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October 13, 2026

Consolidated Financial Results for the Three Months Ended August 31, 2026 (Under Japanese GAAP)

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 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For Institutional Investors, Analysts)

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

1. Consolidated financial results for the three months ended August 31, 2026 (from June 1, 2026 to August 31, 2026)

(1) Consolidated operating results (Cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2026	816	(22.1)	(142)	—	(125)	—	(81)	—
August 31, 2025	1,048	(55.5)	99	(87.7)	136	(82.5)	47	(91.1)

Note: Comprehensive income For the three months ended August 31, 2026: ¥(73) million [(-)%]
 For the three months ended August 31, 2025: ¥77 million [(84.9)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
August 31, 2026	(8.08)	—
August 31, 2025	4.44	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
August 31, 2026	11,668	10,367	88.8
May 31, 2026	12,061	10,792	89.5

Reference: Equity As of August 31, 2026: ¥10,367 million
 As of May 31, 2026: ¥10,792 million

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 May 31, 2026	—	10.00	—	34.00	44.00
Fiscal year ending May 31, 2027	—				
Fiscal year ending May 31, 2027 (Forecast)		10.00	—	45.00	55.00

Notes 1. Amendment to forecasts of dividends recently announced: None

2. The year-end dividend forecast of 45.00 yen for the fiscal year ending May 31, 2027 includes a special dividend of 10.00 yen.

3. Forecast of consolidated financial results for the fiscal year ending May 31, 2027 (June 1, 2026 to May 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,212	49.6	1,599	127.7	1,620	94.0	1,049	97.8	103.41

Note 1. Amendment to forecasts of financial results recently announced: None

2. The Company has implemented an ESOP and Directors' stock compensation plan both in the form of stock benefit trusts. Accordingly, profit per share is calculated based on the average number of shares during the fiscal year, excluding the number of treasury shares, which includes Inter Action stock held by the stock benefit ESOP trust accounts and Directors' compensation stock benefit trust accounts.

*** Notes**

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

Newly included: - (Company name:) Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of August 31, 2026	11,510,200 shares
As of May 31, 2026	11,510,200 shares

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

As of August 31, 2026	1,364,807 shares
As of May 31, 2026	1,364,807 shares

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

For the three months ended August 31, 2026	10,145,393 shares
For the three months ended August 31, 2025	10,651,907 shares

(Note) The Company has implemented an ESOP and Directors' stock compensation plan both in the form of stock benefit trusts. Accordingly, treasury shares, as stated, include Inter Action stock held by the stock benefit ESOP trust accounts and Directors' compensation stock benefit trust accounts.

* 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 forecasts, and other special matters

The above forecasts of consolidated financial results are based on certain assumptions on economic situation, market trends, etc. deemed to be reasonable when the forecasts were made. Consequently, actual results may differ from the forecasts due to a variety of future factors. For details of the above forecasts, refer to "(3) Explanation of forward-looking information including consolidated earnings forecasts" under "1. Financial Results" (page 3) of the Attached Materials.

[Attached Materials]

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1. Financial Results

(1) Explanation of quarterly operating results

Net sales and operating profit in the Inter Action Group's financial results for the first three months of the consolidated fiscal year under review fell year on year. This is mainly due to sluggish sales in the Internet of things related works segment.

However, we expect both net sales and operating profit to increase progressively from the second quarter through the fourth quarter, and the first-quarter results were generally in line with the budget.

As a result of these business activities, the Inter Action Group's financial results for the first three months of the consolidated fiscal year under review were as follows. Net sales fell by 22.1% to 816 million yen (compared with 1,048 million yen in the previous fiscal year); gross profit fell by 41.9% to 305 million yen (compared with 524 million yen in the previous fiscal year), largely due to the decrease in net sales; operating loss was 142 million yen (99 million yen of operating profit in the previous fiscal year); ordinary loss was 125 million yen (136 million yen of ordinary profit in the previous fiscal year); and loss attributable to owners of parent excluding income taxes was 81 million yen (47 million yen of profit attributable to owners of parent in the previous fiscal year).

The overall performance of each business segment was as follows.

