August 6, 2026

Financial Results (Consolidated)
for the Fiscal Year Ended June 30, 2026
<Japanese GAAP>

Company name: Furuya Metal Co., Ltd.
Listing: Tokyo
Stock code: 7826
URL: https://www.furuyametals.co.jp/english/
Representative: Takahito Furuya, President
Inquiries: Shigeyuki Matsumoto, General Manager, Finance and Accounting Department
TEL: +81-3-5977-3377
Scheduled date of ordinary general meeting of shareholders: September 29, 2026
Scheduled date to commence dividend payments: September 15, 2026
Scheduled date to file Securities Report: September 28, 2026
Preparation of supplementary material on earnings: Yes
Holding of earnings performance review: Yes

(Amounts have been rounded down to the nearest million yen.)

1. Consolidated earnings for the fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended June 30, 2026	100,139	74.5	24,794	160.0	24,664	162.7	16,034	147.9
Fiscal year ended June 30, 2025	57,379	20.7	9,538	(2.8)	9,389	(12.2)	6,468	(12.7)

Note: Comprehensive income: Fiscal year ended June 30, 2026: 16,209 million yen [155.5%]
Fiscal year ended June 30, 2025: 6,343 million yen [(14.7)%]

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Fiscal year ended June 30, 2026	652.00	649.87	22.5	18.5	24.8
Fiscal year ended June 30, 2025	263.29	262.42	10.4	7.9	16.6

Reference: Share of profit (loss) of entities accounted for using equity method
As of June 30, 2026: ¥ – million
As of June 30, 2025: ¥ – million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2026	142,960	78,498	54.8	3,185.12
As of June 30, 2025	123,864	64,580	52.0	2,622.14

Reference: Equity capital: As of June 30, 2026: 78,351 million yen
As of June 30, 2025: 64,441 million yen

(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

	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended June 30, 2026	15,763	(3,948)	(17,290)	7,600
Fiscal year ended June 30, 2025	921	(4,935)	4,785	13,044

2. Cash dividends

	Annual dividends					Total cash dividends (Total)	Dividend 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 June 30, 2025	–	0.00	–	96.00	96.00	2,359	36.5	3.8
Fiscal year ended June 30, 2026	–	0.00	–	165.00	165.00	4,058	25.3	5.7
Fiscal year ending June 30, 2027 (Forecast)	–	0.00	–	180.00	180.00		–	

Note: Revisions to the forecasts of cash dividends most recently announced: Yes

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2027 (from July 1, 2026 to June 30, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full fiscal year	101,000	0.9	26,500	6.9	26,000	5.4	17,700	10.4	719.53

*** Notes**

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

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards and other regulations: None

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement of prior period financial statements after error corrections: None

(3) Number of issued shares (common shares)

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

As of June 30, 2026	25,389,636 shares
As of June 30, 2025	25,389,636 shares

b. Number of treasury shares at the end of the period

As of June 30, 2026	790,331 shares
As of June 30, 2025	813,595 shares

c. Average number of shares during the period

Fiscal year ended June 30, 2026	24,592,042 shares
Fiscal year ended June 30, 2025	24,568,280 shares

(Reference) Overview of non-consolidated earnings

1. Non-consolidated earnings for the fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended June 30, 2026	100,121	74.6	24,613	160.2	24,566	161.7	15,976	154.4
Fiscal year ended June 30, 2025	57,347	20.8	9,459	(2.9)	9,387	(12.5)	6,279	(15.8)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended June 30, 2026	649.65	647.52
Fiscal year ended June 30, 2025	255.60	254.77

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2026	142,495	77,845	54.6	3,161.39
As of June 30, 2025	123,429	64,157	51.9	2,607.42

Reference: Equity capital: As of June 30, 2026: 77,768 million yen
As of June 30, 2025: 64,080 million yen

* **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**
  (Caution regarding forward-looking statements and others)
  The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

[Attached Material]

Index

1. Overview of operating results and others

(1) Overview of operating results for the fiscal year

During the fiscal year under review (from July 1, 2025 to June 30, 2026), while U.S. economy remained steady, China's economic recovery was continuously gradual. Due to persistently high raw material and energy prices as well as prolonged geopolitical risks, such as the situation in the Middle East, the outlook for the global economy remained uncertain. The domestic economy remained on a gradual recovery trend as improved corporate earnings fueled a rebound in capital investment and continued wage growth underpinned domestic demand. However, the economic outlook continued to warrant close attention due to various factors, including prolonged inflation and heightened volatility in interest rate and foreign exchange markets following the transition in domestic monetary policy. Under this business environment, demand for products for the digital sector remained solid due to increased investment in data centers driven by the growing use of generative AI. In addition, progress was made in research and development and efforts to pursue new projects in the green sector against a backdrop of global decarbonization initiatives and increased investment in clean energy. Furthermore, as precious metal prices stayed at elevated levels, fluctuations in market prices contributed to higher net sales, while managing procurement costs became a key priority. The Group promptly adapted to changes in the external environment, including supply-demand trends and foreign exchange movements, while promoting higher value-added products and strengthening its stable supply capabilities.

