Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under IFRS)

Company name: Bando Chemical Industries, Ltd.
Listing: Tokyo Stock Exchange
Securities code: 5195
URL: https://www.bandogrp.com
Representative: Tomio Ueno, President and Representative Director
Inquiries: Ryo Noto, General Manager of Finance and Accounting Department
Telephone: +81-78-304-2516
Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Core operating profit		Operating profit		Profit before tax	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	32,209	10.7	2,963	46.8	3,382	(11.4)	3,697	1.7
June 30, 2025	29,092	(0.9)	2,018	3.0	3,818	66.6	3,636	27.3

Note: Core operating profit is calculated as revenue subtracted by cost of sales and selling, general, and administrative expenses.

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2026	2,749	3.7	4,471	76.2	67.55	—
June 30, 2025	2,652	37.2	2,538	(45.1)	63.54	—

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2026	133,607	93,723	93,462	70.0
March 31, 2026	131,892	92,872	92,608	70.2

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	－	40.00	－	80.00	120.00
Fiscal year ending March 31, 2027	－				
Fiscal year ending March 31, 2027 (Forecast)		50.00	－	50.00	100.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Consolidated financial results forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate changes from the previous corresponding period.)

	Revenue		Core Operating profit		Operating 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	120,000	0.6	9,600	0.5	11,000	(8.9)	8,000	(24.3)	196.31

Note: Revisions to the forecast of financial results most recently announced: None

* **Notes**

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

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

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

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of June 30, 2026	44,213,536 shares
As of March 31, 2026	44,213,536 shares

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

As of June 30, 2026	3,580,783 shares
As of March 31, 2026	3,461,077 shares

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

Three months ended June 30, 2026	40,706,954 shares
Three months ended June 30, 2025	41,744,700 shares

Note: The Company has introduced an executive compensation BIP trust. Shares of the Company owned by the trust are included in the treasury shares.

* 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 forecast, and other special matters

Forward-looking statements contained in this document, including financial results forecast, are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable. The Company makes no assurances as to the actual results and/or other outcomes, which may differ significantly from these forecasts due to various factors. Please refer to page 3, “1. Qualitative information on Financial Results for the Three Months ended June 30, 2026 (4) Explanation of Consolidated Financial Results Forecast” for the suppositions that form the assumptions used for and the use of the financial results forecast.

Table of Contents

1. Qualitative Information on Financial Results for the Three Months ended June 30, 2026

(1) Explanation of Operating Results

	Three Months ended June 30, 2025 (Millions of yen)	Three Months ended June 30, 2026 (Millions of yen)	Change (Millions of yen)	Change in ratio (%)
Revenue	29,092	32,209	3,117	10.7
Automotive Parts	14,626	16,503	1,877	12.8
Industrial Products	9,495	10,278	783	8.3
Advanced Elastomer Products	3,595	3,979	384	10.7
Other	1,553	1,995	442	28.5
Adjustments	(178)	(548)	(370)	—
Core operating profit (loss) (Segment profit (loss))	2,018	2,963	944	46.8
Automotive Parts	1,178	1,568	390	33.1
Industrial Products	706	1,078	371	52.6
Advanced Elastomer Products	78	281	202	256.7
Other	7	145	138	—
Adjustments	47	(111)	(158)	—
Operating profit	3,818	3,382	(435)	(11.4)
Profit before tax	3,636	3,697	61	1.7
Profit attributable to owners of parent	2,652	2,749	97	3.7

Note: Core operating profit is calculated as revenue subtracted by cost of sales and selling, general, and administrative expenses.

Revenue for the three months ended June 30, 2026 increased by 10.7% to ¥32,209 million compared with the same period of the previous fiscal year, core operating profit increased by 46.8% to ¥2,963 million, operating profit decreased by 11.4% to ¥3,382 million, profit before tax increased by 1.7% to ¥3,697 million, and profit attributable to owners of parent increased by 3.7% to ¥2,749 million.
The operating results for the three months ended June 30, 2026 by business segment were as follows:

Automotive Parts
In Japan, although automobile production volume increased, export sales decreased. Overseas, sales of products for aftermarket industries increased in the U.S. and Europe. In China, although sales of accessory drive power transmission belts (such as RIBACE™) decreased, sales of variable speed belts for ATVs and UTVs increased. In Asia, sales of variable speed belts for scooters increased as production by motorcycle manufacturers was trending steadily upward.
As a result, revenue in this segment increased by 12.8% to ¥16,503 million and segment profit increased by 33.1% to ¥1,568 million compared with the same period of the previous fiscal year.

