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July 31, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: RIKEN TECHNOS CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 4220
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	32,679	4.2	2,650	8.8	2,445	(17.2)	1,473	(21.1)
June 30, 2024	31,363	0.9	2,437	36.4	2,953	32.7	1,868	36.5

Note: Comprehensive income For the three months ended June 30, 2025: ¥554 million [(83.8)%]
 For the three months ended June 30, 2024: ¥3,421 million [4.1%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	28.96	—
June 30, 2024	33.97	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	114,529	72,936	55.4
March 31, 2025	116,469	75,780	55.7

Reference: Equity
 As of June 30, 2025: ¥63,408 million
 As of March 31, 2025: ¥64,868 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, 2025	—	14.00	—	27.00	41.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		20.00	—	21.00	41.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	64,500	1.7	4,700	(1.6)	4,600	(2.3)	2,600	(0.5)	50.80
Fiscal year ending March 31, 2026	134,000	4.6	10,500	0.1	10,300	(2.7)	5,800	(21.3)	113.33

Note: Revisions to the consolidated financial forecast most recently announced: None

*** Notes**

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

Newly included: - companies (-)

Excluded: - companies (-)

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

Note: For details, please refer to the attached document, page 8, " Special Accounting Applied for Preparing
Quarterly Consolidated Financial Statements "

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2025	51,274,821 shares
As of March 31, 2025	53,275,019 shares

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

As of June 30, 2025	808,400 shares
As of March 31, 2025	2,097,067 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2025	50,889,636 shares
Three months ended June 30, 2024	55,008,176 shares

* Review of the Japanese-language originals of quarterly financial results reports by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements herein are based on information currently available to RIKEN TECHNOS CORPORATION (the "Company") and on certain assumptions deemed to be reasonable. Actual results, etc. may differ materially from the forecasts due to various factors. For the assumptions underlying the forecasts and the notes on the use of the forecasts, please refer to the attached document, page 3, "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information".

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the three months ended June 30, 2025, the Japanese economy experienced better employment and income situations. However, rising prices, including a hike in rice prices, continued to weigh on consumer spending. Nevertheless, the economy saw a moderate recovery, supported by steady inbound tourism demand and capital investment.

Overseas, the U.S. economy has generally remained robust. At the same time, uncertainties persist mainly due to worries concerning the outlook for the Chinese economy, the impact of the situation in the Middle East on oil prices, and the direction of U.S. policies.

Under such circumstances, the Company and its group companies (the “Group”) have been making tangible efforts for the Medium-term Business Plan, “One Vision, New Stage 2027,” which is now in its first year, under the three strategies of “Global One Company,” “Stay Ahead of Customers’ Expectations,” and “Take on the Challenge toward New Businesses and Products.”

As a result, net sales were 32,679 million yen (up 4.2% from the same period in the previous fiscal year; hereinafter “year-on-year”), operating profit was 2,650 million yen (up 8.8% year-on-year), ordinary profit was 2,445 million yen (down 17.2% year-on-year), and profit attributable to owners of parent was 1,473 million yen (down 21.1% year-on-year).

Operating results by segment are as shown below.

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

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

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

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

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

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

<Transportation>

Domestic revenue increased due to an increase in sales of elastomer compounds and the progress in transferring their soaring raw material costs into sales prices in the domestic market.

Overseas revenue increased due to higher sales of PVC compounds in Vietnam and Indonesia.

Segment profit decreased due to a decline in sales owing to lower automobile production by Japanese manufacturers in China and other overseas regions.

As a result, net sales amounted to 10,525 million yen (up 4.9% year-on-year) and segment profit was 1,018 million yen (down 13.3% year-on-year).

<Daily Life & Healthcare>

Domestic revenue decreased due to lower sales of household wrap products, despite steady sales of PVC compounds for consumer goods and elastomer compounds.

Overseas revenue increased mainly due to higher sales of PVC compounds for the medical market.

Segment profit increased due to higher sales of compounds in Japan and overseas.

As a result, net sales amounted to 9,188 million yen (up 4.2% year-on-year) and segment profit was 964 million yen (up 17.6% year-on-year).

<Electronics>

Domestic revenue decreased due to lower sales of functional compounds and elastomer compounds partly owing to sluggish market conditions.

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

Segment profit increased due to the revision of sales prices of compounds in Japan to fair and reasonable levels.

