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

August 7, 2026

Company name: RIX CORPORATION
Stock exchange listing: Tokyo Stock Exchange and Fukuoka Stock Exchange
Code number: 7525
URL: https://www.rix.co.jp/en/
Representative: Takashi Yasui, Representative Director, President and Executive Officer
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Scheduled date of commencing dividend payments: –
Preparation of supplementary explanatory materials on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (April 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	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	13,597	10.2	874	36.9	976	33.7	636	26.6
June 30, 2025	12,340	(0.2)	639	(19.2)	730	(26.0)	502	(12.5)

(Note) Comprehensive income: Three months ended June 30, 2026: ¥927 million [113.4%]
Three months ended June 30, 2025: ¥434 million [(39.9)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	78.56	–
June 30, 2025	62.09	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
June 30, 2026	45,870	29,349	62.9
March 31, 2026	47,505	29,187	60.4

(Reference) Equity: As of June 30, 2026: ¥28,839 million
As of March 31, 2026: ¥28,697 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 March 31, 2026	–	64.00	–	93.00	157.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		79.00	–	83.00	162.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026–March 31, 2027)

(% 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
First half	28,600	9.2	2,050	22.3	2,140	17.2	1,460	14.2	179.97
Full year	58,000	3.9	4,220	19.3	4,360	11.9	3,000	(5.7)	369.80

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Company name: RIX INDIA TRADING & SERVICE PVT. LTD.)
Excluded: None

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes
For further information, please refer to "(3) Notes to Quarterly Consolidated Financial Statements (Accounting Methods Adopted Particularly for the Preparation of Quarterly Consolidated Financial Statements)" on page 10 of the Attachments.

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: Yes
2) Changes in accounting policies other than 1) above: Yes
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: 8,640,000 shares
March 31, 2026: 8,640,000 shares

2) Total number of treasury shares at the end of the period:
June 30, 2026: 534,059 shares
March 31, 2026: 534,059 shares

3) Average number of shares outstanding during the period:
Three months ended June 30, 2026: 8,105,941 shares
Three months ended June 30, 2025: 8,098,374 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

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

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. Please refer to “(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 5 of the Attachments for the assumptions underlying the forecasts and precautions when using the forecasts.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the three months ended June 30, 2026, the global economy was characterized by differences in business sentiment by region and demand area, while the impact of the worsening situation in the Middle East emerged. In the United States, although the economy faced downward pressure, particularly on personal consumption, due to factors such as rising prices driven by higher oil prices stemming from the worsening situation in the Middle East, investment in the thriving AI-related sector continued to be observed. In Europe, increased energy costs stemming from the worsening situation in the Middle East affected personal consumption. In China, the effects of the sluggishness in the real estate market continued to be observed.

The Japanese economy experienced a lower number of foreign visitors year on year, and the service industry in Japan, which had shown a recovery trend, saw a slowdown. The manufacturing industry was supported by continued solid trends mainly in the buoyant semiconductor-related sector and capital investment to address labor shortages. However, as was the case globally, issues such as surging prices for resources and raw materials emerged due to the worsening situation in the Middle East, resulting in differences in business sentiment across demand sectors.

Under these economic circumstances, the Group implemented measures under its three-year medium-term plan "GP2026." As a result, for the three months ended June 30, 2026, the Group recorded net sales totaling ¥13,597 million (up 10.2% year on year), operating profit totaling ¥874 million (up 36.9% year on year), ordinary profit totaling ¥976 million (up 33.7% year on year), and profit attributable to owners of parent totaling ¥636 million (up 26.6% year on year).

Operating results by reportable segment are as follows. The Group manages business performance by industry to which customers belong, and thus designates the following nine industries as reportable segments: "Steel and Iron," "Automobile," "Electronics and Semiconductor," "Rubber and Tire," "Machine Tools," "High-performance Material," "Environment," "Paper and Pulp," and "Food, Medicine (Pharmaceuticals), and Cosmetics."

Since the first quarter of the fiscal year ending March 31, 2027, the Group has established the food, pharmaceutical, and cosmetics industries—which the Group recognizes as growth fields—as a new reportable segment.

