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May 14, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: Showa Sangyo Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2004
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 Scheduled date of annual general meeting of shareholders: June 25, 2026
 Scheduled date to commence dividend payments: June 26, 2026
 Scheduled date to file annual securities report: June 23, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	335,413	0.3	11,941	7.3	14,458	6.4	10,611	(8.5)
March 31, 2025	334,425	(3.4)	11,126	(15.4)	13,591	(17.9)	11,599	(6.1)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥17,996 million [53.5%]
 For the fiscal year ended March 31, 2025: ¥11,723 million [(38.7)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	326.60	–	7.5	5.5	3.6
March 31, 2025	356.01	–	8.8	5.3	3.3

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥1,301 million
 For the fiscal year ended March 31, 2025: ¥1,528 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	274,973	152,611	54.3	4,594.00
March 31, 2025	255,504	138,619	52.8	4,156.73

Reference: Equity

As of March 31, 2026: ¥149,290 million
 As of March 31, 2025: ¥134,978 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	18,009	(12,542)	(3,974)	8,349
March 31, 2025	20,274	(11,385)	(10,057)	6,868

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	40.00	–	60.00	100.00	3,249	28.1	2.5
Fiscal year ended March 31, 2026	–	50.00	–	65.00	115.00	3,740	35.2	2.6
Fiscal year ending March 31, 2027 (Forecast)	–	70.00	–	70.00	140.00		47.9	

Note: The year-end dividend per share for the fiscal year ended March 31, 2026 has been changed from 50 yen to 65 yen. For details, please refer to the “Notice Concerning Dividends of Surplus (Dividend Increase)” released today (May 14, 2026).

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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
Full year	350,000	4.3	12,000	0.5	14,000	(3.2)	9,500	(10.5)	292.34

* **Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Toukatsusyokuhin Co., Ltd.)

Note: For details, please see “3. Consolidated financial statements and principal notes, (5) Notes on consolidated financial statements (Changes in significant matters that serve as the basis for preparation of consolidated financial statements)” on page 20 of the attached materials.

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2026	32,995,420 shares
As of March 31, 2025	32,995,420 shares

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

As of March 31, 2026	498,580 shares
As of March 31, 2025	523,094 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	32,489,809 shares
Fiscal year ended March 31, 2025	32,583,205 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	211,725	(1.6)	6,840	11.5	8,315	9.7	5,801	(25.3)
March 31, 2025	215,220	(3.5)	6,132	(18.5)	7,580	(23.5)	7,769	2.8

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	178.43	–
March 31, 2025	238.27	–

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	196,751	104,252	53.0	3,205.52
March 31, 2025	184,381	96,508	52.3	2,969.64

Reference: Equity

As of March 31, 2026: ¥104,252 million

As of March 31, 2025: ¥96,508 million

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
- * Proper use of earnings forecasts, and other special matters
 - (1) Caution regarding forward-looking statements and others

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. In no way is the Company asserting assurances or guarantees of the achievement of any future business plan targets or measures stated herein.

For matters related to the financial results forecasts, please see “1. Overview of operating results, etc., (4) Future outlook” on page 10 of the attached materials.
 - (2) The Company plans to hold a financial results briefing for institutional investors and analysts on Wednesday, May 20, 2026. The material for the financial results briefing will be posted on the Company’s website by the day of the briefing.
 - (3) The supplementary material on financial results will be posted on the Company’s website on Thursday, May 14, 2026.

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1. Overview of operating results, etc.

(1) Overview of operating results for the fiscal year under review

During the fiscal year under review, the Japanese economy was in a moderate recovery trend, supported primarily by improvements in the employment and income environment. However, the outlook remained uncertain, including spending by inbound tourists, mainly due to consumers becoming even more frugal because of inflation, increasing logistics and labor costs, and the global economic impact of U.S. tariff policies, as well as soaring raw material prices due to oil price hikes caused by escalating tensions in the Middle East.

Under such circumstances, Showa Sangyo Co., Ltd. (the “Company”) started in April 2023 the Medium-term Management Plan 23-25 as the 3rd Stage toward the realization of SHOWA Next Stage for 2025, which is the Vision (Long-term Vision) for FY2025, the year to mark the 90th anniversary of the Company’s founding. Guided by the basic concept of ‘SHOWA’s declaration: “SHIN-KA” Toward the 90th Anniversary, and beyond,’ we promoted various initiatives under the five key strategies: (1) Strengthening our core businesses, (2) Expansion of our business fields, (3) Reducing burden on the environment, (4) Rebuilding our platform, and (5) Reinforcing stakeholder engagement.