As a result, net sales amounted to 6,359 million yen (up 3.9% year-on-year) and segment profit was 361 million yen (up 48.7% year-on-year).

<Building & Construction>

Domestic revenue increased due to the progress in transferring soaring raw material costs into sales prices, despite stagnant sales of films and PVC compounds in the building materials market.

Overseas revenue increased due to higher sales of PVC compounds in the building materials market in North America, despite lower sales of PVC compounds in the building materials market in Thailand.

Segment profit increased due to the revision of sales prices in Japan and overseas to fair and reasonable levels.

As a result, net sales amounted to 6,600 million yen (up 3.6% year-on-year) and segment profit was 272 million yen (up 42.8% year-on-year).

(2) Explanation of Financial Position

(Assets)

Total assets as of June 30, 2025, were 114,529 million yen (a decrease of 1,940 million yen from the end of the previous fiscal year). This was mainly attributable to the decreases in cash and deposits under current assets and property, plant and equipment including machinery, equipment and vehicles, among other factors.

(Liabilities)

Total liabilities as of June 30, 2025, were 41,592 million yen (an increase of 903 million yen from the end of the previous fiscal year). This was mainly attributable to the increases in other current liabilities including dividends payable and accrued expenses, among other factors.

(Net Assets)

Net assets as of June 30, 2025, were 72,936 million yen (a decrease of 2,843 million yen from the end of the previous fiscal year). This was mainly attributable to the decreases in non-controlling interests and foreign currency translation adjustment, among other factors.

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

With regard to the consolidated financial results forecast, there has been no change to the consolidated financial results forecasts for the six months ending September 30, 2025 and the fiscal year ending March 31, 2026 announced in the Consolidated Financial Results released on April 30, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	24,472,764	23,434,261
Notes receivable - trade	735,947	671,689
Accounts receivable - trade	21,191,220	21,241,899
Electronically recorded monetary claims - operating	4,942,652	5,219,714
Merchandise and finished goods	10,936,170	11,138,616
Work in process	1,071,231	1,190,844
Raw materials and supplies	9,844,655	9,309,942
Other	1,214,363	1,237,108
Allowance for doubtful accounts	(86,058)	(80,679)
Total current assets	74,322,947	73,363,396
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,061,650	11,444,310
Machinery, equipment and vehicles, net	8,712,596	8,163,364
Land	6,592,746	6,509,684
Leased assets	86,451	76,331
Construction in progress	2,239,497	2,341,476
Other, net	890,094	862,814
Total property, plant and equipment	30,583,035	29,397,981
Intangible assets		
Leased assets	3,375	2,306
Other	2,643,120	2,478,736
Total intangible assets	2,646,496	2,481,042
Investments and other assets		
Investment securities	6,194,352	6,714,667
Long-term loans receivable	1,159	1,091
Retirement benefit asset	1,524,780	1,546,024
Deferred tax assets	485,293	441,375
Other	715,843	588,034
Allowance for doubtful accounts	(4,549)	(4,549)
Total investments and other assets	8,916,879	9,286,643
Total non-current assets	42,146,411	41,165,667
Total assets	116,469,358	114,529,064

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,713,412	20,545,882
Electronically recorded obligations - operating	419,987	380,102
Short-term borrowings	*1 9,102,182	*1 9,328,479
Current portion of long-term borrowings	396,012	362,475
Lease liabilities	47,468	39,339
Income taxes payable	924,728	741,366
Provision for bonuses	1,105,819	447,427
Provision for bonuses for directors (and other officers)	116,654	29,645
Other	2,131,787	3,843,270
Total current liabilities	34,958,052	35,717,990
Non-current liabilities		
Long-term borrowings	2,198,657	2,272,990
Lease liabilities	54,848	54,028
Long-term income taxes payable	30,000	30,000
Deferred tax liabilities	1,678,008	1,827,194
Provision for share awards for directors (and other officers)	274,560	293,230
Retirement benefit liability	1,049,268	962,648
Asset retirement obligations	345,702	346,868
Other	100,150	87,891
Total non-current liabilities	5,731,196	5,874,852
Total liabilities	40,689,249	41,592,842
Net assets		
Shareholders' equity		
Share capital	8,514,018	8,514,018
Capital surplus	6,597,580	6,597,580
Retained earnings	42,595,295	40,490,193
Treasury shares	(1,899,288)	(492,517)
Total shareholders' equity	55,807,605	55,109,274
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,615,641	3,973,874
Foreign currency translation adjustment	5,013,068	3,901,946
Remeasurements of defined benefit plans	431,884	423,358
Total accumulated other comprehensive income	9,060,594	8,299,179
Non-controlling interests	10,911,908	9,527,767
Total net assets	75,780,109	72,936,221
Total liabilities and net assets	116,469,358	114,529,064