Industrial Products
Regarding industrial power transmission belts, in Japan, sales of power transmission belts for industrial machinery increased. Overseas, sales of power transmission belts for industrial machinery increased in the U.S. and Europe, and sales of power transmission belts for agricultural machinery increased in China. Sales of power transmission belts for agricultural machinery decreased in Asia.
For conveyor belts, in Japan, although sales of heavy-duty conveyor belts decreased, sales of light-duty conveyor belts (such as SUNLINE™) increased.
As a result, revenue increased by 8.3% to ¥10,278 million and segment profit increased by 52.6% to ¥1,078

million compared with the same period of the previous fiscal year.

Advanced Elastomer Products

Regarding films products, sales of films for construction materials increased.
For precision parts, although sales of high-performance rollers decreased, sales of precision belts increased.
As a result, revenue increased by 10.7% to ¥3,979 million and segment profit increased by 256.7% to ¥281 million compared with the same period of the previous fiscal year.

Other

The Other segment includes the robotics-related devices, electronic products, and medical equipment businesses. Revenue increased by 28.5% to ¥1,995 million and segment profit was ¥145 million, compared with a profit of ¥7 million in the same period of the previous fiscal year.

The above revenue and profit by segment were the amount before the elimination of intersegment transactions.

(2) Explanation of Financial Position

Total assets as of June 30, 2026 increased by ¥1,715 million to ¥133,607 million compared with the end of the previous fiscal year. The main reason was an increase in trade and other receivables and other financial assets.
Total liabilities increased by ¥865 million to ¥39,884 million compared with the end of the previous fiscal year. The main reason was an increase in other current liabilities.
Total equity increased by ¥850 million to ¥93,723 million compared with the end of the previous fiscal year. The main reason was an increase in other components of equity while the Company acquired treasury shares.
As a result, the ratio of equity attributable to owners of parent to total assets was 70.0%, compared with 70.2% at the end of the previous fiscal year.

(3) Explanation of Cash Flows

Cash and cash equivalents as of June 30, 2026 decreased by ¥2,642 million to ¥19,064 million compared with the beginning of the fiscal year. Cash flows and the major factors affecting them were as follows:

(Cash flows from operating activities)
Net cash provided by operating activities decreased by ¥2,001 million to ¥3,306 million compared with the same period of the previous fiscal year. The main reason was a decrease in proceeds from operations after adjusting profit before tax for non-cash items.

(Cash flows from investing activities)
Net cash used in investing activities increased by ¥1,441 million to ¥1,765 million compared with the same period of the previous fiscal year. The main reason was an increase in expenditures for the acquisition of property, plant and equipment and intangible assets, as well as a decrease in proceeds from withdrawal of time deposits.

(Cash flows from financing activities)
Net cash used in financing activities decreased by ¥2,913 million to ¥4,281 million compared with the same period of the previous fiscal year. The main reason was a decrease in repayments of borrowings, despite an increase in dividends paid to owners of parent.

(4) Explanation of Consolidated Financial Results Forecast

No change from the consolidated financial results forecast for the fiscal year ending March 31, 2027 announced on May 14, 2026.
While uncertainty surrounding the business environment persists due to developments in the Middle East, there is no change to the consolidated financial results forecast for the fiscal year ending March 31, 2027.

2. Condensed Quarterly Consolidated Financial Statements and Significant Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	21,707	19,064
Trade and other receivables	23,398	25,330
Inventories	21,086	21,338
Income taxes receivable	101	100
Other financial assets	660	912
Other current assets	1,378	1,301
Total current assets	68,332	68,048
Non-current assets		
Property, plant and equipment	32,653	32,892
Goodwill	1,178	1,178
Intangible assets	2,562	2,517
Investments accounted for using equity method	12,421	12,205
Other financial assets	12,531	14,521
Deferred tax assets	1,946	1,979
Other non-current assets	265	264
Total non-current assets	63,559	65,559
Total assets	131,892	133,607

(Millions of yen)		
	As of March 31, 2026	As of June 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	18,905	19,024
Borrowings	5,229	4,918
Income taxes payable	1,669	1,276
Other financial liabilities	1,218	1,242
Provisions	0	0
Other current liabilities	6,560	7,562
Total current liabilities	33,583	34,024
Non-current liabilities		
Retirement benefit liability	1,033	1,045
Other financial liabilities	1,637	1,646
Deferred tax liabilities	2,443	2,862
Other non-current liabilities	321	305
Total non-current liabilities	5,435	5,860
Total liabilities	39,019	39,884
Equity		
Share capital	10,951	10,951
Capital surplus	2,946	2,914
Retained earnings	66,880	66,369
Treasury shares	(5,664)	(5,982)
Other components of equity	17,494	19,208
Total equity attributable to owners of parent	92,608	93,462
Non-controlling interests	264	260
Total equity	92,872	93,723
Liabilities and equity	131,892	133,607

