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October 30, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: RIKEN TECHNOS CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 4220
URL: https://www.rikentechnos.co.jp
Representative: Kazuaki Tokiwa, Representative Director, President & CEO
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Scheduled date to file semi-annual securities report: November 6, 2026
Scheduled date to commence dividend payments: November 30, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for Institutional Investors & Analysts)

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

1. Consolidated financial results for the six months ended September 30, 2026

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	72,509	10.6	8,688	57.0	8,663	57.9	6,233	80.1
September 30, 2025	65,567	3.4	5,533	15.8	5,486	16.5	3,461	32.4

Note: Comprehensive income For the six months ended September 30, 2026: ¥7,025 million [151.2%]
For the six months ended September 30, 2025: ¥2,796 million [(49.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	133.01	-
September 30, 2025	68.63	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	123,741	76,416	52.8
March 31,2026	119,103	78,442	56.8

Reference: Equity
As of September 30, 2026: ¥65,319 million
As of March 31, 2026: ¥67,624 million

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	-	20.00	-	34.00	54.00
Fiscal year ending March 31, 2027	-	42.00			
Fiscal year ending March 31, 2027 (Forecast)			-	47.00	89.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes
About revisions to the forecast of cash dividends, please refer to the "Notice Concerning Revision to the Year-End Dividend Forecast for the Fiscal Year Ending March 31, 2027" announced separately today.

3. Consolidated financial forecasts for the fiscal year ending March 31, 2027

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	145,500	10.7	15,500	35.9	15,400	30.7	10,000	32.1	221.04

Note: Revisions to the consolidated financial forecast most recently announced: Yes
About revisions to the consolidated financial forecast, please refer to the "Notice Concerning Differences between Financial Forecasts and Actual Results for the Six Months Ended September 30, 2026 and Revision to Financial Forecasts for the Fiscal Year Ending March 31, 2027" announced separately today.

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: - companies (-)
Excluded: - companies (-)

(2) Adoption of accounting treatment specific to the preparation of Semi-annual consolidated financial statements: Yes

Note: For details, please refer to the attached document, page 11, " Special Accounting Applied for Preparing Semi-annual Consolidated Financial Statements "

(3) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

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

As of September 30, 2026	51,274,821 shares
As of March 31, 2026	51,274,821 shares

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

As of September 30, 2026	6,488,087 shares
As of March 31, 2026	3,685,533 shares

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

Six months ended September 30, 2026	46,862,848 shares
Six months ended September 30, 2025	50,446,815 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements herein are based on information currently available to RIKEN TECHNOS CORPORATION (the “Company”) and on certain assumptions deemed to be reasonable. Actual results, etc. may differ materially from the forecasts due to various factors. For the assumptions underlying the forecasts and the notes on the use of the forecasts, please refer to the attached document, page 4, "1. Qualitative Information on Semi-annual Financial Results (4) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information".

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1. Qualitative Information on Semi-annual Financial Results

(1) Explanation of Operating Results

During the six months ended September 30, 2026, the Japanese economy continued to recover moderately, with consumer spending and capital investment picking up amid improvements in the employment and income environment and corporate earnings.

Overseas, while the U.S. economy continued to expand moderately, the outlook remained uncertain mainly due to the economic slowdown in China, the situation in the Middle East, and volatility in financial and capital markets.

Under such circumstances, in the second year of its Medium-term Business Plan, "One Vision, New Stage 2027," the Company and its group companies (the "Group") have been implementing specific initiatives under the three strategies of "Global One Company," "Stay Ahead of Customers' Expectations," and "Take on the Challenge toward New Businesses and Products."

As a result, net sales were 72,509 million yen (up 10.6% from the same period in the previous fiscal year; hereinafter "year-on-year"), operating profit was 8,688 million yen (up 57.0% year-on-year), ordinary profit was 8,663 million yen (up 57.9% year-on-year), and profit attributable to owners of parent was 6,233 million yen (up 80.1% year-on-year).

Operating results by segment are as shown below.

The name, abbreviation, and main markets of each respective reportable segment are as follows:

Transportation (TR): automobile, railroad, and shipping markets, etc.

Daily Life & Healthcare (DH): healthcare, materials for daily life, and food packaging markets, etc.

Electronics (EL): energy, communications, and IT equipment markets, etc.

Building & Construction (BC): housing, buildings, construction materials, and civil engineering markets

(Note) The terms in parentheses are abbreviations for the reportable segments.

