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November 5, 2026

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

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Listing: Tokyo Stock Exchange
Securities code: 8020
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Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date to commence dividend payments: December 4, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the Six Months Ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	571,910	11.4	36,558	45.1	35,963	48.1	24,926	49.9
September 30, 2025	513,495	(1.0)	25,189	(0.9)	24,279	4.3	16,629	7.8

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Six months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2026	24,414	51.3	20,519	(2.8)	146.71	146.02
September 30, 2025	16,137	6.6	21,117	71.4	97.05	96.65

(Note 1) The basic earnings per share and the diluted earnings per share are calculated based on the profit attributable to owners of the parent.
(Note 2) The Company conducted a 2-for-1 stock split of its common shares on January 1, 2026. The calculation of basic earnings per share and diluted earnings per share is done under the assumption that the stock split occurred at the start of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2026	742,178	238,983	223,839	30.2
March 31, 2026	733,009	223,474	208,391	28.4

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	-	57.50	-	34.25	-
Fiscal year ending March 31, 2027	-	38.50			
Fiscal year ending March 31, 2027 (Forecast)			-	38.50	77.00

(Note 1) Revisions to the forecast of cash dividends most recently announced: Yes
(Note 2) The Company conducted a 2-for-1 stock split of its common shares on January 1, 2026. The interim dividend per share for the fiscal year ended March 31, 2026 is stated without reflecting the effect of the stock split, and the total annual dividend per share is presented as "-". Assuming the stock split, the interim dividend per share for the fiscal year ended March 31, 2026 would be ¥28.75, and the total annual dividend per share would be ¥63.00.

3. Forecasts for consolidated results ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(Percentages indicate changes from the previous year.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,150,000	7.7	60,000	23.3	56,000	18.8	38,500	18.4	231.36

(Note) Revisions to results forecasts published most recently: Yes

* Notes

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

(2) Changes in accounting policies and changes in accounting estimates
- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of September 30, 2026	169,000,404	shares
As of March 31, 2026	169,000,404	shares

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

As of September 30, 2026	2,589,825	shares
As of March 31, 2026	2,589,637	shares

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

Six months ended September 30, 2026	166,410,673	shares
Six months ended September 30, 2025	166,281,869	shares

(Note) The Company conducted a 2-for-1 stock split of its common shares on January 1, 2026. The calculation of the total number of issued shares at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period is done under the assumption that the stock split occurred at the start of the previous fiscal year.

* Review of the Japanese-language originals of the attached consolidated interim financial statements by certified public accountants or an audit firm: None

* Explanation about the proper use of results forecasts, and additional information.
The forward-looking statements, including results forecasts, included in this document are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them.
Actual results might be significantly different from the forecasts in the document, depending on various factors. Refer to “(3) Information on the future outlook, including consolidated business performance forecasts” in “1. Qualitative Information on Consolidated Results for the six months ended September 30, 2026” on page 4 of accompanying materials for further information on results forecasts.

Accompanying Materials – Contents

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1. Qualitative Information on Consolidated Results for the Six Months Ended September 30, 2026

(1) Details of consolidated results

During the six months under review (from April 1, 2026 to September 30, 2026), although the global economy maintained its firmness, its outlook remained uncertain primarily due to continued uncertainty surrounding trade policies in various countries, geopolitical risks surrounding the situation in the Middle East, fluctuations in energy prices, and other factors.

In the U.S., personal consumption and capital investment centered on AI-related fields supported economic activity. Meanwhile, upward pressure on prices and uncertainty surrounding trade policies weighed on corporate activities. Furthermore, signs of softening in the labor market, along with uncertainty surrounding policy management ahead of the midterm elections, left the economic outlook subject to uncertainty.

In Europe, amid the effects of inflation trends and energy prices, sluggish growth in external demand and persistent uncertainty surrounding the political situation within the region continued to weigh on the economy, resulting in a sustained lack of strong momentum.

In China, despite sustained support from various economic stimulus measures, the economy continued to lack strong momentum against the backdrop of prolonged adjustments in the real estate market and weak domestic demand.

The Japanese economy saw signs of a pickup in personal consumption against the backdrop of sustained wage increases and improvements in employment and income conditions. However, the impact of rising prices on real purchasing power, together with increased interest burden associated with policy rate hikes and uncertainty surrounding overseas economies, exerted downward pressure on economic activity, and the pace of economic recovery remained gradual.

