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

November 2, 2026

Company name:	Macnica Holdings, Inc.
Listing:	TSE Prime
Securities code:	3132
URL:	https://holdings.macnica.co.jp/
Representative:	Kazumasa Hara Representative Director and President
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Telephone:	+81 45 470 8980
Scheduled date of filing interim securities report:	November 13, 2026
Scheduled date to commence dividend payments:	December 2, 2026
Preparation of supplementary material on financial results:	Yes
Holding of interim financial results briefing:	Yes (For institutional investors and analysts)

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

(April 1, 2026, to September 30, 2026)

(1) Consolidated operating results (cumulative)

Yen rounded down to millions, % indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	831,293	44.5	33,518	91.5	32,751	122.4	22,278	102.1
September 30, 2025	575,435	10.9	17,506	△21.8	14,728	△30.2	11,021	△27.7

Note: Comprehensive income For the six months ended September 30, 2026: 21,930 million yen [51.9%]
For the six months ended September 30, 2025: 14,440 million yen [30.9%]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2026	124.74	—
September 30, 2025	61.75	—

Note: Diluted net income per share is stated as "-" because there are no latent shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	840,288	305,865	34.9
March 31, 2026	700,887	289,115	39.8

Note: Reference: Equity as of September 30, 2026: 293,575 million yen; as of March 31, 2026: 278,932 million yen

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	—	35.00	—	35.00	70.00
Fiscal year ending March 31, 2027	—	45.00			
Fiscal year ending March 31, 2027 (Forecast)			—	45.00	90.00

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

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2027

(April 1, 2026 to March 31, 2027) % indicate changes from the same period of the previous fiscal year

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
Fiscal year ending	Mil yen	%	Mil yen	%	Mil yen	%	Mil yen	%	yen
March 31, 2027	1,670,000	37.5	67,500	60.9	66,000	76.5	46,000	65.7	257.56

Notes:

1. Revisions of the forecast most recently announced: Yes
2. The Company resolved to acquire treasury shares at the Board of Directors meeting held on November 2, 2026. The calculation of net income per share in the consolidated earnings forecast does not take account of the impact of acquisitions of treasury shares made on or after November 4, 2026, under this resolution.

Notes:

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

Newly included: None
Excluded: None

(2) Application of accounting procedures specific to the interim consolidated financial statements: Yes

Please see "2. Consolidated Interim Financial Statements and Major Notes, (4) Notes to Consolidated Interim Financial Statements: Application of accounting procedures specific to the interim consolidated financial statements" on page 11.

(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	179,072,146 shares
As of March 31, 2026	179,072,146 shares

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

As of September 30, 2026	416,933 shares
As of March 31, 2026	509,089 shares

(iii) Average number of shares outstanding during the interim period

Six months ended September 30, 2026	178,602,543 shares
Six months ended September 30, 2025	178,478,266 shares

* Interim financial results are exempt from review conducted by certified public accountants or an audit corporation.

* Disclaimer regarding forward-looking statements and other special notes
  Forward-looking statements in this document such as financial forecasts are based on assumptions available to management and considered reasonable at the time of publication. The Group does not guarantee the achievement of projections. Actual performance may differ materially from these projections due to various factors. Please see “1. Overview of Operating Results (3) Consolidated Earnings Forecasts and Other Forward-Looking Statements" on page 5 for more information regarding the assumptions used and matters to be noted when relying on profit projections.

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1. Overview of Operating Results

(1) Interim Operating Results

During the consolidated interim period under review, the Japanese economy continued in a moderate recovery, with capital expenditure remaining robust against a backdrop of solid corporate earnings, despite the impact of rising prices and interest rates.

In the global economy, against a backdrop of rapid proliferation and advancement of AI, including generative AI, concerns regarding AI safety and its social impact have grown markedly, leading to calls for stricter regulations on AI development and use. Meanwhile, demand for AI-related products remains robust, with capital expenditure, centered on data centers and semiconductors, expanding and the AI-related market continuing to perform well. However, due to ongoing geopolitical risks and other factors, the global outlook remains uncertain.

