Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2027 (April 1, 2026 to June 30, 2026)
<Japanese GAAP>

August 4, 2026

Company Name:	**NICHIAS Corporation**
Stock Exchange Listing:	Tokyo Stock Exchange (Code number 5393)
URL:	https://www.nichias.co.jp/nichias-E/
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Scheduled date of commencement of dividend payment:	—
Supplementary materials for financial results:	Available
Organization of financial results briefing:	None

(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the first quarter of Fiscal Year 2026 (April 1, 2026 to June 30, 2026)

(1) Operating Results (cumulative)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2026 Q1	71,954	16.0	11,136	20.7	11,850	28.3	8,231	25.3
FY2025 Q1	62,044	(1.9)	9,229	(12.5)	9,233	(23.4)	6,569	(23.1)

Note: Comprehensive income: FY2026 Q1 ¥11,342 million---113.7%; FY2025 Q1: ¥5,306 million---(45.1)%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2026 Q1	43.56	—
FY2025 Q1	34.09	—

Note: Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. Basic earnings per share has been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2026	317,012	244,239	76.7
As of March 31, 2026	307,123	239,612	77.7

(Reference) Shareholders' equity: FY2026 Q1 ¥243,128 million; as of March 31, 2026 (FY2025) ¥238,515 million

2. Dividends

	Annual Dividends				
	End of 1st quarter	End of 1st half	End of 3rd quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
FY2025	—	76.00	—	88.00	164.00
FY2026	—				
FY2026 (Forecast)		35.00	—	30.00	65.00

Notes: 1. Adjustments from the most recently released dividend forecast: None

2. Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. For FY2025, the actual dividend amounts prior to the stock split are shown. For FY2026 (forecast), the figures following the stock split are shown.

3. Forecast of consolidated financial results for Fiscal Year 2026 (April 1, 2026 to March 31, 2027)

(Percentage figures represent changes from previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	141,500	15.3	22,500	26.6	23,300	26.9	16,500	29.5	87.58
Full year	288,000	14.3	49,000	32.4	50,500	28.2	35,000	10.6	186.13

Note: Adjustments from the most recently released consolidated results forecast: Yes
*For details of the revisions to our earnings forecasts, please see “Notice of Revisions of Earnings Forecasts” released separately today.

*Notes

(1) Significant changes in the scope of consolidation during the consolidated quarter under review: Yes
Newly included 2 companies (Company names)
NICHIAS INDUSTRIAL PRODUCTS PRIVATE LTD. and one other company
(2) Application of specific accounting methods in the preparation of quarterly consolidated financial statements: None
(3) Changes in accounting policies, changes in accounting estimates, and restatements
1) Changes in accounting policies due to revision of accounting standards, etc.: None
2) Changes other than those in 1) above: None
3) Changes in accounting estimates: None
4) Restatements: None
(4) Number of shares outstanding (ordinary shares)
1) Number of shares issued at the end of the period (including treasury stock)
FY2026 Q1 (As of June 30, 2026) 190,985,751 shares
FY2025 (As of March 31, 2026) 190,985,751 shares
2) Number of shares of treasury stock at the end of the period
FY2026 Q1 (As of June 30, 2026) 2,522,420 shares
FY2025 (As of March 31, 2026) 1,896,849 shares
3) Average number of shares outstanding during the period
FY2026 Q1 (As of June 30, 2026) 188,978,881 shares
FY2025 Q1 (As of June 30, 2025) 192,670,479 shares

Notes: 1. Effective April 1, 2026, the Company has implemented a share split at a ratio of 3 shares for each 1 share of its common stock. The number of shares issued at the end of the period (including treasury stock), the number of shares of treasury stock at the end of the period, and the average number of shares outstanding during the period have been calculated on the assumption that the share split had taken place at the beginning of the previous fiscal year.
2. The Company introduced a stock-grant plan utilizing a stock-grant ESOP trust during the first quarter of the current fiscal year. The number of shares of treasury stock deducted in calculating the number of shares of treasury stock at the end of the period and the average number of shares outstanding during the period includes shares of the Company held by the trust account established in connection with the introduction of the stock-grant plan utilizing the stock-grant ESOP trust (156,080 shares at the end of FY2026 Q1).

*Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: None
*Information concerning proper use of financial forecasts and other special notes
(Information concerning forward-looking statements)
Forward-looking statements concerning financial forecasts contained in these materials are based on information available to the Company when the forecasts were made and certain assumptions judged to be reasonable. However, the Company makes no guarantee that these forecasts will be realized, and actual results may differ significantly from the forecasts due to a variety of factors.

