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HOSOKAWA MICRON CORPORATION

November 6, 2026

Consolidated Financial Results for the Fiscal Year Ended September 30, 2026 (Japanese GAAP)

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Scheduled date of annual general meeting of shareholders: December 17, 2026
Scheduled date of dividend payment: December 18, 2026
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Preparation of supplementary material on financial results: Yes
Financial results briefing session: Yes

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results (October 1, 2025 to September 30, 2026)

(1) Consolidated Results of Operation (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal Year ended Sept. 2026	82,563	5.9	4,718	(33.1)	5,679	(26.4)	3,524	(22.2)
Fiscal Year ended Sept. 2025	77,994	(8.7)	7,051	(14.8)	7,715	(16.5)	4,527	(18.9)

(Reference) Comprehensive Income (million Yen) Sept.2026: 6,279 {(25.9)%} Sept.2025: 8,475 {64.0%}

	Basic earnings per share	Diluted earnings per share	Net income ratio per net equity	Ordinary profit ratio per total asset	Operating profit ratio per net sales
	Yen	Yen	%	%	%
Fiscal Year ended Sept. 2026	240.42	240.23	5.1	5.5	5.7
Fiscal Year ended Sept. 2025	306.09	305.88	7.0	7.7	9.0

(Reference) Equity in earnings (losses) of affiliates (million Yen) Sept. 2026: 194 Sept. 2025: 78

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Sept. 30, 2026	103,822	71,724	69.1	4,890.16
As of Sept. 30, 2025	102,734	67,219	65.4	4,589.71

(Reference) Shareholders' Equity (million Yen) Sept. 2026: 71,706 Sept. 2025: 67,174

(3) Consolidated Cash Flows

	From Operating Activities	From Investing Activities	From Financing Activities	Ending Cash and cash equivalents
	Million yen	Million yen	Million yen	Million yen
Fiscal Year ended Sept. 2026	3,448	(3,761)	(1,925)	29,770
Fiscal Year ended Sept. 2025	9,499	(3,680)	(3,343)	31,084

2. Dividends

	Dividends per share					Total Dividend Amount	Payout Ratio	per Net Assets
	1-Qtr.	2-Qtr.	3-Qtr.	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million¥	%	%
Year ended Sept. 2025 (actual)	―	60.00	―	60.00	120.00	1,772	39.2	2.7
Year ended Sept. 2026 (actual)	―	65.00	―	75.00	140.00	2,057	58.2	3.0
Year ended Sept. 2027 (forecast)	―	75.00	―	75.00	150.00		51.2	

Note: Breakdown of the year-end dividend for the fiscal year ended September 2026
Ordinary dividend: 65.00 yen
Commemorative dividend: 10.00 yen (110th Anniversary Commemorative Dividend)

3. Consolidated Forecasts for the Fiscal Year Ending September 30, 2027
(October 1, 2026 - September 30, 2027)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st Half	39,500	(1.0)	2,600	44.7	2,800	23.5	2,100	73.2	143.21
Full Year	83,500	1.1	5,400	14.4	5,800	2.1	4,300	22.0	293.25

4. Others
(1) Significant changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Changes in accounting treatment for consolidated financial statement:

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Number of shares outstanding (common stock)
1) Number of shares outstanding at the end of the period (incl. treasury stock)

As of September 30, 2026	15,730,538 shares
As of September 30, 2025	15,730,538 shares

2) Number of treasury stock at the end of the period

As of September 30, 2026	1,067,213 shares
As of September 30, 2025	1,094,550 shares

3) Average number of shares in the fiscal year

As of September 30, 2026	14,659,171 shares
As of September 30, 2025	14,791,642 shares

(Reference) Overview of individual performance
Individual performance (from Oct. 1, 2025 to Sept. 30, 2026)
(1) Individual Operating Performance

	Net Sales		Operating profit		Ordinary profit		Net income	
	million(¥)	%	million(¥)	%	million(¥)	%	million(¥)	%
Fiscal Year ended Sept. 2026	16,145	(1.8)	2,588	(12.9)	4,880	8.7	3,975	7.8
Fiscal Year ended Sept. 2025	16,441	(1.4)	2,971	9.6	4,490	13.2	3,686	46.0

