

May 8, 2026

Consolidated Financial Results for the Three Months Ended March 31, 2026 (Under Japanese GAAP)

Company name: TEIKOKU SEN-I CO.,Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 3302
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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 March 31, 2026 (from January 1, 2026 to March 31, 2026)

(1) Consolidated operating results (cumulative)

(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	%
Three months ended								
March 31, 2026	19,765	29.0	4,068	41.2	4,694	37.1	3,257	34.9
March 31, 2025	15,317	12.5	2,881	44.3	3,424	37.3	2,415	37.4

Note: Comprehensive income For the three months ended March 31, 2026: ¥4,665 million [74.2%]
 For the three months ended March 31, 2025: ¥2,678 million [(25.8)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended				
March 31, 2026	127.15		126.43	
March 31, 2025	93.02		92.46	

(2) Consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of								
March 31, 2026	97,919		75,657		77.1		2,946.24	
December 31, 2025	91,343		72,388		79.1		2,821.33	

Reference: Equity
 As of March 31, 2026: ¥75,499 million
 As of December 31, 2025: ¥72,229 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen				
Fiscal year ended					
December 31, 2025	-	0.00	-	55.00	55.00
Fiscal year ending					
December 31, 2026	-				
Fiscal year ending					
December 31, 2026 (Forecast)		0.00		65.00	65.00

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

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 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	
Fiscal year ending										
December 31, 2026	36,000	7.0	4,300	6.0	5,500	3.6	3,800	1.5	148.43	

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of March 31, 2026	27,584,400 shares
As of December 31, 2025	27,584,400 shares

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

As of March 31, 2026	1,958,827 shares
As of December 31, 2025	1,983,052 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2026	25,619,651 shares
Three months ended March 31, 2025	25,964,191 shares

* The Company has introduced a performance-linked stock-based compensation plan, and the Company's shares remaining in the Stock Benefit Trust are included in the number of treasury shares deducted for the calculation of the number of treasury shares at the end of the fiscal year and the average number of shares during the period.

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

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For matters related to earnings forecasts, please refer to "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Quarterly consolidated balance sheet

(Thousands of yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	12,823,287	10,932,103
Notes and accounts receivable - trade, and contract assets	8,463,641	19,313,221
Securities	4,998,770	4,996,005
Merchandise and finished goods	9,026,725	5,678,750
Work in process	1,918,006	1,517,053
Raw materials and supplies	772,161	796,847
Other	3,041,910	2,187,205
Total current assets	41,044,503	45,421,186
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,590,980	6,487,396
Machinery, equipment and vehicles, net	758,064	748,369
Tools, furniture and fixtures, net	347,041	325,270
Land	3,990,155	3,990,155
Construction in progress	258,414	466,599
Total property, plant and equipment	11,944,656	12,017,792
Intangible assets	59,039	59,842
Investments and other assets		
Investment securities	37,104,602	39,220,090
Retirement benefit asset	122,090	113,845
Deferred tax assets	149,323	158,285
Other	919,672	928,567
Total investments and other assets	38,295,689	40,420,789
Total non-current assets	50,299,385	52,498,423
Total assets	91,343,888	97,919,610

	As of December 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	3,905,138	5,371,436
Current portion of long-term borrowings	44,000	45,000
Income taxes payable	821,034	1,478,459
Provision for bonuses	-	178,857
Other	1,715,001	2,174,715
Total current liabilities	6,485,174	9,248,468
Non-current liabilities		
Long-term borrowings	12,000	-
Long-term guarantee deposits	341,944	326,695
Deferred tax liabilities	10,668,814	11,237,244
Retirement benefit liability	137,385	139,318
Provision for share awards for directors (and other officers)	832,699	832,699
Asset retirement obligations	76,483	76,485
Long-term accounts payable - other	78,650	78,650
Other	322,137	322,137
Total non-current liabilities	12,470,115	13,013,231
Total liabilities	18,955,289	22,261,700
Net assets		
Shareholders' equity		
Share capital	1,689,882	1,689,882
Capital surplus	1,100,156	1,100,156
Retained earnings	48,411,105	50,229,536
Treasury shares	(2,589,034)	(2,546,685)
Total shareholders' equity	48,612,110	50,472,889
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,381,428	24,830,291
Deferred gains or losses on hedges	236,303	195,973
Total accumulated other comprehensive income	23,617,732	25,026,264
Share acquisition rights	158,756	158,756
Total net assets	72,388,598	75,657,910
Total liabilities and net assets	91,343,888	97,919,610