○ Attachment index

1. Overview of operating results

(1) Overview of operating results in the consolidated quarter under review

In the first quarter of the current fiscal year, Japan's economy continued on a moderate recovery trend, while the impact of the situation in the Middle East requires continued monitoring of future developments. In the manufacturing industry, although production was flat, capital investment and exports showed signs of improvement. Overseas, a moderate slowdown continued in China, while the United States and emerging economies continued on a moderate expansion and recovery trend.

In these conditions, the Group's net sales rose 16.0% year on year to ¥71,954 million. This was mainly because demand for semiconductor production equipment recovered significantly in the Advanced Products Division against a backdrop of accelerating AI-related investment, and demand remained steady in each division.

In terms of profits, operating income rose 20.7% year on year to ¥11,136 million, ordinary income rose 28.3% year on year to ¥11,850 million, and profit attributable to owners of the parent rose 25.3% year on year to ¥8,231 million.

Net sales by segment for the first quarter of the current fiscal year are as follows:

Sales in the **Energy and Industrial Plants Division** rose 14.5% year on year to ¥22,215 million, due to steady demand mostly for petroleum refining and petrochemicals.

Sales in the **Industrial Products Division** rose 16.9% year on year to ¥15,655 million, due to increased demand for fluoropolymer products for semiconductor-related applications, as well as steady demand for sealing materials and other products.

Sales in the **Advanced Products Division** rose 42.3% year on year to ¥13,889 million, due to a significant recovery in demand for semiconductor production equipment against a backdrop of accelerating AI-related investment.

Sales in the **Autoparts Division** rose 3.3% year on year to ¥13,260 million due to strong domestic demand.

Sales in the **Building Materials Division** rose 4.2% year on year to ¥6,934 million, due to steady shipments of wrap-type fire-proofing covering materials, despite delays in the construction schedule of some large properties.

(2) Overview of financial position in the consolidated quarter under review

1) Assets, liabilities, and net assets

Total assets at the end of the first quarter of the fiscal year ending March 31, 2027, were ¥317,012 million, up ¥9,889 million compared with the end of the previous fiscal year. This was largely because cash and deposits rose by ¥3,988 million, investment securities rose by ¥3,790 million, and notes and accounts receivable–trade rose by ¥1,674 million.

Liabilities at the end of the first quarter of the fiscal year ending March 31, 2027, were ¥72,773 million, up ¥5,263 million compared with the end of the previous fiscal year. This was largely because accrued expenses, etc. included in other current liabilities rose by ¥3,225 million, deferred tax liabilities rose by ¥1,331 million, and notes and accounts payable–trade rose by ¥743 million.

Net assets at the end of the first quarter of the fiscal year ending March 31, 2027, were ¥244,239 million, up ¥4,626 million compared with the end of the previous fiscal year. This was largely because retained earnings rose by ¥3,818 million, valuation difference on available-for-sale securities rose by ¥2,721 million, and foreign currency translation adjustment rose by ¥513 million, despite a decrease of ¥2,548 million mainly as a result of purchase of treasury stock.

2) Cash flows

Cash and cash equivalents at the end of the first quarter of the fiscal year ending March 31, 2027 (hereinafter "cash") rose by ¥4,228 million compared with the end of the previous fiscal year to ¥60,859 million. Cash flows and factors affecting cash flows are as follows:

(Net cash provided by operating activities)

Net cash provided by operating activities was ¥13,428 million (compared with receipts of ¥3,793 million in the same period of the previous fiscal year).

This was primarily because, although cash decreased due to a ¥2,506 million increase in notes and accounts receivable–trade, cash increased due to ¥11,866 million in income before income taxes and a ¥3,222 million increase in accrued expenses.

(Net cash used in investing activities)

Net cash used in investing activities was ¥2,647 million (compared with expenditures of ¥1,768 million in the same period of the previous fiscal year).

This mainly reflected a decrease in cash due to ¥2,612 million in expenditures for the acquisition of property, plant and equipment.

(Net cash used in financing activities)

Net cash used in financing activities was ¥7,693 million (compared with expenditures of ¥5,838 million in the same period of the previous fiscal year).

This was because of a decrease in cash due to ¥5,348 million in cash dividends paid and a net increase in treasury stock of ¥2,296 million.

(3) Explanation of information related to future prospects including consolidated results forecasts

The first-half and full-year earnings forecasts for the fiscal year ending March 31, 2027, announced on May 11, 2026, have been revised, mainly to reflect earnings progress in the first quarter of the consolidated fiscal year. For details, please see the “Notice of Revisions of Earnings Forecasts” released separately today.