During the consolidated fiscal year under review, with regard to (1) Strengthening our core businesses, we achieved enhanced profitability by advancing the optimization of production site operations as a Group. In the Starches and Sweeteners Category, we established a stable supply framework through a three-factory system with Shikishima Starch MFG Co., Ltd. and San-ei Surochemical Co., Ltd., which are consolidated subsidiaries of the Company, making a significant contribution to the stabilization of earnings across the Group. Regarding (2) Expansion of our business fields, a new factory was completed at Showa Sangyo International Vietnam Co., Ltd., a consolidated subsidiary of the Company, and began manufacturing premixes. In addition, we acquired all shares of Toukatsusyokuhin Co., Ltd., which is engaged mainly in the production and sale of Chinese steamed buns, Chinese delicatessen, and other products, making it a wholly owned subsidiary. In (3) Reducing burden on the environment, we aimed to achieve the following Showa Sangyo Group Environmental Targets: a reduction of 46% or more in CO₂ emissions (Group-wide target for FY2030, compared with FY2013); a reduction of 30% or more in food loss (FY2025 target for Showa Sangyo and six Group companies with annual food loss of 100 tons or more, compared with FY2018); and a reduction in water use intensity by 12% or more (Group-wide target for FY2030 compared with FY2019). Furthermore, in February 2026, the Group established new environmental targets aimed at decarbonization and a reduction in the environmental burden. Recognizing decarbonization as a key management issue, the Group will work toward achieving its FY2050 targets while simultaneously advancing multifaceted initiatives to reduce the environmental burden, including reductions in food loss and water usage.

The operating results for the fiscal year under review were as follows. Consolidated net sales were 335,413 million yen, or up 988 million yen (0.3%) year on year. Operating profit was 11,941 million yen, or up 815 million yen (7.3%) year on year, ordinary profit was 14,458 million yen, or up 867 million yen (6.4%) year on year, and profit attributable to owners of parent was 10,611 million yen, or down 988 million yen (8.5%) year on year.

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Year-on-year- changes	Year-on-year- changes
Net sales	334,425	335,413	988	0.3%
Operating profit	11,126	11,941	815	7.3%
Ordinary profit	13,591	14,458	867	6.4%
Profit attributable to owners of parent	11,599	10,611	(988)	(8.5)%

The operating results by segment were as follows.

<Food Business>

In the Food Business, the uptrend continued in cost increasing factors, such as logistics and labor costs as well as material prices, amid the ongoing weak yen, while severe customer frugality also continued. This created a

challenging sales environment. Under such a market environment, leveraging the strength of our market analytical ability, we strengthened solutions-based sales for each target business category, and promoted sales at fair prices.

In the Flour Milling Category, government selling prices for imported wheat were lowered average 4.6% in April 2025 (tax-inclusive prices) and average 4.0% in October 2025 (tax-inclusive prices). Given these situations, we implemented price revisions for flour products. In parallel with this, the Company is making efforts such as to reduce logistics costs and improve production efficiency through the integrated operation of production sites, including its consolidated subsidiaries. The sales volume of wheat flour for commercial use increased year on year, while that of commercial-use premixes declined year on year. The sales volume of pasta for commercial use increased year on year as sales were favorable mainly in the restaurant market. The sales volume of bran remained at the same level year on year. The sales volume of wheat flour, premixes, and pasta for household use declined year on year. As a result of the foregoing, net sales of the Flour Milling Category fell year on year.

In the Vegetable Oils Category, we promoted sales at fair prices commensurate with costs, proposed products with functional values, such as long-life oils and bakery oils with less oil stain, and problem-solving type sales. Furthermore, with the aim of reducing costs and maintaining a stable supply, we are making such efforts as to ensure efficient operations of production sites and streamline the procurement of raw materials in cooperation with Boso oil and fat Co., Ltd., a consolidated subsidiary of the Company, and Tsuji Oil Mills, Co., Ltd., an equity method affiliate. The sales volume of oils and fats for commercial use increased year on year but the sales volume for household use remained at the same level year on year. The sales volume of meals increased year on year, while a unit cost of sales decreased year on year. As a result of the foregoing, net sales of the Vegetable Oils Category remained at the same level year on year, despite our efforts for sales at fair prices.

In the Starches and Sweeteners Category, we are making Group-wide efforts, for example to resolve issues and improve production efficiency, in cooperation with Shikishima Starch MFG. Co., Ltd. and San-ei Suchochemical Co., Ltd., which are consolidated subsidiaries of the Company. The sales volume of sweeteners remained at the same level year on year, as a decrease in products for soft drinks due to the impact of extremely hot weather, etc. was offset by an increase in products for baking and seasonings. The sales volume of corn starch declined year on year due to decreased demand for paper manufacturing applications, etc., despite a year-on-year increase in food applications. The sales volume of modified starch remained at the same level year on year. As for by-products, the sales volume decreased year on year, while selling prices were higher than the same period last year. As a result of the foregoing, net sales of the Starches and Sweeteners Category remained at the same level year on year.

As a result, net sales of the Food Business were 271,828 million yen, or down 1,704 million yen (0.6%) year on year. Operating profit was 11,323 million yen, or up 348 million yen (3.2%) year on year.

