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November 10, 2026

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

Company name: SAN-AI OBBLI CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 8097
URL: https://www.san-ai-obbli.com/en/
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Scheduled date to semi-annual Securities Report: November 11, 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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	301,942	-2.1	6,816	80.1	7,523	74.6	4,822	70.5
September 30, 2025	308,364	0.4	3,784	-31.6	4,310	-28.8	2,828	-37.0

Note: Comprehensive income For the six months ended September 30, 2026: ¥6,346 million[96.4%]
For the six months ended September 30, 2025: ¥3,230 million[-18.2%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	78.03	-
September 30, 2025	45.38	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	210,106	124,836	56.3
March 31, 2026	212,048	122,709	54.7

Reference: Equity
As of September 30, 2026: ¥118,211 million
As of March 31, 2026: ¥115,935 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	50.00	-	50.00	100.00
Fiscal year ended March 31, 2027	-	50.00			
Fiscal year ending March 31, 2027 (Forecast)			-	50.00	100.00

3. Forecast of consolidated financial results for the year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	630,000	3.0	13,500	9.3	15,000	11.6	9,300	1.1	150.49

Note: Revisions to the most recently disclosed earnings forecasts: Yes

*** Notes**

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

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: None

(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	63,000,000 shares
As of March 31, 2026	63,000,000 shares

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

As of September 30, 2026	1,458,721 shares
As of March 31, 2026	1,117,587 shares

(iii) Average number of shares outstanding during the period

Six months ended September 30, 2026	61,798,223 shares
Six months ended September 30, 2025	62,325,170 shares

* Proper use of earnings forecasts, and other special matters

The forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may significantly differ from these forecasts due to various factors. Please refer to “1. Overview of Operating Results and others”. “(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements” on page 4 of the attached material for the assumptions upon which the forecasts are based and notes regarding the use of the forecasts.

Supplementary material on financial results URL: https://www.san-ai-obbli.com/en/ir/

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1. Overview of Operating Results and Others

(1) Business Results for six months ended September 30, 2026

During the six months ended September 30, 2026, in the business environment surrounding our group, the Japanese economy continued to recover moderately. This was supported by a recovery in private consumption and capital investment. On the other hand, prices continue to rise due to soaring resource prices and rising labor costs, and consumers' preference for savings has become even stronger.

In the business environment surrounding our group, although the number of foreign visitors to Japan decreased slightly year-on-year, demand for aviation fuel remained firm. In automotive fuel market, domestic market conditions remained volatile. This reflected higher crude oil prices and the government’s emergency measures to mitigate sudden price fluctuations in response to the situation in the Middle East.

Under these circumstances, SAN-AI OBBLI Group entered Second stage of its Medium-Term Management Plan, “Challenge 2030: Tackling the Changing Future.” The Group invested in growth businesses to achieve its vision for Fiscal Year 2030.

During the six months ended September 30, 2026, net sales of our group decreased by 2.1% year-on-year to 301,942 million yen due to a decrease in sales volume of petroleum products. Operating profit increased by 80.1% year-on-year to 6,816 million yen, owing to factors such as the recovery in the results of Kygnus Sekiyu K.K., which had declined in the same period of the previous fiscal year, and higher profits in the Chemical products-related business. Ordinary profit increased by 74.6% year-on-year to 7,523 million yen, and profit attributable to owners of parent increased by 70.5% year-on-year to 4,822 million yen.

Segment results are as follows.

① Petroleum-related business

In the Petroleum-related business, sales volume of petroleum products decreased year-on-year. The status of each division is as follows.

In the petroleum retail division, profits decreased year-on-year as both sales volume and profit margins at directly managed SS decreased year-on-year. In the petroleum wholesale division, profits rose year-on-year as the results of Kygnus Sekiyu K.K, whose profitability had deteriorated in the same period of the previous fiscal year, began to recover. In the industrial fuel oil sales division, although sales volume decreased year-on-year, profits exceeded the previous fiscal year. In the industrial lubricants sales division, profits increased year-on-year due to a review of the lubricant sales strategy as well as strong orders for gas engine maintenance for power generation and endoscopic testing for wind power generation.

Consequently, net sales in the Petroleum-related business decreased by 4.7% year-on-year to 251,908 million yen, and segment profit increased by 271.2% year-on-year to 3,191 million yen.

② Chemical Products-related business

In the Chemical Products-related business, growing concerns about a naphtha shortage stemming from the situation in the Middle East led to rush demand for each product. The situation by product is as follows.