The food, pharmaceutical, and cosmetics industries have similar standards for quality control required by customers, and the Group sells similar finished goods and merchandise for the manufacturing processes of customers. Therefore, the Group will make hypothesis-based proposals efficiently by making these industries into a separate reportable segment, thereby accelerating sales activities.

With the establishment of this new segment, the business performance figures for the pharmaceutical and cosmetics industries included in "High-performance Material Segment" and those for the food industry included in "Other Segment" are consolidated accordingly.

(Steel and Iron)

On the global level, crude steel production decreased slightly year on year as a whole. Specifically, China, the world's largest steel producer, saw crude steel production remain sluggish mainly due to the ongoing downturn in the real estate market. In contrast, India, a rapidly developing economy, saw a continued year-on-year increase in crude steel production. In Japan, while crude steel production increased slightly year on year, it remained at a low level due to continued factors such as delays in recovery in the construction industry caused by labor shortages.

The Group focused on sales activities not only for production-proportional products but also for maintenance sectors on top of the further development of overseas markets. Consequently, net sales increased mainly due to sales of rolls for overseas steel mills as well as the winning contracts such as replacement of aging facilities in steel mills.

As a result, net sales for the steel and iron industry totaled ¥3,924 million (up 2.0% year on year), and its segment profit totaled ¥498 million (up 7.1% year on year).

(Automobile)

On the global level, production and domestic sales of new energy vehicles remained weak in China, partly due to the expiration of tax incentive measures, while the number of exports increased. In India, where the economy is growing significantly, automobile production continued to be solid. In Japan, production remained at approximately the same level as in the same period of the previous year; however, the worsening situation in the Middle East had an impact, including production delays.

The Group focused on sales and proposal activities in the battery and motor sectors, which are attracting attention in the CASE market. Consequently, net sales increased year on year, driven by sales of equipment and devices for overseas battery manufacturing lines and those for domestic battery manufacturing lines, among others.

As a result, net sales for the automobile industry totaled ¥2,396 million (up 8.9% year on year), and its segment profit totaled ¥276 million (up 95.7% year on year).

(Electronics and Semiconductor)

On the global level, demand for logic semiconductors continued to increase with advances in AI-related technology development, resulting in higher global semiconductor sales. In Japan, sales related to semiconductor production equipment continued to increase year on year thanks to higher AI-related semiconductor demand linked to global trends.

The Group focused on sales activities on the frontline and facilities and maintenance sectors, in addition to the repair and recycling businesses. Consequently, net sales increased mainly due to higher sales of our proprietary rotary joints for semiconductor production equipment, as well as sales of equipment for household appliance manufacturing lines.

As a result, net sales for the electronics and semiconductor industry totaled ¥2,178 million (up 27.1% year on year) and its segment profit totaled ¥322 million (up 82.3% year on year).

(Rubber and Tire)

In Japan, sales of new vehicle tires and replacement tires remained at the same level as in the same period of the previous year, in line with trends in automobile production.

The Group focused on sales activities on capital investment in addition to sales activities on development sectors. However, net sales decreased as there were no large projects unlike in the same period of the previous year, despite favorable factors such as sales of deodorizing equipment for the mixing process.

As a result, net sales for the rubber and tire industry totaled ¥777 million (down 27.6% year on year) and its segment profit totaled ¥101 million (down 11.9% year on year).

(Machine Tools)

In the industry, machine tool orders for both domestic and overseas markets continued to increase, as orders for machine tools related to automotives and active AI investments continued to increase.

The Group focused on the development of new uses and sales of equipment to cater to requests for five-axis machine tools and integration of machine tools as well as sales for ancillary equipment. Consequently, net sales increased mainly due to the increased sales of our proprietary rotary joints and sales of ancillary equipment for machine tools, in line with trends of the industry.

As a result, net sales for the machine tools industry totaled ¥755 million (up 33.1% year on year) and its segment profit totaled ¥253 million (up 109.9% year on year).