<Animal Feed Business>

In the Animal Feed Business, we have been advancing proposal-based sales to meet customer needs, strengthening our engagement with producers, such as support on sales of livestock products and on increased value-added offerings, and promoting sales expansion of items with high added values. The sales volume of compound animal feed and eggs decreased year on year due to the impact of bird flu infections expanding from October 2024. Although the average sales prices of compound animal feed declined year on year, egg sales prices were higher year on year due to the firm market price of eggs.

As a result, net sales of the Animal Feed Business were 58,740 million yen, or up 2,577 million yen (4.6%) year on year. Operating profit was 1,005 million yen, or up 520 million yen (107.2%) year on year.

<Other>

In the warehousing business, while the volume of cargo handling decreased year on year amid intensifying competition to secure cargo, we have been making efforts to revise cargo handling fees to fair prices.

As a result, net sales of other businesses that combine the real estate business, the insurance agency business, the automobile leasing business, the transportation business, the plant factory business, and so forth came to 4,844 million yen, or up 115 million yen (2.4%) year on year. Operating profit was 1,389 million yen, or down 38 million yen (2.7%) year on year.

● Information on disaggregation of net sales (by reportable segment and category)

(Millions of yen)

Information on disaggregation of net sales	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Year-on-year changes	Year-on-year changes
Food Business	273,533	271,828	(1,704)	(0.6)%
Flour Milling Category	106,367	103,600	(2,767)	(2.6)%
Vegetable Oils Category	93,876	94,727	851	0.9%
Starches and Sweeteners Category	65,811	65,519	(292)	(0.4)%
Other Food Category (Note 1)	7,477	7,980	503	6.7%
Animal Feed Business	56,162	58,740	2,577	4.6%
Other (Note 2)	3,086	3,260	173	5.6%
Revenue from contracts with customers	332,782	333,829	1,047	0.3%
Revenue from other sources (Note 3)	1,643	1,584	(58)	(3.6)%
Net sales to outside customers	334,425	335,413	988	0.3%

- Notes
1. “Other Food Category” presents sales of food products not belonging to the Flour Milling Category, Vegetable Oils Category, and Starches and Sweeteners Category under the Food Business.
 2. “Other” is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.
 3. “Revenue from other sources” consists solely of revenue from “Other.”

(2) Overview of financial position for the fiscal year under review

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Changes from previous fiscal year- end
Current assets	112,749	115,061	2,311
Non-current assets	142,754	159,911	17,157
Total assets	255,504	274,973	19,469
Current liabilities	78,362	82,021	3,659
Non-current liabilities	38,521	40,340	1,818
Total liabilities	116,884	122,361	5,477
Total net assets	138,619	152,611	13,991

The status and analysis of consolidated assets, liabilities, and net assets as of March 31, 2026 were as follows.

Total assets amounted to 274,973 million yen, or up 19,469 million yen from the previous fiscal year. The main increasing factors were increases of 11,295 million yen in investment securities, 4,037 million yen in machinery, equipment and vehicles, net, and 3,673 million yen in buildings and structures, net. The main decreasing factor was a decrease of 2,886 million yen in construction in progress.

Liabilities amounted to 122,361 million yen, or up 5,477 million yen from the previous fiscal year. The main increasing factors were increases of 2,838 million yen in deferred tax liabilities, and 2,837 million yen in facility liabilities.

Net assets amounted to 152,611 million yen, or up 13,991 million yen from the previous fiscal year. The main increasing factors were an increase due to the recording of profit attributable to owners of parent amounting to 10,611 million yen and an increase of 6,050 million yen in valuation difference on available-for-sale securities. Meanwhile, the main decreasing factor was a decrease of 3,576 million yen due to dividends paid.

As a result, the equity-to-asset ratio changed from 52.8% to 54.3%.

(3) Overview of cash flows for the fiscal year under review

	(Millions of yen)		
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Year-on-year changes
Net cash provided by (used in) operating activities	20,274	18,009	(2,265)
Net cash provided by (used in) investing activities	(11,385)	(12,542)	(1,156)
Free cash flow	8,888	5,467	(3,421)
Net cash provided by (used in) financing activities	(10,057)	(3,974)	6,082
Cash and cash equivalents at end of period	6,868	8,349	1,481

The status of consolidated cash flows for the fiscal year ended March 31, 2026 was as follows.

In the fiscal year under review, net cash provided by operating activities amounted to 18,009 million yen, down 2,265 million yen (11.2%) year on year. This was mainly attributable to income taxes paid of 4,769 million yen, an increase in inventories, and a decrease in accrued consumption taxes, partly offset by a cash increase caused primarily by profit before income taxes of 14,972 million yen, depreciation of 10,344 million yen, a decrease in trade receivables, and an increase in trade payables.

Net cash used in investing activities amounted to 12,542 million yen, up 1,156 million yen (10.2%) year on year. This was mainly attributable to cash used for purchase of shares of subsidiaries of 1,208 million yen, purchase of shares of subsidiaries resulting in change in scope of consolidation of 636 million yen, and purchase of property, plant and equipment of 11,425 million yen, offset primarily by proceeds from withdrawal of time deposits of 1,450 million yen.