In automotive-related products, both sales volume and profits of car wash products, the company's own products were slightly lower year-on-year. In biocide products, profits rose year-on-year due to expanded sales of high value-added products. In solvents and tackifiers, although sales volume fell year-on-year, profits rose year-on-year due to price increases driven by rush demand. In other areas, sales of higher alcohol and other performance chemicals remained unchanged from the same period of the previous fiscal year.

Consequently, net sales in the Chemical Products-related business increased by 24.5% year-on-year to 7,787 million yen, and segment profit increased by 76.1% year-on-year to 1,056 million yen.

③ Gas-related business

<LPG Sales Business>

In the LPG sales business, demand was generally on a downward trend, and sales volume decreased year-on-year. The status of each division is as follows.

In the retail division, although unit consumption declined, mainly for household use, sales volume and profits remained at the same level as previous year due to increase in the number of customers resulting from the acquisition of goodwill.

In the wholesale division, profit increased year-on-year due to the impact of inventory valuations.

<Natural Gas Business>

In the natural gas sales business, unit consumption declined in the household use, and sales volume decreased year-on-year. In the commercial and industrial sectors,

sales volume decreased year-on-year due to factors such as lower factory operating rates. As a result, both sales volume and profit in the natural gas sales business decreased year on year.

Consequently, net sales in the Gas-related business increased by 17.7% year-on-year to 30,719 million yen due to higher LPG sales prices. Segment profit increased by 21.4% year-on-year to 895 million yen.

④ Aviation-related business

In the Aviation-related business, although the number of foreign visitors to Japan decreased slightly year-on-year, air travel demand remained firm. The volume of fuel handled at Haneda Airport on domestic flights fell significantly year-on-year, due in particular to unseasonable weather in the summer and other factors. On international flights, the volume of fuel handled was slightly lower year-on-year. As a result, although the combined volume of fuel handled on domestic and international flights decreased by about 2% year-on-year, profits remained unchanged year-on-year due to unit price revisions.

Consequently, in the Aviation-related business, net sales increased by 4.5% year-on-year to 8,818 million yen, and segment profit increased by 0.1% year-on-year to 2,914 million yen.

⑤ The Other businesses

In other businesses, in the cleaning and surface treatment business for metal products and other products, both sales and profits increased year-on-year due to an increase in orders for semiconductor manufacturing equipment. In the construction industry, both sales and profits fell year-on-year due to sluggish equipment-related orders.

Consequently, net sales in the Other businesses decreased by 14.9% year-on-year to 2,709 million yen due to a decline in orders in the construction industry. Segment profit increased by 107.0% year-on-year to 805 million yen due to strong performance in the cleaning and surface treatment business for metal products and other products.

(2) Consolidated Statements of Financial Position for six months ended September 30, 2026

(i) Conditions of Assets, Liabilities and Net Assets

Total assets as of September 30, 2026, decreased by 1,942 million yen from the end of the previous fiscal year to 210,106 million yen. This was mainly due to a decrease in cash and deposits. On the other hand, there was an increase in fixed assets and securities.

Total liabilities decreased by 4,069 million yen from the end of the previous fiscal year to 85,270 million yen. This was mainly due to decreases in notes and accounts payable-trade and other current liabilities.

Total net assets increased by 2,126 million yen from the end of the previous fiscal year to 124,836 million yen. This was mainly due to the recognition of profit attributable to owners of parent.

Consequently, the equity ratio increased from 54.7% at the end of the previous fiscal year to 56.3%.

(ii) Condition of Cash Flows

Cash and cash equivalents (hereinafter referred to as "funds") at the end of September 30, 2026 decreased by 7,542 million yen from the end of the previous fiscal year to 41,856 million yen.

The status of each cash flow and the factors for the six months ended September 30, 2026 are as follows.

Cash flows from operating activities

Net cash provided by operating activities totaled 2,380 million yen. This was mainly due to the recognition of profit before income taxes. Net cash provided decreased by 5,535 million yen year-on-year.

Cash flows from investing activities

Net cash used in investing activities was 4,912 million yen. This was mainly due to purchases of property, plant and equipment. Net cash used decreased by 4,374 million yen year-on-year.

