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Consolidated Financial Results for the Nine Months of the Year Ending March 31, 2026 (Based on Japanese GAAP)

January 30, 2026

Company name: Mitsui DM Sugar Co., Ltd. Stock exchange listings: Tokyo
Stock code: 2109 https://www.msdm-hd.com/
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Planned date to start dividend payment: —
Preparation of supplementary material for financial statements: None
Briefing session for financial statements: None

(Amounts are rounded down to the nearest 1 million yen.)

1. Consolidated Financial Results for the Nine Months of the Year Ending March 31, 2026 (from April 1, 2025, to December 31, 2025) (1) Consolidated Results of Operations (Percentages are year-over-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First nine months of FY2025	138,866	1.4	10,483	(9.4)	10,512	(13.4)	7,265	(18.0)
First nine months of FY2024	136,986	5.9	11,567	375.8	12,138	64.7	8,858	36.2

(Note) Comprehensive income: Nine months ended December 31, 2025: 6,764 million yen (-23.4%)
Nine months ended December 31, 2024: 8,826 million yen (11.6%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
First nine months of FY2025	232.08	—
First nine months of FY2024	274.47	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2025	189,947	118,105	60.0	3,661.13
As of March 31, 2025	202,196	119,341	56.7	3,550.69

(Reference) Equity capital: As of December 31, 2025: 113,922 million yen As of March 31, 2025: 114,614 million yen

2. Cash Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year end	Total
Year ended March 31, 2025	—	65.00	—	65.00	130.00
Year ending March 31, 2026	—	65.00	—		
Year ending March 31, 2026 (forecast)				65.00	130.00

(Note) Revision of the dividend forecast announced most recently: None

3. Consolidated Business Forecasts for the Year Ending March 31, 2026 (from April 1, 2025, to March 31, 2026)

(Percentages are year-over-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	200,000	11.9	12,300	(11.1)	11,800	(18.5)	7,700	22.3	246.17

(Note) Revision of the business forecasts announced most recently: None

* Notes

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

Excluded: 2 Company name: Mitsui DM Sugar Co., Ltd. and DIA MARKET CREATION Co., Ltd.

(2) Application of accounting methods unique to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy and accounting estimates and restatement

(i) Changes in accounting policy due to any revision of accounting standards: None

(ii) Changes in accounting policy other than i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of outstanding shares (common shares)

(i) Number of outstanding shares at period end (including treasury shares)	As of December 31, 2025	31,464,780 shares	As of March 31, 2025	32,639,780 shares
(ii) Number of treasury shares at period end	As of December 31, 2025	348,010 shares	As of March 31, 2025	360,168 shares
(iii) Average number of shares during period (from the beginning of fiscal year to period end)	Nine months ended December 31, 2025	31,303,450 shares	Nine months ended December 31, 2024	32,275,722 shares

Note: The Company has introduced a trust-based stock compensation scheme for directors. The number of treasury shares at period end includes treasury shares held by the trust (131,500 shares as of December 31, 2025; 143,800 shares as of December 31, 2024). In addition, the average number of shares during period is calculated excluding treasury shares, which include those held by the trust (137,178 shares in the nine months ended December 31, 2025; 147,766 shares in the nine months ended December 31, 2024).

* Review of accompanying Quarterly Consolidated Financial Statements by certified public accountant or audit firm: No

* Explanation on appropriate use of business forecasts, and other special notes

- Business forecasts and other forward-looking statements contained in this report and supplementary materials are based on information currently available to the Company and on certain assumptions deemed rational and are not intended to guarantee the achievements by the Company. Actual results may differ due to numerous factors. For preconditions for business forecasts and notes in using such forecasts, please see "1. Summary of Operating Results, (3) Description of consolidated business forecasts and other information about future forecasts" on page 3 of the Appendix.
- The Company plans to disclose the quarterly document with an accompanying review report after the Quarterly Consolidated Financial Statements have been reviewed by a certified public accountant or audit firm. The planned disclosure date is February 9, 2026.

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1. Summary of Operating Results

(1) Summary of operating results for the nine months ending March 2026

In the first nine months of fiscal 2025 (April to December 2025), the Japanese economy showed signs of a moderate recovery against the backdrop of improvements in the employment and income environment and strong inbound demand. However, the outlook remains uncertain due to factors such as continued price increases, the risk of an economic downturn caused by unstable international conditions, and concerns about the impact of policy trends in the United States.