(Internet of things related works)

During the first three months of the consolidated fiscal year under review, net sales to this segment's external customers fell by 49.4% year on year to 315 million yen (compared with 622 million yen in the previous fiscal year), and segment profit decreased by 79.3% to 51 million yen (compared with 249 million yen in the previous fiscal year). This reflects weak sales of inspection illuminators and pupil lens modules.

The first-quarter results were generally in line with the budget, as we had expected the first quarter to be a preparation period for large-scale projects awarded in the previous fiscal year. Order backlog remained significantly above the level of the same period of the previous fiscal year. From the second quarter onward, sales from these projects are expected to be recognized progressively, while additional orders are also anticipated.

(Promotion business of Industry 4.0)

During the first three months of the consolidated fiscal year under review, net sales to this segment's external customers rose by 18.1% to 498 million yen (compared with 421 million yen in the previous fiscal year). This is due to strong sales performance in the precision vibration isolation systems and gear testing systems areas. Segment loss was 5 million yen (56 million yen of segment profit in the previous fiscal year). This was mainly due to an increase in selling, general, and administrative expenses resulting from higher research and development expenses associated with new product development, as well as higher personnel expenses and other costs.

(Others)

During the first three months of the consolidated fiscal year under review, net sales to this segment's external customers decreased by 20.4% to 3 million yen (compared with 4 million yen in the previous fiscal year), and the segment profit decreased by 21.7% to 2 million yen (compared with 3 million yen in the previous fiscal year).

(2) Explanation of quarterly financial position

As of the end of the first quarter of the consolidated fiscal year under review, total assets amounted to 11,668 million yen, a decrease of 392 million yen compared with the end of the previous consolidated fiscal year.

Current assets amounted to 10,070 million yen, a decrease of 452 million yen compared with the end of the previous consolidated fiscal year. This is mainly attributable to a decrease of 782 million yen in cash and deposits, although there were increases respectively of 81 million yen in merchandise and finished goods and 170 million yen in work in progress.

Non-current assets amounted to 1,598 million yen, an increase of 59 million yen compared with the end of the previous consolidated fiscal year.

As of the end of the first quarter of the consolidated fiscal year under review, liabilities amounted to 1,301 million yen, an increase of 31 million yen compared with the end of the previous consolidated fiscal year. This is mainly due to an increase of 98 million yen in notes and accounts payable—trade, although there is a decrease of 76 million yen in income taxes payable.

As of the end of the first quarter of the consolidated fiscal year under review, total assets amounted to 10,367 million yen, a decrease of 424 million yen compared with the end of the previous consolidated fiscal year. This is mainly due to recording of 81 million yen in loss attributable to owners of parent and year-end dividend of 351 million yen in the previous fiscal year.

(3) Explanation of forward-looking information including consolidated earnings forecasts

There is no amendment to consolidated earnings forecasts for the consolidated fiscal year under review disclosed on July 13, 2026.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly consolidated balance sheets

(Unit: Thousands of yen)

	As of May 31, 2026	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	8,529,377	7,747,287
Notes and accounts receivable—trade	343,347	291,105
Electronically recorded monetary claims—operating	37,854	25,840
Operational investment securities	52,805	54,502
Merchandise and finished goods	117,913	199,790
Work in progress	621,679	792,315
Raw materials and supplies	566,564	627,668
Other	254,211	332,481
Allowance for doubtful accounts	(689)	(697)
Total current assets	10,523,063	10,070,295
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	271,778	269,170
Land	165,149	165,149
Other, net	354,952	355,862
Total property, plant and equipment	791,880	790,182
Intangible assets		
Goodwill	29,025	22,510
Other	127,167	143,544
Total intangible assets	156,192	166,054
Investments and other assets		
Investment securities	130,464	130,481
Other	471,112	522,746
Allowance for doubtful accounts	(11,460)	(11,350)
Total investments and other assets	590,116	641,877
Total non-current assets	1,538,189	1,598,113
Total assets	12,061,253	11,668,409

(Unit: Thousands of yen)