*The percentage represents year-on-year change rate

	Basic earnings per share	Diluted earnings per share
Fiscal Year ended Sept. 2026	￥271.18	￥270.96
Fiscal Year ended Sept. 2025	￥249.20	￥249.03

(2) Individual financial position

	Total assets	Net assets	Equity ratio	Net asset per share
	million (¥)	million (¥)	%	¥
Fiscal Year ended Sept. 2026	38,354	30,209	78.7	2,058.97
Fiscal Year ended Sept. 2025	35,948	27,149	75.4	1,851.92

(Reference) Shareholders' equity FY2026 ¥30,191 million FY2025 ¥27,104 million

* Cautionary statement
-This Yearly Financial Results Report ("TANSHIN") is out of scope of annual audit under Financial Instruments and Exchange Act of Japan.
-The forecasts above are based on currently available information at the time of announcement. Actual results may differ from these forecasts due to various factors. Please see "1. Overview of Operating Results, (4) Future Outlook" on page 4 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) Overview of Operating Results for the current fiscal year

The global economy continued to grow steadily during the fiscal year under review, supported by efforts to shift to alternative energy sources and improve energy efficiency, as well as robust investment demand, particularly in AI (artificial intelligence)-related fields and fields related to economic security, despite headwinds such as prolonged geopolitical risks associated with the situations in Ukraine and the Middle East and changes in the trade environment stemming from U.S. trade policies.
Against this economic backdrop, uncertainty over the outlook remained unabated. In the powder-related business, this was due mainly to concerns arising from U.S. trade policies and the downturn in German manufacturing, while in the plastic film-related business, it reflected factors including the impact of rising crude oil prices, as crude oil is used as a raw material for film. Consequently, delays in investment decisions, particularly for large-scale projects, continued. As the yen depreciated significantly against the U.S. dollar and the euro, orders received and net sales on a yen-converted basis increased by 6.0% and 5.9%, respectively, year on year. However, sluggish sales, particularly in the euro area, mainly Germany, led to lower factory operating rates and a deterioration in profitability.
In addition, partly due to the recording of an extraordinary loss to promote business restructuring aimed at improving profitability in Europe, profit at each level from operating profit downward was lower than in the same period of the previous year.

Based on the foregoing, the operating results for the consolidated fiscal year were as follows:

(Millions of yen)

	Fiscal year 2025	Fiscal year 2026	Incremental amounts	Year on Year (%)
Orders received	74, 460	78, 928	4, 468	6. 0
Backlog of orders	44, 206	41, 952	(2, 253)	(5. 1)
Sales	77, 994	82, 563	4, 569	5. 9
Operating profit	7, 051	4, 718	(2, 332)	(33. 1)
Ordinary profit	7, 715	5, 679	(2, 036)	(26. 4)
Profit attributable to owners of parents	4, 527	3, 524	(1, 003)	(22. 2)

* USD exchange rate : FY2026 @¥157.44 FY2025 @¥149.27
EURO exchange rate : FY2026 @¥182.93 FY2025 @¥164.80

The segment's performance is as follows.

(Powder related business)
This business is a core business of the Hosokawa Micron Group, which manufactures and sells grinding and classifying equipment, mixing and drying equipment for the global market, air pollution control equipment, dust collectors for product collection, and precision air conditioning control equipment for the Japanese market and provides toll processing services for fine powders. It also includes the development and commercialization of new materials, mainly composite nanoparticles for the Japanese market.
Amid rising geopolitical risks, including those related to rare earths, projects related to economic security increased. In addition, the recycling sector and food-related fields, such as tea-leaf grinding, performed well. The maintenance services business, which the Group is pursuing on a group-wide basis, also recorded steady growth. Meanwhile, despite continued growth in the global battery electric vehicle (BEV) market, adoption fell short of initial expectations. Combined with excess cell production capacity and intensifying competition, this resulted in sluggish performance in the secondary battery business.
In addition, orders in the pharmaceutical and contract processing fields were also lower than in the same period of the previous year.
Net sales increased as the yen depreciated significantly against the U.S. dollar and the euro. However, sluggish performance in Europe led to lower factory utilization, limiting the absorption of fixed costs. As a result, profit margins declined and profits fell.
As a result of this, orders received are ¥ 61,254 million (9.0% increase versus the previous same period), backlog of orders is ¥ 35,083 million (1.9% increase versus the previous same period), and sales are ¥ 61,542 million (5.0% increase versus the previous same period). Profit for the segment is ¥ 4,866 million (24.6% decrease versus the previous same period).