Against this backdrop, the Mitsui DM Sugar Group (“the Group”) implemented a range of measures to achieve the goals of its medium-term management plan, “2026 Diversify into Nutrition & Health.” Based on the plan’s growth strategy for the Group, which has two key elements – “Transform the Group’s business model” and “Reallocate management resources” – the Group is working to optimize its businesses with measures across five areas: (1) reinforce the domestic Sugar Business, (2) grow overseas operations, (3) expand the Life Energy Business, (4) consolidate and strengthen the Group’s R&D capabilities, and (5) contribute to the creation of a sustainable society.

(Sugar Business)

Overseas raw sugar prices started at the high-18 cent per pound and immediately rose to the mid-19 cent range due to the appreciation of the Brazilian real. Subsequently, prices temporarily reached the 14 cent range due to improved prospects for sugarcane production in Brazil and India but fluctuated gradually. Facing expectations of a global supply surplus, prices ended the third quarter consolidated cumulative period in the high-14 cent range. Additionally, the domestic sugar market price started at 249 yen to 251 yen per kilogram but was affected by factors such as the continued soft trend in overseas raw sugar prices, settling at 241 yen to 243 yen.

In domestic refined sugar sales, household demand was hit by a deterioration in consumer sentiment in the wake of a string of food price hikes caused by surges in raw material costs and other factors. Commercial sales were strong, driven by special demand associated with the Osaka/Kansai Expo and robust seasoning demand following the stabilization of vegetable prices in the fall and beyond. However, they were impacted by a decline in selling prices resulting from a price reduction implemented in November. On the other hand, on the cost front, while the Company absorbed the persistent high levels of ocean freight rates, packaging materials, and logistics costs stemming from soaring energy prices through stable procurement of raw materials, expenses related to building the new core system and manufacturing costs increased. In addition, contract manufacturing of Wada Sugar Refining Co., Ltd.’s products based on a business alliance agreement between the Company and Wada Sugar Refining Co., Ltd. is now in full swing and contributing to the Group earnings.

Overseas, sales volume recovered and remained robust due to the commencement of operations at new production facilities located in the United Arab Emirates (UAE) and Vietnam, which are under the umbrella of Singapore-based SIS'88 Pte Ltd (consolidated subsidiary).

As a result, the Sugar Business reported net sales of 117,442 million yen (up 1.4% year on year) and operating income of 9,348 million yen (down 3.7% year on year).

Sugar market status during period

Overseas raw sugar price (NY sugar current delivery, per pound)

Opening price: 18.89 cents, highest price: 19.63 cents, lowest price: 14.04 cents, closing price: 14.95 cents

Domestic market price (listed in *Nihon Keizai Shimbun* “The Nikkei”, per kilogram of a large bag of superfine sugar, Tokyo)

Opening price: 249 to 251 yen, closing price: 241 to 243 yen

(Life Energy Business)

TAISHO TECHNOS CO., LTD. (consolidated subsidiary) saw strong sales of food additives and edible colorants in the food technology business, while Hokkaido Sugar Co., Ltd. (consolidated subsidiary) maintained steady performance in the bio business (manufacturing of fermented products, etc.) at levels comparable to the same period last year. Additionally, the vitality health foods business of YOUR MEAL Co., Ltd. (consolidated subsidiary), which provides nutritionally enhanced meals targeting athletes and those seeking healthy physiques, grew primarily through the home-delivery meal box business and online sales. Similarly, within NUTRI Co., Ltd.’s (consolidated subsidiary) nutritional care supplements business, certain segments such as swallowing support products remained robust. However, these two companies were impacted by increased selling, general and administrative expenses, including advertising expenses and freight charges.

As a result, the Life Energy Business reported net sales of 19,484 million yen (up 0.5% year on year) and operating income of 824 million yen (down 29.6% year on year).

(Real Estate Business)

The Company’s real estate rental properties across Japan, including those in the Okayama and Kobe-Nagata areas, as well as the Company’s head office building “Mita S-Garden” (Shiba, Minato-ku, Tokyo), are operating smoothly. Sales on the other hand,

selling, general and administrative expenses increased, including repair expenses for multiple properties and an increase in the Provision of allowance for doubtful accounts related to leasing assets. As a result, the Real Estate Business reported net sales of 1,939 million yen (up 7.6% year on year) and operating income of 310 million yen (down 55.1% year on year).

As a result, in the first nine months of the fiscal year, the Group recorded net sales of 138,866 million yen (up 1.4% year on year) and operating income of 10,483 million yen (down 9.4% year on year).