Net cash used in financing activities amounted to 3,974 million yen, down 6,082 million yen (60.5%) year on year. This was mainly attributable to proceeds from issuance of commercial papers of 8,000 million yen, which largely offset cash used for redemption of bonds of 7,000 million yen and dividends paid of 3,576 million yen using free cash flows of 5,467 million yen generated by operating and investing activities.

As a result, cash and cash equivalents at the end of the fiscal year under review amounted to 8,349 million yen, up 1,481 million yen (21.6%) from the end of the previous fiscal year.

(Reference) Cash flow indicators

	FY2025	FY2024	FY2023	FY2022	FY2021
Equity-to-asset ratio (%)	54.3	52.8	49.4	45.6	45.7
Equity-to-asset ratio based on market capitalization (%)	38.5	36.0	44.6	34.2	37.8
Interest-bearing debt to cash flow ratio (years)	2.8	2.5	2.2	–	38.8
Interest coverage ratio (times)	42.5	68.7	112.3	–	6.0

Notes: 1. Formulas for each indicator are as follows. All indicators are calculated based on consolidated financial figures.

Equity-to-asset ratio: $\text{Equity} / \text{Total assets}$

Equity-to-asset ratio based on market capitalization: $\text{Market capitalization} / \text{Total assets}$

Interest-bearing debt to cash flow ratio: $\text{Interest-bearing debt} / \text{Cash flow}$

Interest coverage ratio: $\text{Cash flow} / \text{Interest payments}$

Market capitalization: $\text{Closing price on the last day of the fiscal year} \times \text{Number of issued shares at the end of the period (excluding treasury shares)}$

Closing prices on the last day of each fiscal year:

FY 2025 3,260 yen

FY 2024 2,835 yen

FY 2023 3,500 yen

FY 2022 2,537 yen

FY 2021 2,618 yen

Cash flow: Cash flows from operating activities stated in the consolidated statement of cash flows

Interest-bearing debt: All liabilities stated in the consolidated balance sheets on which interest is paid

Interest payments: Interest paid stated in the consolidated statement of cash flows

2. Interest-bearing debt to cash flow ratio and interest coverage ratio for FY2022 are not provided as operating cash flows are negative.

(4) Future outlook

The Company believes that while the domestic economy is following a moderate recovery trend on the back of improvement in the employment and income environment, the outlook remains uncertain due to factors such as consumers becoming even more frugal because of inflation, increasing logistics and labor costs, soaring raw material prices due to oil price hikes caused by escalating tensions in the Middle East, the risk of exchange rate fluctuations, and instability in the international situation, including developments in U.S. tariff policies.

The Group's main business is the primary processing of grains, and as this is affected by the prices of raw grains such as wheat, soybeans, canola, and corn, as well as exchange rates and energy prices. The environment surrounding the Group's business remains uncertain, with potential risks including soaring prices of raw materials and energy due to instability in the international situation, including escalating tensions in the Middle East, as well as rising production costs due to the weakening of the yen and the tightening of environmental regulations.

Under these circumstances, the Group is entering the first year of its Medium-term Management Plan 26-29, which covers the four-year period from FY2026 to FY2029. We will work to further strengthen our profitability by promoting "a shift to high-value-added products and cost reductions in our core business areas" and "the strengthening of our business foundations across all business areas," aimed at realizing "SHOWA VISION 2035," our Long-term Vision, targeting our centenary in FY2035.

The financial results forecast for the fiscal year ending March 31, 2027 is as follows: net sales of 350,000 million yen, operating profit of 12,000 million yen, ordinary profit of 14,000 million yen, and profit attributable to owners of parent of 9,500 million yen.

(5) Basic policy on profit distribution and dividends for FY2026 and FY2027

The Company's basic policy is to stabilize the management base while aiming to maintain stable dividends over the long term.

For the fiscal year under review, the Company plans to pay a year-end dividend of 65 yen per share, taking into account the above policy, dividend payout ratio, business results, and financial position, as announced in the "Notice Concerning Dividends of Surplus (Dividend Increase)" released today (May 14, 2026). As a result, combined with the interim dividend of 50 yen per share already paid, the annual dividend is expected to be 115 yen per share, representing an increase of 15 yen compared with the previous fiscal year.

This matter is scheduled to be submitted for approval at the 125th Annual General Meeting of Shareholders to be held in June 2026.

In addition, as announced on February 20, 2026, the Company has revised its dividend policy effective from the next fiscal year (ending March 31, 2027). The revised policy is as follows.

The Company positions the return of profits to shareholders as one of its important management issues, and its basic policy is to maintain stable dividends over the long term. Going forward, we will determine dividend levels based on the higher of a payout ratio of 40% or more or DOE of 3.0%*, while also taking into account the progress of investments and financial conditions. (*Excluding extraordinary special factors such as business portfolio restructuring or asset sales.)