Under these circumstances, the consolidated results of the Group for the six months ended September 30, 2026 were as follows.

The ICT Solutions business and the Semiconductor Parts and Equipment business, among others, performed strongly. In addition, growth in the Food business, improved trading performance in the Meat Products business, and increased transactions in the Energy business contributed to increases in both revenue and profit.

As a result, consolidated revenue increased by ¥58,415 million (11.4%) year on year, to ¥571,910 million. Consolidated gross profit also increased by ¥13,482 million (16.4%) from a year earlier, to ¥95,831 million. Consolidated operating profit increased by ¥11,369 million (45.1%) from a year earlier, to ¥36,558 million, as the increase in gross profit more than offset higher selling, general and administrative expenses. Profit before tax increased by ¥11,684 million (48.1%) year on year, to ¥35,963 million. Profit attributable to owners of the parent increased by ¥8,277 million (51.3%) year on year, to ¥24,414 million.

Results for each business segment are described below.

(i) ICT Solution

Revenue increased by ¥9,976 million year on year, to ¥62,627 million, due to strong performance driven by increased AI-related investment and growing demand for security. Operating profit increased by ¥572 million, to ¥8,292 million, and profit attributable to owners of the parent increased by ¥557 million, to ¥5,663 million.

(ii) Electronics & Devices

Revenue increased by ¥22,383 million year on year, to ¥158,196 million, due to strong transactions in Semiconductor Components and Equipment and the Electronic Devices and Electronic Materials business against the backdrop of tight memory supply and rising prices, as well as growth in the Mobile business. Operating profit increased by ¥3,631 million, to ¥11,660 million. Profit attributable to owners of the parent increased by ¥2,454 million, to ¥7,827 million.

(iii) Foods, Meat & Grain

Revenue increased by ¥4,859 million year on year, to ¥186,598 million, due to growth in beverage ingredients in the Food business and fishmeal and fish oil transactions in the Grain, Oilseeds & Feedstuff business, as well as improved sales in the Meat Products business. Operating profit increased by ¥4,173 million, to ¥8,051 million. Profit attributable to owners of the parent increased by ¥2,466 million, to ¥4,746 million.

(iv) Steel, Materials & Plant

Revenue increased by ¥13,605 million year on year, to ¥95,043 million, mainly due to increased transactions in the Energy business. Operating profit increased by ¥1,592 million, to ¥4,661 million. Profit attributable to owners of the parent increased by ¥1,214 million, to ¥3,184 million.

(v) Motor Vehicles & Aerospace

Revenue increased by ¥7,587 million year on year, to ¥68,489 million, due to strong performance in the Motor Vehicles and Parts business in Europe and increased demand in the Machine Tools and Industrial Machinery business. Operating profit increased by ¥1,357 million, to ¥4,098 million. Profit attributable to owners of the parent increased by ¥1,237 million, to ¥2,852 million.

(vi) Other

Revenue increased by ¥5 million year on year, to ¥955 million, while the operating loss decreased by ¥74 million, to ¥195 million, and the profit attributable to owners of the parent increased by ¥223 million, to ¥65 million.

(2) Details of financial position

(i) Assets, liabilities and equity

Total assets at the end of September 30, 2026, increased by ¥9,169 million from the end of the previous fiscal year, to ¥742,178 million.

Interest-bearing debt decreased by ¥2,231 million from the end of the previous fiscal year, to ¥152,616 million. Net interest-bearing debt after deducting cash and deposits increased by ¥6,946 million from the end of the previous fiscal year, to ¥101,559 million. Interest-bearing debt does not include lease liabilities.

In terms of equity, equity attributable to owners of the parent increased by ¥15,448 million from the end of the previous fiscal year, to ¥223,839 million, due to the accumulation of profit attributable to owners of the parent.

As a result, the equity ratio attributable to owners of the parent was 30.2%. The net debt-equity ratio was 0.45 times.

(ii) Cash flows

Cash and cash equivalents at the end of September 30, 2026, decreased by ¥9,747 million from the end of the previous fiscal year, to ¥48,671 million.

The status of cash flows and factors for each category for the six months ended September 30, 2026, were as follows:

(Cash flows from operating activities)

Net cash provided by operating activities for the six months ended September 30, 2026, was ¥15,587 million (¥23,299 million in the same period of the previous fiscal year), mainly reflecting the accumulation of operating revenue.