(Blown film-related business)

This business develops, manufactures, and sells various types of high-performance blown film equipment from single to multiple layers. The fiscal year under review got off to a strong start, particularly in the United States, our primary market. However, following the start of U.S. and Israeli attacks on Iran at the end of February this year, crude oil and resin prices surged, affecting our plastic film business, which uses petroleum-derived materials. From the second half of the fiscal year onward, customers also adopted an increasingly cautious stance toward capital investment. This trend was particularly pronounced in Europe, Latin America, and Asia. Although orders for the U.S. market exceeded the level of the previous fiscal year, the increase was not sufficient to offset the decline in other regions. Meanwhile, net sales increased as orders carried over from previous fiscal years were steadily converted into sales.

However, as with powder-related equipment, lower sales in Europe, a key production base, reduced factory utilization and eroded profit margins, resulting in lower profits.

As a result of this, orders received are ¥ 17,674 million (3.2% decrease versus the previous same period), backlog of orders is ¥ 6,868 million (29.7% decrease versus the previous same period), and sales are ¥ 21,020 million (8.5% increase versus the previous same period). Profit for the segment is ¥ 1,460 million (31.2% decrease versus the previous same period).

(2) Overview of Financial Positions

Total assets at September 30, 2026, amounted to ¥ 103,822 million, an increase of ¥ 1,087 million compared to the fiscal year ended September 30, 2025. This was primarily attributable to increases in Total investments and other assets, an increase of ¥1,532 million.

Total liabilities were ¥ 32,098 million, a decrease of ¥ 3,416 million compared to the fiscal year ended September 30, 2025. This was primarily attributable to decreases of ¥ 1,634 million in Contract liabilities and ¥ 871 million in Electronically recorded obligations-operating.

Net assets were ¥ 71,724 million, an increase of ¥ 4,504 million compared to the fiscal year ended September 30, 2025. This was primarily attributable to increases of ¥ 1,688 million in Retained earnings and ¥ 1,650 million in foreign currency translation adjustments, respectively.

(3) Overview of Cash Flow

The balance of cash and cash equivalents decreased ¥ 1,314 million from the fiscal year ended September 30, 2025 to a total of ¥29,770 million. A summary of each cash flow and major factor are as follows.

(Operating Cash Flow)

Net cash provided by operating activities was ¥ 3,448 million, a decrease of ¥ 6,050 million versus the previous same period.

This was mainly attributable to the recognition of income before income taxes.

(Investing Cash Flow)

Net investing activities used ¥ 3,761 million, a decrease of ¥ 80 million versus the previous same period, primarily due to purchase of property, plant, and equipment.

(Financing Cash Flow)

Net financing activities used ¥ 1,925 million in cash, an increase of ¥ 1,418 million versus the previous same period, mainly due to dividend payments.

(Reference) Trends in cash flow related indicators

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Equity ratio (%)	62.4	60.7	62.8	65.4	69.1
Equity ratio on market price basis (%)	46.3	63.4	61.8	82.9	90.7
Interest-bearing debts to cash flow ratio (annual)	0.2	0.3	0.2	0.1	0.4
Interest coverage ratio (times)	207.0	345.5	317.2	187.3	64.4

(Note)

1 Equity ratio: Equity divided by total assets

Equity ratio on market price basis: Market capitalization divided by total assets

Interest-bearing debts to cash flow ratio: Interest-bearing debts divided by cash flows

Interest coverage ratio: cash flows divided by interest payments

2 Each index is calculated based on financial figures on a consolidated basis.

3 Market capitalization is calculated by multiplying the closing stock price at fiscal year end by the number of the outstanding stocks (outstanding stocks: total number of issued stocks minus the number of treasury stocks)

4 Cash flows denote the cash flow from operating activities on the consolidated statement of cash flows. Interest-bearing debts are intended for all interest-bearing liabilities on the consolidated balance sheet. In addition, interest payments denote the amounts of interest expenses on the consolidated statement of income.