(High-performance Material)

In the industry, domestic production of ethylene was sluggish, partly due to difficulties in procuring crude oil and naphtha stemming from the worsening situation in the Middle East.

The Group focused on the repair and recycling businesses. Consequently, sales increased mainly due to sales of filter products and cleaning machines for the raw material process, as well as in-pipe deposit removal systems for high-performance material plants.

As a result, net sales for the high-performance material industry totaled ¥556 million (up 25.4% year on year) and its segment profit totaled ¥74 million (up 25.9% year on year).

(Environment)

In the industry, orders of environment-related equipment decreased year on year, indicating a difference in demand between sectors.

The Group focused on increasing its presence in the environment and energy industries and water treatment-related business, which are regarded as important in recent years. Consequently, sales increased mainly due to sales of equipment and machinery for sludge treatment facilities, waste gas treatment facilities for plants, and fire extinguishing equipment for waste-disposal facilities.

As a result, net sales for the environmental industry totaled ¥703 million (up 44.6% year on year) and its segment profit totaled ¥80 million (up 152.6% year on year).

(Paper and Pulp)

In the industry, demand for overall paper products continued to decline, and production of paper products decreased for both domestic and overseas markets.

The Group focused on biomass material CNF and energy/chemical material fields as well as further development of maintenance business for existing facilities. Consequently, sales were secured mainly due to the winning contracts for replacement of aging facilities and sales of equipment and machinery for boilers in paper mills. However, net sales decreased due to the absence of special demand that had occurred during the same period of the previous fiscal year.

As a result, net sales for the paper and pulp industry totaled ¥233 million (down 3.6% year on year) and its segment profit totaled ¥28 million (up 11.5% year on year).

(Food, Medicine (Pharmaceuticals), and Cosmetics)

In Japan, the food sector saw price increases in food products associated with rising raw materials prices, mainly due to the worsening situation in the Middle East. In the pharmaceutical sector, measures to respond to drug price reductions following the drug price revision in April were observed. In the cosmetics sector, sales of cosmetics products remained firm, supported by inbound tourism demand from foreign visitors.

The Group focused on sales activities related to water treatment and digitalization to address labor shortages. Consequently, in the food sector, sales were secured, supported by work to enable remote monitoring of utility equipment, among others. In the pharmaceutical sector, sales were secured mainly due to sales of components to medical-equipment-related manufacturers. In the cosmetics sector, sales were secured, supported by the winning contracts for cleaning raw material residues in the bulk process, among others.

As a result, net sales for the food, pharmaceutical, and cosmetics industries totaled ¥355 million (up 15.0% year on year) and its segment profit totaled ¥37 million (up 96.3% year on year).

(2) Explanation of Financial Position

(Assets)

Current assets decreased 5.4% from the end of the previous fiscal year to ¥31,961 million. Primary factors for the decrease include a decrease of ¥1,857 million in trade receivables and a decrease of ¥516 million in cash and deposits, which were partially offset by an increase of ¥577 million in inventories

Non-current assets increased 1.3% from the end of the previous fiscal year to ¥13,908 million. Primary factors for the increase include an increase of ¥361 million in investment securities, which was partially offset by a decrease of ¥162 million in intangible assets.

As a result, total assets decreased 3.4% from the end of the previous fiscal year to ¥45,870 million.

(Liabilities)

Current liabilities decreased 11.6% from the end of the previous fiscal year to ¥14,332 million. Primary factors for the decrease include a decrease of ¥3,506 million in trade payables, a decrease of ¥451 million in income taxes payable, and a decrease of ¥1,864 million in other, which were partially offset by an increase of ¥3,486 million in short-term borrowings and an increase of ¥440 million in provision for bonuses.

Non-current liabilities increased 3.8% from the end of the previous fiscal year to ¥2,188 million.

As a result, total liabilities decreased 9.8% from the end of the previous fiscal year to ¥16,520 million.

(Net Assets)

Net assets increased 0.6% from the end of the previous fiscal year to ¥29,349 million. Primary factors for the increase include an increase of ¥198 million in valuation difference on available-for-sale securities, which was partially offset by a decrease of ¥120 million in retained earnings.