(Cash flows from investing activities)

Net cash used in investing activities for the six months ended September 30, 2026, was ¥8,803 million (¥5,934 million used in the same period of the previous fiscal year), mainly reflecting payments for the execution of new business investments and the acquisition of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities for the six months ended September 30, 2026, was ¥16,521 million (¥21,945 million used in the same period of the previous fiscal year), mainly due to repayments of borrowings and lease liabilities, as well as dividend payments.

(3) Information on the future outlook, including consolidated business performance forecasts

We have revised our forecasts for consolidated results for the fiscal year ending March 31, 2027, announced on May 8, 2026, taking into account strong performance in semiconductor-related businesses, Food, Meat Products, and Energy businesses, while also considering uncertainty surrounding the outlook for the second half of the fiscal year and investment-related expenses. Accordingly, we have revised upward our forecast for profit attributable to owners of the parent by ¥3,500 million, to ¥38,500 million.

Revised consolidated forecasts for the fiscal year ending March 31, 2027 (April 1, 2026 – March 31, 2027)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of the parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	1,100,000	54,000	50,000	35,000	210.41
Revised forecast (B)	1,150,000	60,000	56,000	38,500	231.36
Change (B - A)	50,000	6,000	6,000	3,500	20.95
Change (%)	4.55%	11.11%	12.00%	10.00%	9.96%
(Reference) Results of FY Mar. 31, 2026	1,067,665	48,663	47,157	32,523	195.52

As stated in the timely disclosure dated October 30, 2026, “Notice Regarding Expected Recognition of Share of Profit of Investments Accounted for Using the Equity Method in Connection with the Sale of Shares Following a Tender Offer and Impact on Consolidated Financial Results,” if the tender offer for the shares of Global Security Experts Inc. (“GSX”) (the “Tender Offer”) is successfully completed at the tender offer price and Kanematsu Electronics Ltd. (“Kanematsu Electronics”) sells all of the GSX Shares it holds, profit attributable to owners of the parent in the Company’s consolidated financial results for the fiscal year ending March 31, 2027 is expected to increase by approximately ¥14,500 million. As the sale of the GSX Shares is subject to the completion of the Tender Offer and remains uncertain at this time, the impact of the sale has not been reflected in the Company’s consolidated earnings forecast for the fiscal year ending March 31, 2027.

* Note on forward-looking statements:

The forward-looking statements, including results forecasts, included in this material are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results may differ materially from forecasts due to a number of factors.

2. Condensed Consolidated Financial Statements and Major Notes

(1) Condensed Consolidated Statement of Financial Position

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and cash equivalents	58,418	48,671
Trade and other receivables	258,204	249,873
Inventories	161,010	186,380
Other financial assets	10,828	6,749
Other current assets	52,432	53,482
Total current assets	540,894	545,156
Non-current assets		
Property, plant and equipment	59,677	63,883
Goodwill	17,011	18,151
Intangible assets	33,305	32,767
Investments accounted for using the equity method	22,264	22,424
Trade and other receivables	474	388
Other investments	48,494	48,464
Other financial assets	7,169	7,219
Deferred tax assets	1,245	1,273
Other non-current assets	2,471	2,448
Total non-current assets	192,115	197,022
Total assets	733,009	742,178

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	232,215	228,041
Bonds and borrowings	66,173	68,698
Lease liabilities	9,155	8,961
Other financial liabilities	11,032	7,553
Income taxes payable	8,825	9,699
Provisions	432	598
Other current liabilities	56,476	58,533
Total current liabilities	384,311	382,086
Non-current liabilities		
Bonds and borrowings	88,673	83,917
Lease liabilities	19,049	19,138
Other financial liabilities	1,458	1,475
Retirement benefit liabilities	4,538	4,430
Provisions	2,878	3,137
Deferred tax liabilities	7,588	8,127
Other non-current liabilities	1,035	882
Total non-current liabilities	125,222	121,108
Total liabilities	509,534	503,194
Equity		
Share capital	27,781	27,781
Capital surplus	—	833
Retained earnings	147,188	165,231
Treasury stock	(2,237)	(2,237)
Other components of equity		
Exchange differences on translation of foreign operations	16,812	14,797
Financial assets measured at fair value through other comprehensive income	17,363	17,362
Cash flow hedges	1,482	70
Total other components of equity	35,658	32,230
Total equity attributable to owners of the parent	208,391	223,839
Non-controlling interests	15,083	15,144
Total equity	223,474	238,983
Total liabilities and equity	733,009	742,178