The yen continued to weaken throughout the fiscal year, which had a positive impact on business results through improved export profitability and increased value of overseas sales translated into yen.

Under these circumstances, the Company's consolidated business results for the fiscal year under review were as follows: net sales of 100,139 million yen (up 74.5% YoY), gross profit of 30,272 million yen (up 113.4% YoY), operating income of 24,794 million yen (up 160.0% YoY), ordinary income of 24,664 million yen (up 162.7% YoY), and net income attributable to owners of parent of 16,034 million yen (up 147.9% YoY).

On a non-consolidated basis, the Company recognized impairment losses on non-current assets of 205 million yen under extraordinary losses for the fiscal year under review.

The results by business segment are shown below.

1) Results by segment

[Electronics]

Orders for iridium crucibles for single-crystal growth equipment of scintillators for medical applications (material that emits fluorescence when hit with radiation) remained steady. In addition, orders for iridium and platinum crucibles for optical crystal growth equipment for isolators (components that transmit only light traveling in the forward direction and block light traveling in the reverse direction) used in optical communications between data centers were strong, helped by the development of new sales channels. Demand for equipment for SAW filters for smartphones also showed clearer signs of recovery. As a result, net sales were 10,807 million yen (up 83.0% YoY) and gross profit was 3,361 million yen (up 94.4% YoY).

[Thin film]

Orders for sputtering targets for HDDs (hard disk drives) used as storage media continued to be strong against a backdrop of robust data center investment, and orders for semiconductors targets increased. As a result, net sales were 18,034 million yen (up 60.0% YoY) and gross profit was 9,494 million yen (up 120.5% YoY).

[Thermal]

Orders remained on a recovery trend as replacement demand for semiconductor manufacturing was firm, and investment was resumed and inventory adjustments ran their course at semiconductor manufacturing equipment makers and overseas semiconductor manufacturers. As a result, net sales were 6,688 million yen (up 37.6% YoY) and gross profit was 2,326 million yen (up 50.3% YoY).

[Fine chemicals/Recycling]

Orders for precious metal compounds for electrodes used in caustic soda production recovered. In addition, orders for compounds for OLED remained on a recovery trend, and orders for compounds for chemical plants began to recover. While temporary expenses were recorded in association with the review of recovery and refinement systems, net sales were 27,701 million yen (up 5.2% YoY) and gross profit was 9,161 million yen (up 41.8% YoY).

[Supply chain support]

With rising precious metal prices, there was strong demand for precious metal raw materials not related to orders for the Company's products. As a result, net sales were 19,044 million yen (up 148.8% YoY), and gross profit was 2,331 million yen (up 2,291 million yen YoY).

2) Overseas sales

Overseas sales throughout the fiscal year under review were 72,640 million yen (accounting for 72.5% of total sales). By region, export sales to Asia were 39,146 million yen (53.9% of overseas sales), export sales to North America were 14,101 million yen (19.4% of overseas sales) and export sales to Europe were 19,393 million yen (26.7% of overseas sales).

(2) Overview of financial position for the fiscal year

Total assets at the end of the fiscal year under review were 142,960 million yen, which was up 19,096 million yen from the previous fiscal year-end. The primary factor behind the increase was increases of 5,645 million yen in merchandise and finished goods and 4,714 million yen in consumption taxes receivable. Total liabilities were 64,462 million yen, which was up 5,177 million yen from the previous fiscal year-end. The primary factors behind the increase were increases of 11,632 million yen in notes and accounts payable - trade and 6,763 million yen in income taxes payable, despite a decrease of 13,400 million yen in short-term loans payable. Total net assets were 78,498 million yen, which was up 13,918 million yen from the previous fiscal year-end. The primary factor behind the increase was an increase of 13,674 million yen in retained earnings.

(3) Overview of cash flows for the fiscal year

In the fiscal year under review, cash and cash equivalents totaled 7,600 million yen.

(Cash flows from operating activities)
Net cash provided by operating activities amounted to 15,763 million yen.
This was mainly due to income before income taxes of 24,458 million yen, despite an increase in inventories of 9,536 million yen.