	As of May 31, 2026	As of August 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable–trade	151,329	249,335
Short-term borrowings	390,000	390,000
Current portion of long-term borrowings	57,648	57,648
Income taxes payable	96,608	19,892
Provision for bonuses	—	39,865
Provision for product warranties	14,582	12,944
Provision for share awards for directors (and other officers)	92,800	117,586
Other	274,346	235,806
Total current liabilities	1,077,314	1,123,079
Non-current liabilities		
Long-term borrowings	107,208	91,596
Provision for share awards	34,067	36,660
Retirement benefit liability	47,861	48,095
Other	2,767	1,700
Total non-current liabilities	191,904	178,052
Total liabilities	1,269,219	1,301,131
Net assets		
Shareholders' equity		
Share capital	1,760,299	1,760,299
Capital surplus	3,352,578	3,352,578
Retained earnings	7,514,910	7,081,559
Treasury shares	(1,902,341)	(1,902,341)
Total shareholders' equity	10,725,447	10,292,095
Accumulated other comprehensive income		
Foreign currency translation adjustment	66,586	75,182
Total accumulated other comprehensive income	66,586	75,182
Total net assets	10,792,034	10,367,278
Total liabilities and net assets	12,061,253	11,668,409

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income
(Quarterly consolidated statements of income)
(June 1, 2026 – August 31, 2026)

(Unit: Thousands of yen)

	Three months ended August 31, 2025	Three months ended August 31, 2026
Net sales	1,048,629	816,817
Cost of sales	523,887	511,812
Gross profit	524,741	305,005
Selling, general and administrative expenses	424,785	447,068
Operating profit (loss)	99,956	(142,063)
Non-operating income		
Interest income	17,918	14,258
Dividend income	120	120
Income from assets for rent	3,340	—
Foreign exchange gains	20,154	3,415
Other	3,068	2,305
Total non-operating income	44,601	20,100
Non-operating expenses		
Interest expenses	2,184	2,039
Expenses of assets for rent	1,389	—
Commission expenses	1,260	1,260
Commission for purchase of treasury shares	1,999	—
Other	1,483	727
Total non-operating expenses	8,317	4,026
Ordinary profit (loss)	136,239	(125,990)
Extraordinary loss		
Loss on sale of non-current assets	908	—
Loss on retirement of non-current assets	0	1,933
Loss on sale of shares of subsidiaries	79,734	—
Total extraordinary loss	80,643	1,933
Profit (loss) before income taxes	55,596	(127,923)
Income taxes—current	16,806	10,478
Income taxes—deferred	(8,505)	(56,457)
Total income taxes	8,300	(45,979)
Profit (loss)	47,296	(81,943)
Profit (loss) attributable to owners of parent	47,296	(81,943)

(Quarterly consolidated statements of comprehensive income)
(June 1, 2026 – August 31, 2026)

(Unit: Thousands of yen)

	Three months ended August 31, 2025	Three months ended August 31, 2026
Profit (loss)	47,296	(81,943)
Other comprehensive income		
Foreign currency translation adjustment	30,020	8,595
Total other comprehensive income	30,020	8,595
Comprehensive income	77,316	(73,348)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	77,316	(73,348)
Comprehensive income attributable to non-controlling interests	—	—

(3) Note regarding the quarterly consolidated financial statements

(Notes on segment information)

[Segment information]

I. For the first three months of the fiscal year ended May 31, 2026 (June 1, 2025 to August 31, 2025)

1. Information on net sales and the amount of profits (losses) by reportable segment

(Unit: Thousands of yen)

	Reportable segment			Other ^(Note)	Total
	Internet of things related works	Promotion business of Industry 4.0	Total		
Net sales					
Sales to external customers	622,914	421,700	1,044,614	4,014	1,048,629
Intra-segment internal sales and transfer amount	—	—	—	—	—
Total	622,914	421,700	1,044,614	4,014	1,048,629
Segment profit	249,406	56,953	306,360	3,772	310,132

Note: The “Others” category represents the “environmental energy-related works” business segment which is outside the scope of reportable segments.

2. Difference between total amount of profit or loss of reportable segments and the corresponding amount reported in the quarterly consolidated statements of income, and the key components of such difference (reconciliation)

(Unit: Thousands of yen)

Income	Amount
Total of reportable segments	306,360
Loss of the “Other” segment	3,772
Company-wide expenses ^(Note)	(194,291)
Adjustment of inventories	(15,884)
Operating profit in the quarterly consolidated statements of income	99,956

Note: Company-wide expenses mainly consist of expenses incurred by the Company’s head office administrative operations that are not attributable to the reportable segments.

