October 30, 2026

Company	Chugai Ro Co., Ltd.
Representative	Mamoru Sakata, Representative Director, President and CEO (Securities code: 1964, TSE Prime)
Contact	Ichiro Baba, Director, Senior Executive Officer, General Manager of Business Administration Division (Phone: +81-6-6221-1251)

Notice Regarding the Recording of Extraordinary Gains and Losses and the Revision of the Full-Year Earnings Forecast

Chugai Ro Co., Ltd. (hereinafter, the "Company") expects to record extraordinary gains for the fiscal year ending March 31, 2027, as set forth below, while it recorded an extraordinary loss in the interim results for the same fiscal year. In addition, the Company will revise the consolidated earnings forecast for the fiscal year ending March 31, 2027 (April 1, 2026, to March 31, 2027) that was announced on April 28, 2026, and hereby announce as follows.

1. Extraordinary gains (gains on sale of investment securities) expected to be recorded

(1) Reason for the sale of investment securities:

The sale is being undertaken to review policy shareholdings in accordance with the Company's Basic Policy on Corporate Governance and to improve capital efficiency. As part of the Company's target, the ratio of policy shareholdings to net assets is to be reduced to less than 20% by the end of March 2027.

(2) Details of the sale:

- Shares to be sold: Listed securities held by the Company
- Period during which the gain will arise: October to December 2026
- Estimated gain on sale of investment securities: 700-million-yen

Note: The estimated amount is subject to change depending on share price movements and other factors.

2. Extraordinary loss (provision for business structure improvement) to be recorded

The Group has decided to implement business structure improvements at its local subsidiary in China considering continued sluggish sales and deteriorating profitability. Through these measures, the Company aims to optimize the scale of operations in the Chinese market and restore the profitability of the Group as a whole.

To provide for the losses expected to arise from these measures, the Company recorded 350-million-yen as provision for business structure improvement as an extraordinary loss for the six months ended September 30, 2026 (the second quarter cumulative period of the fiscal year ending March 31, 2027).

3. Revisions to the full-year consolidated earnings forecast for the fiscal year ending March 31, 2027 (April 1, 2026, to March 31, 2027)

	Orders received (million yen)	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Profit attributable to owners of parent (million yen)	Earnings per share (yen)
Previous forecast (A)	38,700	40,300	3,620	3,720	2,516	361.31
Revised forecast (B)	40,500	40,300	3,620	3,720	2,787	396.96
Change (B−A)	1,800	-	—	—	271	35.65
Change rate (%)	4.7	-	—	—	10.8	9.9
Reference: Results for the previous fiscal year (FY ended March 31, 2026)	37,100	37,332	2,879	3,110	4,668	643.70

4. Reasons for the revisions

Orders received have been revised to 40,500-million-yen, reflecting growing demand for functional material heat treatment equipment related to semiconductors and data centers.

There are no changes from the previous forecast for net sales, operating income, or ordinary income.

Profit attributable to owners of parent has been revised to 2,787-million-yen, incorporating an estimated 700-million-yen gain on sale of investment securities associated with the disposal of investment securities held by the Group, and a 350-million-yen provision for business structure improvement recorded as an extraordinary loss in connection with business structure measures at the Company’s subsidiary in China.