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

Consolidated Statements of Income

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	31,363,381	32,679,166
Cost of sales	25,490,202	26,435,300
Gross profit	5,873,179	6,243,865
Selling, general and administrative expenses	3,436,087	3,593,236
Operating profit	2,437,091	2,650,629
Non-operating income		
Interest income	19,734	29,512
Dividend income	105,030	89,547
Foreign exchange gains	425,618	–
Other	47,876	31,061
Total non-operating income	598,259	150,121
Non-operating expenses		
Interest expenses	69,806	92,695
Foreign exchange losses	–	244,459
Other	12,229	18,212
Total non-operating expenses	82,035	355,366
Ordinary profit	2,953,315	2,445,384
Extraordinary income		
Gain on sale of non-current assets	1,763	747
Total extraordinary income	1,763	747
Extraordinary losses		
Loss on sale of non-current assets	961	–
Loss on retirement of non-current assets	870	8,435
Total extraordinary losses	1,831	8,435
Profit before income taxes	2,953,247	2,437,696
Income taxes	599,913	498,083
Profit	2,353,334	1,939,613
Profit attributable to non-controlling interests	484,882	465,672
Profit attributable to owners of parent	1,868,452	1,473,940

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	2,353,334	1,939,613
Other comprehensive income		
Valuation difference on available-for-sale securities	(93,795)	357,668
Foreign currency translation adjustment	1,168,298	(1,734,680)
Remeasurements of defined benefit plans, net of tax	(6,285)	(8,526)
Total other comprehensive income	1,068,216	(1,385,538)
Comprehensive income	3,421,551	554,074
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,561,397	712,525
Comprehensive income attributable to non-controlling interests	860,154	(158,451)

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on the going concern assumption)

Not applicable.

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

The Company cancelled 2,000 thousand shares of its treasury stock, effective June 30, 2025, based on the resolution of the Board of Directors Meeting held on June 20, 2025. As a consequence of this cancellation, retained earnings and treasury shares each decreased by 2,174,630 thousand yen during the period.

(Special Accounting Applied for Preparing Quarterly Consolidated Financial Statements)

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

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

(Additional Information)

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

(1) Board Benefit Trust (BBT)

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

i) Overview of transactions

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

ii) Shares in the Company remaining at the trust

The shares in the Company remaining at the trust are recorded as the treasury shares in net assets with the book value (excluding associated costs) at the trust. The book value and number of these treasury shares as of the end of the previous fiscal year were 254,361 thousand yen and 553 thousand shares, respectively, while those as of the end of the period were 254,361 thousand yen and 553 thousand shares, respectively.

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

Not applicable.

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

For the purpose of promoting welfare benefits for employees and giving incentives pertaining to the improvement of corporate value of the Company, the Company introduced “Stock Benefit Trust (Employee Stockholding Association Purchase-type)” (hereinafter referred to as the “Plan”), pursuant to the resolution at the Board of Directors meeting held on February 22, 2021.

i) Overview of transactions

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

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

ii) Shares in the Company remaining at the trust

The shares in the Company remaining at the trust are recorded as the treasury shares in net assets with the book value (excluding associated costs) at the trust. The book value and number of these treasury shares as of the end of the previous fiscal year were 53,241 thousand yen and 104 thousand shares, respectively, while those as of the end of the period were 38,503 thousand yen and 75 thousand shares, respectively.

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

Not applicable.

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

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

i) Overview of transactions

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

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

ii) Shares in the Company remaining at the trust

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

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

Not applicable.

(Notes to Consolidated Balance Sheets)

*1. Overdraft agreements and unused overdraft facility balance

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

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

	(Thousands of yen)	
	As of March 31, 2025	As of June 30, 2025
Total overdraft facility limit	8,980,000	8,980,000
Outstanding borrowings within the limit	3,815,000	3,815,000
Unused balance	5,165,000	5,165,000

(Shareholders' Equity and Others)

Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

Dividends paid

(Resolution)	Type of shares	Total dividends (Thousands of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders held on June 21, 2024	Common stock	1,115,502	20	March 31, 2024	June 24, 2024	Retained earnings

(Note) Total dividends include 15,476 thousand yen of dividends to the Company's own shares held in Trust Account E.