<Transportation>

Domestic revenue increased as progress was made in passing on soaring raw material costs through sales prices, despite lower sales of compounds due to a temporary suspension of automobile production and a decrease in exports to China.

Overseas revenue increased due to higher sales of compounds at ASEAN operations.

Segment profit increased primarily due to higher sales overseas.

As a result, net sales amounted to 23,249 million yen (up 10.2% year-on-year) and segment profit was 2,909 million yen (up 32.5% year-on-year).

<Daily Life & Healthcare>

Domestic revenue increased due to higher sales of food wrap products and progress in passing on soaring raw material costs for compounds through sales prices.

Overseas revenue increased due to progress in passing on soaring raw material costs for PVC compounds used in medical applications through sales prices at ASEAN operations.

Segment profit increased mainly due to higher sales of food wrap products and the optimization of selling prices of compounds in Japan and overseas.

As a result, net sales amounted to 19,954 million yen (up 8.3% year-on-year) and segment profit was 2,974 million yen (up 51.9% year-on-year).

<Electronics>

Domestic revenue increased due to higher sales of compounds for the electric wire market and progress in passing on soaring raw material costs through sales prices.

Overseas revenue increased due to higher sales of PVC compounds in Thailand and China.

Segment profit increased due to higher sales of compounds for the electric wire market in Japan and overseas.

As a result, net sales amounted to 14,937 million yen (up 16.6% year-on-year) and segment profit was 1,863 million yen (up 130.5% year-on-year).

<Building & Construction>

Domestic revenue increased due to higher sales of PVC compounds and progress in passing on soaring raw material costs for compounds and building films through sales prices.

Overseas revenue increased due to progress in passing on soaring raw material costs through sales prices.

Segment profit increased due to higher sales of compounds and building films in Japan and overseas and the optimization of selling prices.

As a result, net sales amounted to 14,362 million yen (up 8.5% year-on-year) and segment profit was 912 million yen (up 71.4% year-on-year).

(2) Explanation of Financial Position

(Assets)

Total assets as of September 30, 2026 were 123,741 million yen (an increase of 4,637 million yen from the end of the previous fiscal year). This was attributable to the increases in trade receivables, including accounts receivable - trade, merchandise and finished goods, raw materials and supplies, and construction in progress related to capital expenditure, despite the decreases in cash and deposits and investment securities, among other factors.

(Liabilities)

Total liabilities as of September 30, 2026 were 47,325 million yen (an increase of 6,663 million yen from the end of the previous fiscal year). This was attributable to the increases in trade payables, including notes and accounts payable - trade, income taxes payable, other current liabilities, and long-term borrowings, among other factors.

(Net Assets)

Net assets as of September 30, 2026 were 76,416 million yen (a decrease of 2,025 million yen from the end of the previous fiscal year). This was attributable to an increase in treasury shares due to acquisition and a decrease in valuation difference on available-for-sale securities, despite an increase in retained earnings, among other factors.

(3) Explanation of Cash Flows

On a consolidated basis, cash and cash equivalents (hereinafter "cash") as of September 30, 2026 decreased by 2,113 million yen from the end of the previous fiscal year to 24,414 million yen. Net cash provided by operating activities was 7,582 million yen (compared with 7,071 million yen provided for the same period of the previous fiscal year), net cash used in investing activities was 1,320 million yen (compared with 306 million yen used for the same period of the previous fiscal year), and net cash used in financing activities was 8,596 million yen (compared with 4,748 million yen used for the same period of the previous fiscal year).

The status and factors affecting cash flows for the six months ended September 30, 2026 are as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities increased by 510 million yen from the same period of the previous fiscal year to 7,582 million yen. This was mainly due to cash inflows from profit before income taxes of 10,061 million yen, depreciation of 2,327 million yen, and the increase in trade payables of 4,429 million yen, while recording cash outflows from the increase in inventories of 3,553 million yen, the increase in trade receivables of 3,010 million yen and income taxes paid of 1,838 million yen, among other factors.

(Cash Flows from Investing Activities)

Net cash used in investing activities increased by 1,013 million yen from the same period of the previous fiscal year to 1,320 million yen. This was mainly due to cash inflows from proceeds from sale of investment securities of 1,482 million yen, while recording cash outflows from purchase of property, plant and equipment of 2,769 million yen, among other factors.