In non-operating income and expenses, factors included a decrease in royalty income primarily from royalties under a development and marketing rights agreement for fingolimod (FTY720) and recording of equity method investment losses, primarily due to deteriorating profits at overseas affiliates, occurred. As a result, ordinary income amounted to 10,512 million yen (down 13.4% year on year). Additionally, while the Company recorded gains on the disposal of fixed assets from the sale of rental properties and other assets, the Company also experienced a decrease in subsidy income and an increase in tax-related expenses. As a result, profit attributable to owners of parent for the quarter was 7,265 million yen (down 18.0% year on year).

(2) Summary of financial position for the nine months of the year ending March 31, 2026

Changes in consolidated financial position

As of December 31, 2025, total assets stood at 189,947 million yen, down 12,249 million yen from the end of the previous fiscal year. Significant changes in the main items on the consolidated balance sheet were as follows:

(i) Current assets

Current assets decreased by 9,182 million yen compared to the end of the previous fiscal year, totaling 89,506 million yen. This decrease was primarily due to 16,073 million yen decrease in Cash and deposits, despite increases of 2,267 million yen in Raw materials and supplies and 4,848 million yen in Accounts receivable - trade.

(ii) Non-current assets

Non-current assets decreased by 3,066 million yen compared to the end of the previous fiscal year, totaling 100,441 million yen. This was primarily due to 914 million yen increase in investment securities, offset by 589 million yen decrease in Buildings and structures, 608 million yen decrease in Machinery, equipment and vehicles, 231 million yen decrease in Lease assets, 627 million yen decrease in Goodwill, 1,018 million yen decrease in Deferred tax assets, and 291 million yen increase in the Allowance for doubtful accounts.

(iii) Liabilities

Liabilities decreased by 11,014 million yen compared to the end of the previous fiscal year, totaling 71,841 million yen. This was primarily due to an increase of 1,405 million yen in notes and accounts payable - trade, an increase of 1,600 million yen in short-term loans payable, and an increase of 1,153 million yen in other current liabilities, while there was a decrease of 4,464 million yen in income taxes payable and a decrease of 10,000 million yen in Bonds payable.

(iv) Net assets

Net assets decreased by 1,235 million yen compared to the end of the previous fiscal year, reaching 118,105 million yen. This was primarily due to 7,265 million yen increase in profit attributable to owners of the parent, 3,841 million yen decrease from the cancellation of Treasury stock, 705 million yen decrease in retained earnings mainly due to 4,138 million yen dividend payment, and 477 million yen decrease in foreign currency translation adjustments.

(3) Description of consolidated business forecasts and other information about future forecasts

The Group's consolidated business forecasts for the fiscal year ending March 31, 2026, are unchanged from the forecasts released on May 15, 2025. The Company will make timely disclosures in the event of developments that require revisions to its consolidated business forecasts.

2. Quarterly Consolidated Financial Statements and Important Notes

(1) Quarterly consolidated balance sheets

	(Million yen)	FY2024 (As of March 31, 2025)	First nine months of FY2025 (As of December 31, 2025)
Assets			
Current assets			
Cash and deposits	40,596	24,522	24,522
Notes receivable - trade	584	643	643
Accounts receivable - trade	13,335	18,183	18,183
Merchandise and finished goods	28,077	27,731	27,731
Work in process	3,018	2,315	2,315
Raw materials and supplies	9,185	11,452	11,452
Other	3,893	4,657	4,657
Allowance for doubtful accounts	(2)	(2)	(2)
Total current assets	98,689	89,506	89,506
Non-current assets			
Property, plant and equipment			
Buildings and structures	44,963	44,895	44,895
Accumulated depreciation	(27,821)	(28,343)	(28,343)
Buildings and structures, net	17,141	16,552	16,552
Machinery, equipment and vehicles	97,973	98,719	98,719
Accumulated depreciation	(82,882)	(84,236)	(84,236)
Machinery, equipment and vehicles, net	15,091	14,482	14,482
Tools, furniture and fixtures	4,003	4,093	4,093
Accumulated depreciation	(3,347)	(3,447)	(3,447)
Tools, furniture and fixtures, net	656	645	645
Land	26,310	26,236	26,236
Lease assets	2,451	1,997	1,997
Accumulated depreciation	(1,198)	(975)	(975)
Lease assets, net	1,253	1,022	1,022
Construction in progress	160	585	585
Total property, plant and equipment	60,614	59,525	59,525
Intangible assets			
Goodwill	4,538	3,911	3,911
Other	3,921	3,543	3,543
Total intangible assets	8,460	7,454	7,454
Investments and other assets			
Investment securities	16,728	17,643	17,643
Investments in capital of subsidiaries and associates	3,868	3,687	3,687
Long-term loans receivable	17	16	16
Net defined benefit asset	2,121	2,209	2,209
Deferred tax assets	1,926	908	908
Other	9,799	9,316	9,316
Allowance for doubtful accounts	(29)	(321)	(321)
Total investments and other assets	34,433	33,460	33,460
Total non-current assets	103,507	100,441	100,441
Total assets	202,196	189,947	189,947