(4) Future Outlook

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share Yen
1st Half	39,500	2,600	2,800	2,100	143.21
Full Year	83,500	5,400	5,800	4,300	293.25

Our group will strongly pursue the following initiatives: as the No. 1 company in powder technology, we will continue to provide new technologies and system engineering capabilities tailored to customer needs, enhance our maintenance service and toll processing services, expand our materials business including hair growth and oral care products utilizing our proprietary nanoparticle compounding technology, and strengthen our brand power in the blown film-related business. We will also continuously launch new products and systems with high added value, such as expanding the aftermarket business and providing digital solutions applying IIoT technology, to improve profitability. The global economy has remained resilient, driven by robust investment demand, particularly in AI (artificial intelligence) and the field of economic security. However, inflationary pressures persist worldwide and interest rates continue to rise amid elevated crude oil prices and prolonged geopolitical tensions. Governments are supporting their economies through measures such as assistance for households and businesses and public investment. Nevertheless, downside risks to economic growth remain, with high energy prices and weak consumer sentiment continuing to weigh on the euro area, among other factors. The global economy is therefore expected to remain uncertain. Amid this economic environment, factors such as the postponement or cancellation of investment decisions by our customers may affect the future financial condition, operating results, and cash flows of our group. For the preparation of this outlook, the average market exchange rate is assumed to be 155.00 yen to the U.S. dollar and 180.00 yen to the euro.

Caution about forward-looking statements

The forecasts above are based on currently available information at the time of announcement. Therefore, actual results may differ significantly from these forecasts due to various factors.

2. Basic Policy on Selection of Accounting Principles

Our consolidated financial statements are prepared in accordance with Japanese GAAP to ensure comparability of financial results with other Japanese companies. We will continue to examine the possibility of adoption of IFRS in the future, in light of domestic and international affairs.

3.Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of September 30, 2025	As of September 30, 2026
Assets		
Current Assets		
Cash and deposits	31,942	30,949
Notes and accounts receivable-trade, and contract assets	18,610	18,091
Electronically recorded monetary claims - operating	898	1,079
Finished goods	4,082	4,403
Work in process	4,867	4,986
Raw materials and supplies	4,221	3,676
Other	2,884	2,551
Allowance for doubtful accounts	(492)	(391)
Total Current Assets	67,013	65,347
Non-Current Assets		
Property, plant and equipment		
Buildings and structures	29,982	32,289
Machinery, equipment and vehicles	20,007	20,392
Land	7,357	8,862
Construction in progress	728	193
Other	4,421	4,536
Accumulated depreciation and impairment loss	(31,410)	(33,837)
Total property, plant and equipment	31,087	32,436
Intangible assets		
Goodwill	113	88
Other	642	540
Total intangible assets	756	629
Investments and other assets		
Investment securities	2,947	4,301
Deferred tax assets	791	906
Other	138	201
Total investments and other assets	3,877	5,409
Total Non-Current Assets	35,721	38,475
Total Assets	102,734	103,822

(Millions of Yen)

	As of September 30, 2025	As of September 30, 2026
Liabilities		
Current Liabilities		
Notes and accounts payable-trade	7,168	7,050
Electronically recorded obligations - operating	1,206	335
Current portion of long-term loans payable	158	261
Accrued expenses	4,675	4,696
Income taxes payable	1,323	638
Contract liabilities	9,867	8,232
Provision for bonuses	731	602
Provision for directors' bonuses	68	47
Provision for product warranties	922	1,285
Provision for share awards	32	26
Other	2,764	2,878
Total Current Liabilities	28,920	26,057
Non-Current Liabilities		
Long-term loans payable	1,127	1,037
Provision for share awards	16	14
Net defined benefit liability	3,215	2,812
Deferred tax liabilities	1,301	1,313
Other	933	863
Total Non-Current Liabilities	6,594	6,041
Total Liabilities	35,514	32,098
Net Assets		
Shareholders' Equity		
Capital stock	14,496	14,496
Capital surplus	3,205	3,196
Retained earnings	44,726	46,414
Treasury stock	(3,773)	(3,676)
Total Shareholders' Equity	58,654	60,429
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	944	1,805
Deferred gains or losses on hedges	35	(24)
Foreign currency translation adjustment	7,802	9,453
Remeasurements of defined benefit plans	(261)	41
Total accumulated other comprehensive income	8,520	11,276
Subscription rights to shares	44	18
Total Net Assets	67,219	71,724
Total Liabilities and Net Assets	102,734	103,822