(Cash Flows from Financing Activities)

Net cash used in financing activities increased by 3,847 million yen from the same period of the previous fiscal year to 8,596 million yen. This was mainly due to cash inflows from proceeds from long-term borrowings of 763 million yen, while recording cash outflows from purchase of treasury shares of 6,454 million yen and dividends paid (including dividends paid to non-controlling interests) of 2,691 million yen, among other factors.

(4) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

With regard to the consolidated financial forecast for the fiscal year ending March 31, 2027, the Company has revised the full-year forecast announced on July 31, 2026, in light of recent operating trends.

Please refer to the "Notice Concerning Differences between Financial Forecasts and Actual Results for the Six Months Ended September 30, 2026 and Revision to Financial Forecasts for the Fiscal Year Ending March 31, 2027" released today for details.

2 Semi-annual Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2026	As of September, 2026
Assets		
Current assets		
Cash and deposits	26,552,535	24,439,193
Notes receivable - trade	423,347	161,115
Accounts receivable - trade	21,334,601	24,189,612
Electronically recorded monetary claims - operating	4,516,358	5,283,121
Merchandise and finished goods	9,949,322	11,585,495
Work in process	1,315,751	1,218,165
Raw materials and supplies	9,074,456	11,334,632
Other	1,207,825	1,606,002
Allowance for doubtful accounts	(116,539)	(86,562)
Total current assets	74,257,660	79,730,775
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,547,305	11,485,852
Machinery, equipment and vehicles, net	11,054,262	11,312,207
Land	5,259,059	5,242,882
Leased assets, net	94,245	89,148
Construction in progress	1,613,530	2,212,323
Other, net	940,755	983,857
Total property, plant and equipment	30,509,159	31,326,272
Intangible assets		
Leased assets	37,438	25,650
Other	2,382,964	2,244,021
Total intangible assets	2,420,403	2,269,671
Investments and other assets		
Investment securities	8,346,083	6,817,323
Long-term loans receivable	832	775
Retirement benefit asset	2,216,858	2,265,264
Deferred tax assets	720,009	710,962
Other	637,361	625,003
Allowance for doubtful accounts	(4,549)	(4,549)
Total investments and other assets	11,916,595	10,414,779
Total non-current assets	44,846,158	44,010,723
Total assets	119,103,818	123,741,498

(Thousands of yen)

		As of March 31, 2026		As of September 30, 2026
Liabilities				
Current liabilities				
Notes and accounts payable - trade		17,916,387		22,530,621
Electronically recorded obligations - operating		571,410		726,895
Short-term borrowings	*1	7,599,247	*1	7,807,361
Current portion of long-term borrowings		662,498		687,510
Lease liabilities		36,299		30,274
Income taxes payable		1,696,505		2,417,152
Provision for bonuses		1,140,331		1,385,486
Provision for bonuses for directors (and other officers)		124,928		77,109
Other		2,737,566		3,442,601
Total current liabilities		32,485,175		39,105,011
Non-current liabilities				
Long-term borrowings		3,154,562		3,639,261
Lease liabilities		64,335		62,232
Deferred tax liabilities		2,691,276		2,318,523
Provision for share awards		6,361		11,838
Provision for share awards for directors (and other officers)		292,359		320,305
Retirement benefit liability		1,120,695		1,055,987
Asset retirement obligations		350,363		352,729
Provision for loss on business restructuring		450,000		450,000
Other		46,524		9,409
Total non-current liabilities		8,176,478		8,220,287
Total liabilities		40,661,653		47,325,299
Net assets				
Shareholders' equity				
Share capital		8,514,018		8,514,018
Capital surplus		6,597,580		6,597,580
Retained earnings		45,587,813		50,179,185
Treasury shares		(4,229,360)		(10,586,061)
Total shareholders' equity		56,470,052		54,704,723
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities		5,173,736		4,156,366
Foreign currency translation adjustment		5,232,194		5,744,480
Remeasurements of defined benefit plans		748,233		713,827
Total accumulated other comprehensive income		11,154,164		10,614,674
Non-controlling interests		10,817,948		11,096,801
Total net assets		78,442,165		76,416,199
Total liabilities and net assets		119,103,818		123,741,498

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

Consolidated Statements of Income

(Thousands of yen)

