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November 14, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)



Company name: LEC,INC.
Listing: Tokyo Stock Exchange
Securities code: 7874
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Chairperson and President
Director, Managing Executive Officer

Scheduled date to file semi-annual securities report: November 14, 2025
Scheduled date to commence dividend payments: December 10, 2025
Preparation of supplementary material on financial results: None
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	34,450	5.4	2,506	103.5	2,516	60.3	1,488	32.0
September 30, 2024	32,693	10.1	1,232	31.6	1,570	51.1	1,127	137.7

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 1,855 million [15.0%]
For the six months ended September 30, 2024: ¥ 1,613 million [43.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	45.69	45.33
September 30, 2024	32.95	32.67

(Note) Provisional accounting treatments for business combinations were finalized in the second quarter of the fiscal year ending March 31, 2026. The figures for the fiscal year ending March 31, 2025 reflect the finalized provisional accounting treatments.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	92,059	37,767	39.3
March 31, 2025	89,735	36,065	38.4

Reference: Equity

As of September 30, 2025: ¥ 36,206 million
As of March 31, 2025: ¥ 34,486 million

(Note) Provisional accounting treatments for business combinations were finalized in the second quarter of the fiscal year ending March 31, 2026. The figures for the fiscal year ending March 31, 2025 reflect the finalized provisional accounting treatments.

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 March 31, 2025	-	10.00	-	10.00	20.00
Fiscal year ending March 31, 2026	-	10.00			
Fiscal year ending March 31, 2026 (Forecast)			-	10.00	20.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the second quarter dividend for the fiscal year ending March 31, 2026 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	70,000	5.6	3,800	40.0	3,800	26.3	2,400	37.3	73.51

Note: Revisions to the financial result forecast most recently announced: Yes

* Notes

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

Newly included: - companies()

Excluded: - companies()

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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 September 30, 2025	38,165,340 shares
As of March 31, 2025	38,165,340 shares

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

As of September 30, 2025	5,436,792 shares
As of March 31, 2025	5,663,492 shares

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

Six months ended September 30, 2025	32,565,619 shares
Six months ended September 30, 2024	34,206,981 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Business forecasts contained in this report are based on information available to the Company and on a certain assumption the Company considers reasonable on the date of this report's announcement, and it does not constitute the Company's intention to promise the accomplishment of the forecasts. Actual results may differ significantly from such forecasts due to various risks and uncertainties.

In addition, the Company has introduced ESOP, and the Company shares owned by ESOP are included in treasury shares.

Semi-annual Consolidated Financial Statements and Primary Notes

Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	29,955	33,341
Notes and accounts receivable - trade	10,904	10,839
Securities	300	-
Merchandise and finished goods	10,024	9,034
Work in process	654	510
Raw materials and supplies	2,054	1,981
Other	1,557	1,085
Allowance for doubtful accounts	(0)	(0)
Total current assets	55,449	56,792
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,360	7,207
Machinery, equipment and vehicles, net	4,827	4,304
Other, net	8,494	8,749
Total property, plant and equipment	20,681	20,261
Intangible assets		
Goodwill	1,966	1,860
Other	1,277	1,322
Total intangible assets	3,244	3,182
Investments and other assets		
Investment securities	9,026	10,312
Other	1,333	1,511
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	10,360	11,823
Total non-current assets	34,285	35,267
Total assets	89,735	92,059

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,634	2,015
Current portion of long-term borrowings	4,000	5,250
Income taxes payable	390	635
Provision for product warranties	5	4
Provision for bonuses	413	426
Provision for loss on disaster	35	35
Other	2,282	2,742
Total current liabilities	9,761	11,109
Non-current liabilities		
Long-term borrowings	40,900	39,650
Provision for share awards	262	256
Retirement benefit liability	273	244
Asset retirement obligations	27	27
Other	2,444	3,003
Total non-current liabilities	43,907	43,182
Total liabilities	53,669	54,292
Net assets		
Shareholders' equity		
Share capital	5,491	5,491
Capital surplus	7,410	7,395
Retained earnings	22,733	23,886
Treasury shares	(5,366)	(5,139)
Total shareholders' equity	30,269	31,634
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,384	3,875
Foreign currency translation adjustment	877	738
Remeasurements of defined benefit plans	(45)	(42)
Total accumulated other comprehensive income	4,216	4,571
Share acquisition rights	173	142
Non-controlling interests	1,406	1,418
Total net assets	36,065	37,767
Total liabilities and net assets	89,735	92,059

