

November 7, 2025

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

Company name: N I C H I H A C O R P O R A T I O N
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 7943
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 Scheduled date to file semi-annual securities report: November 13, 2025
 Scheduled date to commence dividend payments: December 1, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	71,083	(2.7)	3,494	1.7	3,701	14.4	2,467	34.9
September 30, 2024	73,019	6.7	3,435	(9.7)	3,235	(38.5)	1,829	(45.2)

Note: Comprehensive income For the six months ended September 30, 2025: ¥(487) million [-%]
 For the six months ended September 30, 2024: ¥8,036 million [10.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	73.27	73.11
September 30, 2024	52.46	52.35

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2025	169,153	119,628	70.9	3,601.32
March 31, 2025	177,455	124,157	70.2	3,659.66

Reference: Equity
 As of September 30, 2025: ¥119,999 million
 As of March 31, 2025: ¥124,518 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 March 31, 2025	-	57.00	-	57.00	114.00
Fiscal year ending March 31, 2026	-	57.00			
Fiscal year ending March 31, 2026 (Forecast)				57.00	114.00

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

3. Forecast of consolidated financial results 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
Fiscal year ending March 31, 2026	145,000	(2.3)	10,000	43.8	10,300	42.0	3,000	10.8	89.07

Note: Revisions to the earnings forecasts most recently announced: Yes

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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	37,324,264 shares
As of March 31, 2025	37,324,264 shares

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

As of September 30, 2025	4,003,333 shares
As of March 31, 2025	3,299,644 shares

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

Six months ended September 30, 2025	33,680,726 shares
Six months ended September 30, 2024	34,874,650 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

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and other matters related to earnings forecasts, please refer to Appendix P.3 "1. Qualitative Information on the Interim Financial Results (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	26,481	22,871
Notes and accounts receivable - trade	23,444	19,964
Electronically recorded monetary claims - operating	5,349	7,050
Merchandise and finished goods	19,485	18,592
Work in process	3,664	3,463
Raw materials and supplies	6,283	6,706
Other	1,326	1,181
Allowance for doubtful accounts	(31)	(33)
Total current assets	86,002	79,797
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,644	13,645
Machinery, equipment and vehicles, net	38,045	35,354
Tools, furniture and fixtures, net	495	484
Land	20,403	20,395
Leased assets, net	244	238
Construction in progress	462	834
Total property, plant and equipment	74,295	70,952
Intangible assets		
Leased assets	30	27
Software	275	218
Other	176	173
Total intangible assets	482	419
Investments and other assets		
Investment securities	10,210	11,718
Deferred tax assets	361	339
Retirement benefit asset	2,594	2,581
Other	3,545	3,379
Allowance for doubtful accounts	(36)	(35)
Total investments and other assets	16,674	17,983
Total non-current assets	91,452	89,355
Total assets	177,455	169,153

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,871	13,674
Short-term borrowings	4,219	2,681
Lease liabilities	107	115
Income taxes payable	2,962	1,342
Provision for bonuses	1,871	1,788
Provision for bonuses for directors (and other officers)	47	17
Provision for product warranties	84	53
Other	10,647	9,821
Total current liabilities	34,813	29,495
Non-current liabilities		
Long-term borrowings	11,641	13,017
Lease liabilities	215	187
Deferred tax liabilities	3,191	3,626
Provision for retirement benefits for directors (and other officers)	137	86
Provision for product warranties	1,094	1,092
Retirement benefit liability	1,375	1,391
Other	827	627
Total non-current liabilities	18,484	20,028
Total liabilities	53,297	49,524
Net assets		
Shareholders' equity		
Share capital	8,136	8,136
Capital surplus	10,950	10,949
Retained earnings	98,008	98,563
Treasury shares	(9,733)	(11,862)
Total shareholders' equity	107,361	105,787
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,067	6,104
Foreign currency translation adjustment	10,445	6,618
Remeasurements of defined benefit plans	1,644	1,489
Total accumulated other comprehensive income	17,157	14,211
Share acquisition rights	169	169
Non-controlling interests	(530)	(540)
Total net assets	124,157	119,628
Total liabilities and net assets	177,455	169,153