		Six months ended September 30, 2025		Six months ended September 30, 2026
Net sales		65,567,359		72,509,673
Cost of sales		52,954,874		56,237,460
Gross profit		12,612,484		16,272,213
Selling, general and administrative expenses	*1	7,079,353	*1	7,584,049
Operating profit		5,533,131		8,688,163
Non-operating income				
Interest income		58,397		68,767
Dividend income		95,858		93,346
Other		118,348		75,758
Total non-operating income		272,604		237,872
Non-operating expenses				
Interest expenses		187,530		179,788
Foreign exchange losses		91,776		72,980
Other		40,204		9,276
Total non-operating expenses		319,511		262,046
Ordinary profit		5,486,223		8,663,989
Extraordinary income				
Gain on sale of non-current assets		463,171		9,349
Gain on sale of investment securities		204,309		1,400,813
Total extraordinary income		667,480		1,410,162
Extraordinary losses				
Loss on sale of non-current assets		112		-
Loss on retirement of non-current assets		15,161		13,081
Provision for loss on business restructuring		450,000		-
Total extraordinary losses		465,273		13,081
Profit before income taxes		5,688,430		10,061,070
Income taxes		1,300,770		2,614,863
Profit		4,387,659		7,446,207
Profit attributable to non-controlling interests		925,699		1,212,925
Profit attributable to owners of parent		3,461,960		6,233,282

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	4,387,659	7,446,207
Other comprehensive income		
Valuation difference on available-for-sale securities	610,925	(1,017,641)
Foreign currency translation adjustment	(2,185,207)	631,585
Remeasurements of defined benefit plans, net of tax	(17,052)	(34,405)
Total other comprehensive income	(1,591,333)	(420,461)
Comprehensive income	2,796,326	7,025,746
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,619,769	5,693,792
Comprehensive income attributable to non-controlling interests	176,557	1,331,953

(3) Consolidated Statements of Cash Flows

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	5,688,430	10,061,070
Depreciation	1,986,994	2,327,185
Increase (decrease) in provision for loss on business restructuring	450,000	-
Increase (decrease) in provision for bonuses	(48,647)	241,422
Increase (decrease) in provision for bonuses for directors (and other officers)	(61,474)	(47,819)
Increase (decrease) in allowance for doubtful accounts	(5,197)	(89)
Increase (decrease) in retirement benefit liability	(40,449)	(64,801)
Increase (decrease) in provision for share awards	-	5,477
Increase (decrease) in provision for share awards for directors (and other officers)	4,560	27,945
Interest and dividend income	(154,255)	(162,113)
Interest expenses	187,530	179,788
Loss (gain) on sale of investment securities	(204,309)	(1,400,813)
Loss (gain) on sale of property, plant and equipment	(463,059)	(9,349)
Loss on retirement of non-current assets	15,161	13,081
Decrease (increase) in trade receivables	(958,422)	(3,010,378)
Decrease (increase) in inventories	785,687	(3,553,678)
Increase (decrease) in trade payables	(295,557)	4,429,305
Increase (decrease) in accrued consumption taxes	(101,800)	36,502
Other, net	1,169,605	379,106
Subtotal	7,954,796	9,451,842
Interest and dividends received	154,204	156,384
Interest paid	(187,212)	(187,123)
Income taxes paid	(850,075)	(1,838,489)
Net cash provided by (used in) operating activities	7,071,713	7,582,613
Cash flows from investing activities		
Payments into time deposits	(6,084)	(6,157)
Proceeds from withdrawal of time deposits	6,080	6,090
Purchase of property, plant and equipment	(2,497,714)	(2,769,645)
Proceeds from sale of property, plant and equipment	1,894,635	18,646
Purchase of intangible assets	(55,864)	(30,731)
Proceeds from sale of investment securities	298,891	1,482,108
Proceeds from collection of loans receivable	161	55
Other, net	53,395	(20,644)
Net cash provided by (used in) investing activities	(306,497)	(1,320,278)

(Thousands of yen)

		Six months ended September 30, 2025		Six months ended September 30, 2026
Cash flows from financing activities				
Net increase (decrease) in short-term borrowings		(1,279,378)		132,696
Proceeds from long-term borrowings		1,788,000		763,000
Repayments of long-term borrowings		(199,930)		(334,994)
Repayments of lease liabilities		(13,112)		(10,127)
Purchase of treasury shares		(2,417,654)		(6,454,787)
Dividends paid		(1,400,618)		(1,638,832)
Dividends paid to non-controlling interests		(1,225,690)		(1,053,100)
Net cash provided by (used in) financing activities		(4,748,385)		(8,596,147)
Effect of exchange rate change on cash and cash equivalents		(634,601)		220,325
Net increase (decrease) in cash and cash equivalents		1,382,228		(2,113,487)
Cash and cash equivalents at beginning of period		24,447,758		26,527,615
Cash and cash equivalents at end of period	*1	25,829,986	*1	24,414,128

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on the going concern assumption)

Not applicable.