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

As of now, no revisions have been made to the financial results forecast announced on May 15, 2026. However, should the need to revise the forecast arise, we will promptly disclose the revision.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	8,407,138	7,890,509
Notes receivable – trade	160,969	65,656
Electronically recorded monetary claims – operating	4,380,731	4,704,398
Accounts receivable – trade	16,282,374	14,196,596
Merchandise and finished goods	2,695,299	3,116,418
Work in process	824,925	909,124
Raw materials and supplies	309,487	381,911
Other	717,393	703,985
Allowance for doubtful accounts	(6,091)	(6,797)
Total current assets	33,772,228	31,961,805
Non-current assets		
Property, plant and equipment	6,120,506	6,073,719
Intangible assets		
Other	1,626,678	1,464,390
Total intangible assets	1,626,678	1,464,390
Investments and other assets		
Investment securities	4,696,192	5,057,789
Other	1,644,117	1,672,535
Allowance for doubtful accounts	(354,088)	(360,138)
Total investments and other assets	5,986,221	6,370,186
Total non-current assets	13,733,406	13,908,296
Total assets	47,505,634	45,870,102
Liabilities		
Current liabilities		
Notes payable – trade	54,647	25,181
Electronically recorded obligations – operating	4,189,444	1,997,264
Accounts payable – trade	6,037,306	4,752,260
Short-term borrowings	1,515,000	5,001,250
Current portion of long-term borrowings	32,316	32,316
Income taxes payable	835,239	383,539
Provision for bonuses	–	440,063
Provision for bonuses for directors (and other officers)	–	20,636
Other	3,544,785	1,679,826
Total current liabilities	16,208,739	14,332,338
Non-current liabilities		
Long-term borrowings	294,784	286,705
Provision for retirement benefits for directors (and other officers)	81,188	68,632
Retirement benefit liability	657,760	677,819
Other	1,075,476	1,155,348
Total non-current liabilities	2,109,208	2,188,504
Total liabilities	18,317,948	16,520,843

(Thousand yen)

	As of March 31, 2026	As of June 30, 2026
Net assets		
Shareholders’ equity		
Share capital	827,900	827,900
Capital surplus	1,117,875	1,116,377
Retained earnings	24,534,334	24,413,817
Treasury shares	(582,959)	(582,959)
Total shareholders’ equity	25,897,150	25,775,135
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,835,071	2,033,874
Foreign currency translation adjustment	711,688	784,669
Remeasurements of defined benefit plans	253,268	245,793
Total accumulated other comprehensive income	2,800,028	3,064,337
Non-controlling interests	490,506	509,786
Total net assets	29,187,685	29,349,259
Total liabilities and net assets	47,505,634	45,870,102

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Thousand yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	12,340,601	13,597,700
Cost of sales	9,172,278	9,881,198
Gross profit	3,168,322	3,716,502
Selling, general and administrative expenses	2,529,097	2,841,608
Operating profit	639,225	874,893
Non-operating income		
Interest income	6,714	3,894
Dividend income	51,134	51,193
Share of profit of entities accounted for using equity method	33,337	27,249
Rental income from real estate	5,271	5,187
Foreign exchange gains	–	14,297
Other	23,887	15,845
Total non-operating income	120,344	117,667
Non-operating expenses		
Interest expenses	2,494	11,876
Foreign exchange losses	25,639	–
Other	581	3,881
Total non-operating expenses	28,716	15,757
Ordinary profit	730,853	976,803
Extraordinary income		
Gain on sale of non-current assets	4	10
Surrender value of insurance policies	–	6,367
Total extraordinary income	4	6,377
Extraordinary losses		
Loss on sale of non-current assets	252	–
Loss on retirement of non-current assets	0	577
Total extraordinary losses	252	577
Profit before income taxes	730,605	982,603
Income taxes	215,272	333,484
Profit	515,332	649,119
Profit attributable to non-controlling interests	12,491	12,287
Profit attributable to owners of parent	502,840	636,832