For the next fiscal year (ending March 31, 2027), the Company plans to pay an annual dividend of 140 yen per share, taking into consideration factors such as its earnings forecasts and the revised policy.

2. Basic policy on selection of accounting standards

Taking into consideration the comparability of consolidated financial statements across periods and between companies, the Group's policy for the time being is to prepare its consolidated financial statements in accordance

with Japanese GAAP.

We will take into consideration the domestic and international situations for appropriate adoption of the International Financial Reporting Standards (IFRS).

3. Consolidated financial statements and principal notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	8,106	8,353
Notes receivable - trade	2,086	1,682
Accounts receivable - trade	50,675	51,150
Merchandise and finished goods	15,511	16,139
Work in process	2,475	3,084
Raw materials and supplies	28,777	28,873
Other	5,188	5,825
Allowance for doubtful accounts	(70)	(48)
Total current assets	112,749	115,061
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,241	34,915
Machinery, equipment and vehicles, net	27,144	31,181
Land	21,331	21,423
Leased assets, net	348	468
Construction in progress	5,133	2,247
Other, net	1,896	2,146
Total property, plant and equipment	87,096	92,382
Intangible assets		
Goodwill	831	686
Customer-related intangible assets	1,480	1,222
Other	1,451	1,588
Total intangible assets	3,763	3,497
Investments and other assets		
Investment securities	47,221	58,516
Long-term loans receivable	203	173
Bad debts	82	86
Retirement benefit asset	1,654	2,734
Other	3,020	2,832
Allowance for doubtful accounts	(287)	(313)
Total investments and other assets	51,894	64,030
Total non-current assets	142,754	159,911
Total assets	255,504	274,973

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,177	22,813
Short-term borrowings	13,516	13,798
Current portion of bonds payable	7,000	–
Commercial papers	10,500	18,500
Lease liabilities	202	261
Accounts payable - other	12,120	12,763
Income taxes payable	2,486	2,176
Provision for bonuses	2,279	2,315
Notes payable - facilities	140	80
Electronically recorded obligations - facilities	3,220	5,599
Other	4,718	3,712
Total current liabilities	78,362	82,021
Non-current liabilities		
Bonds payable	11,000	11,000
Long-term borrowings	7,966	6,948
Lease liabilities	402	525
Deferred tax liabilities	6,135	8,973
Provision for retirement benefits for directors (and other officers)	19	206
Retirement benefit liability	8,951	8,703
Asset retirement obligations	373	470
Other	3,673	3,510
Total non-current liabilities	38,521	40,340
Total liabilities	116,884	122,361
Net assets		
Shareholders' equity		
Share capital	14,293	14,293
Capital surplus	5,256	5,281
Retained earnings	101,219	108,253
Treasury shares	(1,551)	(1,478)
Total shareholders' equity	119,217	126,349
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,592	19,642
Deferred gains or losses on hedges	(17)	124
Foreign currency translation adjustment	752	860
Remeasurements of defined benefit plans	1,433	2,312
Total accumulated other comprehensive income	15,761	22,940
Non-controlling interests	3,641	3,321
Total net assets	138,619	152,611
Total liabilities and net assets	255,504	274,973

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	334,425	335,413
Cost of sales	277,342	275,625
Gross profit	57,082	59,788
Selling, general and administrative expenses	45,956	47,846
Operating profit	11,126	11,941
Non-operating income		
Interest income	27	64
Dividend income	711	834
Share of profit of entities accounted for using equity method	1,528	1,301
Foreign exchange gains	131	307
Real estate rent (company house and others)	131	134
Insurance claim income	27	9
Other	446	385
Total non-operating income	3,004	3,038
Non-operating expenses		
Interest expenses	300	404
Compensation for damage	68	5
Commission expenses	32	62
Other	137	49
Total non-operating expenses	539	521
Ordinary profit	13,591	14,458
Extraordinary income		
Gain on sale of non-current assets	2,712	5
Gain on sale of investment securities	319	75
Gain on sales of investments in capital of subsidiaries and associates	241	–
Compensation income	–	120
Gain on step acquisitions	–	911
Total extraordinary income	3,273	1,112
Extraordinary losses		
Loss on abandonment of non-current assets	394	407
Loss on sale of non-current assets	3	17
Impairment losses	–	19
Loss on valuation of investments in capital	–	149
Other	3	5
Total extraordinary losses	401	598
Profit before income taxes	16,464	14,972
Income taxes - current	4,458	4,319
Income taxes - deferred	300	(119)
Total income taxes	4,759	4,200
Profit	11,705	10,772
Profit attributable to non-controlling interests	105	161
Profit attributable to owners of parent	11,599	10,611

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	11,705	10,772
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	5,731
Deferred gains or losses on hedges	(310)	142
Foreign currency translation adjustment	(69)	(111)
Remeasurements of defined benefit plans, net of tax	480	878
Share of other comprehensive income of entities accounted for using equity method	(78)	581
Total other comprehensive income	18	7,223
Comprehensive income	11,723	17,996
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,681	17,790
Comprehensive income attributable to non-controlling interests	42	205

