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Consolidated Financial Results for the Six Months Ended June 30, 2026 [Japanese GAAP]

July 30, 2026

Company name: Okura Industrial Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 4221
URL: https://www.okr-ind.co.jp/
Representative: Eiji Fukuda, Operating Officer, President, Representative Director
Contact: Masanori Kimura, Operating Officer, General Manager, Finance and Business Administration Department, Corporate Center
Phone: +81-877-56-1111
Scheduled date of filing semi-annual securities report: August 10, 2026
Scheduled date of commencing dividend payments: September 2, 2026
Availability of supplementary explanatory materials on financial results: Available
Schedule of financial results briefing session: Scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended June 30, 2026 (January 1, 2026 - June 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	52,499	20.5	5,318	50.8	5,447	55.9	3,734	46.3
June 30, 2025	43,551	10.5	3,527	51.9	3,493	29.2	2,552	5.5

(Note) Comprehensive income: Six months ended June 30, 2026: ¥3,688 million [120.6%]
Six months ended June 30, 2025: ¥1,671 million [(59.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	330.46	–
June 30, 2025	222.91	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	122,501	65,440	53.4
As of December 31, 2025	103,043	63,134	61.2

(Reference) Equity: As of June 30, 2026: ¥65,390 million
As of December 31, 2025: ¥63,098 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	–	95.00	–	100.00	195.00
Fiscal year ending December 31, 2026	–	110.00			
Fiscal year ending December 31, 2026 (Forecast)			–	130.00	240.00

(Note) 1. Revision to the forecast for dividends announced most recently: Yes

2. Breakdown of 2nd quarter-end dividend for the fiscal year ending December 31, 2025: Ordinary dividend of 83.00 yen and special dividend of 12.00 yen
Breakdown of year-end dividend for the fiscal year ending December 31, 2025: Ordinary dividend of 85.00 yen and special dividend of 15.00 yen
Breakdown of 2nd quarter-end dividend for the fiscal year ending December 31, 2026: Ordinary dividend of 83.00 yen and special dividend of 27.00 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 - December 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	103,000	18.9	8,500	37.4	8,700	35.3	5,750	50.7	508.63

(Note) Revision to the financial results forecast announced most recently: Yes

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 2 company (Company name) FUJIKO Co., Ltd. OKURA VIETNAM CO., Ltd.

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):
June 30, 2026: 12,414,870 shares
December 31, 2025: 12,414,870 shares

2) Total number of treasury shares at the end of the period:
June 30, 2026: 1,110,021 shares
December 31, 2025: 1,118,709 shares

3) Average number of shares during the period:
Six months ended June 30, 2026: 11,299,870 shares
Six months ended June 30, 2025: 11,450,633 shares

* These semi-annual consolidated financial results are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

Forward-looking statements such as financial results forecast in this document are based on information currently available and certain assumptions that Company regards as reasonable. Actual results may significantly differ from such estimates due to various factors.

For details on the earnings forecasts of the Company, please see “Qualitative Information on Quarterly Financial Results” on page 2 of the attachments.

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1. Qualitative Information on Semi-annual Financial Results

(1) Explanation of Operating Results

During the six months ended June 30, 2026, the Japanese economy remained on a modest recovery trend, with signs of a rebound in personal consumption and capital investment—even amid rising prices—on the back of improvements in the employment and income situation and pay raises. The economic outlook remains uncertain as it is still difficult to foresee the future on account of such concerns as rising logistics and labor costs driven by persistently high prices, as well as soaring crude oil prices and supply uncertainties caused by heightened tensions in the Middle East, and fluctuations in financial and capital markets.

Under these circumstances, the Group posted net sales of 52,499 million yen (up 20.5% year on year) for the six months ended June 30, 2026, mainly due to the acquisition of FUJIKO Co., Ltd. as a consolidated subsidiary in the Plastic Film Division.

In terms of profit, factors including our efforts for price revisions as well as productivity improvement and cost reduction resulted in operating profit of 5,318 million yen (up 50.8% year on year) and ordinary profit of 5,447 million yen (up 55.9% year on year). Profit attributable to owners of parent was 3,734 million yen (up 46.3% year on year).

Operating results by segment are as follows.

[Plastic Film]
Although the business faced significant increases in raw material costs and supply uncertainties due to the deteriorating situation in the Middle East, sales volume increased as we focused on ensuring a stable product supply by leveraging our proprietary raw material procurement capabilities, thereby preventing any disruption to our existing customers' production activities. In addition, the acquisition of FUJIKO Co., Ltd. as a consolidated subsidiary of the Company resulted in net sales of 35,253 million yen (up 33.5% year on year). Operating profit was 4,910 million yen (up 71.2% year on year) due to contributory factors including cost reduction caused mainly by price revisions and productivity improvement.