	(Million yen)	
	FY2024 (As of March 31, 2025)	First nine months of FY2025 (As of December 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,482	10,887
Short-term loans payable	8,552	10,153
Current portion of bonds payable	10,000	10,000
Current portion of long-term loans payable	1,400	1,212
Lease obligations	324	319
Accrued expenses	4,287	4,699
Income taxes payable	5,542	1,077
Provision for directors' bonuses	123	69
Other	6,043	7,197
Total current liabilities	<u>45,756</u>	<u>45,617</u>
Non-current liabilities		
Bonds payable	10,000	—
Long-term loans payable	17,404	16,653
Lease obligations	939	686
Deferred tax liabilities	2,160	2,141
Provision for retirement benefits for directors	102	103
Provision for share awards for directors	55	66
Reserves for Business Restructuring	1,002	1,002
Net defined benefit liability	3,643	3,781
Asset retirement obligations	313	316
Other	1,477	1,474
Total non-current liabilities	<u>37,099</u>	<u>26,224</u>
Total liabilities	<u>82,855</u>	<u>71,841</u>
Net assets		
Shareholders' equity		
Capital stock	7,083	7,083
Capital surplus	8,407	8,414
Retained earnings	94,638	93,932
Treasury shares	(708)	(685)
Total shareholders' equity	<u>109,419</u>	<u>108,744</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	903	1,333
Deferred gains or losses on hedges	27	103
Foreign currency translation adjustment	3,720	3,242
Remeasurements of defined benefit plans	543	498
Total accumulated other comprehensive income	<u>5,195</u>	<u>5,177</u>
Non-controlling interests	<u>4,726</u>	<u>4,183</u>
Total net assets	<u>119,341</u>	<u>118,105</u>
Total liabilities and net assets	<u>202,196</u>	<u>189,947</u>

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

(Quarterly consolidated statements of income)

(Million yen)

	First nine months of FY2024 (From April 1, 2024, to December 31, 2024)	First nine months of FY2025 (From April 1, 2025, to December 31, 2025)
Net sales	136,986	138,866
Cost of sales	105,747	106,210
Gross profit	31,238	32,656
Selling, general and administrative expenses		
Distribution expenses	5,867	6,129
Salaries and bonuses	4,306	4,599
Provision for directors' bonuses	71	54
Retirement benefit expenses	124	195
Share-based payment expenses	11	33
Provision of allowance for doubtful accounts	(3)	296
Other	9,292	10,863
Total selling, general and administrative expenses	19,671	22,173
Operating income	11,567	10,483
Non-operating income		
Interest income	3	10
Dividend income	155	197
Royalty income	487	246
Share of profit of entities accounted for using equity method	114	—
Miscellaneous income	307	204
Total non-operating income	1,068	658
Non-operating expenses		
Interest expenses	317	396
Loss on retirement of non-current assets	22	34
Facilities removal expenses	32	55
Share of loss of entities accounted for using equity method	—	44
Miscellaneous loss	124	99
Total non-operating expenses	496	629
Ordinary income	12,138	10,512
Extraordinary income		
Gain on disposal of non-current assets	—	647
Gain on sale of investment securities	241	91
Subsidy income	480	31
Gain on change in equity	182	—
Total extraordinary income	903	771
Profit before income taxes	13,042	11,283
Income taxes—current	4,350	3,566
Income taxes—deferred	104	842
Total income taxes	4,455	4,408
Profit	8,586	6,874
Loss attributable to non-controlling interests	(272)	(390)
Profit attributable to owners of parent	8,858	7,265

(Quarterly consolidated statements of comprehensive income)

(Million yen)

	First nine months of FY2024 (From April 1, 2024, to December 31, 2024)	First nine months of FY2025 (From April 1, 2025, to December 31, 2025)
Profit	8,586	6,874
Other comprehensive income		
Valuation difference on available-for-sale securities	39	422
Deferred gains or losses on hedges	129	54
Foreign currency translation adjustment	156	(536)
Remeasurements of defined benefit plans	(74)	(46)
Share of other comprehensive income of entities accounted for using equity method	(11)	(5)
Total other comprehensive income	239	(110)
Comprehensive income	8,826	6,764
Comprehensive income attributable to:		
Owners of parent	9,020	7,247
Non-controlling interests	(194)	(483)

(3) Notes on quarterly consolidated financial statements

(Method of preparing quarterly consolidated financial statements)

The quarterly consolidated financial statements are prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. (hereinafter referred to as the “Standards”) published by Tokyo Stock Exchange, Inc. (TSE), and Japan’s generally accepted accounting principles (GAAP) (however, the omission of information as stipulated in Article 4, Paragraph 2 of the Standards is applied).