Quarterly Consolidated Statements of Comprehensive Income
Three Months Ended June 30

(Thousand yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	515,332	649,119
Other comprehensive income		
Valuation difference on available-for-sale securities	105,216	170,309
Foreign currency translation adjustment	(183,376)	71,406
Remeasurements of defined benefit plans, net of tax	(4,653)	(7,475)
Share of other comprehensive income of entities accounted for using equity method	1,981	43,728
Total other comprehensive income	(80,832)	277,968
Comprehensive income	434,499	927,088
Comprehensive income attributable to:		
Owners of parent	421,222	901,140
Non-controlling interests	13,276	25,947

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in Case of Significant Changes in Shareholders' Equity)

Not applicable.

(Notes on Significant Changes in the Scope of Consolidation)

RIX INDIA TRADING & SERVICE PVT. LTD., which was a previously non-consolidated subsidiary, has been included in the scope of consolidation since the first quarter of the fiscal year ending March 31, 2027 due to its increased importance.

(Accounting Methods Adopted Particularly for the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of Tax Expenses)

For calculation of tax expenses, the Group adopts a method whereby the effective tax rate for the profit before income taxes for the fiscal year under review, including the first quarter of the fiscal year ending March 31, 2027, after the application of tax effect accounting is reasonably estimated, and profit before income taxes is multiplied by such effective tax rate.

(Changes in Accounting Policies)

(Application of the Practical Guidelines on Accounting for Financial Instruments)

The Company has applied the "Practical Guidelines on Accounting for Financial Instruments" (ASBJ Transferred Guidance No. 9, March 11, 2025) from the beginning of the first quarter of the current consolidated fiscal year. The application of the Practical Guidelines has no impact on the quarterly consolidated financial statements.

(Changes in the Valuation Method of Inventories)

Previously, the Company's inventories were stated at cost primarily using the moving-average method as the valuation method. Since the beginning of the first quarter of the fiscal year ending March 31, 2027, the valuation method has been changed, and the inventories have been stated at cost primarily using the monthly average method. The change was implemented to reflect economic realities more appropriately, taking the opportunity of the change in its core system.

As the impact of the change is insignificant, the change has not been applied retrospectively.

(Segment Information, Etc.)
I For the Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
1. Information on Net Sales and Profit or Loss by Reportable Segment

(Thousand yen)

	Reportable segment						
	Steel and Iron	Automobile	Electronics and Semi-conductor	Rubber and Tire	Machine Tools	High-performance Material	Environment
Net sales							
Net sales to outside customers	3,847,341	2,200,920	1,713,684	1,074,625	567,806	443,432	486,753
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	3,847,341	2,200,920	1,713,684	1,074,625	567,806	443,432	486,753
Segment profit	464,854	141,446	176,879	115,377	120,607	59,082	31,733

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
	Paper and Pulp	Food, Pharmaceu-ticals, and Cosmetics	Total				
Net sales							
Net sales to outside customers	242,150	308,695	10,885,409	1,455,192	12,340,601	–	12,340,601
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	242,150	308,695	10,885,409	1,455,192	12,340,601	–	12,340,601
Segment profit	25,900	19,116	1,154,998	248,359	1,403,357	(764,132)	639,225

(Notes) 1. The “Other” category is a business segment which is not included in the reportable segments and includes businesses for the shipbuilding industry.
2. An adjustment of minus ¥764,132 thousand in segment profit is for general and administrative expenses which are not attributable to the reportable segments.
3. Segment profit is adjusted with operating profit on the Quarterly Consolidated Statements of Income.

2. Information on Impairment Losses on Non-current Assets and Goodwill by Reportable Segment
(Significant Impairment Losses on Non-current Assets)
Not applicable.