[New Materials]
Sales of optical films for large LCD televisions remained robust, resulting in net sales of 9,892 million yen (up 1.7% year on year). Operating profit amounted to 1,596 million yen (up 19.2% year on year) due to efforts to improve productivity through a particular focus on improving yields for optical films as well as the increase in net sales.

[Building Materials]
Despite implementing price revisions in response to rising raw material costs amid the severe market environment represented by the decreased number of housing starts, sales volume for certain products declined due to a review of the product sales mix in the particleboards business, one of the key businesses, resulting in net sales of 6,373 million yen (down 2.2% year on year). Operating profit was 53 million yen (down 87.3% year on year) due in part to the decrease in net sales as well as the recording of expenses, including those for trial runs for the production of JAS-certified products, at the Takase Plant, which began operations this fiscal year.

[Other]
Due to factors such as increased sales volume of systems for dispensing pharmacies in the information processing system development business and the increased number of hotel stays due to inbound demand in the hotel business, overall net sales of other businesses were 980 million yen (up 9.6% year on year). Operating profit amounted to 282 million yen (up 19.5% year on year) due in part to the increase in net sales.

(2) Explanation of Financial Position

1) Assets, liabilities and net assets

Total assets at the end of the second quarter of the fiscal year under review increased by 19,458 million yen compared to the end of the previous fiscal year, to 122,501 million yen, mainly due to increases in trade receivables of 6,686 million yen, cash and deposits of 5,423 million yen, property, plant and equipment of 4,719 million yen and inventories of 2,771 million yen, despite a decrease in long-term loans receivable of 1,165 million yen, largely as a result of the inclusion of FUJIKO Co., Ltd. and OKURA VIETNAM CO., LTD. in the scope of consolidation.

On the other hand, liabilities increased by 17,152 million yen compared to the end of the previous fiscal year, to 57,061 million yen, mainly due to increases in borrowings of 13,184 million yen and trade payables of 4,520 million yen.

Net assets increased by 2,306 million yen from the end of the previous fiscal year to 65,440 million yen, mainly due to an increase in retained earnings of 2,318 million yen, despite a decrease in valuation difference on available-for-sale securities of 60 million yen.

As a result of the above, the equity ratio decreased by 7.9 percentage points from the end of the previous fiscal year to 53.4%.

2) Cash flows for the period under review

Cash and cash equivalents (hereinafter referred to as “cash”) on a consolidated basis at the end of the six-month period under review increased by 5,213 million yen compared to the end of the previous fiscal year to 13,408 million yen.

The status of each cash flow and their factors during the six-month period under review are as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 3,073 million yen (7,724 million yen provided in the same period of the previous fiscal year).

This was mainly due to cash inflows from profit before income taxes of 5,369 million yen, depreciation of 2,776 million yen, and a cash outflow from an increase in trade receivables of 3,955 million yen, and increase in inventories of 1,803 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to 8,255 million yen (4,126 million yen used in the same period of the previous fiscal year).

This was mainly due to cash outflows from the purchase of property, plant and equipment, such as manufacturing equipment, for 5,014 million yen, and the purchase of shares of subsidiaries for 2,593 million yen, which resulted in a change in the scope of consolidation.

(Cash Flows from Financing Activities)

Net cash provided by financing activities amounted to 10,384 million yen (2,662 million yen used in the same period of the previous fiscal year).

This was mainly due to cash outflows from an increase in borrowings of 11,507 million yen and dividends paid of 1,120 million yen.

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

The Company has revised the consolidated financial results forecast for the fiscal year ending December 31, 2026 from the forecast announced on February 12, 2026.

For details, please refer to the “Notice Concerning Revisions to Financial Results Forecast and Dividend Forecast” disclosed separately today (July 30, 2026).

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	7,984	13,408
Notes receivable - trade	901	981
Accounts receivable - trade	19,263	24,345
Electronically recorded monetary claims - operating	9,656	11,179
Securities	–	23
Merchandise and finished goods	5,947	6,353
Work in process	1,218	1,522
Raw materials and supplies	5,497	7,523
Real estate for sale	264	300
Other	1,931	1,707
Allowance for doubtful accounts	–	(0)
Total current assets	52,664	67,344
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,106	19,954
Machinery, equipment and vehicles, net	8,209	10,943
Land	5,763	6,533
Construction in progress	5,214	1,453
Other, net	629	757
Total property, plant and equipment	34,924	39,643
Intangible assets	1,960	2,276
Investments and other assets		
Investment securities	10,540	10,442
Long-term loans receivable	1,165	–
Retirement benefit asset	385	403
Deferred tax assets	83	281
Other	1,318	2,109
Total investments and other assets	13,493	13,237
Total non-current assets	50,378	55,157
Total assets	103,043	122,501