The Company has prepared these earnings forecasts based on the information available as of the day that these materials were released, and actual results could differ from forecasts depending on a variety of factors.

2. Consolidated financial statements and related notes

(1) Quarterly consolidated balance sheets

(Millions of yen)

	FY2025 (As of March 31, 2026)	FY2026 Q1 (As of June 30, 2026)
Assets		
Current assets		
Cash and deposits	57,723	61,712
Notes and accounts receivable–trade	33,549	35,223
Electronically recorded monetary claims	16,606	17,786
Accounts receivable from completed construction contracts	22,327	22,441
Merchandise and finished goods	22,875	23,210
Work in process	3,896	4,575
Raw materials and supplies	27,290	27,167
Costs on uncompleted construction contracts	2,505	2,361
Others	5,562	3,827
Allowance for doubtful accounts	(22)	(22)
Total current assets	192,315	198,285
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	79,935	81,413
Accumulated depreciation and impairment loss	(43,359)	(44,235)
Buildings and structures, net	36,576	37,178
Machinery, equipment and vehicles	90,234	91,997
Accumulated depreciation and impairment loss	(77,385)	(78,421)
Machinery, equipment and vehicles, net	12,849	13,575
Land	15,270	15,294
Lease assets	471	478
Accumulated depreciation	(290)	(313)
Lease assets, net	181	165
Construction in progress	4,434	3,605
Others	14,531	14,951
Accumulated depreciation and impairment loss	(12,078)	(12,306)
Others, net	2,453	2,644
Total property, plant and equipment	71,765	72,463
Intangible assets		
Software	619	568
Others	1,449	1,671
Total intangible assets	2,068	2,239
Investments and other assets		
Investment securities	17,926	21,717
Long-term loans receivable	858	3
Net defined benefit asset	15,194	15,294
Deferred tax assets	2,552	2,461
Others	5,245	5,254
Allowance for doubtful accounts	(804)	(705)
Total investments and other assets	40,973	44,024
Total noncurrent assets	114,807	118,727
Total assets	307,123	317,012

(Millions of yen)

	FY2025 (As of March 31, 2026)	FY2026 Q1 (As of June 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable–trade	16,638	17,382
Electronically recorded monetary obligations	7,029	7,077
Short-term loans payable	9,750	10,037
Accounts payable–other	7,046	5,778
Income taxes payable	2,439	1,939
Advances received on uncompleted construction contracts	611	659
Provision for bonuses	2,900	2,195
Others	5,729	10,474
Total current liabilities	52,144	55,545
Noncurrent liabilities		
Deferred tax liabilities	6,298	7,630
Net defined benefit liability	4,344	4,413
Reserves for litigation losses	285	260
Lease obligations	977	965
Others	3,458	3,956
Total noncurrent liabilities	15,365	17,227
Total liabilities	67,510	72,773
Net assets		
Shareholders' equity		
Capital stock	12,128	12,128
Capital surplus	12,753	13,004
Retained earnings	190,210	194,028
Treasury stock	(2,974)	(5,523)
Total shareholders' equity	212,117	213,638
Total other cumulative comprehensive income		
Valuation difference on available-for-sale securities	9,090	11,811
Foreign currency translation adjustment	9,670	10,183
Remeasurement of defined benefit plans	7,636	7,493
Total other cumulative comprehensive income	26,397	29,489
Non-controlling interests	1,097	1,111
Total net assets	239,612	244,239
Total liabilities and net assets	307,123	317,012

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income
Quarterly consolidated statements of income
First quarter of consolidated fiscal year

(Millions of yen)

	FY2025 Q1 (From April 1, 2025 to June 30, 2025)	FY2026 Q1 (From April 1, 2026 to June 30, 2026)
Net sales		
Net sales of merchandise and finished goods	45,196	52,812
Net sales of completed construction contracts	16,848	19,141
Total net sales	62,044	71,954
Cost of sales		
Cost of merchandise and finished goods sold	30,962	35,673
Cost of sales of completed construction contracts	13,815	15,606
Total cost of sales	44,778	51,279
Gross profit	17,266	20,674
Selling, general and administrative expenses		
Selling expenses	2,130	2,500
General and administrative expenses	5,905	7,037
Total selling, general and administrative expenses	8,036	9,538
Operating income	9,229	11,136
Non-operating income		
Interest income	44	39
Dividends income	227	200
Foreign exchange gain	-	308
Rent income	146	147
Equity in earnings of affiliates	12	27
Others	198	156
Total non-operating income	629	879
Non-operating expenses		
Interest expenses	54	60
Foreign exchange losses	467	-
Others	103	104
Total non-operating expenses	625	164
Ordinary income	9,233	11,850
Extraordinary income		
Gain on sales of noncurrent assets	12	4
Gain on extinguishment of tie-in shares	-	51
Total extraordinary income	12	56
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	27	32
Provision for litigation loss reserves	20	2
Litigation settlement	-	6
Total extraordinary losses	48	41
Income before income taxes	9,197	11,866
Income taxes–current	1,840	3,428
Income taxes–deferred	747	181
Total income taxes	2,588	3,609
Net income	6,609	8,256
Net income attributable to non-controlling interests	40	24
Profit attributable to owners of the parent	6,569	8,231

