

Summary of Financial Results for the Fiscal Year Ended August 31, 2025

(All financial information has been prepared in accordance with the Generally Accepted Accounting Principles in Japan)

Company name: NPC Incorporated Listing: Growth of TSE
 Stock code: 6255 URL: <https://www.npcgroup.net/eng/>
 Representative: Masafumi Ito, President & CEO
 Contact: General Affairs Department
 Tel: +81-(0)3-6240-1206

General meeting of shareholders: November 27, 2025

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Supplementary materials prepared for quarterly financial results: Yes

Financial results meeting for institutional investors and securities analysts: Yes

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended August 31, 2025 (September 1, 2024 through August 31, 2025)

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended August 31, 2025	9,272	(14.1)	1,920	(21.2)	1,922	(20.8)	1,325	(20.9)
Year ended August 31, 2024	10,797	15.8	2,436	149.4	2,426	151.9	1,676	68.8

	Earnings per share	Diluted earnings per share	Return on shareholders' equity	Ordinary income-to-equity ratio	Operating income-to-net sales ratio
	Yen	Yen	%	%	%
Year ended August 31, 2025	61.36	-	12.9	13.5	20.7
Year ended August 31, 2024	77.81	-	18.9	16.7	22.6

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of August 31, 2025	12,911	10,835	83.9	501.05
As of August 31, 2024	15,436	9,684	62.7	449.28

[Reference] Shareholders' equity (million yen): August 31, 2025: 10,835 August 31, 2024: 9,684

(3) Consolidated cash flow position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the period end
	Million yen	Million yen	Million yen	Million yen
As of August 31, 2025	1,477	(64)	(218)	6,421
As of August 31, 2024	557	(89)	(134)	5,237

[Note] The numbers parenthesized represent minus figures.

2. Dividends

	Dividend per share					Dividend in total (full year)	Dividend payout ratio (consolidated)	Dividends on net assets (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended August 31, 2024	-	0.00	-	10.00	10.00	215	12.9	2.4
Year ended August 31, 2025	-	0.00	-	10.00	10.00	215	16.3	2.1
Year ending August 31, 2026 (forecast)	-	0.00	-	10.00	10.00		45.9	

3. Consolidated Forecast for the Fiscal Year Ending August 31, 2026
(September 1, 2025 through August 31, 2026)

(Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st half ending February 28, 2026	907	(70.9)	(189)	-	(184)	-	(252)	-	(11.66)
Year ending August 31, 2026	8,014	(13.6)	760	(60.4)	766	(60.1)	531	(59.9)	24.59

4. Others

(1) Changes in significant subsidiaries during the period: None

(2) Changes in accounting principles, procedures and presentation methods

- 1) Changes in accounting policies arising from revision of accounting standards: Yes
- 2) Other changes: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding (including treasury stock) at the end of the period

August 31, 2025: 22,052,426 shares

August 31, 2024: 22,052,426 shares

2) Number of treasury stock at the end of the period

August 31, 2025: 426,820 shares

August 31, 2024: 496,648 shares

3) Average number of shares during the period

Fiscal year ended August 31, 2025: 21,603,018 shares

Fiscal year ended August 31, 2024: 21,546,537 shares

[Reference]

1. Non-Consolidated Financial Results for the Fiscal Year Ended August 31, 2025 (September 1, 2024 through August 31, 2025)

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended August 31, 2025	8,915	(15.8)	1,693	(26.7)	1,696	(27.0)	1,150	(27.2)
Year ended August 31, 2024	10,590	14.9	2,311	157.9	2,322	160.8	1,581	68.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended August 31, 2025	53.25		-	
Year ended August 31, 2024	73.38		-	

[Note] The numbers parenthesized represent minus figures.

(2) Non-Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year ended August 31, 2025	12,288	10,164	82.7	470.02
Year ended August 31, 2024	14,800	9,170	62.0	425.43

[Reference] Shareholders' equity (million yen): August 31, 2025: 10,164 August 31, 2024: 9,170

2. Non-Consolidated Forecast for the Fiscal Year Ending August 31, 2026 (September 1, 2025 through August 31, 2026)

(Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st half ending February 28, 2026	793	(73.1)	(207)	-	(204)	-	(246)	-	(11.41)
Year ending August 31, 2026	7,744	(13.1)	685	(59.5)	690	(59.3)	490	(57.4)	22.68

*This financial report is not subject to audit procedures.

*Appropriate use of the forecast of financial results and other matters: Forward-looking statements in this report such as financial results forecasts are based on the information available to NPC Incorporated ("the Company") at the time when this report is prepared and the assumption that the forecasts are reasonable. The actual results may significantly differ from the forecast due to various factors. Please refer to the 1. (2) Future outlook on page 3 for conditions of assumptions for the forecast and notes concerning appropriate use of the forecast.