In the electronics industry, to which our company belongs, demand for generative AI servers remained robust, underpinning overall demand for semiconductors. In the industrial equipment market, demand is recovering across a wide range of products, including capital expenditure on equipment for manufacturing and testing semiconductors, as well as factory automation (FA) machine tools. Furthermore, in the automotive market, demand for advanced control systems aimed at improving safety and automation continues.

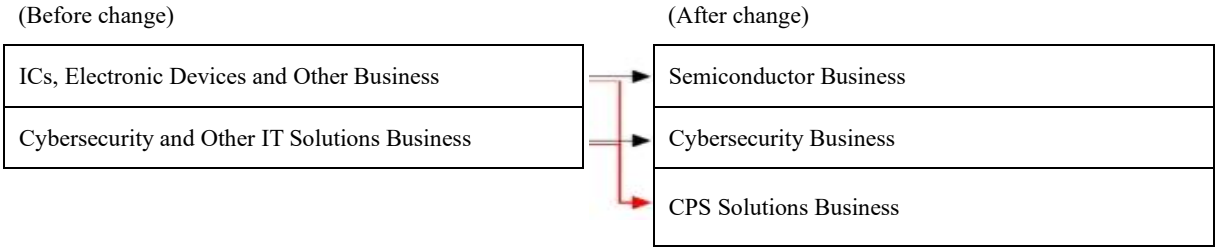
In the IT sector, the environment for corporate IT investment remains favorable. In the field of security, the impact of cyber-attacks on businesses is becoming increasingly severe, with a succession of large-scale data breaches and cyber incidents in Japan that have disrupted business operations. Furthermore, in addition to ransomware and supply chain attacks, attacks targeting cloud services and externally accessible systems are becoming increasingly prevalent, making corporate cybersecurity measures more critical than ever. Moreover, with the proliferation of generative AI, the expanding use of AI agents and the growing adoption of cloud services, the IT assets and access pathways that companies must manage are becoming increasingly complex; consequently, corporate demand for cybersecurity investment has remained at a high level.

In the CPS (Cyber-Physical System) market in which the company operates, there is a growing need for solutions that integrate the physical and cyber domains, driven by social challenges such as labor shortages resulting from a declining birth rate and ageing population, a shortage of staff for regional public transport, the transition to a decarbonized society, and the extension of healthy life expectancy, as well as the rapid advancement of digital technologies, including generative AI. Specifically, demand highly aligned with our key business themes (Smart Cities / Mobility, Smart Manufacturing, Healthcare, Circular Economy, and Food & Agri-Tech) is expanding. Furthermore, there are ongoing policy initiatives to support the expansion of this market. For instance, the public-private investment roadmap for "key products and technologies" in 17 strategic sectors, decided by the Japan Growth Strategy Headquarters on July 21, 2026, identifies areas highly compatible with CPS, such as autonomous driving technology and physical AI, as priority sectors.

As a result, for the current consolidated interim, net sales stood at 831,293 million yen, up 44.5% year-on-year, operating income came to 33,518 million yen, up 91.5% year-on-year, ordinary income was 32,751 million yen, up 122.4% year-on-year, and net income attributable to owners of the parent came to 22,278 million yen, up 102.1% year-on-year.

Please note the Group had previously reported two segments, “ICs, Electronic Devices and Other Business” and “Cybersecurity and Other IT Solutions”, until the current consolidated fiscal year. However, following a review of our performance management structure in line with the expansion of the CPS (Cyber-Physical System) Solutions business, we decided to classify the “CPS (Cyber-Physical System) Solutions Business” as an independent reporting segment, effective this fiscal year. In conjunction with this change in segment classification, we are renaming the "ICs, Electronic Devices, and Other Business" segment to "Semiconductor Business" and the "Cybersecurity and Other IT Solutions Business" segment to "Cybersecurity Business."