Quarterly consolidated statement of comprehensive income
First quarter of consolidated fiscal year

(Millions of yen)

	FY2025 Q1 (From April 1, 2025 to June 30, 2025)	FY2026 Q1 (From April 1, 2026 to June 30, 2026)
Net income	6,609	8,256
Other comprehensive income		
Valuation difference on available-for-sale securities	203	2,721
Foreign currency translation adjustment	(1,430)	507
Remeasurement of defined benefit plans	(75)	(143)
Total other comprehensive income	(1,302)	3,086
Comprehensive income	5,306	11,342
Breakdown		
Comprehensive income attributable to owners of the parent company	5,294	11,323
Comprehensive income attributable to non-controlling interests	11	18

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	FY2025 Q1 (From April 1, 2025 to June 30, 2025)	FY2026 Q1 (From April 1, 2026 to June 30, 2026)
Net cash provided by (used in) operating activities		
Income before income taxes	9,197	11,866
Depreciation & amortization	1,736	1,893
Loss (gain) on sales of noncurrent assets	15	27
Loss (gain) on extinguishment of tie-in shares	-	(51)
Decrease (increase) in net defined benefit assets	(192)	(293)
Increase (decrease) in net defined benefit liability	28	47
Increase (decrease) in provision for bonuses	(1,339)	(715)
Interest and dividends income received	(271)	(239)
Interest expenses	54	60
Foreign exchange losses (gains)	344	(182)
Decrease (increase) in notes and accounts receivable–trade	144	(2,506)
Decrease (increase) in inventories	(3)	(85)
Decrease (increase) in costs on uncompleted construction contracts	(378)	148
Increase (decrease) in notes and accounts payable–trade	(967)	314
Increase (decrease) in accounts payable–other	(218)	906
Increase (decrease) in accrued expenses	3,119	3,222
Increase (decrease) in advances received on uncompleted construction contracts	62	51
Increase (decrease) in provisions for litigation losses	20	(25)
Others	188	1,269
Subtotal	11,541	15,708
Interest and dividends income received	271	239
Interest expenses paid	(52)	(65)
Expenses related to factory reconstruction paid	(105)	(136)
Income taxes paid	(7,905)	(2,328)
Income taxes refund	43	10
Net cash provided by (used in) operating activities	3,793	13,428
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	146	245
Expenditures for the acquisition of property, plant and equipment	(1,832)	(2,612)
Proceeds from sales of property, plant and equipment	12	38
Expenditures for the acquisition of intangible fixed assets	(60)	(265)
Others	(33)	(53)
Net cash provided by (used in) investing activities	(1,768)	(2,647)

(Millions of yen)

	FY2025 Q1 (From April 1, 2025 to June 30, 2025)	FY2026 Q1 (From April 1, 2026 to June 30, 2026)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	30	142
Cash dividends paid	(3,457)	(5,348)
Net decrease (increase) in treasury stock	(2,302)	(2,296)
Dividends paid to non-controlling interests	(0)	(5)
Others	(108)	(185)
Net cash provided by (used in) financing activities	(5,838)	(7,693)
Effect of exchange rate change on cash and cash equivalents	(586)	370
Net increase (decrease) in cash and cash equivalents	(4,400)	3,457
Cash and cash equivalents at beginning of period	58,611	56,631
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	712
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	57
Cash and cash equivalents at end of period	54,211	60,859

(4) Notes regarding quarterly consolidated financial statements

(Notes regarding segment information)

I. First quarter of fiscal year 2025 (April 1, 2025 to June 30, 2025)

1. Information on net sales and profit (loss) by reporting segment

(Millions of yen)

	Reporting segments						Adjust-ments	Quarterly consolidated profit/loss posted
	Energy and Industrial Plants	Industrial Products	Advanced Products	Autoparts	Building Materials	Total		
Net sales								
Net sales to external customers	19,407	13,390	9,760	12,833	6,653	62,044	－	62,044
Intersegment sales or transfers	－	3,208	－	－	－	3,208	(3,208)	－
Total	19,407	16,598	9,760	12,833	6,653	65,252	(3,208)	62,044
Segment profit	3,084	2,803	1,788	1,100	452	9,229	－	9,229