II For the Three Months Ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

1. Information on Net Sales and Profit or Loss by Reportable Segment

(Thousand yen)

	Reportable segment						
	Steel and Iron	Automobile	Electronics and Semi-conductor	Rubber and Tire	Machine Tools	High-performance Material	Environment
Net sales							
Net sales to outside customers	3,924,213	2,396,718	2,178,290	777,569	755,980	556,243	703,750
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	3,924,213	2,396,718	2,178,290	777,569	755,980	556,243	703,750
Segment profit	498,018	276,747	322,402	101,674	253,171	74,355	80,166

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
	Paper and Pulp	Food, Pharmaceu-ticals, and Cosmetics	Total				
Net sales							
Net sales to outside customers	233,544	355,074	11,881,385	1,716,314	13,597,700	–	13,597,700
Inter-segment net sales or transfers	–	–	–	–	–	–	–
Total	233,544	355,074	11,881,385	1,716,314	13,597,700	–	13,597,700
Segment profit	28,866	37,531	1,672,934	214,039	1,886,974	(1,012,080)	874,893

(Notes) 1. The “Other” category is a business segment which is not included in the reportable segments and includes businesses for the shipbuilding industry.

2. An adjustment of minus ¥1,012,080 thousand in segment profit is for general and administrative expenses which are not attributable to the reportable segments.

3. Segment profit is adjusted with operating profit on the Quarterly Consolidated Statements of Income.

2. Changes in Reportable Segments, etc.

Since the first quarter of the fiscal year ending March 31, 2027, the Group has established the food, pharmaceutical, and cosmetics industries—which the Group recognizes as growth fields—as a new reportable segment.

The food, pharmaceutical, and cosmetics industries have similar standards for quality control required by customers, and the Group sells similar finished goods and merchandise for the manufacturing processes of customers. Therefore, the Group will make hypothesis-based proposals efficiently by making these industries into a separate reportable segment, thereby accelerating sales activities.

With the establishment of this new segment, the business performance figures for the pharmaceutical and cosmetics industries included in “High-performance Material Segment” and those for the food industry included in “Other Segment” are consolidated accordingly.

For comparative purposes, the reportable segment information for the corresponding period of the previous fiscal year has been retrospectively restated to reflect the change.

3. Information on Impairment Losses on Non-current Assets and Goodwill by Reportable Segment

(Significant Impairment Losses on Non-current Assets)

Not applicable.

(Notes on Statements of Cash Flows)

Quarterly consolidated statements of cash flows for the three months ended June 30, 2026 have not been prepared. Depreciation (including amortization related to intangible assets) for the three months ended June 30 are as follows:

(Thousand yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	203,899	233,893

(Significant Subsequent Events)

(Disposal of Treasury Shares as Restricted Share-Based Remuneration)

The Company has resolved, at a meeting of the Board of Directors of the Company held on July 9, 2026, to dispose of treasury shares as restricted share-based remuneration, as described below.

1. Outline of disposal

(1) Date of payment	August 5, 2026
(2) Class and number of shares to be disposed of	6,626 shares of common stock of the Company
(3) Disposal price	¥3,500 per share
(4) Total value of shares to be disposed	¥23,191,000
(5) Planned allottees	3,611 shares for three Directors* of the company 3,015 shares for five Executive Officers of the company * Excluding Directors Serving as Audit and Supervisory Committee Members and External Directors

2. Purpose and reason of disposal

At the 76th Annual General Meeting of Shareholders held on June 23, 2022, the Company obtained shareholders' approval to introduce a stock compensation plan (hereinafter the "Plan") whereby it allots restricted shares to Directors of the Company (excluding Directors Serving as Audit and Supervisory Committee Members and External Directors; hereinafter the "Eligible Directors") for the purpose of raising their motivation to contribute to raising the share price of the Company and enhance corporate value by sharing the benefits and risks of share price fluctuations with shareholders. In addition, related matters have been approved at the Annual General Meeting of Shareholders as follows: Under the Plan, the total amount of monetary remuneration receivables provided to Eligible Directors as remuneration, etc. for allotting restricted shares shall be set at no more than ¥30 million per year, and the total number of restricted shares allotted to Eligible Directors shall be up to 30,000 shares per year. The period in which the transfer of allotted shares is restricted shall be from the allotment date of the restricted shares to the date on which the planned allottee retires or resigns from all their positions as Director, or Executive Officer.