*In this quarterly financial report, unless expressly stated or the context otherwise requires, the terms "the Group," "we," and "our" refer to NPC Incorporated and its consolidated subsidiaries.

* This document has been translated from a part of 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.

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1. Qualitative Information Concerning Financial Results for the Fiscal Year Ended August 31, 2025

(1) Description of operating results

During the fiscal year ended August 31, 2025, the Japanese economy experienced a gradual recovery, however, the future outlook remained uncertain because of various factors, such as US trade policy trends, inflation, Chinese economy and conflicts in the Middle East, etc.

Regarding the US photovoltaic (PV) industry, which is our primary target, the installation of solar panels remained firm with the help of the political support of local governments. Meanwhile, in the Japanese PV industry, Japanese companies are starting to announce detailed plans about mass production of the perovskite PV module, a next generation PV module. The Japanese government and local governments have also announced about providing support from several aspects such as development, production, and installation, including large-scale subsidies decided upon. These government measures are reinforcing Japanese companies to be more active in this field.

Efforts to deal with end-of-life solar panels are also underway both in Japan and abroad. In Japan, while it was announced that the contents of the legislative proposal about recycling solar panels will be revised, promotion of recycling by the government is likely to continue. For example, implementation of legislation to establish a framework for national certification of businesses with advanced recycling technologies, as well as provision of tax incentives for the capital investments for those businesses will be undertaken. As for the overseas market, there is an increasing awareness about the recycling of solar panels, mainly in Europe and Australia, where environmental awareness is high. In those countries, government support such as subsidies for installation of recycling equipment is in place. Under these circumstances, the number of companies that consider starting recycling businesses is increasing both domestically and internationally.

Within these business environments, as for the PV module manufacturing equipment, the Group mainly booked sales of equipment for a new factory, R&D equipment for perovskite PV module, additional equipment for existing factories, and equipment upgrading modifications to the US PV module manufacturer, our primary customer. The Group also booked sales of perovskite PV module R&D equipment and crystalline silicon PV module manufacturing equipment to multiple existing domestic customers as well. In terms of automation machines other than for the PV industry, the Group mainly booked sales of the machines to domestic customer in the electronic components industry and Japanese-owned company in the US which is in the automobile components industry. As for the solar panel recycling machines, the Group booked sales of three frame & J-Box separators and a glass separator to Japanese companies, and two frame & J-box separators and a glass separator to overseas companies. In terms of equipment parts, though the sales in the second half of the year were below our expectations since the incoming orders decreased due to the increased US tariffs and changes in capital investment plans of our primary customer, the sales remained steady. As regards the environmental services, we mainly booked sales of solar panel inspection services and plant factory business.

Given the above, the consolidated net sales were 9,272 million yen, 1,525 million yen decrease year on year. Although the sales of equipment parts were lower than expected, the net sales generally aligned with expectations. As for the profits, the operating income was 1,920 million yen, 515 million yen decrease year on year, and the ordinary income was 1,922 million yen, 504 million yen decrease year on year, coming in slightly above our target. This was because the gross profit exceeded our expectations due to a successful cost reduction in on-site operations, despite the sales of equipment parts, which are products with high profit margins, falling short of our targets. The net income attributable to the owners of the parent was 1,325 million yen, 350 million yen decrease year on year. The net income exceeded our expectations due to decrease in income tax caused by increase in ratio of foreign tax credits, and a change in category under tax effect accounting.

It should be noted that as of September 1, 2024, the Environmental business was integrated into the Machinery business due to an organizational change. Therefore, there is a single reporting business segment starting from this first quarter.

(2) Future outlook

For the upcoming fiscal year, the Group is planning to book sales of the projects that the orders have already been received, and orders projected to be received during the fiscal year. The Group has already received orders for the perovskite PV module related manufacturing equipment from the US PV manufacturer, which is our major customer. We are aiming to acquire orders for additional equipment and upgrading of the equipment as well. Furthermore, we have also received a large-scale order for perovskite PV module manufacturing line from a domestic company. In terms of sales of equipment parts, order volume is anticipated to drop due to the situation of the US tariff and changes in capital investment plans of our major customer, however, it is expected that the sales will maintain a steady level. Additionally, the Group is planning to book sales of automation machines to a Japanese-owned company in the US and solar panel recycling machines to companies both in Japan and abroad. It should be noted that financial results for the fiscal year ending August 31, 2026, will be biased to the second half of the fiscal year, as the significant sales of perovskite PV module manufacturing line to a domestic company are expected in the second half of the fiscal year.