(2) Condensed consolidated statements of income / Condensed consolidated statements of comprehensive income

(Condensed consolidated statements of income)

(Million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Revenue	513,495	571,910
Cost of sales	(431,146)	(476,078)
Gross profit	82,349	95,831
Selling, general and administrative expenses	(58,351)	(64,012)
Other income (expenses)		
Gain (loss) on sale or disposal of property, plant and equipment and intangible assets, net	(28)	(43)
Impairment losses on fixed assets	—	(10)
Other income	1,520	5,402
Other expenses	(300)	(610)
Total other income (expenses)	1,191	4,738
Operating profit	25,189	36,558
Finance income		
Interest income	393	439
Dividend income	760	1,124
Other finance income	—	262
Total finance income	1,154	1,826
Finance costs		
Interest expenses	(2,533)	(2,947)
Other finance costs	(227)	(152)
Total finance costs	(2,760)	(3,100)
Share of profit (loss) of investments accounted for using the equity method	696	678
Profit before tax	24,279	35,963
Income tax expense	(7,649)	(11,036)
Profit for the period	16,629	24,926
Profit for the period attributable to:		
Owners of the parent	16,137	24,414
Non-controlling interests	491	512
Total	16,629	24,926
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	97.05	146.71
Diluted earnings per share (yen)	96.65	146.02

(Note) The Company conducted a 2-for-1 stock split of its common shares on January 1, 2026. The calculation of basic earnings per share and diluted earnings per share is done under the assumption that the stock split occurred at the start of the previous fiscal year.

(Condensed consolidated statements of comprehensive income)

(Million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit for the period	16,629	24,926
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	4,874	(597)
Remeasurement of defined benefit pension plans	(16)	(65)
Share of other comprehensive income of investments accounted for using the equity method	(75)	(9)
Total items that will not be reclassified to profit or loss	4,782	(672)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	171	(2,587)
Cash flow hedges	613	(1,408)
Share of other comprehensive income of investments accounted for using the equity method	(1,080)	261
Total items that may be reclassified to profit or loss	(295)	(3,734)
Other comprehensive income for the period, net of tax	4,487	(4,407)
Total comprehensive income for the period	21,117	20,519
Total comprehensive income for the period attributable to:		
Owners of the parent	20,663	20,314
Non-controlling interests	454	205
Total	21,117	20,519

(3) Condensed consolidated statement of changes in equity

(Million yen)

	Equity attributable to owners of the parent					
					Other components of equity	
	Share capital	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
As of April 1, 2025	27,781	248	123,009	(2,429)	13,708	11,843
Profit for the period			16,137			
Other comprehensive income					(874)	4,798
Total comprehensive income for the period	—	—	16,137	—	(874)	4,798
Dividends			(4,363)			
Dividends to non-controlling interests						
Acquisition of treasury stock				(0)		
Disposition of treasury stock		(34)		194		
Changes due to loss of control of subsidiaries						
Share-based payment transactions		(122)				
Put options granted to non-controlling interests		(40)				
Total transactions with owners	—	(197)	(4,363)	194	—	—
Transfer from other components of equity to retained earnings			453			(470)
As of September 30, 2025	27,781	51	135,238	(2,235)	12,834	16,172

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of the parent		
	Cash flow hedges	Remeasurements of defined benefit pension plans	Total other components of equity			
As of April 1, 2025	(220)	—	25,332	173,942	14,185	188,128
Profit for the period			—	16,137	491	16,629
Other comprehensive income	616	(16)	4,525	4,525	(37)	4,487
Total comprehensive income for the period	616	(16)	4,525	20,663	454	21,117
Dividends			—	(4,363)		(4,363)
Dividends to non-controlling interests			—	—	(495)	(495)
Acquisition of treasury stock			—	(0)		(0)
Disposition of treasury stock			—	160		160
Changes due to loss of control of subsidiaries			—	—	(24)	(24)
Share-based payment transactions			—	(122)		(122)
Put options granted to non-controlling interests			—	(40)		(40)
Total transactions with owners	—	—	—	(4,366)	(519)	(4,886)
Transfer from other components of equity to retained earnings		16	(453)	—		—
As of September 30, 2025	396	—	29,403	190,239	14,120	204,359

(Million yen)