(Cash flows from investing activities)
Net cash used in investing activities amounted to 3,948 million yen.
This was mainly due to purchase of property, plant and equipment of 3,010 million yen, and purchase of intangible assets of 776 million yen.

(Cash flows from financing activities)
Net cash used in financing activities amounted to 17,290 million yen.
This was mainly due to cash dividends paid of 2,357 million yen and repayments of short-term loans payable of 13,400 million yen.

Reference: Main cash flow indices

	Fiscal year ended June 30, 2022	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Equity ratio (%)	50.2	50.4	53.5	52.0	54.8
Equity ratio based on market value (%)	82.0	95.0	95.2	50.1	139.3
Interest-bearing debt to cash flow ratio (years)	–	–	6.6	31.0	0.8
Interest coverage ratio (times)	–	–	3.5	0.7	16.8

Equity ratio: Equity capital divided by total assets
Equity ratio based on market value: Market capitalization divided by total assets
Interest-bearing debt to cash flow ratio: Interest-bearing liabilities divided by cash flows from operating activities
Interest coverage ratio: Cash flows from operating activities divided by interest payments
Note 1. Market capitalization is calculated based on the total number of issued shares less the number of treasury shares.
Note 2. Interest-bearing debt refers to all those liabilities on which interest is paid that are recorded on the balance sheets.
Note 3. Interest-bearing debt to cash flow ratio and interest coverage ratio for the fiscal years ended June 30, 2022 and 2023 are not shown, as cash flows from operating activities were negative.

(4) Outlook

Under its medium-term management plan, “KFK Vision 2030,” which began in the fiscal year ended June 30, 2026, the Company will accelerate growth by leveraging its core and new technologies, further strengthening its five business pillars, and actively expanding into new growth fields.

In the electronics segment, the Company will strive to create high value-added products in the semiconductor field by centering on its bulk processing technology for iridium and platinum. In the thin film segment, the Company will introduce new products to the semiconductor field such as MEMS by centering on core technologies cultivated in targets for HDDs. In the thermal segment, the Company will expand the production capacity for key products and focus on strengthening the development of new products. In the fine chemicals/recycling segment, the Company will work on the establishment of nano-alloy technology and aim to launch new products for green-related markets.

Accordingly, the Company forecasts 101,000 million yen in net sales (up 0.9% YoY), 26,500 million yen in operating income (up 6.9% YoY), 26,000 million yen in ordinary income (up 5.4% YoY) and 17,700 million yen in net income attributable to owners of parent (up 10.4% YoY) in the fiscal year ending June 30, 2027.

For the earnings forecasts, we assume an exchange rate of 155 yen to the dollar, taking into account the impact of the current level of precious metal prices.

2. Basic stance towards the selection of accounting standards

The Company started preparing consolidated financial statements in the fiscal year ended June 30, 2018. Giving consideration to the possibility of comparing the consolidated financial statements between terms and with other companies, as well as the burden in terms of structural adjustments that would be required for preparing financial statements based on IFRS (International Financial Reporting Standards), the Company has a policy of preparing the consolidated financial statements based on the generally accepted accounting standards in Japan (Japanese GAAP).

Concerning the policy for the application of IFRS, the Company will respond to this issue appropriately while giving consideration to various circumstances in Japan and overseas.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of June 30, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	13,047	7,602
Notes receivable - trade	143	127
Accounts receivable - trade	3,451	7,514
Merchandise and finished goods	4,146	9,791
Work in process	5,599	7,558
Raw materials and supplies	72,648	74,580
Consumption taxes receivable	498	5,212
Derivatives	–	1,314
Other	174	1,424
Allowance for doubtful accounts	(0)	(0)
Total current assets	99,708	115,126
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,621	9,675
Accumulated depreciation	(5,157)	(5,359)
Buildings and structures, net	4,463	4,316
Machinery, equipment and vehicles	15,020	15,835
Accumulated depreciation	(5,560)	(6,046)
Machinery, equipment and vehicles, net	9,459	9,789
Land	3,009	3,009
Leased assets	1,469	1,469
Accumulated depreciation	(973)	(1,197)
Leased assets, net	496	272
Construction in progress	1,860	4,292
Other	645	684
Accumulated depreciation	(457)	(516)
Other, net	187	168
Total property, plant and equipment	19,477	21,850
Intangible assets		
Software in progress	2,952	3,731
Other	47	67
Total intangible assets	2,999	3,798
Investments and other assets		
Investment securities	52	55
Deferred tax assets	1,478	1,820
Other	150	311
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,679	2,185
Total non-current assets	24,156	27,833
Total assets	123,864	142,960

(Millions of yen)