Cash flows from financing activities

Net cash used in financing activities was 5,010 million yen. This was mainly due to the payment of dividends. Net cash used increased by 1,093 million yen year-on-year.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

Based on the financial results for the first six months of FY2026 and the outlook for the remainder of the fiscal year, we have revised the full-year consolidated financial forecast for FY2026, ending March 31, 2027, announced on May 14, 2026. For details of the revisions, please refer to the "Notice Regarding Revision to Consolidated Financial Results Forecast" dated today.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	48,728	38,558
Notes and accounts receivable – trade, and contract assets	40,444	37,729
Securities	1,000	4,000
Merchandise and finished goods	9,623	10,575
Work in process	26	41
Raw materials and supplies	160	180
Other	1,185	2,453
Allowance for doubtful accounts	-193	-187
Total current assets	100,974	93,350
Non-current assets		
Property, plant and equipment		
Buildings and structures	77,872	78,991
Accumulated depreciation	-55,518	-56,375
Buildings and structures, net	22,353	22,615
Machinery, equipment and vehicles	40,120	40,656
Accumulated depreciation	-31,811	-32,378
Machinery, equipment and vehicles, net	8,309	8,278
Land	18,925	19,125
Other	14,049	18,133
Accumulated depreciation	-5,703	-5,939
Other, net	8,345	12,193
Total property, plant and equipment	57,933	62,212
Intangible assets		
Goodwill	2,169	2,681
Customer-related intangible assets	167	158
Other	4,956	4,725
Total intangible assets	7,294	7,566
Investments and other assets		
Investment securities	14,539	15,259
Retirement benefit asset	4,945	5,239
Guarantee deposits	25,165	25,196
Other	1,849	1,934
Allowance for doubtful accounts	-653	-652
Total investments and other assets	45,846	46,977
Total non-current assets	111,074	116,755
Total assets	212,048	210,106

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	46,511	43,958
Short-term borrowings	650	890
Current portion of long-term borrowings	638	642
Income taxes payable	3,026	2,839
Provision for bonuses	1,891	1,769
Provision for bonuses for directors (and other officers)	84	44
Provision for warranties for completed construction	0	0
Asset retirement obligations	40	40
Other	20,265	18,191
Total current liabilities	73,109	68,378
Non-current liabilities		
Long-term borrowings	1,628	1,791
Provision for retirement benefits for directors (and other officers)	185	191
Provision for special repair	279	308
Retirement benefit liability	245	272
Asset retirement obligations	966	868
Other	12,924	13,460
Total non-current liabilities	16,230	16,891
Total liabilities	89,339	85,270
Net assets		
Shareholders' equity		
Share capital	10,127	10,127
Capital surplus	2,530	2,700
Retained earnings	101,592	103,320
Treasury shares	-2,169	-2,993
Total shareholders' equity	112,081	113,155
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,447	5,667
Revaluation reserve for land	-757	-757
Remeasurements of defined benefit plans	164	145
Total other accumulated comprehensive income	3,854	5,056
Non-controlling interests	6,773	6,624
Total net assets	122,709	124,836
Total liabilities and net assets	212,048	210,106

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

Consolidated Statements of Income (cumulative)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales		
Net sales of goods	306,626	300,956
Net sales of completed construction contracts	1,737	986
Total net sales	308,364	301,942
Cost of sales		
Cost of goods sold	280,075	270,387
Cost applicable to construction revenue	1,507	823
Total cost of sales	281,583	271,211
Gross profit	26,780	30,731
Selling, general and administrative expenses	22,996	23,915
Operating profit	3,784	6,816
Non-operating income		
Interest income	98	215
Dividend income	282	221
Purchase discounts	164	199
Light oil delivery tax grant	73	75
Reversal of allowance for doubtful accounts	7	5
Other	151	130
Total non-operating income	777	847
Non-operating expenses		
Interest expenses	54	84
Sales discount	115	-
Commission paid	48	-
Other	34	55
Total non-operating expenses	252	140
Ordinary profit	4,310	7,523
Extraordinary income		
Gain on sale of non-current assets	5	4
Gain on sale of investment securities	-	347
Total extraordinary income	5	352
Extraordinary losses		
Loss on sale and retirement of non-current assets	35	135
Impairment losses	35	0
Loss on valuation of investment securities	9	-
Total extraordinary losses	80	136
Profit before income taxes	4,235	7,739
Income taxes – current	1,739	2,689
Income taxes – deferred	-325	-134
Total income taxes	1,414	2,554
Net profit	2,821	5,184
Profit (loss) attributable to non-controlling interests	-7	362
Profit attributable to owners of parent	2,828	4,822