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	73,019	71,083
Cost of sales	47,950	46,122
Gross profit	25,069	24,961
Selling, general and administrative expenses	21,633	21,466
Operating profit	3,435	3,494
Non-operating income		
Interest income	92	69
Dividend income	153	162
Rental income from real estate	43	16
Other	113	182
Total non-operating income	402	430
Non-operating expenses		
Interest expenses	156	191
Foreign exchange losses	416	11
Other	30	20
Total non-operating expenses	603	223
Ordinary profit	3,235	3,701
Extraordinary income		
Gain on sale of non-current assets	0	10
Gain on sale of investment securities	42	-
Total extraordinary income	42	10
Extraordinary losses		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	205	228
Loss on retirement of inventories	72	14
Extra retirement payments	159	-
Total extraordinary losses	436	242
Profit before income taxes	2,841	3,469
Income taxes - current	598	777
Income taxes - deferred	399	234
Total income taxes	998	1,011
Profit	1,843	2,457
Profit attributable to		
Profit attributable to owners of parent	1,829	2,467
Profit (loss) attributable to non-controlling interests	13	(9)
Other comprehensive income		
Valuation difference on available-for-sale securities	741	1,037
Foreign currency translation adjustment	5,558	(3,827)
Remeasurements of defined benefit plans, net of tax	(106)	(155)
Total other comprehensive income	6,193	(2,945)
Comprehensive income	8,036	(487)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,022	(477)
Comprehensive income attributable to non-controlling interests	13	(9)

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	2,841	3,469
Depreciation	2,690	2,641
Loss on retirement of inventories	72	14
Extra retirement payments	159	-
Increase (decrease) in provision for product warranties	(36)	(26)
Increase (decrease) in retirement benefit liability	0	16
Decrease (increase) in retirement benefit asset	40	12
Interest and dividend income	(245)	(231)
Interest expenses	156	191
Foreign exchange losses (gains)	377	29
Loss (gain) on sale of investment securities	(42)	-
Gain on sale of non-current assets	(0)	(10)
Loss on retirement of non-current assets	205	228
Decrease (increase) in trade receivables	693	1,486
Decrease (increase) in inventories	615	(477)
Increase (decrease) in trade payables	(1,519)	(881)
Other, net	(455)	(1,011)
Subtotal	5,553	5,450
Interest and dividends received	244	233
Interest paid	(156)	(190)
Income taxes paid	(1,816)	(2,273)
Income taxes refund	3	11
Net cash provided by (used in) operating activities	3,828	3,232
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,313)	(2,208)
Proceeds from sale of property, plant and equipment	0	11
Purchase of intangible assets	(13)	(14)
Purchase of investment securities	(1)	(1)
Other, net	(114)	95
Net cash provided by (used in) investing activities	(2,442)	(2,117)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	10	(36)
Proceeds from long-term borrowings	2,900	2,900
Repayments of long-term borrowings	(3,000)	(3,026)
Repayments of lease liabilities	(63)	(80)
Purchase of treasury shares	(4,443)	(2,177)
Dividends paid	(2,020)	(1,939)
Other, net	41	48
Net cash provided by (used in) financing activities	(6,575)	(4,311)
Effect of exchange rate change on cash and cash equivalents	461	(413)
Net increase (decrease) in cash and cash equivalents	(4,727)	(3,609)
Cash and cash equivalents at beginning of period	26,700	26,481
Cash and cash equivalents at end of period	21,972	22,871

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (April 1, 2024 to September 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments	Others (Note 1)	Total	Adjustment amount (Note 2)	Interim Consolidated Income and Statement of Comprehensive Income (Note 3)
	Exterior building materials business				
Sales					
Revenues from external customers	68,383	4,636	73,019	-	73,019
Transactions with other segments	485	941	1,427	(1,427)	-
Total	68,868	5,578	74,446	(1,427)	73,019
Segment profit (loss)	4,851	(13)	4,838	(1,402)	3,435

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments and includes the fiberboard business, construction business, FP business, and other businesses.

2. Adjustments for segment profits or losses include (1,428) million yen in corporate expenses and 25 million yen in adjustments that have not been allocated to each reporting segment. Company-wide expenses are mainly expenses related to the Company's general affairs and other administrative divisions that are not attributable to the reporting segment.

3. Segment profit or loss is adjusted for operating income in the interim consolidated income and comprehensive income statement.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

II. The Interim Consolidated Accounting Period (April 1, 2025 to September 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments	Others (Note 1)	Total	Adjustment amount (Note 2)	Interim Consolidated Income and Statement of Comprehensive Income (Note 3)
	Exterior building materials business				
Sales					
Revenues from external customers	66,367	4,715	71,083	-	71,083
Transactions with other segments	526	974	1,501	(1,501)	-
Total	66,894	5,690	72,584	(1,501)	71,083
Segment profit (loss)	4,795	48	4,843	(1,349)	3,494

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments and includes the fiberboard business, construction business, FP business, and other businesses.

2. Adjustments for segment profits or losses include (1,371) million yen in corporate expenses and 22 million yen in adjustments that have not been allocated to each reporting segment. Company-wide expenses are mainly expenses related to the Company's general affairs and other administrative divisions that are not attributable to the reporting segment.

3. Segment profit or loss is adjusted for operating income in the interim consolidated income and comprehensive income statement.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.