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,293	7,876	92,934	(1,173)	113,931
Changes during period					
Dividends of surplus			(2,973)		(2,973)
Profit attributable to owners of parent			11,599		11,599
Purchase of treasury shares				(3,406)	(3,406)
Cancellation of treasury shares		(2,621)	(342)	2,964	—
Restricted stock payment		2		64	66
Net changes in items other than shareholders' equity					—
Total changes during period	—	(2,619)	8,284	(378)	5,286
Balance at end of period	14,293	5,256	101,219	(1,551)	119,217

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	13,735	293	697	952	15,679	3,642	133,253
Changes during period							
Dividends of surplus					—		(2,973)
Profit attributable to owners of parent					—		11,599
Purchase of treasury shares					—		(3,406)
Cancellation of treasury shares					—		—
Restricted stock payment					—		66
Net changes in items other than shareholders' equity	(143)	(311)	55	480	81	(1)	80
Total changes during period	(143)	(311)	55	480	81	(1)	5,366
Balance at end of period	13,592	(17)	752	1,433	15,761	3,641	138,619

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,293	5,256	101,219	(1,551)	119,217
Changes during period					
Dividends of surplus			(3,576)		(3,576)
Profit attributable to owners of parent			10,611		10,611
Purchase of treasury shares				(5)	(5)
Restricted stock payment			(0)	79	78
Purchase of shares of consolidated subsidiaries		24			24
Net changes in items other than shareholders' equity					-
Total changes during period	-	24	7,034	73	7,132
Balance at end of period	14,293	5,281	108,253	(1,478)	126,349

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	13,592	(17)	752	1,433	15,761	3,641	138,619
Changes during period							
Dividends of surplus					-		(3,576)
Profit attributable to owners of parent					-		10,611
Purchase of treasury shares					-		(5)
Restricted stock payment					-		78
Purchase of shares of consolidated subsidiaries					-		24
Net changes in items other than shareholders' equity	6,050	141	108	878	7,179	(320)	6,859
Total changes during period	6,050	141	108	878	7,179	(320)	13,991
Balance at end of period	19,642	124	860	2,312	22,940	3,321	152,611

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	16,464	14,972
Depreciation	10,417	10,344
Impairment losses	–	19
Loss (gain) on step acquisitions	–	(911)
Increase (decrease) in retirement benefit liability	152	131
Decrease (increase) in retirement benefit asset	(393)	(83)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(5)	10
Increase (decrease) in allowance for doubtful accounts	(16)	3
Interest and dividend income	(738)	(899)
Interest expenses	300	404
Share of loss (profit) of entities accounted for using equity method	(1,528)	(1,301)
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	(2,314)	419
Loss (gain) on sale and valuation of investment securities	(316)	(75)
Insurance claim income	(27)	(9)
Compensation income	–	(120)
Decrease (increase) in trade receivables	8,736	129
Decrease (increase) in inventories	1,965	(840)
Increase (decrease) in trade payables	(4,153)	463
Increase (decrease) in accrued consumption taxes	(1,502)	(845)
Other, net	(2,427)	44
Subtotal	24,610	21,855
Interest and dividends received	1,081	1,280
Interest paid	(295)	(424)
Proceeds from insurance income	47	9
Income taxes paid	(5,226)	(4,769)
Income taxes refund	56	56
Net cash provided by (used in) operating activities	20,274	18,009

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(1,216)	(2)
Proceeds from withdrawal of time deposits	2	1,450
Purchase of investment securities	(110)	(65)
Proceeds from sale and redemption of investment securities	351	84
Purchase of shares of subsidiaries and associates	(1,345)	–
Purchase of shares of subsidiaries	(402)	(1,208)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(636)
Purchase of property, plant and equipment	(11,528)	(11,425)
Proceeds from sale of property, plant and equipment	3,466	80
Payments for retirement of property, plant and equipment	(253)	(277)
Payments for asset retirement obligations	(107)	(1)
Investments and loan advances	(571)	(583)
Proceeds from divestments and collection of loans receivable	341	42
Other, net	(11)	–
Net cash provided by (used in) investing activities	(11,385)	(12,542)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	(3,500)	7,782
Proceeds from long-term borrowings	185	–
Repayments of long-term borrowings	(53)	(518)
Redemption of bonds	–	(7,000)
Repayments of lease liabilities	(262)	(133)
Dividends paid	(2,973)	(3,576)
Dividends paid to non-controlling interests	(43)	(38)
Purchase of treasury shares	(3,406)	(5)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(463)
Other, net	(2)	(21)
Net cash provided by (used in) financing activities	(10,057)	(3,974)
Effect of exchange rate change on cash and cash equivalents	(99)	(11)
Net increase (decrease) in cash and cash equivalents	(1,268)	1,481
Cash and cash equivalents at beginning of period	8,136	6,868
Cash and cash equivalents at end of period	6,868	8,349

(5) Notes on consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Changes in significant matters that serve as the basis for preparation of consolidated financial statements)

(Significant changes in the scope of consolidation)

During the fiscal year under review, the Company acquired additional shares in Toukatsusyokuhin Co., Ltd. and included it in the scope of consolidation.