(Million yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes payable - trade	–	1,053
Accounts payable – trade	16,911	20,770
Electronically recorded obligations - operating	2,058	1,666
Short-term borrowings	5,474	4,777
Current portion of long-term borrowings	389	2,585
Accounts payable - other	2,630	994
Income taxes payable	900	1,594
Advances received	510	384
Electronically recorded obligations - facilities	1,302	995
Other	4,299	4,547
Total current liabilities	34,478	39,370
Non-current liabilities		
Long-term borrowings	869	12,555
Deferred tax liabilities	658	661
Retirement benefit liability	3,113	3,590
Other	789	882
Total non-current liabilities	5,430	17,690
Total liabilities	39,909	57,061
Net assets		
Shareholders’ equity		
Share capital	8,619	8,619
Capital surplus	9,118	9,134
Retained earnings	42,280	44,599
Treasury shares	(3,046)	(3,023)
Total shareholders’ equity	56,972	59,330
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,080	5,019
Foreign currency translation adjustment	285	308
Remeasurements of defined benefit plans	760	732
Total accumulated other comprehensive income	6,126	6,060
Non-controlling interests	35	49
Total net assets	63,134	65,440
Total liabilities and net assets	103,043	122,501

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

Six Months Ended June 30

(Million yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales	43,551	52,499
Cost of sales	34,492	40,251
Gross profit	9,058	12,247
Selling, general and administrative expenses		
Sales commission	47	45
Transportation and storage costs	1,422	1,588
Salaries	1,164	1,486
Provision for bonuses	385	646
Remuneration for directors (and other officers)	174	225
Retirement benefit expenses	67	56
Depreciation	114	178
Research and development expenses	733	825
Provision of allowance for doubtful accounts	–	(19)
Other	1,420	1,897
Total selling, general and administrative expenses	5,530	6,929
Operating profit	3,527	5,318
Non-operating income		
Interest income	41	15
Dividend income	154	185
Foreign exchange gains	–	48
Miscellaneous income	48	69
Total non-operating income	244	319
Non-operating expenses		
Interest expenses	27	99
Foreign exchange losses	130	–
Commission expenses	106	38
Miscellaneous losses	14	52
Total non-operating expenses	279	190
Ordinary profit	3,493	5,447
Extraordinary income		
Gain on sale of non-current assets	0	4
Total extraordinary income	0	4
Extraordinary losses		
Loss on sale and retirement of non-current assets	46	56
Extra retirement payments	–	26
Total extraordinary losses	46	82
Profit before income taxes	3,447	5,369
Income taxes – current	613	1,520
Income taxes - deferred	278	125
Total income taxes	892	1,646
Profit	2,554	3,722
Profit (loss) attributable to non-controlling interests	2	(11)
Profit attributable to owners of parent	2,552	3,734

Semi-annual Consolidated Statements of Comprehensive Income

Six Months Ended June 30

(Million yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Profit	2,554	3,722
Other comprehensive income		
Valuation difference on available-for-sale securities	(843)	(60)
Foreign currency translation adjustment	(35)	54
Remeasurements of defined benefit plans, net of tax	(3)	(28)
Total other comprehensive income	(882)	(34)
Comprehensive income	1,671	3,688
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,671	3,695
Comprehensive income attributable to non-controlling interests	0	(7)

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,447	5,369
Depreciation	2,361	2,776
Increase (decrease) in allowance for doubtful accounts	–	(19)
Increase (decrease) in retirement benefit liability	9	19
Interest and dividend income	(196)	(201)
Interest expenses	27	99
Foreign exchange losses (gains)	127	(46)
Loss (gain) on sale and retirement of non-current assets	18	35
Decrease (increase) in trade receivables	2,563	(3,955)
Decrease (increase) in inventories	(1,204)	(1,803)
Increase (decrease) in trade payables	897	1,961
Other, net	933	(424)
Subtotal	8,985	3,809
Interest and dividends received	196	201
Interest paid	(28)	(110)
Income taxes paid	(1,428)	(826)
Net cash provided by (used in) operating activities	7,724	3,073
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,712)	(5,014)
Proceeds from sale of property, plant and equipment	0	4
Proceeds from governmental subsidy income	10	826
Purchase of investment securities	(6)	(6)
Proceeds from collection of loans receivable	0	0
Payments for investments in capital	–	(1,280)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(2,593)
Other, net	(418)	(190)
Net cash provided by (used in) investing activities	(4,126)	(8,255)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	(1,096)
Proceeds from long-term borrowings	–	13,700
Repayments of long-term borrowings	(216)	(1,095)
Repayments of lease liabilities	(0)	(0)
Purchase of treasury shares	(1,229)	(1)
Dividends paid	(1,215)	(1,120)
Net cash provided by (used in) financing activities	(2,662)	10,384
Effect of exchange rate change on cash and cash equivalents	(24)	10
Net increase (decrease) in cash and cash equivalents	911	5,213
Cash and cash equivalents at beginning of period	8,949	7,984
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	–	209
Cash and cash equivalents at end of period	9,860	13,408

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in the case of significant changes in shareholders' equity)

Not applicable.