	As of June 30, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,343	33,975
Accounts payable - other	2,942	2,690
Short-term loans payable	13,400	–
Current portion of long-term loans payable	4,374	4,559
Income taxes payable	1,125	7,888
Advances received	636	1,728
Asset retirement obligations	–	48
Provision for bonuses	494	510
Provision for directors’ bonuses	111	220
Accounts payable - facilities	256	206
Lease obligations	123	105
Derivative liabilities	124	–
Other	619	1,573
Total current liabilities	46,552	53,507
Non-current liabilities		
Long-term loans payable	10,826	9,237
Net defined benefit liability	980	918
Asset retirement obligations	42	23
Long-term accounts payable - other	401	401
Lease obligations	467	362
Other	13	10
Total non-current liabilities	12,731	10,954
Total liabilities	59,284	64,462
Net assets		
Shareholders’ equity		
Capital stock	10,662	10,662
Capital surplus	12,348	12,379
Retained earnings	42,654	56,328
Treasury shares	(1,287)	(1,250)
Total shareholders’ equity	64,377	78,120
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	4
Foreign currency translation adjustment	81	125
Remeasurements of defined benefit plans	(18)	101
Total accumulated other comprehensive income	64	231
Subscription rights to shares	77	77
Non-controlling interests	61	69
Total net assets	64,580	78,498
Total liabilities and net assets	123,864	142,960

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

(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Net sales	57,379	100,139
Cost of sales	43,191	69,866
Gross profit	14,188	30,272
Selling, general and administrative expenses	4,650	5,477
Operating income	9,538	24,794
Non-operating income		
Rental income from buildings	21	24
Foreign exchange gains	2,193	–
Gain on valuation of derivatives	–	1,439
Subsidy income	760	545
Other	33	60
Total non-operating income	3,009	2,069
Non-operating expenses		
Interest expenses	1,245	937
Foreign exchange losses	–	1,204
Loss on valuation of derivatives	1,719	—
Other	193	58
Total non-operating expenses	3,158	2,200
Ordinary income	9,389	24,664
Extraordinary losses		
Impairment losses	58	205
Loss on valuation of shares of subsidiaries and associates	116	–
Total extraordinary losses	175	205
Income before income taxes	9,214	24,458
Income taxes - current	2,574	8,810
Income taxes - deferred	251	(394)
Total income taxes	2,825	8,416
Net income	6,388	16,042
Net income (loss) attributable to non-controlling interests	(80)	8
Net income attributable to owners of parent	6,468	16,034

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Net income	6,388	16,042
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	2
Foreign currency translation adjustment	(38)	44
Remeasurements of defined benefit plans, net of tax	(4)	119
Total other comprehensive income	(44)	167
Comprehensive income	6,343	16,209
Comprehensive income attributable to		
Owners of parent	6,423	16,201
Non-controlling interests	(80)	8

(3) Consolidated statement of changes in equity

Fiscal year ended June 30, 2025

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,662	12,313	38,526	(1,323)	60,178
Changes of items during period					
Dividends of surplus			(2,340)		(2,340)
Net income attributable to owners of parent			6,468		6,468
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		38		26	65
Exercise of share acquisition rights		(2)		9	6
Net changes of items other than shareholders' equity					
Total changes of items during period	–	35	4,127	35	4,198
Balance at end of current period	10,662	12,348	42,654	(1,287)	64,377

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	2	119	(13)	108	83	141	60,512
Changes of items during period							
Dividends of surplus							(2,340)
Net income attributable to owners of parent							6,468
Purchase of treasury shares							(0)
Disposal of treasury shares							65
Exercise of share acquisition rights							6
Net changes of items other than shareholders' equity	(1)	(38)	(4)	(44)	(6)	(80)	(131)
Total changes of items during period	(1)	(38)	(4)	(44)	(6)	(80)	4,067
Balance at end of current period	1	81	(18)	64	77	61	64,580

Fiscal year ended June 30, 2026

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,662	12,348	42,654	(1,287)	64,377
Changes of items during period					
Dividends of surplus			(2,359)		(2,359)
Net income attributable to owners of parent			16,034		16,034
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		31		36	68
Exercise of share acquisition rights					–
Net changes of items other than shareholders' equity					
Total changes of items during period	–	31	13,674	36	13,742
Balance at end of current period	10,662	12,379	56,328	(1,250)	78,120

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1	81	(18)	64	77	61	64,580
Changes of items during period							
Dividends of surplus							(2,359)
Net income attributable to owners of parent							16,034
Purchase of treasury shares							(0)
Disposal of treasury shares							68
Exercise of share acquisition rights							–
Net changes of items other than shareholders' equity	2	44	119	167	–	8	175
Total changes of items during period	2	44	119	167	–	8	13,918
Balance at end of current period	4	125	101	231	77	69	78,498