(Notes in Case of Significant Changes in Shareholders' Equity)

The Company acquired 2,110 thousand shares of its treasury stock based on a resolution of the Board of Directors meeting held on July 31, 2026. As a result, treasury stock increased by 5,145,897 thousand yen and amounted to 10,586,061 thousand yen as of September 30, 2026.

(Special Accounting Applied for Preparing Semi-annual Consolidated Financial Statements)

(Calculation of Tax Expenses)

The Company computes the taxes first by reasonably estimating the effective tax rate after applying tax effect accounting against profit before income taxes for the fiscal year including the period under review, and next by multiplying profit before income taxes by such estimated effective tax rate.

However, in cases where the calculation of taxes using such estimated effective tax rate yields a result that is not reasonable to a significant extent, the effective statutory tax rate is used.

(Additional Information)

(Transactions of delivering the Company's own stock to employees etc. through trusts)

(1) Board Benefit Trust (BBT)

In accordance with the resolution at the 87th Ordinary General Meeting of Shareholders held on June 24, 2016, the Company introduced a new stock-based compensation plan "Board Benefit Trust (BBT)" on September 14, 2016, for the purpose of raising awareness of Directors who execute business (excluding Directors who are Audit & Supervisory Committee Members) and Executive Officers toward their contributions to improving the mid- to long-term corporate performance and increasing the corporate value as well as making Directors who do not execute business (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members contribute to increasing the mid- to long-term corporate value through supervision or audit.

i) Overview of transactions

Based on the officers' stock benefit plan which was established in advance, the Group grants points to Directors, etc. (Directors and Executive Officers). At the time of their retirement, the Group provides shares in the Company to the Directors, etc. who satisfy requirements for beneficiaries in proportion to the points which the Group has granted to them. Regarding the shares which will be provided to Directors etc. in the future, a trust bank acquires the Company's treasury shares through third-party allotment by using the money contributed by the Company. Such shares are managed as trust assets separately.

ii) Shares in the Company remaining at the trust

The shares in the Company remaining at the trust are recorded as the treasury shares in net assets with the book value (excluding associated costs) at the trust. The book value and number of these treasury shares as of the end of the previous fiscal year were 240,258 thousand yen and 523 thousand shares, respectively, while those as of the end of the period under review were 742,718 thousand yen and 797 thousand shares, respectively.

iii) Book value of borrowings recorded due to the application of the gross method

Not applicable.

(2) Stock Benefit Trust (Employee Stockholding Association Purchase-type)

For promoting welfare benefits for employees and giving incentives pertaining to the improvement of corporate value of the Company, the Company introduced “Stock Benefit Trust (Employee Stockholding Association Purchase-type)” (hereinafter referred to as the “Plan”), pursuant to the resolution at the Board of Directors meeting held on April 30, 2026.

i) Overview of transactions

The Plan is an incentive plan under which the benefits of a rise in the Company’s stock price are passed along to all the employees who are members of the “RIKEN TECHNOS Employee Stockholding Association” (hereinafter referred to as the “Stockholding Association”).

A trust bank as the trustee of the Plan acquires shares in the Company that are expected to be acquired by the Stockholding Association over the five years after the establishment of the trust, and bloc in advance, and sells those shares in the Company to the Stockholding Association as needed when it acquires the shares. If the amount equivalent to gain on sales of shares by the trust bank was accumulated in trust assets by the termination of this trust through the sale of shares to the Stockholding Association, the accumulated amount is distributed as residual assets to the members of the Company’s employee Stockholding Association who satisfy eligibility requirements for beneficiaries. The Company has guaranteed loans that the trust bank received to acquire shares in the Company. Therefore, if there is remaining loan amount that is equivalent to loss on sales of shares in the Company due to a decline in the Company’s stock price at the time of termination of the trust, the Company is required to pay the remaining loan amount under the guaranteed agreement.