Segment information for the previous interim consolidated fiscal period is stated based on figures prepared under the classification method after the change.



The financial results by segment are as follows.

1. Semiconductor Business

In the Semiconductor Business, in the industrial equipment market, both domestically and overseas, capital expenditure geared toward AI demand drove steady performance in semiconductor manufacturing equipment applications. Further, an improvement in demand has been observed across a wide range of applications, including factory automation (FA) and machine tools. In terms of product categories, a recovery has been seen across many product types, centered on analog products and also including PLDs, memory, ASSPs, power ICs and others. In the automotive market, demand for semiconductors is recovering as inventory adjustments have come to an end. In the computer market, demand for AI servers remains robust.

As a result, interim net sales for this business came to 721,339 million yen, up 46.7% year-on-year, while operating income stood at 29,258 million yen, up 117.1% year-on-year.

2. Cybersecurity Business

In the Cybersecurity Business, against a backdrop of a further rise in corporate risk awareness following a series of large-scale incidents in Japan, endpoint security products, which provide comprehensive protection and management of client devices, continued to perform strongly, whilst security products that help visualize and manage cyber risks and take preventive action saw growth. Against the backdrop of expanding cloud service usage and the widespread adoption of zero-trust security, solutions supporting secure content management in the cloud, as well as SASE (Secure Access Service Edge) products that integrate networking and security, recorded steady growth. Furthermore, the overseas cybersecurity business in the Asia-Pacific region, centered on Singapore, is also growing steadily.

As a result, interim net sales for this business amounted to 105,887 million yen, up 31.2% year-on-year, while operating income stood at 8,907 million yen, up 14.8% year-on-year.

3. CPS Solutions Business

In the CPS Solutions Business, against a backdrop of growing demand for advanced solutions following the renewal of core systems, growth was seen in systems integration (SI) within the Smart Manufacturing sector centered on digital transformation (DX)-related services, as well as in production simulation and PLM. In the manufacturing support sector, contract manufacturing-related projects expanded in response to customer needs for in-house production and manufacturing DX. In the Smart City/Mobility sector, we are continuing to strengthen development of our vehicles and the remote operation management system ‘everfleet’ with a view to expanding the real-world deployment of autonomous driving services. In March 2026, our autonomous electric bus, the EVO, obtained authorization under the Road Transport Vehicle Act to operate as a driverless autonomous vehicle (Level 4) on public roads in Hitachi-Ota City, Ibaraki Prefecture. Against this backdrop, our consolidated subsidiary Navya Mobility SAS continued to expand its production and delivery capabilities for autonomous electric buses, however the lead time for deployment to local authorities and other customers has lengthened. Consequently, the number of completed vehicles sold externally during the current interim period fell short of initial projections, resulting in expenses being recognized before sales. In addition, net sales and profit in this sector fell short of the initial plan, owing to the termination of a project following the cancellation of a customer’s vehicle development program.

Consequently, interim net sales for this business totaled 4,066 million yen, up 25.9% year-on-year, while interim operating loss stood at 4,647 million yen, compared with an operating loss of 3,728 million yen in the same period of the previous fiscal year.

Reference: Consolidated Net Sales by Product

			Apr 1 - Sept 30, 2025	Apr 1 - Sept 30, 2026	Y/Y change (%)
			Millions of yen	Millions of yen	
Semiconductor Business			491,552	721,339	46.7
	IC		418,406	629,608	50.5
		PLD	51,635	56,891	10.2
		ASIC	8,680	8,413	△3.1
		ASSP	47,937	77,471	61.6
		Analog	136,328	238,323	74.8
		Memory	28,099	61,431	118.6
		Microcontroller	77,470	101,501	31.0
		Power and Other ICs	68,253	85,574	25.4
	Electronic Devices		40,444	61,941	53.2
	Other		32,701	29,789	△8.9
Cybersecurity Business			80,651	105,887	31.3
	Hardware		7,501	7,340	△2.1
	Software		60,291	84,439	40.1
	Service		12,857	14,106	9.7
CPS Solutions Business			3,230	4,066	25.9
Total			**575,435**	**831,293**	**44.5**

Notes: Amounts are sales to external customers, excluding internal sales or transfer sales between segments.