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Cash flows from operating activities		
Income before income taxes	9,214	24,458
Depreciation	1,289	1,277
Impairment losses	58	205
Loss on valuation of shares of subsidiaries and associates	116	–
Increase (decrease) in allowance for doubtful accounts	0	0
Interest expenses	1,245	937
Foreign exchange losses (gains)	(2)	8
Loss (gain) on valuation of derivatives	1,719	(1,439)
Subsidy income	(760)	(545)
Decrease (increase) in notes and accounts receivable - trade	2,655	(4,043)
Decrease (increase) in inventories	(12,179)	(9,536)
Increase (decrease) in notes and accounts payable - trade	550	11,633
Increase (decrease) in advances received	577	1,092
Decrease (increase) in consumption taxes refund receivable	42	(4,714)
Increase (decrease) in accounts payable - other	(568)	(245)
Transfer from inventories to non-current assets	(300)	(1,384)
Transfer from non-current assets to inventories	403	468
Other	251	319
Subtotal	4,314	18,493
Interest and dividend income received	9	13
Interest expenses paid	(1,109)	(1,003)
Subsidies received	1,122	545
Income taxes paid	(3,415)	(2,285)
Net cash provided by (used in) operating activities	921	15,763
Cash flows from investing activities		
Purchase of intangible assets	(1,005)	(776)
Purchase of property, plant and equipment	(3,909)	(3,010)
Payments into time deposits	(2)	(2)
Proceeds from withdrawal of time deposits	2	2
Other	(20)	(162)
Net cash provided by (used in) investing activities	(4,935)	(3,948)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	700	(13,400)
Proceeds from long-term loans payable	11,000	3,300
Repayments of long-term loans payable	(4,391)	(4,704)
Purchase of treasury shares	(0)	(0)
Cash dividends paid	(2,351)	(2,357)
Repayments of lease obligations	(171)	(129)
Other	0	–
Net cash provided by (used in) financing activities	4,785	(17,290)
Effect of exchange rate change on cash and cash equivalents	(31)	31
Net increase (decrease) in cash and cash equivalents	739	(5,444)
Cash and cash equivalents at beginning of period	12,298	13,044
Increase in cash and cash equivalents resulting from merger	7	–
Cash and cash equivalents at end of period	13,044	7,600

(5) Notes to the consolidated financial statements

(Notes on premise of going concern)

No items to report.

(Notes on significant changes in the amount of shareholders' equity)

No items to report.

(Additional information)

(Reclassification between inventories and non-current assets)

The Group has reviewed the usage status of its precious metal assets and reclassified part of them between inventories and property, plant and equipment due to the change in holding purpose.

In the fiscal year ended June 30, 2026, the Group reclassified part of property, plant and equipment into inventories and part of inventories into property, plant and equipment, due to a change in the purpose of holding them. This has resulted in a decrease of 323 million yen in raw materials and supplies, an increase of 446 million yen in machinery, equipment and vehicles, and a decrease of 151 million yen in merchandise and finished goods. In addition, work in process decreased by 439 million yen, and construction in progress increased by 468 million yen.

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
	Change (Millions of yen)	Change (Millions of yen)
Merchandise and finished goods	185	(151)
Raw materials and supplies	(95)	(323)
Work in process	13	(439)
Machinery, equipment and vehicles	(228)	446
Construction in progress	124	468

(Notes on segment information and other data)

[Segment information]

1. Overview of reportable segments

The Group's reportable segments are subject to a periodic review by the Board of Directors for the purposes of evaluating performance and determining the allocation of resources.

We primarily manufacture and sell industrial precious metal products.

The Group is made up of segments organized by product and service, and we have five reportable segments: "electronics," "thin film," "thermal," "fine chemicals/recycling" and "supply chain support."

The products or services by each segment are as follows:

Electronics: manufacturing and sales of electronic parts used in the manufacturing process for electronic products

Thin film: manufacturing and sales of precious metal targets used in forming thin films

Thermal: manufacturing and sales of temperature sensors primarily used in semiconductor manufacturing devices

Fine chemicals/Recycling: manufacturing and sales of precious metal compounds, and recovery and refinement of precious metals

Supply chain support: sales of main precious metal raw materials not related to orders for the Company's products.

2. Method of calculating net sales, profit, loss, assets, liabilities or other items for each reportable segment

The accounting method for reportable operating segments is in accordance with the accounting policies adopted for preparation of the consolidated financial statements. Reportable segment profit is presented on a gross profit basis.

The Group does not allocate assets to operating segments because it does not use asset information for performance management.