	Equity attributable to owners of the parent					
					Other components of equity	
	Share capital	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
As of April 1, 2026	27,781	—	147,188	(2,237)	16,812	17,363
Profit for the period			24,414			
Other comprehensive income					(2,015)	(607)
Total comprehensive income for the period	—	—	24,414	—	(2,015)	(607)
Dividends			(5,699)			
Dividends to non-controlling interests						
Acquisition of treasury stock				(0)		
Changes in the scope of consolidation						
Equity transactions with non controlling interests		(1,516)				
Share-based payment transactions		98				
Put options granted to non-controlling interests		2,251				
Total transactions with owners	—	833	(5,699)	(0)	—	—
Transfer from other components of equity to retained earnings			(672)			606
As of September 30, 2026	27,781	833	165,231	(2,237)	14,797	17,362

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of the parent		
	Cash flow hedges	Remeasurements of defined benefit pension plans	Total other components of equity			
As of April 1, 2026	1,482	—	35,658	208,391	15,083	223,474
Profit for the period			—	24,414	512	24,926
Other comprehensive income	(1,412)	(65)	(4,100)	(4,100)	(306)	(4,407)
Total comprehensive income for the period	(1,412)	(65)	(4,100)	20,314	205	20,519
Dividends			—	(5,699)		(5,699)
Dividends to non-controlling interests			—	—	(536)	(536)
Acquisition of treasury stock			—	(0)		(0)
Changes in the scope of consolidation			—	—	1,178	1,178
Equity transactions with non controlling interests			—	(1,516)	(786)	(2,303)
Share-based payment transactions			—	98		98
Put options granted to non-controlling interests			—	2,251		2,251
Total transactions with owners	—	—	—	(4,866)	(144)	(5,010)
Transfer from other components of equity to retained earnings		65	672	—		—
As of September 30, 2026	70	—	32,230	223,839	15,144	238,983

(4) Condensed consolidated statements of cash flows

(Million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit for the period	16,629	24,926
Depreciation and amortization	7,917	8,600
Impairment losses (reversal of impairment losses)	—	10
Finance income and costs	1,606	1,273
Share of (profit) loss of investments accounted for using the equity method	(696)	(678)
(Gain) loss on sale or disposal of property, plant and equipment and intangible assets, net	28	43
Income tax expense	7,649	11,036
(Increase) decrease in trade and other receivables	20,517	11,413
(Increase) decrease in inventories	79	(25,417)
Increase (decrease) in trade and other payables	(15,036)	(2,518)
Increase (decrease) in retirement benefit liabilities	(203)	(210)
Other	(3,112)	(4,606)
Sub total	35,379	23,872
Interest received	471	372
Dividends received	1,365	1,356
Interest paid	(2,482)	(2,938)
Income taxes paid	(11,434)	(7,076)
Net cash provided by (used in) operating activities	23,299	15,587
Cash flows from investing activities		
Payments for property, plant and equipment	(1,930)	(6,486)
Proceeds from sales of property, plant and equipment	52	157
Payments for intangible assets	(329)	(951)
Purchases of other investments	(2,563)	(1,894)
Proceeds from sale of other investments	318	854
Proceeds from (payments for) acquisition of subsidiaries	(4,071)	(280)
Proceeds from (payments for) sale of subsidiaries	573	—
Payments for acquisition of businesses	—	(74)
Proceeds from transfer of business	—	455
Increase in loans receivable	(461)	(504)
Proceeds from collection of loans receivable	3,012	900
Other	(535)	(979)
Net cash provided by (used in) investing activities	(5,934)	(8,803)
Cash flows from financing activities		
Increase (decrease) in short-term (maturing before 3 months) borrowings, net	(1,345)	4,135
Proceeds from short-term (maturing after 3 months) borrowings	1,296	1,784
Repayments of short-term (maturing after 3 months) borrowings	(1,509)	(2,101)
Repayments of long-term borrowings	(9,739)	(6,745)
Redemption of bonds	(32)	(32)
Dividends paid	(4,356)	(5,689)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(876)	(2,381)
Dividends paid to non-controlling interests	(512)	(486)
Repayments of lease liabilities	(4,870)	(5,004)
Other	(0)	(0)
Net cash provided by (used in) financing activities	(21,945)	(16,521)
Increase (decrease) in cash and cash equivalents, net	(4,580)	(9,738)
Cash and cash equivalents at the beginning of the period (as stated in the condensed consolidated statement of financial position)	56,779	58,418
Reversal of cash and cash equivalents included in assets held for sale	1,626	—
Cash and cash equivalents at the beginning of the period	58,406	58,418
Effect of exchange rate changes on cash and cash equivalents	(24)	(8)
Cash and cash equivalents at the end of the period	53,800	48,671

(5) Notes on condensed consolidated financial statements

(Notes on the going concern assumption)

Not applicable.