ii) Shares in the Company remaining at the trust

The shares in the Company remaining at the trust are recorded as the treasury shares in net assets with the book value (excluding associated costs) at the trust. The book value and number of these treasury shares as of the end of the period were 708,071 thousand yen and 417 thousand shares, respectively.

iii) Book value of borrowings recorded due to the application of the gross method

709,356 thousand yen (As of September 30, 2026)

(3) Employee Stock Benefit Trust (J-ESOP)

For boosting morale and motivating employees to improve the Company's stock price and business performance by increasing the linkage between the Company's stock price and business performance with the compensation of employees, the Company introduced “Employee Stock Benefit Trust (J-ESOP)” (hereinafter referred to as the “Plan”), pursuant to the resolution at the Board of Directors meeting held on February 25, 2025.

i) Overview of transactions

The Plan is a trust-type plan based on the Employee Stock Ownership Plan (ESOP) in the U.S., and is designed to provide employees of the Company who meet certain requirements with the Company's shares and money equivalent to the amount of the Company's shares converted to market value (hereinafter referred to as the "Company's shares, etc.") based on the Stock benefit Regulations established by the Company in advance.

The Company grants points to employees in accordance with the Company's performance and their individual contributions, etc., and when they acquire the right to receive benefits under certain conditions, the Company provides them with the Company's shares, etc., equivalent to the points granted. Shares to be provided to employees in the future are acquired with money set up in advance in a trust and are segregated and managed as trust assets.

ii) Shares in the Company remaining at the trust

The shares in the Company remaining at the trust are recorded as the treasury shares in net assets with the book value (excluding associated costs) at the trust. The book value and number of these treasury shares as of the end of the previous fiscal year were 199,652 thousand yen and 179 thousand shares, respectively, while those as of the end of the period were 199,652 thousand yen and 179 thousand shares, respectively.

iii) Book value of borrowings recorded due to the application of the gross method

Not applicable.

(Notes to Consolidated Balance Sheets)

*1. Overdraft agreements and unused overdraft facility balance

To flexibly secure working capital, the Company and its domestic consolidated subsidiaries have entered into overdraft agreements with banks with which they do business.

The unused balance of these prescribed limit agreements at the end of the period is as follows:

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Total overdraft facility limit	8,980,000	8,580,000
Outstanding borrowings within the limit	3,725,000	3,725,000
Unused balance	5,255,000	4,855,000

(Notes to Consolidated Statements of Income)

*1. Main components of selling, general and administrative expenses

Main components of selling, general and administrative expenses are as follows:

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Salaries and bonuses	1,468,911	1,483,112
Provision for bonuses	247,622	334,027
Provision for bonuses for directors (and other officers)	55,180	90,969
Provision for share awards for directors (and other officers)	27,439	68,811
Retirement benefit expenses	76,154	64,442
Freightage expenses	1,989,665	2,141,837
Research and development expenses	798,292	873,527
Provision of allowance for doubtful accounts	(2,745)	(4,377)

(Notes to Consolidated Statements of Cash Flows)

*1. Reconciliation between “Cash and cash equivalents at end of period” in the consolidated statements of cash flows and “Cash and deposits” in the consolidated balance sheets

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash and deposits	25,701,138	24,439,193
Time deposits with maturities over 3 months	(24,814)	(25,064)
Other current assets	153,662	-
Cash and cash equivalents	25,829,986	24,414,128

(Shareholders' Equity and Others)

I. Six months ended September 30, 2025

1. Dividends paid

(Resolution)	Type of shares	Total dividends (Thousands of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders held on June 20, 2025	Common stock	1,404,411	27	March 31, 2025	June 23, 2025	Retained earnings

(Note) Total dividends include 22,607 thousand yen of dividends to the Company's own shares held in Trust Account E.

2. Dividends whose cut-off date is in the period under review and whose effective date is after the end of the period under review

(Resolution)	Type of shares	Total dividends (Thousands of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Board of Directors meeting held on October 31, 2025	Common stock	997,992	20	September 30, 2025	November 28, 2025	Retained earnings

(Note) Total dividends include 14,942 thousand yen of dividends to the Company's own shares held in Trust Account E.

II. Six months ended September 30, 2026

1. Dividends paid

(Resolution)	Type of shares	Total dividends (Thousands of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders held on June 19, 2026	Common stock	1,641,910	34	March 31, 2026	June 22, 2026	Retained earnings

(Note) Total dividends include 23,874 thousand yen of dividends to the Company's own shares held in Trust Account E.