Consolidated Statements of Comprehensive Income (cumulative)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	2,821	5,184
Other comprehensive income		
Valuation difference on available-for-sale securities	361	1,180
Remeasurements of defined benefit plans, net of tax	48	-18
Total other comprehensive income	409	1,161
Comprehensive income	3,230	6,346
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,220	6,023
Comprehensive income attributable to non-controlling interests	10	322

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	4,235	7,739
Depreciation	2,671	2,645
Amortization of goodwill	245	230
Increase (decrease) in allowance for doubtful accounts	-9	-6
Increase (decrease) in provision for bonuses	-111	-123
Increase (decrease) in provision bonuses for directors (and other officers)	-29	-40
Increase (decrease) in net defined benefit asset or liability	-205	-295
Interest and dividend income	-545	-636
Interest expenses	170	84
Loss (gain) on sale and retirement of property, plant and equipment	26	129
Impairment losses	35	0
Loss (gain) on sale of investment securities	-	-347
Loss (gain) on valuation of investment securities	9	-
Decrease (increase) in trade receivables	7,139	2,799
Decrease (increase) in inventories	1,217	-968
Decrease (increase) in other current assets	-702	-1,143
Decrease (increase) in operating security deposits and bankruptcy claims	5,990	-120
Increase (decrease) in trade payables	-9,591	-2,555
Increase (decrease) in other current liabilities	-587	-2,898
Other, net	16	-47
Subtotal	9,975	4,446
Interest and dividends received	468	523
Interest paid	-172	-101
Income taxes paid	-2,356	-2,488
Net cash provided by (used in) operating activities	7,915	2,380
Cash flows from investing activities		
Payments into time deposits	-6,191	-206
Purchase of investment securities	-50	-4
Proceeds from sale and redemption of investment securities	50	1,226
Purchase of property, plant and equipment	-2,715	-5,186
Proceeds from sale of property, plant and equipment	211	92
Purchase of intangible assets	-647	-719
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-184
Other, net	55	70
Net cash provided by (used in) investing activities	-9,287	-4,912
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	-350
Repayments of long-term borrowings	-246	-122
Redemption of bonds	-30	-
Purchase of treasury shares of subsidiaries	-0	-836
Dividends paid to non-controlling interests	-213	-62
Dividends paid	-3,116	-3,094
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-5	-240
Other, net	-303	-304
Net cash provided by (used in) financing activities	-3,916	-5,010
Net increase (decrease) in cash and cash equivalents	-5,288	-7,542
Cash and cash equivalents at beginning of period	40,288	49,399
Cash and cash equivalents at the end of period	35,000	41,856

(4) Notes

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

Not applicable.

(Segment Information)

[Segment Information]

I Previous interim consolidated accounting period (Six months ended September 30, 2025)

1. Information on net sales and profit by reportable segment

(Millions of yen)

	Reportable segments						Adjusted amount (NOTE)2	Amount recorded in interim consolidated financial statements (NOTE)3
	Petroleum-related business	Chemical Products-related business	Gas-related business	Aviation-related business	The Other businesses (NOTE)1	Total		
Net sales								
Sales to customers	264,397	6,254	26,088	8,438	3,184	308,364	-	308,364
Intersegment sales or transfers amount	789	162	24	0	1,506	2,484	-2,484	-
Total	265,187	6,417	26,112	8,439	4,691	310,848	-2,484	308,364
Segment profit	859	599	737	2,912	388	5,499	-1,188	4,310

(NOTE) 1. The Other businesses include the clean tech business, construction business, real estate leasing business, etc.

2. Adjusted amount to segment profit of -1,188 million yen includes eliminations of intersegment transactions of -11 million yen in and corporate cost of -1,177 million yen that are not allocated to reportable segments. Corporate cost is mainly selling, general and administrative expenses, non-operating income and non-operating expenses that are not attributable to reportable segments.

3. Segment profit is adjusted with ordinary profit in the interim consolidated statements of income.

II Current interim consolidated accounting period (Six months ended September 30, 2026)

1. Information on net sales and profit by reportable segment

(Millions of yen)

	Reportable segments						Adjusted amount (NOTE)2	Amount recorded in interim consolidated financial statements (NOTE)3
	Petroleum-related business	Chemical Products-related business	Gas-related Business	Aviation-related business	Other businesses (NOTE)1	Total		
Net sales								
Sales to customers	251,908	7,787	30,719	8,818	2,709	301,942	-	301,942
Intersegment sales or transfers amount	1,136	172	28	0	4,428	5,766	-5,766	-
Total	253,045	7,959	30,747	8,819	7,137	307,709	-5,766	301,942
Segment profit	3,191	1,056	895	2,914	805	8,863	-1,340	7,523

(NOTE) 1. The Other businesses include the clean tech business, construction business, real estate leasing business, etc.