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of Yen)

	Oct. 1, 2024 - Sept. 30, 2025	Oct. 1, 2025- Sept. 30, 2026
Net sales	77,994	82,563
Cost of sales	50,638	55,215
Gross profit	27,355	27,348
Selling, general and administrative expenses	20,304	22,629
Operating profit	7,051	4,718
Non-operating income		
Gain on valuation of derivatives	64	14
Interest income	583	532
Dividend income	82	141
Equity in earnings of affiliates	78	194
Foreign exchange gains	―	28
Other	99	127
Total non-operating Income	909	1,039
Non-operating expenses		
Interest expenses	50	53
Depreciation	8	8
Taxes and dues	5	9
Litigation expenses	64	―
Foreign exchange losses	75	―
Other	40	7
Total non-operating Expenses	244	78
Ordinary profit	7,715	5,679
Extraordinary income		
Gain on sales of non-current assets	20	1
Insurance claim income	―	21
Total extraordinary income	20	23
Extraordinary loss		
Loss on sales and retirement of non-current assets	17	55
Impairment losses	404	―
System failure response costs	―	22
Business structure improvement expenses	463	687
Loss on development of system	―	36
Total extraordinary loss	885	802
Income before income taxes	6,851	4,900
Income taxes - current	2,563	1,918
Income taxes – deferred	(239)	(542)
Total income taxes	2,323	1,376
Net income	4,527	3,524
Profit attributable to owners of parent	4,527	3,524

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Oct.1 , 2024- Sept. 30, 2025	Oct.1, 2025 - Sept. 30, 2026
Net Income	4,527	3,524
Other comprehensive income		
Valuation difference on available-for-sale securities	209	861
Deferred gains or losses on hedges	1	(59)
Foreign currency translation adjustment	3,628	1,650
Remeasurements of defined benefit plans	108	303
Total other comprehensive income	3,948	2,755
Comprehensive income	8,475	6,279
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,475	6,279
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Net Assets

Previous consolidated fiscal year (from Oct. 1, 2024 to Sept. 30, 2025) (Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of the year	14,496	3,220	42,128	(2,877)	56,967
Changes in items during period					
Cash dividends			(1,930)		(1,930)
Net income for the year			4,527		4,527
Purchase of treasury stock				(1,000)	(1,000)
Disposal of treasury stock		(14)		104	89
Others					
Total changes in items during period	—	(14)	2,597	(896)	1,686
Balance at end of the year	14,496	3,205	44,726	(3,773)	58,654

	Accumulated other comprehensive income					Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehen-sive income		
Balance at beginning of the year	734	33	4,174	(369)	4,572	83	61,623
Changes in items during period							
Cash dividends							(1,930)
Net income for the year							4,527
Purchase of treasury stock							(1,000)
Disposal of treasury stock							89
Others	209	1	3,628	108	3,948	(38)	3,909
Total changes in items during period	209	1	3,628	108	3,948	(38)	5,595
Balance at end of the year	944	35	7,802	(261)	8,520	44	67,219

Current consolidated fiscal year (from Oct. 1, 2025 to Sept. 30, 2026) (Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of the year	14,496	3,205	44,726	(3,773)	58,654
Changes in items during period					
Cash dividends			(1,836)		(1,836)
Net income for the year			3,524		3,524
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		(9)		98	88
Others					
Total changes in items during period	—	(9)	1,688	97	1,775
Balance at end of the year	14,496	3,196	46,414	(3,676)	60,429