2. Information related to impairment loss of noncurrent assets and goodwill by reporting segment:

Not applicable

II. First quarter of fiscal year 2026 (April 1, 2026 to June 30, 2026)

1. Information on net sales and profit (loss) by reporting segment

(Millions of yen)

	Reporting segments						Adjust-ments	Quarterly consolidated profit/loss posted
	Energy and Industrial Plants	Industrial Products	Advanced Products	Autoparts	Building Materials	Total		
Net sales								
Net sales to external customers	22,215	15,655	13,889	13,260	6,934	71,954	－	71,954
Intersegment sales or transfers	－	3,332	－	－	－	3,332	(3,332)	－
Total	22,215	18,988	13,889	13,260	6,934	75,286	(3,332)	71,954
Segment profit	3,532	2,996	3,188	986	433	11,136	－	11,136

2. Information related to impairment loss of noncurrent assets and goodwill by reporting segment:

Not applicable

(Notes regarding significant changes in shareholders’ equity [if any])

Not applicable

(Notes regarding going concern assumption)

Not applicable

3. Supplementary materials

Financial results supplementary materials

(Percentage figures represent changes from previous fiscal year)

(1) Key consolidated financial figures (Trends)

(Millions of yen)

	First half			Full Year					
	FY2025	FY2026		FY2022	FY2023	FY2024	FY2025	FY2026	
	Result	Forecast	Change	Result	Result	Result	Result	Forecast	Change
Net sales	122,744	141,500	15.3%	238,116	249,391	256,512	251,910	288,000	14.3%
Operating income	17,778	22,500	26.6%	29,954	35,208	39,732	37,014	49,000	32.4%
Operating margin (%)	14.5%	15.9%		12.6%	14.1%	15.5%	14.7%	17.0%	
Ordinary income	18,361	23,300	26.9%	33,082	38,787	41,693	39,377	50,500	28.2%
Ordinary income margin (%)	15.0%	16.5%		13.9%	15.6%	16.3%	15.6%	17.5%	
Profit attributable to owners of the parent	12,737	16,500	29.5%	21,398	26,961	32,073	31,634	35,000	10.6%
Net income margin (%)	10.4%	11.7%		9.0%	10.8%	12.5%	12.6%	12.2%	
Basic earnings per share (yen)	66.34	87.58	32.0%	107.53	135.53	163.79	165.59	186.13	12.4%
Total assets	289,763	—	—	266,907	290,788	289,044	307,123	—	—
Net assets	222,242	—	—	173,742	200,918	216,434	239,612	—	—
Shareholders' equity	221,218	—	—	172,359	199,681	215,421	238,515	—	—
Equity ratio (%)	76.3%	—		64.6%	68.7%	74.5%	77.7%	—	
Interest-bearing debt	12,257	—	—	25,892	24,286	12,611	12,800	—	—
Interest-bearing debt ratio (%)	4.2%	—		9.7%	8.4%	4.4%	4.2%	—	
Capital expenditures	5,049	—	—	10,069	11,117	6,819	11,031	13,000	17.8%
Depreciation & amortization	3,514	—	—	7,454	7,593	7,626	7,314	8,000	9.4%
R&D expenses	3,248	—	—	5,715	6,037	6,209	6,808	7,000	2.8%

1. The presentation method has been changed as of the fiscal year ended March 31, 2025. Ordinary income for the fiscal year ended March 31, 2024, is the amount after reclassification to reflect the change in presentation method.
2. Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. Basic earnings per share has been calculated on the assumption that the stock split had taken place at the beginning of the fiscal year ended March 31, 2023.

(2) Quarterly consolidated operating results (Trends)

(Millions of yen)

	FY2025				FY2026	
	Q1	Q2	Q3	Q4	Q1	Change
Net sales	62,044	60,699	62,271	66,894	71,954	16.0%
Operating income	9,229	8,549	7,531	11,703	11,136	20.7%
Operating margin (%)	14.9%	14.1%	12.1%	17.5%	15.5%	
Ordinary income	9,233	9,127	8,560	12,455	11,850	28.3%
Ordinary income margin (%)	14.9%	15.0%	13.7%	18.6%	16.5%	
Profit attributable to owners of the parent	6,569	6,168	8,468	10,427	8,231	25.3%
Net income margin (%)	10.6%	10.2%	13.6%	15.6%	11.4%	

All forecasts and plans that are not historical facts in this document are future business results-related forecasts. These are based on information and data currently available to the Company, and various uncertainties could cause actual results to differ.