(2) Interim Financial Position

Assets, Liabilities and Net Assets

Total assets at the end of the interim period stood at 840,288 million yen, an increase of 139,401 million yen compared with the end of the previous fiscal year.

Current assets increased by 139,982 million yen compared with the end of the previous fiscal year. This was primarily due to notes receivable, trade receivables and contract assets of 92,256 million yen, and 41,317 million yen in inventories, respectively.

Fixed assets decreased by 581 million yen compared with the end of the previous fiscal year. This was primarily due to a decrease of 1,095 million yen in other intangible fixed assets and a decrease of 377 million yen in other investments and assets, despite an increase of 956 million yen in investment securities.

Current liabilities increased by 122,611 million yen compared with the end of the previous fiscal year. This was primarily due to increases of 36,424 million yen in notes and accounts payable, 40,119 million yen in short-term borrowings, 4,964 million yen in income tax payable and similar liabilities, and 39,879 million yen in other current liabilities, respectively.

Long-term liabilities increased by 40 million yen compared with the end of the previous fiscal year. This was due to an increase of 50 million yen in other non-current liabilities, despite a decrease of 9 million yen in liabilities relating to retirement benefits.

Net assets increased by 16,749 million yen compared with the end of the previous fiscal year. This was mainly due to increases of 16,028 million yen in retained earnings and 2,106 million yen in non-controlling interests, despite a 2,884 million yen decrease in foreign currency translation adjustment.

Cash Flows

The balance of cash and cash equivalents at the end of the interim period stood at 53,206 million yen, a decrease of 1,163 million yen compared with the 54,370 million yen recorded at the end of the previous consolidated financial year.

Cash flow from operating activities

Cash flow from operating activities decreased by 32,569 million yen, compared with an increase of 23,614 million yen in the same period of the previous year. This was mainly due to an increase in trade receivables and inventories, despite the recognition of interim net income before income tax and other adjustments of 32,737 million yen, as well as increases in trade payables.

Cash flows from investing activities

Cash flows from investing activities decreased by 2,346 million yen, compared with a decrease of 1,180 million yen in the same period of the previous year. This was primarily due to the disbursement of loans granted and purchases of intangible fixed assets and shares in affiliated companies.

Cash flows from financing activities

Cash flows from financing activities increased by 34,468 million yen, compared with a decrease of 24,907 million yen in the same period of the previous fiscal year. This was primarily due to a net increase in short-term loans, despite cash dividends paid and dividends paid to non-controlling shareholders.

(3) Consolidated Earnings Forecasts and Other Forward-Looking Statements

Regarding the outlook, in the Semiconductor Business, demand for AI-related infrastructure is expected to drive the market, and semiconductor demand is forecast to remain robust across a wide range of markets. In the Cybersecurity Business, new security demand driven by AI is also on the rise; the endpoint security market remains robust, and demand for cybersecurity is expected to increase further both domestically and internationally. In the CPS Solutions Business, in the Smart City/Mobility field, autonomous driving is designated as a product and technology in the Japanese government's “17 Strategic Fields”, with autonomous buses expected to proliferate in the years ahead. However, in addition to the continued investment phase in the business development of the autonomous bus, sales plans have been revised in light of changes in the overseas business environment, and some projects have ended owing to customers discontinuing vehicle development. As a result, net sales and income for this business in the second half are expected to fall short of the initial plan.