	Accumulated other comprehensive income					Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehen-sive income		
Balance at beginning of the year	944	35	7,802	(261)	8,520	44	67,219
Changes in items during period							
Cash dividends							(1,836)
Net income for the year							3,524
Purchase of treasury stock							(0)
Disposal of treasury stock							88
Others	861	(59)	1,650	303	2,755	(26)	2,728
Total changes in items during period	861	(59)	1,650	303	2,755	(26)	4,504
Balance at end of the year	1,805	(24)	9,453	41	11,276	18	71,724

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Oct. 1, 2024 - Sept. 30, 2025	Oct. 1, 2025 - Sept. 30, 2026
Cash flows from operating activities;		
Income before income taxes	6,851	4,900
Depreciation and amortization	2,337	2,666
Impairment losses	404	―
Business structure improvement expenses	463	687
Amortization of goodwill	26	28
Increase (decrease) in allowance for doubtful accounts	57	(118)
Increase (decrease) in provision for bonuses	(1)	(129)
Increase (decrease) in provision for product warranties	(15)	342
Increase (decrease) in net defined benefit liability	(84)	(158)
Increase (decrease) in provision for share awards	9	(7)
Interest and dividends income	(666)	(674)
Interest expenses	50	53
Equity in (earnings) losses of affiliates	(78)	(194)
Loss (gain) on valuation of derivatives	(64)	(14)
Loss (gain) on sales and retirement of non-current assets	(2)	53
Decrease (increase) in notes and accounts receivable-trade, and contract assets	4,454	832
Decrease (increase) in inventories	580	498
Increase (decrease) in notes and accounts payable-trade	(2,424)	(1,206)
Increase (decrease) in contract liabilities	756	(2,088)
Decrease (increase) in advance payments - trade	(339)	454
Increase (decrease) in accrued expenses	(518)	(319)
Other	(374)	(185)
Subtotal	11,420	5,420
Interests and dividends income received	766	774
Interest expenses paid	(50)	(53)
Income taxes paid	(2,637)	(2,692)
Net cash provided by (used in) operating activities	9,499	3,448
Cash flows from investing activities;		
Payments into time deposits	(1,191)	(1,009)
Proceeds from withdrawal of time deposits	774	759
Purchase of securities	(1,000)	―
Proceeds from redemption of securities	1,000	―
Purchase of property, plant and equipment	(3,392)	(3,367)
Proceeds from sales of property, plant and equipment	274	1
Purchase of intangible assets	(142)	(144)
Other	(3)	(2)
Net cash provided by (used in) investing activities	(3,680)	(3,761)
Cash flows from financing activities;		
Proceeds from long-term borrowings	―	229
Repayment of long-term loans payable	(323)	(210)
Purchase of treasury shares	(1,000)	(0)
Cash dividends paid	(1,930)	(1,836)
Repayments of lease obligations	(88)	(106)
Net cash provided by (used in) financing activities	(3,343)	(1,925)
Effect of exchange rate change on cash and cash equivalents	1,614	923
Net increase (decrease) in cash and cash equivalents	4,088	(1,314)
Cash and cash equivalents at beginning of period	26,995	31,084
Cash and cash equivalents at end of period	31,084	29,770

(5) Notes to Consolidated Financial Statements

(Matters related to the assumption of going concern)

There is no applicable information.

(Significant change in the amount of shareholders' equity)

There is no applicable information.

(Segment information and other)

[Reportable segments]

1 Overview of reportable segments

Our reportable segments are those for which financial information is available separately and regular evaluation by the Board of Directors is being performed to evaluate distribution of organization's resources and performance.

Our group has its business headquarters at the main office. We formulate comprehensive domestic and international strategies for the products and services we handle and carry out our business activities accordingly.

Therefore, our group is comprised of segments based on products and services, with "Powder Processing Business" and "Blown Film Business" as our two reportable segments.

The "Powder Processing Business" manufactures and sells grinding and classifying equipment, mixing and drying equipment, as well as air pollution control equipment, dust collectors for product collection, and precision air conditioning control equipment for the Japanese market. We also develop new materials, primarily composite nanoparticles, and commercialize them, in addition to providing toll processing services for fine powders. The "Blown Film Business" develops, manufactures, and sells various types of high- performance blown film equipment from single to multiple layers.