2. Adjusted amount to segment profit of -1,340 million yen includes eliminations of intersegment transactions of -232 million yen and corporate cost of -1,107 million yen that are not allocated to reportable segments. Corporate cost is mainly selling, general and administrative expenses, non-operating income and non-operating expenses that are not attributable to reportable segments.

3. Segment profit is adjusted with ordinary profit in the interim consolidated statements of income.

(Notes on Going Concern Assumption)

Not applicable.

(Significant Subsequent Events)

1. Significant Change in the Acquisition of Own Shares

At the Board of Directors held on November 10, 2026, the Company resolved to amend, as follows, the details of the acquisition of own shares that were approved at the Board of Directors held on August 6, 2026.

(1) Reasons for changes

As stated in the "Notice Regarding Revision to Consolidated Financial Results Forecast" announced on November 10, 2026, the Company revised upward its financial results forecast for the fiscal year ending March 31, 2027. In light of this revision, the Company will increase the total number of shares to be acquired and the total acquisition price and extend the acquisition period to enable the flexible implementation of capital policy.

(2) Details of Acquisition

	Before	After
① Type of shares to be acquired	Common shares of the Company	
② Total number of shares to be acquired	1,000,000 shares (maximum) (1.62% of the total number of issued shares (excluding treasury shares))	1,500,000 shares (maximum) (2.45% of the total number of issued shares (excluding treasury shares))
③ Total acquisition price of shares	2,300,000,000 yen (maximum)	3,550,000,000 yen (maximum)
④ Acquisition period	From August 7, 2026 to December 31, 2026	From August 7, 2026 to March 31, 2027
⑤ Method of acquisition	Market purchase on the Tokyo Stock Exchange	

2. Disposal of treasury shares as restricted stock incentives for the employee shareholding association

At the meeting of the Board of Directors held on November 10, 2026, the Company resolved to dispose of the Company's treasury shares as restricted shares (hereinafter, the "Treasury Share Disposal" or the "Disposal") under the Employee Shareholding Association Restricted Stock Incentive Plan (hereinafter, the "Plan"), with the SAN-AI OBBLI Employee Shareholding Association (hereinafter, the "ESA") as the scheduled allottee.

(1) Overview of the Disposal

① Date of disposal	June 25, 2027
② Class and number of shares to be disposed	227,200 common shares of the Company (Note)
③ Disposal price	2,283 yen per share
④ Total disposal value	518,697,600 yen (Note)
⑤ Method of disposal (Scheduled Allottee)	The number of subscription shares determined by the ESA within the scope of the number of shares stated in ② above shall be allotted to the ESA on the condition that the ESA applies for subscription by way of third-party allotment (the number allotted shall be the "number of shares to be disposed"). (SAN-AI OBBLI Employee Shareholding Association, 227,200 shares) Partial applications by individual Eligible Employees (as defined below) for only a portion of the shares to be granted will not be accepted.
⑥ Other matters	An Extraordinary Report has been submitted for the Treasury Share Disposal in accordance with the Financial Instruments and Exchange Act.

(Note) The "number of shares to be disposed" and the "total disposal value" are calculated on the assumption that 100 common shares of the Company will be granted as restricted shares to each of the 2,272 employees of the Company and its subsidiaries who represent the maximum number of employees potentially eligible under the Plan. The actual number of shares and the total disposal value will be determined according to the number of employees of the Company and its subsidiaries who agree to the Plan (the "Eligible Employees"; up to 2,272), after promotional activities for non-members of the ESA and confirmation of consent among ESA members have been completed.

Specifically, as stated in ⑤ above, the number of shares for which the ESA applies shall constitute the "number of shares to be disposed," and the amount obtained by multiplying such number by the per-share disposal price shall constitute the "total disposal value."

The Company or its subsidiaries will grant each Eligible Employee a monetary claim of 228,300 yen, and the Company will allot 100 shares uniformly to each Eligible Employee through the ESA.