(Segment information, etc.)

I For the six months ended June 30, 2025 (January 1, 2025 to June 30, 2025)

Information on the amount of net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in semi-annual consolidated statements of income (Note 3)
	Plastic Film	New Materials	Building Materials	Total				
Net sales								
Net sales to outside customers	26,413	9,726	6,517	42,657	894	43,551	–	43,551
Inter-segment net sales or transfers	3	–	59	62	417	480	(480)	–
Total	26,416	9,726	6,576	42,719	1,312	44,031	(480)	43,551
Segment profit	2,868	1,339	421	4,629	236	4,866	(1,338)	3,527

(Notes) 1. The "Other" category is a business segment that is not included in the reportable segments and includes the hotel business, information processing system development business, and real estate leasing business.

2. The segment profit adjustment of negative 1,338 million yen includes negative 1 million yen in eliminations of inter-segment transactions and negative 1,337 million yen in corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

3. Segment profit is adjusted with operating profit in the semi-annual consolidated statements of income.

II For the six months ended June 30, 2026 (January 1, 2026 to June 30, 2026)

Information on the amount of net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in semi-annual consolidated statements of income (Note 3)
	Plastic Film	New Materials	Building Materials	Total				
Net sales								
Net sales to outside customers	35,253	9,892	6,373	51,518	980	52,499	–	52,499
Inter-segment net sales or transfers	45	279	2	327	613	940	(940)	–
Total	35,299	10,171	6,375	51,846	1,593	53,439	(940)	52,499
Segment profit	4,910	1,596	53	6,560	282	6,843	(1,524)	5,318

(Notes) 1. The “Other” category is a business segment that is not included in the reportable segments and includes the hotel business, information processing system development business, and real estate leasing business.

2. The segment profit adjustment of negative 1,524 million yen includes negative 1 million yen in eliminations of inter-segment transactions and negative 1,523 million yen in corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

3. Segment profit is adjusted with operating profit in the semi-annual consolidated statements of income.

(Business combination, etc.)

(Acquisition of shares of a subsidiary)

I. Overview of the business combination

(1) Name and business description of the acquiree

Name of the acquiree: FUJIKO Co., Ltd.

Business description : Packaging, Release liner production, Transfer printing, Hydrophobic/oleophobic paper production

(2) Purposes of the acquisition

Under its management vision “Next10 (2030),” the Group aims to enhance its corporate value over the medium- to long-term by aspiring to become a solution partner that creates new value through core technologies and is selected by customers. To realize this vision, we have adopted the basic policy of “Deepening of Business Portfolio,” and are focusing our investments on the areas that we consider to be growth markets and areas, namely “Information Electronics,” “Functional Materials for Manufacturing Processes,” “Environment & Energy,” and “Life Science.”

FUJIKO Co., Ltd. has built strong relationships with its customers across a wide range of sectors, including automobile, information electronics, and semiconductors, based on their outstanding film processing expertise.

The Share Acquisition is to integrate the Company’s film manufacturing technology with FUJIKO’s processing technology and combine the development capabilities of both companies. The Company aims to establish a vertically integrated development and production system covering everything from film manufacturing to processing, and thereby further accelerating business expansion in the growing field of functional materials for manufacturing processes.

(3) Date of business combination

January 16, 2026 (Deemed date of acquisition: January 1, 2026)

(4) Legal form of the business combination
Acquisition of shares in exchange for cash

(5) Post-combination entity name
No change

(6) Ratio of voting rights to be acquired
100%

(7) Primary basis for determining the acquirer
The fact that the Company acquires the shares in exchange for cash

II. Period of performance of the acquired business included in the consolidated financial statements
From January 1, 2026 to June 30, 2026

III. Acquisition cost of the acquiree and its breakdown by type of consideration

Consideration for acquisition:	¥5,600 million by cash
Acquisition cost:	¥5,600 million

IV. Details and amount of major acquisition-related expenses
Advisory fees and other costs : ¥155 million

V. Amount of goodwill to be recognized
¥26 million

VI. Amounts of the assets to be acquired and liabilities to be assumed on the date of the business combination and their breakdown by major item
Current assets　¥6,657 million
Non-current assets　¥4,268 million
Total assets　¥10,926 million

Current liabilities　¥3,741 million
Non-current liabilities　¥1,610 million
Total liabilities　¥5,352 million