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

Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)

(Millions of yen)

	Reportable segment						Other (Note 1)	Total (Note 2)
	Electronics	Thin film	Thermal	Fine chemicals/ Recycling	Supply chain support	Total		
Net sales								
Japan	3,283	2,633	2,757	12,238	368	21,280	791	22,072
Asia (Other than Japan)	35	5,042	1,887	581	6,299	13,847	540	14,387
Europe	12	773	32	10,087	935	11,842	–	11,842
North America	2,573	2,821	184	3,420	49	9,048	30	9,078
Revenue from contracts with customers	5,904	11,271	4,860	26,328	7,653	56,018	1,361	57,379
Sales to external customers	5,904	11,271	4,860	26,328	7,653	56,018	1,361	57,379
Intersegment sales or transfers	–	–	–	–	–	–	–	–
Total	5,904	11,271	4,860	26,328	7,653	56,018	1,361	57,379
Segment profit	1,729	4,305	1,548	6,458	40	14,083	105	14,188

Note 1. The category "Other" is the operating segment not included in the reportable segments, and mainly includes the sale of purchased products.

Note 2. The total segment profit is consistent with gross profit as recorded in the consolidated statement of income for the fiscal year ended June 30, 2025.

Fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)

(Millions of yen)

	Reportable segment						Other (Note 1)	Total (Note 2)
	Electronics	Thin film	Thermal	Fine chemicals/ Recycling	Supply chain support	Total		
Net sales								
Japan	3,656	4,022	3,500	13,080	2,507	26,767	731	27,498
Asia (Other than Japan)	199	8,332	2,968	479	12,945	24,925	14,220	39,146
Europe	274	1,868	60	11,204	3,214	16,622	2,770	19,393
North America	6,676	3,811	159	2,936	376	13,960	140	14,101
Revenue from contracts with customers	10,807	18,034	6,688	27,701	19,044	82,276	17,863	100,139
Sales to external customers	10,807	18,034	6,688	27,701	19,044	82,276	17,863	100,139
Intersegment sales or transfers	–	–	–	–	–	–	–	–
Total	10,807	18,034	6,688	27,701	19,044	82,276	17,863	100,139
Segment profit	3,361	9,494	2,326	9,161	2,331	26,675	3,597	30,272

Note 1. The category “Other” is the operating segment not included in the reportable segments and mainly includes the sale of purchased products. In the fiscal year ended June 30, 2026, the Group conducted sales of precious metals from raw material inventory to respond to strong demand of iridium and ruthenium that exceeds product inventory for supply chain support. As a result, sales of precious metals from raw materials inventory amounted to 16,558 million yen and gross profit was 3,270 million yen, both of which are included in the “Other” segment.

Note 2. The total segment profit is consistent with gross profit as recorded in the consolidated statement of income for the fiscal year ended June 30, 2026.

[Related information]

Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)

1. Information on products and services

This is omitted as the categories are the same as those for product segments.

2. Information by regions

(1) Net sales

(Millions of yen)

Region	Japan	Asia (Other than Japan)	North America	Europe	Total
Sales to external customers	22,072	14,387	9,078	11,842	57,379

Notes: 1. Net sales are classified by country or region based on customers' location.
2. Net sales in Asia(outside Japan) include net sales of 8,235 million yen in China, which accounts for more than 10% of the net sales in the consolidated statement of income.
3. Net sales in North America include net sales of 8,920 million yen in America, which accounts for more than 10% of the net sales in the consolidated statement of income.
4. Net sales in Europe include net sales of 9,388 million yen in Germany, which accounts for more than 10% of the net sales in the consolidated statement of income.

(2) Property, plant and equipment

This is omitted as the amount of property, plant and equipment located in Japan accounts for more than 90% of the amount recorded in the consolidated balance sheet.

3. Information on major customers

(Millions of yen)

Customer's name or trade name	Net sales	Name of relevant segment
De Nora Permelec Ltd	8,780	Fine chemicals/Recycling
De Nora Deutschland GmbH	9,159	Fine chemicals/Recycling

[Information on impairment loss of non-current assets by reportable segment]

This information is insignificant and has therefore been omitted.

[Information on amortization of goodwill and unamortized balance by reportable segment]

No items to report.

[Information on gain on negative goodwill by reportable segment]

No items to report.

Fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)

1. Information on products and services

This is omitted as the categories are the same as those for product segments.