(Notes on segment information, etc.)

Segment information

I. First nine months of FY2024 (From April 1, 2024, to December 31, 2024)

Information on net sales and income/loss and revenue breakdown by each reportable segment

	Reportable segment				Adjustments	(Million yen) Amount recorded in quarterly consolidated statements of income
	Sugar Business	Life Energy Business	Real Estate Business	Total		
Net sales						
Revenue from contracts with customers	115,788	19,395	–	135,183	–	135,183
Other revenue	–	–	1,802	1,802	–	1,802
Net sales to third-party customers	115,788	19,395	1,802	136,986	–	136,986
Intersegment of net sales and transfer	176	219	660	1,057	(1,057)	–
Total	115,964	19,615	2,463	138,043	(1,057)	136,986
Segment profit	9,705	1,170	690	11,567	–	11,567

(Note) Some adjustments have been made between segment profit and operating income recorded in the quarterly consolidated statements of income.

II. First nine months of FY2025 (From April 1, 2025, to December 31, 2025)

Information on net sales and income/loss and revenue breakdown by each reportable segment

	Reportable segment				Adjustments	(Million yen) Amount recorded in quarterly consolidated statements of income
	Sugar Business	Life Energy Business	Real Estate Business	Total		
Net sales						
Revenue from contracts with customers	117,442	19,484	–	136,926	–	136,926
Other revenue	–	–	1,939	1,939	–	1,939
Net sales to third-party customers	117,442	19,484	1,939	138,866	–	138,866
Intersegment of net sales and transfer	140	236	122	499	(499)	–
Total	117,582	19,721	2,062	139,366	(499)	138,866
Segment profit	9,348	824	310	10,483	–	10,483

(Note) Some adjustments have been made between segment profit and operating income recorded in the quarterly consolidated statements of income.

(Notes when the amount of the shareholders' equity significantly fluctuates)

Based on a resolution of the Board of Directors held on May 15, 2025, the Company acquired 1,175,000 shares of Treasury stock and retired 1,175,000 shares of Treasury stock on June 2, 2025. As a result of the cancellation of treasury stock, the balance of other capital surplus became negative, and therefore, the amount was transferred from retained earnings to capital surplus. As a result, retained earnings decreased by 3,841 million yen during the first quarter of the current fiscal year, and amounted to 93,932 million yen at the end of the third quarter of the current fiscal year.

(Notes on assumptions of a going concern)

None.

(Notes on quarterly consolidated cash flow statements)

Quarterly consolidated statements of cash flows for the first nine months of the current fiscal year have not been prepared. Depreciation and amortization (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first nine months of the current and previous fiscal years are as follows.

	First nine months of FY2024 (From April 1, 2024, to December 31, 2024)	First nine months of FY2025 (From April 1, 2025, to December 31, 2025)
Depreciation and amortization	4,502 million yen	4,144 million yen
Amortization of goodwill	438	638

(Additional information)

(Earnings-linked stock compensation scheme for directors, etc.)

The Company has introduced a stock compensation scheme for directors (excluding directors who are members of the audit & supervisory committee and outside directors) and executive officers ("directors and others") to increase the motivation of these directors to improve the Group's medium- to long-term earnings performance and increase corporate value.

1. Overview of transactions

Funds are entrusted to a trust set up by the Company ("the trust"), which is used to purchase common shares in the Company ("the Company's shares"). Through the trust, directors and others receive the Company's shares as compensation in exchange for points granted to them in accordance with stock distribution regulations established by the Company's Board of Directors. In principle, directors and others receive the Company's shares on retirement from their positions.

2. Company's shares retained by the trust

The Company's shares retained by the trust are included in net assets as treasury shares at book value (excluding associated expenses). As of March 31, 2025, there were 143,800 shares held by the trust with a book value of 279 million yen. As of December 31, 2025, there were 131,500 shares held by the trust with a book value of 255 million yen.

(Notes on important subsequent events)

None.