2. Dividends whose cut-off date is in the period under review and whose effective date is after the end of the period under review

(Resolution)	Type of shares	Total dividends (Thousands of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Board of Directors meeting held on October 30, 2026	Common stock	1,939,599	42	September 30, 2026	November 30, 2026	Retained earnings

(Note) Total dividends include 58,556 thousand yen of dividends to the Company's own shares held in Trust Account E.

(Segment Information and Others)

[Segment information]

I. Six months ended September 30, 2025

1. Information about net sales and profit or loss by reportable segment, and revenue breakdown

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on the consolidated statements of income (Note 3)
	TR	DH	EL	BC	Total				
Net sales									
Revenue generated from contracts with customers	21,088,509	18,425,177	12,812,586	13,232,409	65,558,683	8,675	65,567,359	—	65,567,359
Sales to external customers	21,088,509	18,425,177	12,812,586	13,232,409	65,558,683	8,675	65,567,359	—	65,567,359
Intersegment sales or transfers	—	—	—	—	—	255,501	255,501	(255,501)	—
Total	21,088,509	18,425,177	12,812,586	13,232,409	65,558,683	264,177	65,822,861	(255,501)	65,567,359
Segment profit	2,195,964	1,958,411	808,753	532,323	5,495,453	45,575	5,541,028	(7,897)	5,533,131

(Notes) 1. The “Other” category is the business segment that is not included in the reportable segments, and represents the purchase and sales of raw materials, etc.

2. The adjustment to segment profit represents negative 7,897 thousand yen in inter-segment eliminations.

3. Segment profit is adjusted to operating profit in the consolidated statements of income.

2. Information about impairment loss on non-current assets or goodwill and others by reportable segment

Not applicable.

II. Six months ended September 30, 2026

1. Information about net sales and profit or loss by reportable segment, and revenue breakdown

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on the consolidated statements of income (Note 3)
	TR	DH	EL	BC	Total				
Net sales									
Revenue generated from contracts with customers	23,249,296	19,954,775	14,937,037	14,362,490	72,503,599	6,073	72,509,673	—	72,509,673
Sales to external customers	23,249,296	19,954,775	14,937,037	14,362,490	72,503,599	6,073	72,509,673	—	72,509,673
Intersegment sales or transfers	—	—	109	—	109	238,328	238,437	(238,437)	—
Total	23,249,296	19,954,775	14,937,147	14,362,490	72,503,709	244,402	72,748,111	(238,437)	72,509,673
Segment profit	2,909,951	2,974,669	1,863,929	912,402	8,660,953	5,193	8,666,146	22,016	8,688,163

(Notes) 1. The “Other” category is the business segment that is not included in the reportable segments, and represents the purchase and sales of raw materials, etc.

2. The adjustment to segment profit represents 22,016 thousand yen in inter-segment eliminations.

3. Segment profit is adjusted to operating profit in the consolidated statements of income.

2. Information about impairment loss on non-current assets or goodwill and others by reportable segment

Not applicable.

(Revenue recognition)

Information on the breakdown of revenue generated from contracts with customers is as stated in “Segment Information and Others.”

(Per Share Information)

Basic earnings per share and the basis for calculation thereof are as follows:

	Six months ended September 30, 2025	Six months ended September 30, 2026
Basic earnings per share (Yen)	68.63	133.01
(Basis for calculation)		
Profit attributable to owners of parent (Thousands of yen)	3,461,960	6,233,282
Amount not attributable to common shareholders (Thousands of yen)	–	–
Profit attributable to owners of parent regarding common stock (Thousands of yen)	3,461,960	6,233,282
Average number of shares of common stock outstanding during the period (Thousands of shares)	50,446	46,862

(Notes) 1. Shares in the Company remaining at the trust that were recorded as treasury shares under shareholders’ equity have been included in the treasury shares that should be deducted in calculating the average number of shares outstanding during the period for the purpose of calculating basic earnings per share.
The average number of treasury shares during the period that were deducted for the purpose of calculating basic earnings per share was 1,685 thousand shares for the six months ended September 30, 2025 and 4,411 thousand shares for the six months ended September 30, 2026.

2. Diluted earnings per share are not presented because there are no potential shares.

(Significant Subsequent Events)

Not applicable.