In light of this business environment, we have revised the full-year consolidated earnings forecast for the fiscal year ending March 31, 2027, as set out in the 'Consolidated Financial Results for the Fiscal Year ended March 31, 2026 [Japanese GAAP]' published on May 11, 2026. For further details, please refer to the 'Notice Regarding Revisions to the Full-year Consolidated Earnings Forecast for the Fiscal Year ending March 31, 2027, Dividends from Retained Earnings (Interim Dividend) and Year-end Dividend Forecast (Dividend Increase)', published today. The underlying exchange rate assumption is 1 US$ = 158 yen.

While vigorously advancing the initiatives set out in our Medium-term Management Plan (FY2025–2027), which targets the end of FY2027, we will place great importance on dialogue with our suppliers and customers, respond agilely to changes in the external environment, and strive to enhance our corporate value over the medium- to long-term.

2. Consolidated Interim Financial Statements and Major Notes

(1) Consolidated Interim Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
ASSETS		
Current assets		
Cash and deposits	54,388	53,206
Notes, accounts receivable and contract assets	268,665	360,922
Electronically recorded receivables	25,157	16,809
Product	263,912	305,230
Other	56,708	72,790
Allowance for doubtful accounts	△959	△1,104
Total current assets	667,872	807,854
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	2,284	2,211
Tools, furniture and fixtures, net	1,770	1,783
Machinery, equipment and vehicles, net	638	633
Land	3,067	3,067
Other, net	1,712	1,729
Total tangible fixed assets	9,474	9,424
Intangible fixed assets		
Goodwill	105	89
Other	5,931	4,835
Total intangible fixed assets	6,037	4,925
Investments and other assets		
Investment securities	8,121	9,077
Other	9,434	9,056
Allowance for doubtful accounts	△52	△51
Investments and other assets	17,503	18,083
Total fixed assets	33,015	32,433
Total Assets	700,887	840,288

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
LIABILITIES		
Current liabilities		
Notes & accounts payable	225,254	261,679
Short-term loans payable	75,786	115,905
Accrued income taxes	5,186	10,151
Accrued bonuses	7,479	8,710
Provision for directors' bonuses	36	29
Other current liabilities	95,825	135,705
Total current liabilities	409,570	532,182
Long-term liabilities		
Liability for retirement benefits	417	408
Other long-term liabilities	1,782	1,833
Total long-term liabilities	2,200	2,241
Total liabilities	411,771	534,423
NET ASSETS		
Shareholders’ Equity		
Paid-in capital	14,040	14,040
Additional paid-in capital	30,654	30,774
Retained earnings	197,678	213,707
Treasury share	△1,030	△843
Total shareholders' equity	241,342	257,678
Other Comprehensive Income		
Unrealized holding gains on securities	788	1,087
Gain (loss) on deferred hedge	△627	265
Translation adjustments	37,428	34,544
Total comprehensive income	37,589	35,896
Non-controlling interests	10,183	12,290
Total net assets	289,115	305,865
Total Liabilities & Net Assets	700,887	840,288

(2) Consolidated Interim Statements of Income and Comprehensive Income

Consolidated Interim Statement of Income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	575,435	831,293
Cost of sales	515,561	747,001
Gross profit	59,873	84,292
Selling, general & administrative expenses	42,367	50,773
Operating income	17,506	33,518
Non-operating income		
Interest income	212	178
Dividend income	221	160
Equity in net gain of affiliates	11	―
Foreign exchange gains	―	253
Insurance proceeds	488	28
Gain on reversal of product compensation expenses	―	500
Other	582	544
Total non-operating income	1,517	1,666
Non-operating expenses		
Interest expense	1,030	2,119
Equity in net loss of affiliates	―	16
Foreign exchange losses	2,542	―
Loss on transfer of receivables	215	225
Other	506	72
Total non-operating expenses	4,294	2,433
Ordinary income	14,728	32,751
Extraordinary income		
Proceeds from sale of investment securities	170	25
Other	6	7
Total extraordinary income	177	33
Extraordinary losses		
Loss on retirement of fixed assets	102	11
Loss on valuation of investment securities	36	15
Loss on valuation of shares of subsidiaries and associates	―	15
Other	4	2
Total extraordinary losses	143	46
Interim income before income taxes	14,762	32,737
Corporate, inhabitant and enterprise taxes	4,062	8,938
Total corporate tax	4,062	8,938
Net interim income	10,700	23,799
Net interim income (loss) attributable to non-controlling interests	△321	1,520
Net interim income attributable to owners of parent	11,021	22,278

