting segments.

*2 "Corporate & Eliminations" includes revenues and expenses which are not included in any of the reporting segments. Specifically, corporate research and development expenses and dividends on shares concerning corporate overall businesses, neither of which are linked to any specific segment.

*3 Segment profit represents profit from business activities.

➤ Assets Held for Sale

Assets held for sale and liabilities directly associated with assets held for sale are comprised of the following.

(i) Assets held for sale

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Cash and cash equivalents	21,350	-
Trade and other receivables	113,043	-
Contract assets	1,261	-
Inventories	109,256	-
Property, plant and equipment ("PPE")	196,356	-
Goodwill	27,186	-
Intangible assets	16,673	-
Right-of-use assets	28,567	-
Investments accounted for using the equity method	1,439	-
Other financial assets	10,767	-
Deferred tax assets	7,998	-
Other assets	14,509	-
Total	548,409	-

(ii) Liabilities directly associated with assets held for sale

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Bonds, borrowings and other financial liabilities	129,843	-
Trade and other payables	70,500	-
Income taxes payable	2,011	-
Contract liabilities	11,759	-
Retirement benefit liabilities	12,655	-
Provisions	10,010	-
Deferred tax liabilities	1,831	-
Other current liabilities	43,318	-
Total	281,931	-

As described in the notes (discontinued operations), assets held for sale and associated liabilities in the previous fiscal year were mainly related to the business of Mitsubishi Logisnext Co., Ltd. (currently Logisnext Co., Ltd.) and its subsidiaries and affiliates.

The disposal group classified as held for sale in the previous fiscal year is measured at fair value less costs to sell because the fair value less costs to sell is lower than the carrying amount. The fair value is measured based on the share price as of March 31, 2026, and is categorized within Level 1 of the fair value hierarchy.

➤ Discontinued Operations

The Company, at the meeting of its board of directors held on September 30, 2025, resolved to enter into the basic transaction agreement concerning the following matters with LVJ Holdings 2 LLC (the “Tender Offeror”), which is wholly owned by JIP Fund VI, for which all the issued shares are held by Japan Industrial Partners, Inc. and the agreement was executed on the same day:

- (a) A non-participation in a tender offer by the Tender Offeror for the Mitsubishi Logisnext (currently Logisnext) shares and stock options.
- (b) A share consolidation to be conducted by Mitsubishi Logisnext in order to make the Tender Offeror and the Company the only shareholders of Mitsubishi Logisnext if the Tender Offeror is unable to acquire all the Mitsubishi Logisnext shares and stock options through the Tender Offer
- (c) Subject to the effectiveness of the share consolidation, a provision of funds to Mitsubishi Logisnext by the Tender Offeror and a reduction in Mitsubishi Logisnext’s capital stock, capital reserves and retained earnings reserves based on Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act for the purpose of securing the funds and distributable amount for Mitsubishi Logisnext to acquire the Mitsubishi Logisnext shares held by the Company (the “Non-Tendered Shares”)
- (d) A share repurchase by Mitsubishi Logisnext of the Non-Tendered Shares, and a series of transactions for the purposes of taking Mitsubishi Logisnext private through (a) to (d)
- (e) The Company to underwrite Class B Preferred Shares and Class D Type Shares issued by the Tender Offeror following the effectiveness of the share repurchase

Through the transaction, Mitsubishi Logisnext shall cease to be a consolidated subsidiary of the Company. Therefore, the businesses related to Mitsubishi Logisnext and its subsidiaries and affiliates are classified as discontinued operations from the previous fiscal year.

This transaction was completed on May 1, 2026.

(i) Profit or loss from discontinued operations

(Millions of yen)

	FY2025 First 3 Months (From Apr. 1, 2025 to Jun. 30, 2025)	FY2026 First 3 Months (From Apr. 1, 2026 to Jun. 30, 2026)
Revenue	160,299	49,904
Expenses	153,999	53,675
Profit (loss) before income taxes from discontinued operations	6,300	(3,770)
Income taxes	1,791	(10,350)
Profit (loss) from discontinued operations	4,508	6,580

Expenses for the three-month period ended June 30, 2026 include a loss of ¥32,907 million on the transfer of shares, as well as a gain of ¥24,535 million resulting from the realization of exchange differences on translating foreign operations. In addition, an income tax benefit of ¥11,863 million has been recognized in connection with the share transfer.

(ii) Cash flows from discontinued operations

(Millions of yen)

	FY2025 First 3 Months (From Apr. 1, 2025 to Jun. 30, 2025)	FY2026 First 3 Months (From Apr. 1, 2026 to Jun. 30, 2026)
Cash flows from operating activities	14,532	21,457
Cash flows from investing activities	(9,286)	103,679
Cash flows from financing activities	(2,820)	(622)
Total	2,424	124,515

Cash flows from investing activities during the three-month period ended June 30, 2026 include proceeds of ¥74,468 million from the transfer of Mitsubishi Logisnext shares, as well as funds raised by the subsidiary subject to the transfer through borrowings from the transferee and a third-party allotment of shares. A substantial portion of such financing was used to repay borrowings owed to the Company and to settle the consideration for the acquisition of treasury shares. As a result, ¥138,221 million was recognized as proceeds from sale of businesses (including subsidiaries) in connection with the transaction.

The assets and liabilities at the time of the share transfer of the subsidiary over which control was lost were as follows: cash and cash equivalents of ¥116,446 million, other current assets of ¥231,374 million, non-current assets of ¥300,741 million, current liabilities of ¥319,541 million, and non-current liabilities of ¥98,416 million.

2. Outline of Financial Results

An outline of the financial results for the first 3 Months of FY2026 (from April 1, 2026 to June 30, 2026) is included in the "Q1 FY2026 Financial Results Presentation Materials" released today, August 4, 2026. These materials are available on TDnet and the Company's website.