Quarterly consolidated statement of income

(Thousands of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
Net sales	15,317,869	19,765,370
Cost of sales	11,206,526	14,401,570
Gross profit	4,111,342	5,363,800
Selling, general and administrative expenses	1,230,267	1,295,242
Operating profit	2,881,075	4,068,557
Non-operating income		
Interest income	3,789	7,766
Dividend income	537,953	633,565
Other	5,742	3,112
Total non-operating income	547,485	644,444
Non-operating expenses		
Interest expenses	976	1,042
Share of loss of entities accounted for using equity method	1,889	272
Foreign exchange losses	-	977
Commission expenses	1,351	-
Settlement money paid	-	15,000
Other	240	840
Total non-operating expenses	4,458	18,133
Ordinary profit	3,424,102	4,694,869
Extraordinary losses		
Loss on disposal of non-current assets	-	20
Loss on disposal of membership	172	-
Total extraordinary losses	172	20
Profit before income taxes	3,423,930	4,694,848
Income taxes - current	1,047,414	1,527,059
Income taxes - deferred	(38,726)	(89,630)
Total income taxes	1,008,688	1,437,428
Profit	2,415,241	3,257,420
Profit attributable to owners of parent	2,415,241	3,257,420

Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
Profit	2,415,241	3,257,420
Other comprehensive income		
Valuation difference on available-for-sale securities	331,832	1,448,863
Deferred gains or losses on hedges	(68,530)	(40,330)
Total other comprehensive income	263,301	1,408,532
Comprehensive income	2,678,542	4,665,952
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,678,542	4,665,952

(Notes on segment information, etc.)

Segment Information

I. The three months of the previous fiscal year (January 1, 2025 to March 31, 2025)

Information on sales and the amount of profit or loss for each reported segment, as well as revenue breakdown information

(Thousands of yen)

	Disaster prevention and preparedness/security	Textile	Real Estate	Total	Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
Sales						
Government	7,650,923	-	-	7,650,923	-	7,650,923
other	7,151,839	380,953	-	7,532,792	-	7,532,792
Revenue generated from customer contracts	14,802,763	380,953	-	15,183,716	-	15,183,716
Other Earnings	-	-	134,152	134,152	-	134,152
Revenues from external customers	14,802,763	380,953	134,152	15,317,869	-	15,317,869
Transactions with other segments	93	340,754	-	340,847	(340,847)	-
Total	14,802,856	721,708	134,152	15,658,717	(340,847)	15,317,869
Segment Profit	3,005,723	124,779	105,398	3,235,900	(354,825)	2,881,075

Note: 1. Segment profit adjustment of (354,825) thousand yen includes 20 thousand yen for the elimination of inter-segment transactions and (354,845) thousand yen for company-wide expenses that have not been allocated to each reporting segment. Corporate expenses are primarily general and administrative expenses that are not attributable to the Reporting segment.

2. The sum of segment profit and adjustments are in line with operating income in the quarterly consolidated statements of income.

II. The three months of the current fiscal year (January 1, 2026 to March 31, 2026)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Thousands of yen)

	Disaster prevention and preparedness/security	Textile	Real Estate	Total	Adjustment amount (Note) 1	Quarterly Consolidated Statements of Income (Note)2
Sales						
Government	10,233,036	-	-	10,233,036	-	10,233,036
other	8,446,579	944,375	-	9,390,955	-	9,390,955
Revenue generated from customer contracts	18,679,616	944,375	-	19,623,992	-	19,623,992
Other Earnings	-	-	141,378	141,378	-	141,378
Revenues from external customers	18,679,616	944,375	141,378	19,765,370	-	19,765,370
Transactions with other segments	39	214,242	-	214,281	(214,281)	-
Total	18,679,655	1,158,617	141,378	19,979,651	(214,281)	19,765,370
Segment Profit	4,006,211	326,814	105,753	4,438,779	(370,221)	4,068,557

Note: 1. The adjustment amount of segment profit of (370,221) thousand yen includes the elimination of inter-segment transactions of (323) thousand yen and the company-wide expenses of (369,898) thousand yen that have not been allocated to each reporting segment. Corporate expenses are primarily general and administrative expenses that are not attributable to the Reporting segment.

2. The sum of segment profit and adjustments are in line with operating income in the quarterly consolidated statements of income.

2. Changes to Reporting Segments, etc.

In light of the launch of the new medium-term management plan "Teisen 2028" in FY2026 and the recent review of the organizational structure, in order to appropriately allocate management resources and manage performance from the perspective of a management approach, and to more accurately represent the actual state of business activities, some of the products for disaster prevention applications in the textile business will be designated as "disaster prevention and security" from the first quarter of the current fiscal year. In addition to reviewing the business classification, we are also reviewing the method of allocating some common expenses.

With the expansion of the security business in recent years, the name of "Disaster Prevention" has been changed to "Disaster Prevention and Security".

As a result of this change, the segment information for the three months of the previous fiscal year is described as prepared according to the classification method after the change.