(Changes in matters pertaining to the fiscal year of a consolidated subsidiary)

Effective from the fiscal year under review, the account closing date of a consolidated subsidiary Shosan Kaihatsu Co., Ltd. has been changed from February 28 to March 31. As a result of this change, the accounting period of Shosan Kaihatsu Co., Ltd. for the fiscal year under review was an irregular period of 13 months from March 1, 2025 to March 31, 2026.

This change had a minimal impact on the consolidated financial statements.

(Changes in presentation methods)

(Consolidated statement of income)

“Provision of allowance for doubtful accounts,” which was presented separately under non-operating expenses in the previous fiscal year, is included in “other” as of the fiscal year under review due to its decreased monetary importance. To reflect this change in presentation methods, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, the 42 million yen in “provision of allowance for doubtful accounts” and the 94 million yen in “other” presented under non-operating expenses in the consolidated statement of income for the previous fiscal year have been reclassified into 137 million yen as “other.”

(Consolidated statements of cash flows)

“Purchase of shares of subsidiaries,” which was included in “other” under “cash flows from investing activities” in the previous fiscal year, is presented separately as of the fiscal year under review due to its increased monetary importance. To reflect this change in presentation methods, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, the (414) million yen presented in “other” under “cash flows from investing activities” in the consolidated statements of cash flows for the previous fiscal year has been reclassified as (402) million yen in “purchase of shares of subsidiaries” and (11) million yen in “other.”

(Segment information, etc.)

a. Segment information

1. Description of reportable segments

(1) Approach to determining reportable segments

The Company’s reportable segments are its organizational units for which separate financial information is available and which are subject to periodic reviews by the Board of Directors for deciding the allocation of management resources and evaluating business performance.

The Company develops comprehensive strategies for each of the Food Business and the Animal Feed Business, which are categorized based on the market sectors of the Company’s products and services, and conducts business activities accordingly.

Therefore, the Company has two reportable segments: the Food Business and the Animal Feed Business.

(2) Types of products and services belonging to each reportable segment

The products and services provided by each reportable segment are as follows:

Food Business: Wheat flour, premix, pasta, bread, bran, cooking oil, frozen dough, frozen food, giftsets, soap, soy protein, soybean meal, canola meal, rice bran, sweeteners, corn starch, lactic acid bacteria, etc.

Animal Feed Business: compound animal feed, simple feed, eggs and other livestock products, etc.

2. Explanation of measurements of sales, profit (loss), asset, liability, and other items for each reportable segment

The accounting methods for the reported business segments are generally the same as those used in preparing the consolidated financial statements.

Profit figures for reportable segments are based on operating profit. Inter-segment income and transfers are mainly based on market prices and manufacturing costs.

3. Disclosure of sales, profit (loss), asset, liability, and other items for each reportable segment

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statement of income (Note 3)
	Food Business	Animal Feed Business	Total				
Net sales							
Net sales to outside customers	273,533	56,162	329,695	4,729	334,425	–	334,425
Inter-segment net sales or transfers	3,414	3	3,417	3,057	6,475	(6,475)	–
Total	276,947	56,166	333,113	7,787	340,900	(6,475)	334,425
Segment profit	10,975	485	11,460	1,428	12,888	(1,762)	11,126
Segment assets	194,321	23,162	217,484	26,886	244,370	11,133	255,504
Other items							
Depreciation	8,862	438	9,301	913	10,215	202	10,417
Amortization of goodwill	144	–	144	–	144	–	144
Investments in entities accounted for using equity method	10,963	3,888	14,852	2,219	17,072	–	17,072
Increase in property, plant and equipment and intangible assets	10,226	590	10,817	609	11,426	67	11,494

Notes 1. “Other” is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.

2. Adjustments are as follows:

(1) Adjustment of (1,762) million yen for segment profit includes elimination of inter-segment transactions of (7) million yen and corporate expenses of (1,754) million yen. Corporate expenses mainly consist of expenses incurred for advertising of the corporate group and basic R&D expenses not attributable to any reportable segment.

(2) Adjustment of 11,133 million yen for segment assets includes inter-reportable segment elimination of (21,046) million yen and corporate assets of 32,179 million yen not allocated to each reportable segment. Corporate assets mainly consist of surplus operating funds (cash) of the parent company, long-term investment funds (investment securities), and assets related to basic R&D.

(3) Adjustment of 67 million yen for increase in property, plant and equipment and intangible assets mainly consists of investments related to assets for basic testing and research.

