



July 8, 2025

To All

Company name: KYOKUTO KAIHATSU KOGYO CO., LTD.
Representative: Tatsuya Nunohara,
Representative Director, President, CEO
(Code: 7226)
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Notice regarding sale of investment securities and expected recognition of extraordinary profits (gain on sale of the investment securities)

We would like to announce that at the Board of Directors meeting held on July 8, 2025, we decided to sell a portion of the investment securities held by the company, as detailed below, and that we expect to record the extraordinary gains in the consolidated fiscal year ending March 31, 2026.

1. Reason for sale

As part of our ongoing efforts to reduce cross-shareholdings in order to improve capital efficiency, we have decided to sell the following investment securities.

2. Details of the investment securities to be sold

- (1) Type of assets to be sold : Multiple listed securities held by the Company
- (2) Gain on sale of the investment securities : Approximately 2 billion yen (estimated)

3. Scheduled sale period

During the second quarter of the fiscal year ending March 2026 (scheduled)

4. Future outlook

As a result of the sale of said investment securities, we expect to record a gain on the sale of investment securities as extraordinary profit in the second quarter of the fiscal year ending March 2026.

We plan to incorporate this into our full-year consolidated earnings forecast for the fiscal year ending March 2026. For details, please refer to the "Notice Concerning Recording of Extraordinary Loss and Revision of Earnings Forecasts" released today (July 8, 2025).