3. Information on impairment loss for non-current assets or goodwill of each reportable segment

No items to report.

II. For the first three months of the fiscal year ending May 31, 2027 (June 1, 2026 to August 31, 2026)

1. Information on net sales and the amount of profits (losses) by reportable segment

(Unit: Thousands of yen)

	Reportable segment			Other ^(Note)	Total
	Internet of things related works	Promotion business of Industry 4.0	Total		
Net sales					
Sales to external customers	315,505	498,115	813,620	3,197	816,817
Intra-segment internal sales and transfer amount	—	—	—	—	—
Total	315,505	498,115	813,620	3,197	816,817
Segment profit (loss)	51,524	(5,763)	45,761	2,954	48,716

Note: The “Others” category represents the “environmental energy-related works” business segment which is outside the scope of reportable segments.

2. Difference between total amount of profit or loss of reportable segments and the corresponding amount reported in the quarterly consolidated statements of income, and the key components of such difference (reconciliation)

(Unit: Thousands of yen)

Income	Amount
Total of reportable segments	45,761
Profit of the “Other” segment	2,954
Company-wide expenses ^(Note)	(171,132)
Adjustment of inventories	(19,647)
Operating Loss in the Quarterly Consolidated Statement of Income	(142,063)

Note: Company-wide expenses mainly consist of expenses incurred by the Company’s head office administrative operations that are not attributable to the reportable segments.

3. Information on impairment loss for non-current assets or goodwill of each reportable segment

No items to report.

(Notes on significant changes in the amount of shareholders’ equity)

No items to report.

(Notes on premise of going concern)

No items to report.

(Notes to the quarterly consolidated statement of cash flows)

A statement of cash flows has not been prepared in relation to the first three months of the consolidated fiscal year under review. Amounts of depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill associated with the first three months of the consolidated fiscal year are as follows.

(Thousands of yen)

	Three months ended August 31, 2025	Three months ended August 31, 2026
Depreciation	42,387	57,581
Amortization of goodwill	6,958	6,515

(Additional information)

(Stock benefit trust system that delivers company shares to employees through the trust)

1. Overview of transactions

The Company has adopted an incentive plan “Employee Stock Ownership Plan (J-ESOP)” (hereinafter, “the System”) for employees that offers them a stake in the Company’s shares. We hope this will help to enhance employee motivation and morale, and thereby the Company’s stock price and performance, by increasing the correlation between our stock price, business performance, and the treatment of employees, and sharing the economic effects with our shareholders.

The system is a mechanism for distributing the Company’s shares to employees that meet certain criteria in accordance with the stock benefit regulations established in advance by the Company. The Company will award employees points according to their personal contribution, etc. and distribute shares equivalent to the points awarded when the entitlement is gained under certain conditions.

2. Shares of the company remaining in trust

Company shares remaining in trust are to be recorded at book value as “treasury shares” (excluding the amount of incidental costs) under net assets. The treasury shares in question had a book value of 102,599 thousand yen (90,200 shares) at the end of the previous fiscal year and at the end of the first quarter of the consolidated fiscal year under review.

(A performance-linked stock compensation system that distributes the company’s shares via a trust to the directors)

1. Overview of transactions

We have adopted a “Board Benefit Trust-Restricted Stock” (hereinafter, “BBT-RS”). The purpose of the BBT-RS is to further clarify the correlation between the remuneration of directors and the Company’s performance and stock value. We hope this will allow directors to share not only the benefits of rising stock prices but also the risks of falling stock prices with our shareholders, thereby increasing their awareness of contributing to improved medium- to long-term performance and increased corporate value. At the same time, they will have the same rights as shareholders, such as the right to exercise voting rights and receive dividends.

The BBT-RS system is a stock compensation plan under which a trust established through a monetary contribution by the Company (hereinafter, the “Trust”) acquires shares of the Company, and shares of the Company corresponding to the number of points granted to each director based on his or her position and the degree of achievement of performance targets are delivered to each director through the Trust in accordance with the director stock benefit regulations established by the Company.