(Segment information)

(1) Summary of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available, and which are regularly used by the Board of Directors when allocating management resources and evaluating performance, and they are subject to regular consideration.

The Group provides a variety of products and services by organically integrating its expertise cultivated through its internal and external network in each business sector and trading company functions such as business transactions, information collection, market development, business development and formation, risk management, and logistics.

Moreover, the Group consists of business segments by product and service based on the sales department and it has set the five segments, "ICT Solution," "Electronics & Devices," "Foods, Meat & Grain," "Steel, Materials & Plant," and "Motor Vehicles & Aerospace," as its reportable segments.

(2) Information on reportable segments

The accounting treatment for the reported business segments is the same as the accounting policies applied to the consolidated financial statements for the previous fiscal year.

Inter-segment revenue and transfers are determined according to transaction prices with outside customers. Segment profit represents profit attributable to owners of the parent.

I. For the Six Months Ended September 30, 2025

(Million yen)

	Reported segments						Other (Note 1)	Adjustment (Note 2)	Consolidated
	ICT Solution	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue									
External	52,651	135,813	181,739	81,438	60,902	512,544	950	—	513,495
Inter-segment	347	56	0	19	4	428	114	(542)	—
Total revenues	52,999	135,869	181,739	81,457	60,907	512,973	1,064	(542)	513,495
Operating profit (loss)	7,720	8,029	3,878	3,069	2,741	25,439	(269)	18	25,189
Segment profit (loss)	5,106	5,373	2,280	1,970	1,615	16,347	(158)	(50)	16,137

(Note 1) "Other" is a business segment that is not included in the reportable segments and includes the logistics and insurance service business.

(Note 2) Adjustments are as follows.

- The adjustment of ¥18 million for operating profit (loss) includes an inter-segment elimination of ¥18 million.
- The adjustment of ¥(50) million for segment profit (loss) includes an inter-segment elimination of ¥18 million and corporate profit (loss) of ¥(68) million that is not allocated to any particular segment. Corporate profit (loss) mainly includes the difference between actual income taxes incurred by the Company and income taxes allocated to each segment by an internal calculation method.

II. For the Six months ended September 30, 2026

(Million yen)

	Reported segments						Other (Note 1)	Adjustment (Note 2)	Consolidated
	ICT Solution	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue									
External	62,627	158,196	186,598	95,043	68,489	570,954	955	—	571,910
Inter-segment	407	110	0	17	4	539	87	(626)	—
Total revenues	63,034	158,306	186,598	95,060	68,493	571,494	1,042	(626)	571,910
Operating profit (loss)	8,292	11,660	8,051	4,661	4,098	36,764	(195)	(10)	36,558
Segment profit (loss)	5,663	7,827	4,746	3,184	2,852	24,274	65	75	24,414

(Note 1) "Other" is a business segment that is not included in the reportable segments and includes the logistics and insurance service business.

(Note 2) Adjustments are as follows.

- The adjustment of ¥(10) million for operating profit (loss) includes an inter-segment elimination of ¥(10) million.
- The adjustment of ¥75 million for segment profit (loss) includes an inter-segment elimination of ¥(21) million and corporate profit (loss) of ¥96 million that is not allocated to any particular segment. Corporate profit (loss) mainly includes the difference between actual income taxes incurred by the Company and income taxes allocated to each segment by an internal calculation method.

(Significant subsequent events)

(Business combination through the acquisition of shares of IDAJ Co., Ltd. and its subsidiaries (conversion into consolidated subsidiaries))

At a meeting of its Board of Directors held on July 10, 2026, the Company entrusted its President & CEO with the final decision regarding the acquisition by Kanematsu Electronics, a consolidated subsidiary of the Company, of shares in BCJ-61 Co., Ltd. ("BCJ-61"), whose group includes IDAJ Co., Ltd. ("IDAJ") and other companies, subject to the acquisition terms being agreed. Following discussions with the counterparty, Kanematsu Electronics was selected as the prospective purchaser, and the acquisition terms and other details were finalized. Accordingly, Kanematsu Electronics decided to acquire all shares of BCJ-61 and entered into a share purchase agreement on September 18, 2026. Kanematsu Electronics subsequently acquired all shares of BCJ-61 on October 16, 2026.