Consolidated Interim Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net interim income	10,700	23,799
Other comprehensive income		
Unrealized holding gains on securities	862	273
Gain (loss) on deferred hedge	△322	892
Translation adjustments	3,208	△3,021
Other comprehensive income of entities under equity method	△10	△13
Total comprehensive income	3,739	△1,868
Comprehensive interim income	14,440	21,930
(Breakdown of comprehensive income)		
Comprehensive interim income attributable to owners of parent	14,049	20,585
Comprehensive interim income attributable to non-controlling interests	390	1,344

(3) Consolidated Interim Statements of Cash Flow

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Operating Activities		
Interim income before income taxes	14,762	32,737
Depreciation and amortization	2,116	2,151
Interest and dividend income	△434	△339
Interest expense	1,030	2,119
Insurance proceeds	△488	△28
Equity in net loss (gain) of affiliates	△11	16
Loss (gain) on translation	504	△47
Loss on retirement of non-current assets	102	11
Proceeds from sale of investment securities	△170	△25
Loss on valuation of investment securities	36	15
Loss on valuation of shares of subsidiaries and associates	―	15
Change in notes and accounts receivable	△38,757	△88,309
Change in inventories	11,854	△43,624
Changes in trade payable	30,770	39,031
Other	3,591	29,455
Sub-total	24,907	△26,819
Interest and dividends received	451	333
Interest paid	△985	△2,001
Proceeds from insurance income	488	28
Corporate tax payment	△1,247	△4,110
Net cash provided by (used in) operating activities	23,614	△32,569
Investing Activities		
Proceeds from withdrawal of time deposits	67	17
Disbursement of loans	△729	△865
Proceeds from collection of loans	623	631
Purchases of property and equipment	△697	△647
Proceeds from sales of property and equipment	0	13
Purchases of intangible assets	△652	△802
Purchases of investment securities	△37	―
Proceeds from sales of investment securities	247	65
Purchase of shares of subsidiaries and associates	―	△827
Proceeds from sales of shares of subsidiaries and associates	―	0
Other	△1	69
Net cash provided by (used in) investing activities	△1,180	△2,346

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Financing Activities		
Change in short-term loans	△17,346	41,132
Proceeds from share issuance to non-controlling shareholders	―	762
Purchase of treasury shares	△0	△0
Cash dividends paid	△6,241	△6,252
Dividends paid to non-controlling interests	△936	△769
Other	△382	△404
Net cash provided by (used in) financing activities	△24,907	34,468
Translation adjustments on cash and cash equivalents	241	△715
Net increase (decrease) in cash and cash equivalents	△2,231	△1,163
Cash and cash equivalents at the beginning of the year	48,452	54,370
Cash and cash equivalents at end of the interim period	46,221	53,206

(4) Notes to Consolidated Interim Financial Statements

Notes on going concern assumptions

Not applicable.

Notes on significant changes in shareholders' equity

Not applicable.

Application of accounting procedures specific to the interim consolidated financial statements

Tax expenses

The Company adopted a procedure for reasonably estimating the effective tax rate after applying tax effect accounting to income before taxes for the consolidated fiscal year, including the current consolidated interim period, and multiplying interim income before income taxes by the estimated effective tax rate.

