

May 13, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (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
 URL: <https://www.nichiha.co.jp>
 Representative: Narumitsu Yoshioka, President and Representative Director
 Inquiries: Kazushi Tono, Director, Senior Executive Officer
 Telephone: +81-52-220-5111
 Scheduled date of annual general meeting of shareholders: June 25, 2026
 Scheduled date to commence dividend payments: June 26, 2026
 Scheduled date to file annual securities report: June 23, 2026
 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 fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	143,740	(3.2)	9,355	34.6	10,246	41.3	2,486	(8.1)
March 31, 2025	148,478	4.0	6,951	(31.9)	7,254	(38.8)	2,706	(66.4)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥3,286 million [(51.4)%]
 For the fiscal year ended March 31, 2025: ¥6,768 million [(49.4)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	74.31	74.15	2.0	5.9	6.5
March 31, 2025	78.49	78.32	2.2	4.1	4.7

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	168,261	121,121	72.2	3,658.89
March 31, 2025	177,455	124,157	70.2	3,659.66

Reference: Equity
 As of March 31, 2026: ¥121,489 million
 As of March 31, 2025: ¥124,518 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	8,212	(3,776)	(6,643)	24,696
March 31, 2025	10,413	(3,036)	(8,008)	26,481

2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
March 31, 2025	-	57.00	-	57.00	114.00	3,887	145.2	3.2
March 31, 2026	-	57.00	-	57.00	114.00	3,791	153.4	3.1
March 31, 2027 (Forecast)		57.00		57.00	114.00		47.3	

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

(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
Six months ending September 30, 2026	68,500	(3.6)	3,600	3.0	3,700	(0.0)	3,600	45.9	108.42
Fiscal year ending March 31, 2027	141,000	(1.9)	9,600	2.6	9,800	(4.4)	8,000	221.7	240.94

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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: Yes
- (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026	34,487,164 shares
As of March 31, 2025	37,324,264 shares

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

As of March 31, 2026	1,283,313 shares
As of March 31, 2025	3,299,644 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	33,461,409 shares
Fiscal year ended March 31, 2025	34,484,213 shares

* Financial results reports are exempt from audit 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. Summary of Operating Results (4) Outlook for the Next Fiscal Year."

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	26,481	24,696
Notes and accounts receivable - trade	23,444	17,961
Electronically recorded monetary claims - operating	5,349	8,227
Merchandise and finished goods	19,485	17,781
Work in process	3,664	2,405
Raw materials and supplies	6,283	6,440
Other	1,326	1,637
Allowance for doubtful accounts	(31)	(37)
Total current assets	86,002	79,113
Non-current assets		
Property, plant and equipment		
Buildings and structures	51,061	51,025
Accumulated depreciation	(36,417)	(37,212)
Buildings and structures, net	14,644	13,812
Machinery, equipment and vehicles	131,124	129,423
Accumulated depreciation	(93,079)	(95,133)
Machinery, equipment and vehicles, net	38,045	34,290
Tools, furniture and fixtures	6,616	6,607
Accumulated depreciation	(6,121)	(6,048)
Tools, furniture and fixtures, net	495	559
Land	20,403	19,975
Leased assets	487	505
Accumulated depreciation	(242)	(323)
Leased assets, net	244	182
Construction in progress	462	509
Total property, plant and equipment	74,295	69,329
Intangible assets		
Leased assets	30	24
Software	275	184
Other	176	174
Total intangible assets	482	383
Investments and other assets		
Investment securities	10,210	11,945
Deferred tax assets	361	320
Retirement benefit asset	2,594	3,621
Other	3,545	3,581
Allowance for doubtful accounts	(36)	(34)
Total investments and other assets	16,674	19,435
Total non-current assets	91,452	89,148
Total assets	177,455	168,261