In terms of profit, profit margins are expected to decline across the board compared to the previous fiscal year, and accordingly, the profits are expected to decline as well. This is because the sales are expected to decline from the previous fiscal year, and that the profit margin of the large-scale perovskite PV module manufacturing line for a domestic company, which accounts for a large portion of total sales, is expected to be lower than other projects. Profit margin of the aforementioned project is expected to be low, because it requires a substantial development cost due to being a new technology, and because there was competition against other companies. On the other hand, profit margins for other projects are expected to maintain an appropriate level as in the past.

As a result of such businesses, the consolidated business forecast for the fiscal year 2026 will be: sales at 8,014 million yen, 1,257 million yen decrease year on year; operating income at 760 million yen, 1,160 million yen decrease year on year; ordinary income at 766 million yen, 1,155 million yen decrease year on year; and net income attributable to owners of the parent at 531 million yen, 793 million yen decrease year on year.

The Group has been revising the medium-term management plan as needed; however, the Group opt not to announce it at this time. This is because we have determined that it is not possible to guarantee appropriateness and accuracy of medium-term target figures, due to uncertainties caused by the effect of the increased US tariffs on capital investment plans of our major customer, and difficulty predicting demands for perovskite PV module manufacturing equipment. Please refer to “Notice Concerning Withdrawal and Withholding of the Announcement of the Medium-Term Management Plan” released on October 9, 2025, for further details.

Forward-looking statements in this report such as financial results and forecasts are based on the information available to the Group at the time when this report is prepared and the assumption that the forecasts are reasonable. The actual results may differ from the forecast due to various factors.

2. Consolidated Financial Statements for the Fiscal Year Ended August 31, 2025 (September 1, 2024 through August 31, 2025)

(1) Consolidated balance sheets

(Thousand yen)

	As of August 31, 2024	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	5,237,825	6,421,790
Notes receivable-trade	22,965	-
Accounts receivable-trade	2,764,963	1,955,610
Electronically recorded monetary claims-operating	5,325	6,658
Work in process	3,759,722	1,044,419
Raw materials and supplies	17,050	21,594
Other	150,776	199,532
Total current assets	11,958,629	9,649,605
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	3,872,687	3,852,717
Accumulated depreciation	(2,358,456)	(2,505,730)
Accumulated impairment loss	(41,215)	(33,142)
Building and structures, net	1,473,015	1,313,844
Machinery and equipment	253,042	184,739
Accumulated depreciation	(145,110)	(147,847)
Accumulated impairment loss	(69,799)	(3,810)
Machinery and equipment, net	38,132	33,081
Land	1,548,050	1,548,050
Other	404,249	454,860
Accumulated depreciation	(250,585)	(288,465)
Accumulated impairment loss	(53,768)	(51,572)
Other, net	99,894	114,823
Total property, plant and equipment	3,159,092	3,009,799
Intangible assets		
Other	48,396	25,504
Total intangible assets	48,396	25,504
Investments and other assets		
Distressed receivables	31	31
Deferred tax assets	245,187	183,906
Other	24,708	42,720
Allowance for doubtful accounts	(31)	(31)
Total investments and other assets	269,895	226,627
Total noncurrent assets	3,477,384	3,261,932
Total assets	15,436,013	12,911,537

[Note] The numbers parenthesized represent minus figures.

(Thousand yen)

	As of August 31, 2024	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable-trade	245,412	635,694
Electronically recorded obligations-operating	2,294,927	427,815
Income taxes payable	672,784	263,366
Advances received	1,976,987	287,694
Provision for bonuses	151,823	103,838
Provision for product warranties	39,567	18,873
Provision for loss on order received	1,847	-
Other	287,310	235,394
Total current liabilities	5,670,661	1,972,677
Noncurrent liabilities		
Net defined benefit liability	80,277	97,354
Other	555	5,890
Total noncurrent liabilities	80,832	103,245
Total liabilities	5,751,493	2,075,922
Net assets		
Shareholders' equity		
Capital stock	2,812,461	2,812,461
Capital surplus	2,738,335	2,754,504
Retained earnings	4,286,752	5,396,677
Treasury stock	(306,177)	(263,151)
Total shareholders' equity	9,531,371	10,700,492
Accumulated other comprehensive income		
Foreign currency translation adjustment	153,148	135,122
Total accumulated other comprehensive income	153,148	135,122
Total net assets	9,684,520	10,835,614
Total liabilities and net assets	15,436,013	12,911,537

[Note] The numbers parenthesized represent minus figures.