3. Segment profit is adjusted with operating profit on the consolidated statement of income.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statement of income (Note 3)
	Food Business	Animal Feed Business	Total				
Net sales							
Net sales to outside customers	271,828	58,740	330,569	4,844	335,413	–	335,413
Inter-segment net sales or transfers	2,813	5	2,818	3,049	5,868	(5,868)	–
Total	274,642	58,746	333,388	7,894	341,282	(5,868)	335,413
Segment profit	11,323	1,005	12,328	1,389	13,717	(1,775)	11,941
Segment assets	204,965	24,562	229,527	28,865	258,392	16,580	274,973
Other items							
Depreciation	8,767	472	9,240	906	10,146	198	10,344
Amortization of goodwill	259	–	259	–	259	–	259
Investments in entities accounted for using equity method	12,026	4,244	16,270	2,298	18,569	–	18,569
Increase in property, plant and equipment and intangible assets	13,313	616	13,929	899	14,829	218	15,048

- Notes
1. “Other” is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.
 2. Adjustments are as follows:
 - (1) Adjustment of (1,775) million yen for segment profit includes elimination of inter-segment transactions of (0) million yen and corporate expenses of (1,775) million yen. Corporate expenses mainly consist of expenses incurred for advertising of the corporate group and basic R&D expenses not attributable to any reportable segment.
 - (2) Adjustment of 16,580 million yen for segment assets includes inter-reportable segment elimination of (23,827) million yen and corporate assets of 40,407 million yen not allocated to each reportable segment. Corporate assets mainly consist of surplus operating funds (cash) of the parent company, long-term investment funds (investment securities), and assets related to basic R&D.
 - (3) Adjustment of 218 million yen for increase in property, plant and equipment and intangible assets mainly consists of investments related to assets for basic testing and research.
 3. Segment profit is adjusted with operating profit on the consolidated statement of income.

b. Information associated with reportable segments

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

1. Information for each product or service

Information for each product or service is omitted as the information is disclosed in “1. Overview of operating results, etc., (1) Overview of operating results for the fiscal year under review.”

2. Information for each region

(1) Net sales

The information is omitted as net sales to outside customers in Japan accounts for 90% or more of net sales stated in the consolidated statement of income.

(2) Property, plant and equipment

The information is omitted as the amount of property, plant and equipment located in Japan accounts for 90% or more of the amount of property, plant and equipment in the consolidated balance sheets.

3. Information for each of main customers

The information is omitted as there is no external customer who accounts for 10% or more of net sales stated in the consolidated statement of income.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

1. Information for each product or service

Information for each product or service is omitted as the information is disclosed in “1. Overview of operating results, etc., (1) Overview of operating results for the fiscal year under review.”

2. Information for each region

(1) Net sales

The information is omitted as net sales to outside customers in Japan accounts for 90% or more of net sales stated in the consolidated statement of income.

(2) Property, plant and equipment

The information is omitted as the amount of property, plant and equipment located in Japan accounts for 90% or more of the amount of property, plant and equipment in the consolidated balance sheets.

3. Information for each of main customers

The information is omitted as there is no external customer who accounts for 10% or more of net sales stated in the consolidated statement of income.

c. Disclosure of impairment losses on non-current assets for each reportable segment

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Not applicable.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

This information is omitted as it is not material.

d. Amortization and unamortized balance of goodwill for each reportable segment

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment		Other	Unallocated amounts and elimination	Total
	Food Business	Animal Feed Business			
Amortization during period	144	–	–	–	144
Unamortized balance at end of period	831	–	–	–	831

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment		Other	Unallocated amounts and elimination	Total
	Food Business	Animal Feed Business			
Amortization during period	259	–	–	–	259
Unamortized balance at end of period	686	–	–	–	686

e. Information about gain on bargain purchase for each reportable segment

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Not applicable.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

Not applicable.

(Per share information)

Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
Net assets per share	4,156.73 yen	Net assets per share	4,594.00 yen
Basic earnings per share	356.01 yen	Basic earnings per share	326.60 yen
Diluted earnings per share	– yen	Diluted earnings per share	– yen

Note: 1. Basis for calculation

1. Net assets per share

	As of March 31, 2025	As of March 31, 2026
Total net assets (millions of yen)	138,619	152,611
Net assets related to common stock (millions of yen)	134,978	149,290
Main component of differences (millions of yen) Non-controlling interests	3,641	3,321
Number of issued shares of common stock (shares)	32,995,420	32,995,420
Number of treasury shares of common stock (shares)	523,094	498,580
Number of common shares used to calculate net assets per share (shares)	32,472,326	32,496,840

2. Basic earnings per share

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
(1) Basic earnings per share		
(Basic for calculation)		
Profit attributable to owners of parent (millions of yen)	11,599	10,611
Profit attributable to owners of parent related to common stock (millions of yen)	11,599	10,611
Amount not attributable to common shareholders (millions of yen)	–	–
Average number of common shares outstanding during the period (shares)	32,583,205	32,489,809

Note: Diluted earnings per share is not provided as there are no shares with potential dilution effect.

(Significant events after reporting period)

Not applicable.