(1) Overview of the business combination

(a) Names and business descriptions of the acquired companies

Names of the acquired companies:

BCJ-61 Co., Ltd.
BCJ-62 Co., Ltd.
IDAJ Co., Ltd.
IDCrossLink Co., LTD.
Real Connect Co., Ltd.

Business description of the acquired companies: Sales of MBD/CAE products and provision of technical support; various consulting services relating to digital engineering; MBD/CAE systems integration

(b) Primary reasons for the business combination

Kanematsu Group provides customers, including those in the manufacturing and semiconductor industries, with solutions for IT infrastructure, business systems, PLM/PDM (Product Lifecycle Management/Product Data Management), MPM (Manufacturing Process Management), MES (Manufacturing Execution Systems), production management and other areas.

For sustainable growth going forward, the Company believes it is important to expand its business domain beyond conventional system development and implementation into upstream processes, including design, development and analysis in manufacturing, and to establish a structure capable of providing seamless support from design through manufacturing.

IDAJ has advanced technological capabilities and specialized personnel in the MBD/CAE (model-based development and simulation analysis) field, a broad software portfolio and a strong customer base. In addition to software sales and maintenance, IDAJ provides comprehensive support for manufacturing customers' design and development processes through technical support, commissioned analysis and consulting.

Through the acquisition, Kanematsu Group will be able to provide "Design and Development DX" solutions that contribute to more efficient design and development, shorter development lead times, improved quality and optimized manufacturing processes. The Company also expects to expand business opportunities by promoting reciprocal proposals and cross-selling that leverage both companies' customer bases, while accelerating expansion into growth areas, including semiconductors, defense, heavy industry, and electrical and electronics industries in addition to the automotive sector. Accordingly, the Company has decided to proceed with this acquisition.

(c) Date of the business combination

October 16, 2026

(d) Legal form of the business acquisition

Acquisition of shares in exchange for cash and financial liabilities

(e) Name of the company after the business combination
No change.

(f) Percentage of voting rights acquired
100%

(g) Primary basis for determining the acquiring company
Kanematsu Electronics, a consolidated subsidiary of the Company, acquired all the shares in exchange for cash and financial liabilities.

(2) Breakdown of acquisition cost of the acquired company and consideration by type

(Unit: millions of yen)

Consideration transferred	Amount
Cash	34,300
Financial liabilities (note)	5,203
Acquisition cost	39,504

(Note) This represents non-cash consideration arising from the assumption of the seller's liabilities to the acquired company.

(3) Details and amount of major acquisition-related expenses
Advisory fees, etc. (estimated): 360 million yen

(4) Transactions recognized separately from the acquisition of assets and assumption of liabilities in the business combination
Repayment of borrowings: 13,875 million yen
Payments to stock acquisition rights holders: 1,286 million yen

(5) Amount of goodwill recognized, reason for the recognition, and amortization method and period
The amount is currently being calculated and has not yet been finalized.

(6) Amounts and major components of assets acquired and liabilities assumed on the date of the business combination
The amounts are currently being calculated and have not yet been finalized.

(Transfer of Shares of Global Security Experts Inc.)
At a meeting of its Board of Directors held on October 27, 2026, the Company resolved that Kanematsu Electronics, a consolidated subsidiary of the Company, would enter into a Tender Offer Non-Tender Agreement (the "Agreement") with Accenture Japan Ltd. (the "Tender Offeror") concerning the common shares of GSX (the "GSX Shares"), an equity-method affiliate of Kanematsu Electronics, held by Kanematsu Electronics, under which Kanematsu Electronics will not tender the GSX Shares in the Tender Offer for the GSX Shares to be conducted by the Tender Offeror and will participate in a share buyback to be conducted by GSX following the completion of the Tender Offer. The Board of Directors delegated the determination of the final terms of the Agreement to the Company's President.

Following the above resolution, on October 30, 2026, the Company's President determined the final terms of the Agreement, and Kanematsu Electronics entered into the Agreement with the Tender Offeror.

If the Tender Offer is successfully completed at the tender offer price and Kanematsu Electronics sells all of the GSX Shares it holds through the share buyback to be conducted by GSX following the completion of the Tender Offer, profit

attributable to owners of the parent for the current consolidated fiscal year is expected to increase by approximately ¥14.5 billion.