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

Dividends paid

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

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

(Segment Information and Others)

[Segment information]

I. Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

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

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on the consolidated statements of income (Note 3)
	TR	DH	EL	BC	Total				
Net sales									
Revenue generated from contracts with customers	10,033,698	8,816,080	6,117,919	6,372,822	31,340,520	22,860	31,363,381	—	31,363,381
Sales to external customers	10,033,698	8,816,080	6,117,919	6,372,822	31,340,520	22,860	31,363,381	—	31,363,381
Intersegment sales or transfers	—	32	—	—	32	164,131	164,163	(164,163)	—
Total	10,033,698	8,816,113	6,117,919	6,372,822	31,340,553	186,991	31,527,544	(164,163)	31,363,381
Segment profit	1,173,818	820,327	242,785	190,873	2,427,804	(7,048)	2,420,756	16,335	2,437,091

- (Notes) 1. The “Other” category is the business segment that is not included in the reportable segments, and represents the purchase and sales of raw materials, etc.
2. The adjustment to segment profit represents 16,335 thousand yen in inter-segment eliminations.
3. Segment profit is adjusted to operating profit in the consolidated statements of income.

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

Not applicable.

II. Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

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

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on the consolidated statements of income (Note 3)
	TR	DH	EL	BC	Total				
Net sales									
Revenue generated from contracts with customers	10,525,953	9,188,133	6,359,142	6,600,860	32,674,089	5,076	32,679,166	—	32,679,166
Sales to external customers	10,525,953	9,188,133	6,359,142	6,600,860	32,674,089	5,076	32,679,166	—	32,679,166
Intersegment sales or transfers	—	—	—	—	—	154,953	154,953	(154,953)	—
Total	10,525,953	9,188,133	6,359,142	6,600,860	32,674,089	160,029	32,834,119	(154,953)	32,679,166
Segment profit	1,018,019	964,435	361,024	272,654	2,616,135	41,031	2,657,167	(6,537)	2,650,629

- (Notes) 1. The “Other” category is the business segment that is not included in the reportable segments, and represents the purchase and sales of raw materials, etc.
2. The adjustment to segment profit represents negative 6,537 thousand yen in inter-segment eliminations.
3. Segment profit is adjusted to operating profit in the consolidated statements of income.

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

Not applicable.

(Notes to Consolidated Statements of Cash Flows)

The consolidated statements of cash flows for the period were not prepared.

Depreciation (including amortization of intangible assets except for goodwill) and amortization of goodwill for the period are as follows:

	(Thousands of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	960,275	1,003,078
Amortization of goodwill	363	—

(Revenue recognition)

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

(Per Share Information)

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

	Three months ended June 30, 2024	Three months ended June 30, 2025
Basic earnings per share (Yen)	33.97	28.96
(Basis for calculation)		
Profit attributable to owners of parent (Thousands of yen)	1,868,452	1,473,940
Amount not attributable to common shareholders (Thousands of yen)	—	—
Profit attributable to owners of parent regarding common stock (Thousands of yen)	1,868,452	1,473,940
Average number of shares of common stock outstanding during the period (Thousands of shares)	55,008	50,889

(Notes) 1. Shares in the Company remaining at the trust that were recorded as treasury shares under shareholders' equity have been included in the treasury shares that should be deducted in calculating the average number of shares outstanding during the period for the purpose of calculating basic earnings per share.

The average number of treasury shares during the period that were deducted for the purpose of calculating basic earnings per share was 766 thousand shares for the three months ended June 30, 2024 and 1,885 thousand shares for the three months ended June 30, 2025.

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

(Significant Subsequent Events)

The Company resolved, at the meeting of the Board of Directors held on July 31, 2025, to acquire its treasury shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act.

(1) Reason for acquisition of treasury shares

To exercise agile management of capital policy corresponding to any changes of business environment and improve capital efficiency and enhance shareholder returns.

(2) Details of matters related to acquisition

- | | |
|---|---|
| i) Class of shares to be acquired: | Common stock |
| ii) Number of shares to be acquired: | 1,500 thousand shares (maximum) |
| iii) Total amount of share acquisition costs: | 1,800,000 thousand yen (maximum) |
| iv) Acquisition period for treasury shares: | From August 8, 2025 to October 31, 2025 |