2 Calculation method of sales, profits, assets, and other items by reportable segment

The accounting policies applied to the reportable segments are identical to those applied in the preparation of the consolidated financial statements. Segment profit is based on operating profit. Inter-segment sales are recorded at market prices.

3 Information about reported segment profit or loss, segment assets, segment liabilities and other material items

Previous consolidated fiscal year(from Oct. 1, 2024 to Sept. 30, 2025) (Millions of yen)

	Reportable segment			Adjustments (*1)	Consolidated total (*2)
	Powder	Blown film	Total		
Sales					
Outside customers	58,617	19,377	77,994	—	77,994
Intersegment	59	—	59	(59)	—
Total sales	58,677	19,377	78,054	(59)	77,994
Segment profit (loss)	6,456	2,122	8,578	(1,527)	7,051
Segment assets	62,407	30,078	92,485	10,249	102,734
Other items					
Depreciation	1,763	470	2,234	102	2,337
Amortization of goodwill	23	3	26	—	26
Investments in equity method affiliates	271	—	271	—	271
Impairment losses on fixed assets	404	—	404	—	404
Increase in property, plant and equipment and intangible assets	2,027	480	2,508	836	3,345

(*1) Adjustments to segment profit (loss) were ¥ (1,527) million and comprised mainly corporate expenses not allocated to reportable segments. Corporate expenses were attributable mainly to expenses related to administrative groups. Adjustments to segment assets were ¥10,249 million and comprised mainly corporate assets not allocated to reportable segments. Corporate assets were attributable mainly to cash and time deposits, buildings and structures, land and investments in securities owned by the Company. Increases in property, plant, and equipment and intangible assets of ¥836 million were attributable to corporate assets which were not allocated to reportable segments.

(*2) Segment profit (loss) was adjusted to conform with operating profit.

Current consolidated fiscal year (from Oct. 1, 2025 to Sept. 30, 2026) (Millions of yen)

	Reportable segment			Adjustments (*1)	Consolidated total (*2)
	Powder	Blown film	Total		
Sales					
Outside customers	61,542	21,020	82,563	—	82,563
Intersegment	98	—	98	(98)	—
Total sales	61,640	21,020	82,661	(98)	82,563
Segment profit (loss)	4,866	1,460	6,327	(1,608)	4,718
Segment assets	62,414	29,244	91,659	12,162	103,822
Other items					
Depreciation	1,981	521	2,503	163	2,666
Amortization of goodwill	24	3	28	—	28
Investments in equity method affiliates	365	—	365	—	365
Increase in property, plant and equipment and intangible assets	1,076	296	1,373	2,141	3,515

(*1) Adjustments to segment profit (loss) were ¥ (1,608) million and comprised mainly corporate expenses not allocated to reportable segments. Corporate expenses were attributable mainly to expenses related to administrative groups. Adjustments to segment assets were ¥12,162 million and comprised mainly corporate assets not allocated to reportable segments. Corporate assets were attributable mainly to cash and time deposits, buildings and structures, land and investments in securities owned by the Company. Increases in property, plant, and equipment and intangible assets of ¥2,141 million were attributable to corporate assets which were not allocated to reportable segments.

(*2) Segment profit (loss) was adjusted to conform with operating profit.

[Related information]

Previous consolidated fiscal year (from Oct. 1, 2024 to Sept. 30, 2025)

1 Information by product and service

This information has been omitted because the same information is disclosed in the segment information.

2 Information by region

(1) Sales (Millions of yen)

Japan	Americas		Europe		Asia / Other	Total
		USA		Germany		
14,588	16,379	14,098	30,687	10,147	16,338	77,994

*Sales are classified by country or region based on the location of the customer.

(2) Property, plant and equipment (Millions of yen)

Japan	Americas	Europe		Asia / Other	Total
			Germany		
10,107	2,495	18,338	15,193	146	31,087

(3) Information by major customer

As there are no external customers accounting for 10% or above of total sales in the consolidated statements of income, disclosure by major customer has been omitted.