Segment information

1. Previous Consolidated Interim Period (April 1 – September 30, 2025)

(1) Sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment				Other	Total
	Semiconductor Business	Cybersecurity Business	CPS Solutions Business	Sub-total		
Sales						
1) Sales to external customers	491,552	80,651	3,230	575,435	—	575,435
2) Internal sales, segment transfers	—	54	—	54	—	54
Total	491,552	80,705	3,230	575,489	—	575,489
Operating income (loss) by segment	13,474	7,759	△3,728	17,505	—	17,505

(2) Income (loss) by reportable segment & consolidated interim statements of income (Reconciliation)

(Millions of yen)

Income	Amount
Total segment income	17,505
Elimination of intersegment income	0
Operating income in the consolidated interim statement of income	17,506

(3) Impairment losses on fixed assets, information concerning goodwill by reportable segment

Not applicable

2. Current Consolidated Interim Period (April 1 – September 30, 2026)

(1) Sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment				Other	Total
	Semiconductor Business	Cybersecurity Business	CPS Solutions Business	Sub-total		
Sales						
1) Sales to external customers	721,339	105,887	4,066	831,293	—	831,293
2) Internal sales, segment transfers	—	—	—	—	—	—
Total	721,339	105,887	4,066	831,293	—	831,293
Operating income (loss) by segment	29,258	8,907	△4,647	33,517	—	33,517

(2) Income (loss) by reportable segment & consolidated interim statements of income (reconciliation)

(Millions of yen)

Income	Amount
Total segment income	33,517
Elimination of intersegment income	0
Operating income in the consolidated interim statement of income	33,518

(3) Impairment losses on fixed assets, information concerning goodwill by reportable segment

Not applicable

(4) Changes in reportable segments

The Group had previously reported two segments, namely the "ICs, Electronic Devices and Other Business" segment and the "Cybersecurity and Other IT Solutions Business" segment. However, effective this fiscal year, following a review of the business performance and management structure accompanying the expansion of the CPS (Cyber-Physical System) Solutions business, it became possible to capture independent financial information for that business, and the Company has therefore decided to classify “CPS Solutions Business” as an independent reportable segment.

In conjunction with this change, the "ICs, Electronic Devices and Other Business" segment will be renamed as the "Semiconductor Business," and the "Cybersecurity and Other IT Solutions Business" segment will be renamed as the "Cybersecurity Business."

Segment information for the previous interim consolidated fiscal period is stated based on figures prepared under the classification method after the change.

Subsequent events

The Company hereby announces that, at the Board of Directors meeting held today, we resolved the following matters related to the acquisition of treasury shares, pursuant to Article 156 of the Companies Act, which is applied pursuant to Article 165, Paragraph 3 of the same Act.

1. Reason for purchase of treasury shares

Our basic policy is to secure the internal reserve necessary for future business development and the further enhancement and strengthening of our corporate structure while returning maximal profit to our shareholders, and to strive for continued stable dividends while taking account of various circumstances. Under our Medium-Term Management Plan (FY2025~2027), we aim to achieve a total payout ratio of 40–50%. This will be achieved by paying stable and continuous dividends based on a target consolidated dividend on equity ratio (DOE: 5%), while implementing flexible share buy-backs that account for capital efficiency and market conditions.

Taking current performance trends and financial conditions into account and based on the shareholder returns policy set forth in the Medium-Term Management Plan, we have decided to implement an acquisition of treasury shares.

2. Details of purchase

(1)	Class of shares to be purchased:	Common shares of the Company
(2)	Total number of shares to be purchased:	1,600,000 shares (maximum) (Ratio to the total number of issued shares excluding treasury shares: 0.89%)
(3)	Total purchase price of shares:	¥5,000,000,000 (maximum)
(4)	Purchase period:	November 4, 2026, through December 21, 2026
(5)	Purchase method:	Market purchase on the Tokyo Stock Exchange