(2) Purpose of and reasons for the Disposal

At today's meeting of the Board of Directors, the Company resolved to introduce the Plan to provide Eligible Employees who are members of the ESA and are employed by the Company or its subsidiaries with an opportunity to acquire the Company's common shares as restricted shares through the ESA.

The Plan will be implemented in conjunction with the 75th anniversary of the Company's founding. Its purpose is to enhance Eligible Employees' engagement

by expanding employee welfare benefits, promote value sharing with the Company's shareholders, and increase Eligible Employees' motivation to achieve the targets of the medium-term management plan.

An outline of the Plan is provided below.

[Overview of the Plan]

Under the Plan, the Company or its subsidiaries will grant Eligible Employees monetary claims as a special incentive for the grant of restricted shares (the "Special Incentive"). Eligible Employees will contribute the Special Incentive to the ESA.

The ESA will then contribute the Special Incentive contributed by the Eligible Employees to the Company as a contribution in kind and, in return, will receive the issue or disposal of the Company's common shares as restricted shares.

When the Company newly issues or disposes of common shares under the Plan, the per-share payment amount will be determined by resolution of the Board of Directors, within a scope that is not particularly advantageous to the ESA (and, by extension, to the Eligible Employees), based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant Board resolution (or, if no transaction is made on such business day, the closing price on the most recent prior trading day).

In connection with an issuance or disposal under the Plan, the Company and the ESA will enter into a restricted share allotment agreement providing, among other matters, that (i) the transfer, creation of a security interest in, or other disposal of the allotted shares to a third party will be prohibited for a certain period (the "Transfer Restrictions"), and (ii) the Company will acquire the allotted shares without consideration if certain events occur.

Payment of the Special Incentive to Eligible Employees will be conditional upon execution of the restricted share allotment agreement between the Company and the ESA.

Until the Transfer Restrictions are lifted, pursuant to the ESA's rules and operating bylaws (the "ESA Rules, etc."), Eligible Employees will be restricted from withdrawing their member equity interests pertaining to the restricted shares held in proportion to the monetary claims contributed to the ESA (the "Restricted Share Equity Interests" or "RS Equity Interests").

Note: Promptly after the Board resolution for the Treasury Share Disposal, the ESA intends to resolve amendments to the ESA Rules, etc. at a meeting of its board of directors before accepting the Treasury Share Disposal. The amendments are scheduled to become effective after two weeks have elapsed from the issuance of notice to ESA members in accordance with the ESA Rules, etc. following the relevant board resolution, provided that objections are received from less than one-third of all ESA members.

In the Treasury Share Disposal, the ESA, as the scheduled allottee, will make payment by way of in-kind contribution of the entire Special Incentive contributed by Eligible Employees, and the Company will dispose of its common shares to the ESA (the "Allotted Shares").

The overview of the restricted share allotment agreement to be executed between the Company and the ESA (the "Allotment Agreement") is described in Section (3) below.

As stated in the Note to Section (1) above, the number of shares to be disposed of in the Treasury Share Disposal will be determined at a later date. Assuming that all 2,272 employees of the Company and its subsidiaries who are potentially eligible under the Plan join the ESA and consent to the Plan, the number of shares to be disposed will be 227,200.

On this basis, the scale of dilution will be 0.36% of the total number of issued shares (63,000,000 shares as of September 30, 2026; percentages are rounded to the nearest two decimal places, and the same applies below) and 0.37% of the total number of voting rights (614,555 voting rights as of September 30, 2026).

The Plan is intended to assist Eligible Employees in building assets by providing them, as an employee welfare enhancement measure, with an opportunity to acquire the Company's common shares as restricted shares through the ESA. The Plan also aims to provide Eligible Employees with an incentive to contribute to the sustainable enhancement of the Company's corporate value and to promote greater value sharing with the Company's shareholders. The Company therefore believes that the Plan will contribute to increasing the corporate value of the Group, that the number of shares to be disposed and the scale of dilution are reasonable, and that the impact on the market will be minor even after taking such dilution into account.

The Treasury Share Disposal is conditional upon the amended ESA Rules, etc., becoming effective by the day preceding the disposal date and upon execution of the Allotment Agreement between the Company and the ESA within the prescribed period.

(3) Overview of the Allotment Agreement

① Transfer restriction period

From June 25, 2027 to May 31, 2032

② Conditions for Lifting the Transfer Restrictions

Provided that an Eligible Employee has remained a member of the ESA on a continuing basis throughout the transfer restriction period, the Transfer Restrictions will be lifted, upon expiration of such period, for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee who satisfies the foregoing condition.