Current consolidated fiscal year (from Oct. 1, 2025 to Sept. 30, 2026)

1 Information by product and service

This information has been omitted because the same information is disclosed in the segment information

2 Information by region

(1) Sales (Millions of yen)

Japan	Americas		Europe		Asia / Other	Total
		USA		Germany		
14,745	21,089	18,544	32,210	9,413	14,518	82,563

*Sales are classified by country or region based on the location of the customer.

(2) Property, plant and equipment (Millions of yen)

Japan	Americas	Europe		Asia / Other	Total
			Germany		
11,967	2,517	17,827	14,881	123	32,436

3 Information by major customer

As there are no external customers accounting for 10% or above of total sales in the consolidated statements of income, disclosure by major customer has been omitted.

[Information about impairment losses on fixed assets by reportable segments]

Previous consolidated fiscal year (from Oct.1, 2024 to Sept.30,2025)

This information has been omitted because the same information is disclosed in the segment information.

Current consolidated fiscal year (from Oct.1, 2025 to Sept. 30, 2026)

There is no applicable information.

[Information about the amortization and unamortized balance of goodwill by reportable segments]

Previous consolidated fiscal year (from Oct. 1, 2024 to Sept. 30, 2025) (Millions of yen)

	Reportable segment			Elimination	Total
	Powder	Blown film	Total		
Amortization	23	3	26	－	26
Balance at end	98	15	113	－	113

Current consolidated fiscal year (from Oct. 1, 2025 to Sept. 30, 2026) (Millions of yen)

	Reportable segment			Elimination	Total
	Powder	Blown film	Total		
Amortization	24	3	28	－	28
Balance at end	76	11	88	－	88

[Information about gains on negative goodwill by reportable segment]

There is no applicable information.

(Per Share information)

	Previous consolidated fiscal year (from Oct.1, 2024 to Sept. 30, 2025)	Current consolidated fiscal year (from Oct.1, 2025 to Sept 30, 2026)
Net Assets per share	4,589.71	4,890.16
Basic earnings per share	306.09	240.42
Diluted earnings per share	305.88	240.23

Note 1

To calculate "net assets per share", the company's shares held in the trust account for the "Employee Stock Trust"are included in treasury stock deducted from the total number of shares issued at the end of the fiscal year (44,600 shares for the previous consolidated fiscal year and 35,300 shares for the current consolidated fiscal year).To calculate basic earnings per share, these shares are also included in the treasury stock deducted when calculating the weighted average number of shares outstanding during the period (45,597 shares for the previous consolidated fiscal year and 36,599 shares for the current consolidated fiscal year).

2 The basis for calculating"Net assets per share" is as follows

	Previous consolidated fiscal year (As of September 30, 2025)	Current consolidated fiscal year (As of September 30, 2026)
Total net assets (Millions of yen)	67,219	71,724
The amount excluded from total net assets (Millions of yen)	44	18
(of which, subscription right to share) (Millions of yen)	(44)	(18)
(of which, non-controlling interest) (Millions of yen)	—	—
Net assets of common stock at the end of the fiscal year (Millions of yen)	67,174	71,706
Number of common stocks at the end of the period used for the calculation of net assets per share (thousands of stocks)	14,635	14,663

3 The basis for calculating basic earnings per share and diluted earnings per share is as follows.

	Previous consolidated fiscal year (from Oct 1, 2024 to Sept. 30, 2025)	Current consolidated fiscal year (from Oct. 1, 2025 to Sept. 30, 2026)
Basic earnings per share		
Profit attributable to owners of parents (millions of yen)	4,527	3,524
Amount not attributable to common shareholder (millions of yen)	—	—
Profit attributable to owners of parent related to common stocks (millions of yen)	4,527	3,524
Average number of common stocks outstanding during the period (thousands of stocks)	14,791	14,659
Diluted earnings per share		
Increase in the number of common stocks (thousands of stocks)	9	11
(of which, subscription rights to shares) (thousands of stocks)	(9)	(11)
Outline of potentially diluted stocks not used for calculation of diluted net income per share due to not having a diluted effect.	-	

(Significant subsequent events)

There is no applicable information.