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income
(Condensed Quarterly Consolidated Statement of Income)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Revenue	29,092	32,209
Cost of sales	20,666	22,119
Gross profit	8,426	10,090
Selling, general and administrative expenses	6,407	7,127
Other income	1,594	67
Other expenses	77	51
Share of profit of investments accounted for using equity method	281	402
Operating profit	3,818	3,382
Finance income	223	390
Finance costs	405	75
Profit before tax	3,636	3,697
Income tax expenses	973	943
Profit	2,662	2,753
Profit attributable to		
Owners of parent	2,652	2,749
Non-controlling interests	10	3
Profit	2,662	2,753
Earnings per share		
Basic earnings per share	63.54	67.55

(Condensed Quarterly Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	2,662	2,753
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(58)	1,417
Share of other comprehensive income of investments accounted for using equity method	(0)	9
Total	(58)	1,427
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(172)	438
Share of other comprehensive income of investments accounted for using equity method	107	(148)
Total	(65)	290
Total other comprehensive income	(124)	1,717
Comprehensive income	2,538	4,471
Comprehensive income attributable to		
Owners of parent	2,542	4,463
Non-controlling interests	(4)	7
Comprehensive income	2,538	4,471

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of parent							
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total
Balance as of April 1, 2025	10,951	2,921	59,418	(3,678)	12,519	82,131	369	82,501
Profit			2,652			2,652	10	2,662
Other comprehensive income					(109)	(109)	(14)	(124)
Total comprehensive income	―	―	2,652	―	(109)	2,542	(4)	2,538
Dividends of surplus			(1,588)			(1,588)	(137)	(1,725)
Purchase of treasury shares				(289)		(289)		(289)
Disposal of treasury shares		2		15		17		17
Share-based remuneration transactions		(1)				(1)		(1)
Total transactions with the owners	―	1	(1,588)	(274)	―	(1,861)	(137)	(1,999)
Balance as of June 30, 2025	10,951	2,922	60,482	(3,953)	12,409	82,813	227	83,040

Three months ended June 30, 2026

(Millions of yen)

	Equity attributable to owners of parent							
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total
Balance as of April 1, 2026	10,951	2,946	66,880	(5,664)	17,494	92,608	264	92,872
Profit			2,749			2,749	3	2,753
Other comprehensive income					1,713	1,713	4	1,717
Total comprehensive income	―	―	2,749	―	1,713	4,463	7	4,471
Dividends of surplus			(3,260)			(3,260)	(11)	(3,271)
Purchase of treasury shares		(0)		(363)		(363)		(363)
Disposal of treasury shares		7		45		53		53
Share-based remuneration transactions		(39)				(39)		(39)
Transfer from other components of equity to retained earnings			(0)		0	―		―
Total transactions with the owners	―	(31)	(3,260)	(317)	0	(3,609)	(11)	(3,621)
Balance as of June 30, 2026	10,951	2,914	66,369	(5,982)	19,208	93,462	260	93,723

(4) Condensed Quarterly Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Profit before tax	3,636	3,697
Depreciation and amortization	1,314	1,433
Interest and dividend income	(208)	(262)
Interest expenses	27	34
Foreign exchange loss (gain)	233	(101)
Share of loss (profit) of investments accounted for using equity method	(281)	(402)
Loss (gain) on sale and retirement of fixed assets	12	16
Decrease (increase) in inventories	197	(87)
Decrease (increase) in trade and other receivables	(827)	(1,816)
Increase (decrease) in trade and other payables	(78)	532
Increase or decrease in retirement benefit asset or liability	16	15
Increase (decrease) in provisions	(0)	(0)
Increase (decrease) in other current liabilities	1,017	910
Increase (decrease) in other non-current liabilities	(100)	(14)
Other	231	217
Subtotal	5,191	4,173
Interest and dividends received	970	758
Interest paid	(28)	(33)
Income taxes paid	(826)	(1,592)
Net cash provided by (used in) operating activities	5,307	3,306
Cash flows from investing activities		
Payments into time deposits	(498)	(771)
Proceeds from withdrawal of time deposits	1,335	510
Purchase of property, plant and equipment	(1,160)	(1,490)
Proceeds from sale of property, plant and equipment	15	3
Purchase of intangible assets	(51)	(98)
Other	36	81
Net cash provided by (used in) investing activities	(323)	(1,765)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings (within three months)	(4,900)	(200)
Repayments of long-term borrowings	(112)	(112)
Repayments of lease liabilities	(303)	(345)
Purchase of treasury shares	(289)	(363)
Dividends paid to owners of parent	(1,588)	(3,260)
Net cash provided by (used in) financing activities	(7,194)	(4,281)
Effect of exchange rate changes on cash and cash equivalents	(163)	98
Net increase (decrease) in cash and cash equivalents	(2,374)	(2,642)
Cash and cash equivalents at beginning of period	17,715	21,707
Cash and cash equivalents at end of period	15,341	19,064

(5) Notes to the Condensed Quarterly Consolidated Financial Statements

(Going Concern Assumption)

None

(Segment Information)

(1) Summary of reportable segments

The reportable segments are components of the Company for which separate financial information is available and whose operating results are regularly reviewed by the Board of Directors to allocate resources and assess segment performance.