2. Information by regions

(1) Net sales

(Millions of yen)

Region	Japan	Asia (Other than Japan)	North America	Europe	Total
Sales to external customers	27,498	39,146	14,101	19,393	100,139

Notes: 1. Net sales are classified by country or region based on customers' location.
2. Net sales in Asia(outside Japan) include net sales of 27,107 million yen in China(including Hong Kong), which accounts for more than 10% of the net sales in the consolidated statement of income.
3. Net sales in North America include net sales of 13,179 million yen in America, which accounts for more than 10% of the net sales in the consolidated statement of income.
4. Net sales in Europe include net sales of 11,229 million yen in Germany, which accounts for more than 10% of the net sales in the consolidated statement of income.

(2) Property, plant and equipment

This is omitted as the amount of property, plant and equipment located in Japan accounts for more than 90% of the amount recorded in the consolidated balance sheet.

3. Information on major customers

(Millions of yen)

Customer’s name or trade name	Net sales	Name of relevant segment
De Nora Permelec Ltd	10,384	Fine chemicals/Recycling

[Information on impairment loss of non-current assets by reportable segment]

This information is insignificant and has therefore been omitted.

[Information on amortization of goodwill and unamortized balance by reportable segment]

No items to report.

[Information on gain on negative goodwill by reportable segment]

No items to report.

(Per share information)

(Yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Net assets per share	2,622.14	3,185.12
Net income per share	263.29	652.00
Diluted net income per share	262.42	649.87

Notes: 1. The basis for calculation of net assets per share is as follows.

	As of June 30, 2025	As of June 30, 2026
Total net assets (Millions of yen)	64,580	78,498
Amount deducted from the total net assets (Millions of yen)	138	146
[Of which subscription rights to shares (Millions of yen)]	[77]	[77]
Amount of net assets related to common shares at the end of the period (Millions of yen)	64,441	78,351
Number of common shares used in the calculation of net assets per share at the end of the period (Thousands of shares)	24,576	24,599

2. The basis for calculation of net income per share and diluted net income per share is as follows.

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Net income per share		
Net income attributable to owners of parent (Millions of yen)	6,468	16,034
Net income not attributable to common shareholders (Millions of yen)	–	–
Net income attributable to owners of parent pertaining to common shares (Millions of yen)	6,468	16,034
Average number of shares during the period (Thousands of shares)	24,568	24,592
Diluted net income per share		
Adjustments to net income attributable to owners of parent (Millions of yen)	–	–
Increase in the number of common shares (Thousands of shares)	80	80
[Of which subscription rights to shares (Thousands of shares)]	[80]	[80]
Overview of potential shares not included in the calculation of diluted net income per share because of having no dilutive effect	–	–

(Significant subsequent events)

No items to report.

4. Non-consolidated financial statements and significant notes thereto

(1) Balance sheet

(Millions of yen)

	As of June 30, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	12,586	6,949
Notes receivable - trade	143	127
Accounts receivable - trade	3,450	7,600
Merchandise and finished goods	4,146	9,791
Work in process	5,599	7,558
Raw materials and supplies	72,648	74,580
Prepaid expenses	136	131
Consumption taxes receivable	497	5,212
Derivatives	–	1,314
Other	62	1,313
Allowance for doubtful accounts	(0)	(10)
Total current assets	99,270	114,569
Non-current assets		
Property, plant and equipment		
Buildings	4,205	4,063
Structures	257	253
Machinery and equipment	9,448	9,781
Vehicles	4	2
Tools, furniture and fixtures	174	156
Land	3,009	3,009
Leased assets	496	272
Construction in progress	1,860	4,292
Total property, plant and equipment	19,457	21,832
Intangible assets		
Software in progress	2,952	3,731
Patent right	0	0
Software	43	63
Telephone subscription right	2	2
Right of using facilities	0	0
Trademark right	0	0
Total intangible assets	2,999	3,798
Investments and other assets		
Investment securities	51	54
Shares of subsidiaries and associates	59	254
Insurance funds	83	88
Deferred tax assets	1,456	1,846
Other	53	52
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,701	2,295
Total non-current assets	24,158	27,925
Total assets	123,429	142,495

(Millions of yen)