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	32,693	34,450
Cost of sales	24,293	23,880
Gross profit	8,400	10,570
Selling, general and administrative expenses	7,168	8,063
Operating profit	1,232	2,506
Non-operating income		
Interest income	50	58
Dividend income	62	129
Foreign exchange gains	182	-
Other	208	74
Total non-operating income	503	262
Non-operating expenses		
Interest expenses	118	154
Share of loss of entities accounted for using equity method	33	13
Foreign exchange losses	-	71
Other	14	12
Total non-operating expenses	165	252
Ordinary profit	1,570	2,516
Extraordinary losses		
Loss on sale of non-current assets	-	132
Loss on retirement of non-current assets	93	27
Loss on sale of shares of subsidiaries and associates	145	-
Total extraordinary losses	238	159
Profit before income taxes	1,331	2,357
Income taxes - current	464	580
Income taxes - deferred	(249)	276
Total income taxes	214	856
Profit	1,116	1,500
Profit (loss) attributable to non-controlling interests	(10)	12
Profit attributable to owners of parent	1,127	1,488

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	1,116	1,500
Other comprehensive income		
Valuation difference on available-for-sale securities	242	491
Deferred gains or losses on hedges	(2)	-
Foreign currency translation adjustment	254	(139)
Remeasurements of defined benefit plans, net of tax	3	3
Total other comprehensive income	497	355
Comprehensive income	1,613	1,855
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,625	1,843
Comprehensive income attributable to non-controlling interests	(11)	12

Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,331	2,357
Depreciation	1,586	1,316
Amortization of goodwill	57	106
Share-based payment expenses	(10)	81
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	12	12
Increase (decrease) in provision for product warranties	(27)	(1)
Increase (decrease) in retirement benefit liability	(19)	(28)
Increase (decrease) in provision for share awards	(4)	(6)
Interest and dividend income	(113)	(188)
Interest expenses	118	154
Foreign exchange losses (gains)	(61)	95
Loss (gain) on sale of shares of subsidiaries and associates	145	-
Decrease (increase) in trade receivables	135	36
Decrease (increase) in inventories	1,105	1,155
Decrease (increase) in other current assets	15	533
Increase (decrease) in trade payables	490	(600)
Increase (decrease) in other current liabilities	(450)	600
Other, net	82	113
Subtotal	4,393	5,739
Interest and dividends received	120	192
Interest paid	(123)	(147)
Income taxes paid	(663)	(341)
Income taxes refund	30	29
Other, net	-	4
Net cash provided by (used in) operating activities	3,757	5,476
Cash flows from investing activities		
Payments into time deposits	(5,680)	(464)
Proceeds from withdrawal of time deposits	5,573	5,464
Purchase of property, plant and equipment	(932)	(974)
Purchase of intangible assets	(6)	(145)
Proceeds from sale and redemption of short-term and long-term investment securities	145	300
Purchase of short-term and long-term investment securities	(7)	(609)
Payments for acquisition of businesses	(3,066)	-
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(1,237)	-
Other, net	49	(171)
Net cash provided by (used in) investing activities	(5,162)	3,399

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from financing activities		
Proceeds from long-term borrowings	7,000	1,000
Repayments of long-term borrowings	(2,250)	(1,000)
Repayments of finance lease liabilities	(54)	(46)
Purchase of treasury shares	(4,812)	-
Dividends paid	(358)	(334)
Other, net	-	0
Net cash provided by (used in) financing activities	(475)	(380)
Effect of exchange rate change on cash and cash equivalents	177	(73)
Net increase (decrease) in cash and cash equivalents	(1,702)	8,421
Cash and cash equivalents at beginning of period	20,394	13,708
Cash and cash equivalents at end of period	18,692	22,129