The Group comprises operating divisions based on products and services, and each operating division develops a comprehensive strategy for respective products and services for domestic and overseas markets and conducts business activities.

Therefore, the Group's business consists of three reportable segments categorized by products and services based on operating division of the parent company: "Automotive Parts Business," "Industrial Products Business," and "Advanced Elastomer Products Business."

The main products by reportable segment are as follows:

Segment name	Main products
Automotive Parts Business	Automotive power transmission belt products (accessory drive power transmission belts and system goods), power transmission belt products for motorcycles (variable speed belts for scooters), etc.
Industrial Products Business	Industrial power transmission belt products (Industrial machinery V-belts, synchronous belts, pulleys, etc.), other power transmission products, conveyor belts (heavy-duty conveyor belts, light-duty conveyor belts, synchronous conveyance belts, etc.), conveyor system goods, rice hulling rolls, etc.
Advanced Elastomer Products Business	Cleaning blades, high-performance rollers, precision belts, polyurethane functional parts, precision polishing materials, films for construction materials, medical films, decorative display films, industrial films, etc.

(2) Information on revenue, profit or loss, and other items by reportable segments
Intersegment revenue is based on market prices.
Revenue, profit or loss, and other items by reportable segments are as follows:

Three months ended June 30, 2025 (Millions of yen)

	Reportable segments				Other	Reconciling items	Consolidated
	Automotive Parts Business	Industrial Products Business	Advanced Elastomer Products Business	Total			
Revenue							
Revenue from external customers	14,626	9,495	3,593	27,715	1,376	―	29,092
Intersegment revenue	―	―	1	1	176	(178)	―
Total	14,626	9,495	3,595	27,717	1,553	(178)	29,092
Segment profit (loss) (Core operating profit (loss))	1,178	706	78	1,964	7	47	2,018
Other income	―	―	―	―	―	―	1,594
Other expenses	―	―	―	―	―	―	77
Share of profit of investments accounted for using equity method	―	―	―	―	―	―	281
Operating profit	―	―	―	―	―	―	3,818
Finance income	―	―	―	―	―	―	223
Finance costs	―	―	―	―	―	―	405
Profit before tax	―	―	―	―	―	―	3,636

Notes:
1. The Other segment comprises businesses not included in any reportable segments. It includes the medical equipment and robotics-related devices businesses.
2. Adjustments of segment profit (loss) of ¥47 million include the elimination of intersegment transactions of ¥9 million and corporate expenses of ¥38 million. Corporate expenses are differences between the estimated allocation of general administrative expenses and research and development expenses to each reportable segment and the actual amount incurred.
3. The Group uses core operating profit, calculated as revenue subtracted by cost of sales and selling, general and administrative expenses, as a key indicator for business management. Segment profit (loss) is based on core operating profit.

Three months ended June 30, 2026 (Millions of yen)

	Reportable segments				Other	Reconciling items	Consolidated
	Automotive Parts Business	Industrial Products Business	Advanced Elastomer Products Business	Total			
Revenue							
Revenue from external customers	16,503	10,278	3,979	30,762	1,447	—	32,209
Intersegment revenue	—	—	—	—	548	(548)	—
Total	16,503	10,278	3,979	30,762	1,995	(548)	32,209
Segment profit (loss) (Core operating profit (loss))	1,568	1,078	281	2,928	145	(111)	2,963
Other income	—	—	—	—	—	—	67
Other expenses	—	—	—	—	—	—	51
Share of profit of investments accounted for using equity method	—	—	—	—	—	—	402
Operating profit	—	—	—	—	—	—	3,382
Finance income	—	—	—	—	—	—	390
Finance costs	—	—	—	—	—	—	75
Profit before tax	—	—	—	—	—	—	3,697

Notes:

1. The Other segment comprises businesses not included in any reportable segments. It includes the medical equipment and robotics-related devices businesses.
2. Adjustments of segment profit (loss) of ¥(111) million include the elimination of intersegment transactions of ¥(10) million and corporate expenses of ¥(100) million. Corporate expenses are differences between the estimated allocation of general administrative expenses and research and development expenses to each reportable segment and the actual amount incurred.
3. The Group uses core operating profit, calculated as revenue subtracted by cost of sales and selling, general and administrative expenses, as a key indicator for business management. Segment profit (loss) is based on core operating profit.