(2) Consolidated statement of income and consolidated statement of comprehensive income
(Consolidated statement of income)

(Thousand yen)

	Year ended August 31, 2024	Year ended August 31, 2025
Net sales	10,797,611	9,272,037
Cost of sales	7,217,804	6,170,851
Gross profit	3,579,806	3,101,185
Selling, general and administrative expenses	1,143,531	1,180,728
Operating income	2,436,275	1,920,457
Non-operating income		
Interest income	502	13,085
Subsidy income	900	1,499
Gain on sale of non-current assets	563	-
Interest on tax refund	268	39
Gain on sales of scraps	1,484	5,736
Other	737	1,157
Total non-operating income	4,456	21,519
Non-operating expenses		
Foreign exchange losses	10,661	14,956
Commission expenses	3,422	3,368
Other	136	1,471
Total non-operating expenses	14,220	19,796
Ordinary income	2,426,511	1,922,181
Income before income taxes and minority interests	2,426,511	1,922,181
Income taxes-current	722,232	535,510
Income taxes-deferred	27,830	61,187
Total income taxes	750,063	596,697
Income before minority interests	1,676,448	1,325,483
Net income attributable to owners of the parent	1,676,448	1,325,483

[Note] The numbers parenthesized represent minus figures.

(Consolidated statement of comprehensive income)

(Thousand yen)

	Year ended August 31, 2024	Year ended August 31, 2025
Income before minority interests	1,676,448	1,325,483
Other comprehensive income		
Foreign currency translation adjustment	45,173	(18,026)
Total other comprehensive income	45,173	(18,026)
Comprehensive income	1,721,621	1,307,457
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,721,621	1,307,457
Comprehensive income attributable to non-controlling interests	-	-

[Note] The numbers parenthesized represent minus figures.

(3) Consolidated statement of cash flows

(Thousand yen)

	Year ended August 31, 2024	Year ended August 31, 2025
Cash flows from operating activities		
Income before income taxes and minority interests	2,426,511	1,922,181
Depreciation	218,098	228,612
Increase (decrease) in provision for bonuses	8,280	(47,984)
Increase (decrease) in provision for product warranties	28,679	(20,694)
Increase (decrease) in provision for loss on orders received	1,135	(1,847)
Increase (decrease) in retirement benefit liability	11,310	17,077
Interest and dividends income	(502)	(13,085)
Decrease (increase) in trade receivables	(1,522,767)	822,832
Decrease (increase) in inventories	(187,450)	2,710,561
Increase (decrease) in trade payables	90,006	(1,470,447)
Increase (decrease) in advances received	(497,925)	(1,686,647)
Other, net	237,268	(9,603)
Subtotal	812,645	2,450,954
Interest and dividends received	502	13,085
Income taxes refund (paid)	(255,316)	(986,226)
Cash flows from operating activities	557,831	1,477,812
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(90,419)	(64,634)
Proceeds from sale of property, plant and equipment	620	-
Other, net	278	-
Cash flows from investing activities	(89,521)	(64,634)
Cash flows from financing activities		
Dividends paid	(128,871)	(214,299)
Other, net	(5,993)	(4,238)
Cash flows from financing activities	(134,864)	(218,538)
Effect of exchange rate change on cash and cash equivalents	24,187	(10,674)
Net increase (decrease) in cash and cash equivalents	357,633	1,183,965
Cash and cash equivalents at beginning of period	4,880,191	5,237,825
Cash and cash equivalents at end of period	5,237,825	6,421,790

[Note] The numbers parenthesized represent minus figures.

3. Other Information

Production, Orders, and Sales

(1) Production

Production amounts by business segment in the period are as follows:

(Thousand yen)

Segment	Fiscal Year Ended August 31, 2025	Year-on-year change (%)
Machinery business	5,291,459	47.8

[Note] The above amounts are calculated based on selling prices.

(2) Orders

Orders received by business segment in the period are as follows:

(Thousand yen)

Segment	Orders received	Year-on-year change (%)	Order backlog	Year-on-year change (%)
Machinery business	7,916,265	92.0	6,723,445	83.2

(3) Sales

Sales by business segment in the period are as follows:

(Thousand yen)

Segment	Fiscal Year Ended August 31, 2025	Year-on-year change (%)
PV module manufacturing equipment	7,159,183	-
Automation machine	772,045	-
Solar panel recycling machine	228,283	-
Parts	971,331	-
Environmental services	141,194	-
Total	9,272,037	85.9

[Note] New product categories have been classified from the fiscal year ending August 31, 2025, and since it is practically difficult to trace back necessary financial information, only totals are shown for the year-on-year change.

As of September 1, 2024, Environmental business was integrated into Machinery business due to an organizational change. Therefore, there is a single reporting business segment starting this fiscal year.

As for the year-on-year change, the segment total of each information for the fiscal year ended August 31, 2024, is used for the comparison to that for the fiscal year ended August 31, 2025.