	As of June 30, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	22,343	33,975
Short-term loans payable	13,400	–
Current portion of long-term loans payable	4,374	4,559
Lease obligations	123	105
Accounts payable - other	2,977	2,755
Income taxes payable	1,123	7,887
Asset retirement obligations	–	48
Provision for bonuses	492	507
Provision for directors' bonuses	111	220
Accounts payable - facilities	256	206
Advances received	636	1,728
Other	736	1,561
Total current liabilities	46,576	53,556
Non-current liabilities		
Long-term loans payable	10,826	9,237
Lease obligations	467	362
Long-term accounts payable - other	401	401
Provision for retirement benefits	953	1,065
Asset retirement obligations	42	23
Other	4	4
Total non-current liabilities	12,695	11,094
Total liabilities	59,272	64,650
Net assets		
Shareholders' equity		
Capital stock	10,662	10,662
Capital surplus		
Legal capital surplus	10,631	10,631
Other capital surplus	1,716	1,747
Total capital surplus	12,348	12,379
Retained earnings		
Legal retained earnings	9	9
Other retained earnings		
General reserve	80	80
Retained earnings brought forward	42,265	55,882
Total retained earnings	42,355	55,971
Treasury shares	(1,287)	(1,250)
Total shareholders' equity	64,078	77,763
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1	4
Total valuation and translation adjustments	1	4
Subscription rights to shares	77	77
Total net assets	64,157	77,845
Total liabilities and net assets	123,429	142,495

(2) Statement of income

(Millions of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Net sales		
Net sales of finished goods	49,590	64,455
Net sales of goods	7,757	35,666
Total net sales	57,347	100,121
Cost of sales		
Cost of finished goods sold		
Beginning finished goods inventory	1,588	2,750
Cost of products manufactured	36,438	54,083
Total	38,027	56,833
Transfer to other account	(185)	13,440
Ending finished goods inventory	2,750	3,587
Cost of finished goods sold	35,461	39,805
Cost of goods sold		
Beginning merchandise inventory	2,309	1,395
Cost of purchased goods	6,790	21,573
Transfer to other account	–	13,288
Total	9,099	36,257
Ending merchandise inventory	1,395	6,203
Cost of goods sold	7,703	30,053
Total cost of sales	43,165	69,859
Gross profit	14,181	30,262
Selling, general and administrative expenses	4,721	5,648
Operating income	9,459	24,613
Non-operating income		
Interest income	9	12
Gain on valuation of derivatives	–	1,439
Dividend income	71	76
Rental income from buildings	21	24
Foreign exchange gains	2,189	–
Subsidy income	760	545
Other	33	58
Total non-operating income	3,086	2,157
Non-operating expenses		
Interest expenses	1,245	937
Foreign exchange losses	–	1,198
Loss on valuation of derivatives	1,719	–
Other	193	68
Total non-operating expenses	3,159	2,205
Ordinary income	9,387	24,566
Extraordinary losses		
Impairment losses	–	205
Loss on valuation of shares of subsidiaries and associates	300	–
Total extraordinary losses	300	205
Income before income taxes	9,087	24,360
Income taxes - current	2,551	8,774
Income taxes - deferred	255	(390)
Total income taxes	2,807	8,384
Net income	6,279	15,976

(3) Statement of changes in equity

Fiscal year ended June 30, 2025

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance at beginning of current period	10,662	10,631	1,681	12,313	9	80	38,326	38,415
Changes of items during period								
Dividends of surplus							(2,340)	(2,340)
Net income							6,279	6,279
Purchase of treasury shares								
Disposal of treasury shares			38	38				
Exercise of share acquisition rights			(2)	(2)				
Net changes of items other than shareholders' equity								
Total changes of items during period	–	–	35	35	–	–	3,939	3,939
Balance at end of current period	10,662	10,631	1,716	12,348	9	80	42,265	42,355

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of current period	(1,323)	60,068	2	2	83	60,154
Changes of items during period						
Dividends of surplus		(2,340)				(2,340)
Net income		6,279				6,279
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares	26	65				65
Exercise of share acquisition rights	9	6				6
Net changes of items other than shareholders' equity			(1)	(1)	(6)	(7)
Total changes of items during period	35	4,010	(1)	(1)	(6)	4,003
Balance at end of current period	(1,287)	64,078	1	1	77	64,157

Fiscal year ended June 30, 2026

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance at beginning of current period	10,662	10,631	1,716	12,348	9	80	42,265	42,355
Changes of items during period								
Dividends of surplus							(2,359)	(2,359)
Net income							15,976	15,976
Purchase of treasury shares								
Disposal of treasury shares			31	31				
Exercise of share acquisition rights								
Net changes of items other than shareholders' equity								
Total changes of items during period	–	–	31	31	–	–	13,616	13,616
Balance at end of current period	10,662	10,631	1,747	12,379	9	80	55,882	55,971

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of current period	(1,287)	64,078	1	1	77	64,157
Changes of items during period						
Dividends of surplus		(2,359)				(2,359)
Net income		15,976				15,976
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares	36	68				68
Exercise of share acquisition rights		–				–
Net changes of items other than shareholders' equity			2	2	–	2
Total changes of items during period	36	13,685	2	2	–	13,687
Balance at end of current period	(1,250)	77,763	4	4	77	77,845

5. Other

No items to report.