2. Shares of the company remaining in trust

Company shares remaining in trust are to be recorded at book value as “treasury shares” (excluding the amount of incidental costs) under net assets. The treasury shares in question had a book value of 184,629 thousand yen (99,928 shares) at the end of the previous fiscal year and at the end of the first quarter of the consolidated fiscal year under review.

(Revenue recognition-related information)

Disaggregated information on revenue from contracts with customers

I. For the first three months of the fiscal year ended May 31, 2026 (June 1, 2025 to August 31, 2025)

(Unit: Thousands of yen)

	Reportable segment			Other ^(Note 2)	Total
	Internet of things related works	Promotion business of Industry 4.0	Total		
Goods transferred at a point in time	622,914	421,700	1,044,614	—	1,044,614
Goods transferred over time	—	—	—	—	—
Revenue from contracts with customers	622,914	421,700	1,044,614	—	1,044,614
Other revenue ^(Note 1)	—	—	—	4,014	4,014
Sales to external customers	622,914	421,700	1,044,614	4,014	1,048,629

Notes: 1. Other revenue is that recognized in “Accounting Standard for Financial Instruments” (Accounting Standards Board of Japan (ASBJ) Statement No. 10).

2. The “Others” category represents the “environmental energy-related works” business segment which is outside the scope of reportable segments.

II. For the first three months of the fiscal year ending May 31, 2027 (June 1, 2026 to August 31, 2026)

(Unit: Thousands of yen)

	Reportable segment			Other ^(Note 2)	Total
	Internet of things related works	Promotion business of Industry 4.0	Total		
Goods transferred at a point in time	315,451	498,115	813,566	—	813,566
Goods transferred over time	54	—	54	—	54
Revenue from contracts with customers	315,505	498,115	813,620	—	813,620
Other revenue ^(Note 1)	—	—	—	3,197	3,197
Sales to external customers	315,505	498,115	813,620	3,197	816,817

Notes: 1. Other revenue is that recognized in “Accounting Standard for Financial Instruments” (Accounting Standards Board of Japan (ASBJ) Statement No. 10).

2. The “Others” category represents the “environmental energy-related works” business segment which is outside the scope of reportable segments.

3. Supplementary Explanation of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending May 31, 2027

(1) Status of orders

In the first three months of the consolidated fiscal year under review, the amount of orders received and the order backlog increased significantly year on year both in the Internet of things related works segment and the Promotion business of Industry 4.0.

In the Internet of things related works segment, the amount of orders received recorded a year-on-year increase due mainly to robust demand for inspection illuminators and pupil lens modules for overseas customers. The order backlog also increased significantly year on year, reflecting the accumulation of orders, including a large-scale project for a major overseas customer awarded in the previous consolidated fiscal year, as well as continued demand for capital investment from the same customer.

Looking ahead at customers' capital investment trends, demand for capital investment among domestic customers is expected to remain subdued. Meanwhile, demand for capital investment among major overseas customers is expected to remain robust against the backdrop of factors such as progress made by these customers in acquiring new customers and changes in the competitive environment in the smartphone market.

In the Promotion business of Industry 4.0, the amount of orders received and order backlog recorded year-on-year increases reflecting strong demand for precision vibration isolation systems and gear testing systems.

Orders received

Segment	First three months of the previous consolidated fiscal year (June 1, 2025 to August 31, 2025)		First three months of the current consolidated fiscal year (June 1, 2026 to August 31, 2026)		Change	
	Amount of orders received (Thousands of yen)	Backlog of orders (Thousands of yen)	Amount of orders received (Thousands of yen)	Backlog of orders (Thousands of yen)	Amount of orders received (Thousands of yen)	Backlog of orders (Thousands of yen)
Internet of things related works	320,558	694,701	521,858	3,061,882	201,299	2,367,180
Promotion business of Industry 4.0	253,696	335,630	400,021	534,954	146,324	199,324
Total	574,255	1,030,332	921,879	3,596,837	347,624	2,566,505

Note: The above amounts do not include results of the operations which engage in make-to-stock production.