③ Treatment upon Terminating ESA Membership

If an Eligible Employee terminates ESA membership during the transfer restriction period due to retirement upon reaching mandatory retirement age, retirement upon expiration of a continued employment period after mandatory retirement age, transfer to a group company to which the ESA Rules, etc. do not apply, appointment as an officer, or any other justifiable reason (meaning loss of membership qualification or submission of an application for withdrawal, and including termination due to death), the Company will lift the Transfer Restrictions, effective on the date on which the ESA receives the Eligible Employee's application for withdrawal (or, in the case of loss of membership qualification, the date of such loss, and in the case of death, the date of death; the "Withdrawal Application Acceptance Date"), for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee as of that date.

④ Treatment upon Becoming a Non-resident

If the Company or its subsidiaries determines that an Eligible Employee will become a non-resident during the transfer restriction period due to an overseas transfer or otherwise, the Company will lift the Transfer Restrictions, effective on the date of such determination (the "Overseas Transfer Determination Date"), for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee on that date.

⑤ Acquisition without Consideration by the Company

If an Eligible Employee commits an act in violation of laws or regulations during the transfer restriction period or falls under any other event prescribed in the Allotment Agreement, the Company will, as a matter of course, acquire without consideration all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee at such time.

The Company will also, as a matter of course, acquire without consideration any Allotted Shares for which the Transfer Restrictions are not lifted upon expiration of the transfer restriction period or at the time of lifting under ③ or ④ above.

⑥ Administration of Shares

During the transfer restriction period, the Allotted Shares will be administered in a dedicated account opened by the ESA with Nomura Securities Co., Ltd. so that the Allotted Shares cannot be transferred, pledged, or otherwise disposed of.

In addition, pursuant to the ESA Rules, etc., the ESA will register and administer the Restricted Share Equity Interests separately from the other member equity interests held by Eligible Employees (the "Ordinary Equity Interests").

⑦ Treatment upon Reorganization, etc.

If, during the transfer restriction period, matters relating to a merger agreement under which the Company will become the disappearing company, a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary, or any other reorganization, etc. are approved at the Company's general meeting of shareholders (or, where such approval is not required, at a meeting of the Board of Directors), the Company will, by resolution of the Board of Directors, lift the Transfer Restrictions, as of the time immediately preceding the business day before the effective date of such reorganization, etc., for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by Eligible Employees among the Allotted Shares held by the ESA as of the date of such approval.

(4) Basis of Calculation and Specifics of the Disposal Price

The Treasury Share Disposal to the ESA as the scheduled allottee will be conducted through Eligible Employees' contribution to the ESA of the Special Incentive granted to them for the grant of restricted shares, with such Special Incentive serving as the contributed property.

To eliminate arbitrariness, the disposal price has been set at 2,283 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on November 9, 2026, the business day immediately preceding the date of the Board resolution.

As this is the market price immediately prior to the Board resolution, the Company believes that the price is reasonable and does not constitute a particularly advantageous amount.

The deviation rates of this disposal price from the average closing prices of the Company's common shares on the Tokyo Stock Exchange Prime Market are

as follows. Percentages are rounded to the nearest two decimal places.

Period	Average closing price (amounts less than 1 yen rounded down)	Deviation rate
1 month (October 13, 2026 to November 9, 2026)	2,445 Yen	-6.63 %
3 months (August 10, 2026 to November 9, 2026)	2,423 Yen	-5.78 %
6 months (May 11, 2026 to November 9, 2026)	2,292 Yen	-0.39 %

All five Audit & Supervisory Board Members who attended today's meeting of the Board of Directors, including three outside Audit & Supervisory Board Members, have expressed the opinion that, in light of the purpose of the Treasury Share Disposal, namely the introduction of the Plan, and the fact that the disposal price is the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on the business day immediately preceding the date of the Board resolution, the foregoing price is not particularly advantageous to the scheduled allottee and is lawful.

(5) Matters Related to Procedures under the Code of Corporate Conduct

Given that (i) the dilution ratio is less than 25% and (ii) the Treasury Share Disposal does not involve a change in the controlling shareholder, the procedures to obtain an opinion from an independent third party and to confirm the intention of shareholders, as set forth in Article 432 of the Securities Listing Regulations prescribed by the Tokyo Stock Exchange, are not required.