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,871	12,212
Short-term borrowings	1,185	1,121
Current portion of long-term borrowings	3,034	1,535
Lease liabilities	107	115
Accrued expenses	6,529	5,371
Income taxes payable	2,962	1,648
Provision for bonuses	1,871	1,868
Provision for bonuses for directors (and other officers)	47	54
Provision for product warranties	84	39
Other	4,117	3,794
Total current liabilities	34,813	27,762
Non-current liabilities		
Long-term borrowings	11,641	13,010
Lease liabilities	215	134
Deferred tax liabilities	3,191	3,192
Provision for retirement benefits for directors (and other officers)	137	84
Provision for product warranties	1,094	1,007
Retirement benefit liability	1,375	1,430
Other	827	516
Total non-current liabilities	18,484	19,377
Total liabilities	53,297	47,140
Net assets		
Shareholders' equity		
Share capital	8,136	8,136
Capital surplus	10,950	10,941
Retained earnings	98,008	88,241
Treasury shares	(9,733)	(3,795)
Total shareholders' equity	107,361	103,525
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,067	6,259
Foreign currency translation adjustment	10,445	9,689
Remeasurements of defined benefit plans	1,644	2,015
Total accumulated other comprehensive income	17,157	17,964
Share acquisition rights	169	169
Non-controlling interests	(530)	(537)
Total net assets	124,157	121,121
Total liabilities and net assets	177,455	168,261

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	148,478	143,740
Cost of sales	97,626	92,110
Gross profit	50,851	51,630
Selling, general and administrative expenses		
Freight and packing costs	20,519	19,113
Advertising and promotion expenses	3,459	3,467
Provision of allowance for doubtful accounts	(16)	(5)
Salaries and allowances and welfare expenses	9,708	10,053
Provision for bonuses	933	1,065
Provision for bonuses for directors (and other officers)	47	54
Retirement benefit expenses	85	(6)
Provision for retirement benefits for directors (and other officers)	17	18
Depreciation	465	343
Experimentation and research expenses	1,075	1,075
Provision for product warranties	23	53
Other	7,580	7,039
Total selling, general and administrative expenses	43,900	42,274
Operating profit	6,951	9,355
Non-operating income		
Interest income	154	169
Dividend income	319	343
Foreign exchange gains	-	375
Other	288	458
Total non-operating income	762	1,346
Non-operating expenses		
Interest expenses	326	341
Foreign exchange losses	68	-
Depreciation	-	61
Other	65	53
Total non-operating expenses	460	455
Ordinary profit	7,254	10,246

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	6	10
Gain on sale of investment securities	432	-
Gain on sale of investment property	305	-
Total extraordinary income	744	10
Extraordinary losses		
Loss on sale of non-current assets	-	150
Loss on retirement of non-current assets	329	464
Impairment losses	-	2,342
Loss on retirement of inventories	167	1,027
Loss on valuation of inventories	-	1,697
Extra retirement payments	218	221
Provision for product warranties	450	-
Loss on liquidation of business	-	103
Other	-	52
Total extraordinary losses	1,165	6,060
Profit before income taxes	6,832	4,197
Income taxes - current	1,558	2,235
Income taxes for prior periods	2,051	-
Income taxes - deferred	662	(518)
Total income taxes	4,272	1,717
Profit	2,560	2,479
Profit attributable to		
Profit attributable to owners of parent	2,706	2,486
Loss attributable to non-controlling interests	(145)	(6)
Other comprehensive income		
Valuation difference on available-for-sale securities	(619)	1,192
Foreign currency translation adjustment	4,405	(756)
Remeasurements of defined benefit plans, net of tax	421	371
Total other comprehensive income	4,207	806
Comprehensive income	6,768	3,286
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,914	3,293
Comprehensive income attributable to non-controlling interests	(145)	(6)

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,136	10,944	99,271	(4,775)	113,577
Changes during period					
Reversal of reserve for tax purpose reduction entry					
Dividends of surplus			(3,968)		(3,968)
Change in scope of consolidation			(1)		(1)
Profit attributable to owners of parent			2,706		2,706
Purchase of treasury shares				(5,000)	(5,000)
Disposal of treasury shares		5		41	47
Cancellation of treasury shares					
Net changes in items other than shareholders' equity					-
Total changes during period	-	5	(1,262)	(4,958)	(6,215)
Balance at end of period	8,136	10,950	98,008	(9,733)	107,361

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	5,686	6,040	1,222	12,949	161	(384)	126,303
Changes during period							
Reversal of reserve for tax purpose reduction entry							
Dividends of surplus							(3,968)
Change in scope of consolidation							(1)
Profit attributable to owners of parent							2,706
Purchase of treasury shares							(5,000)
Disposal of treasury shares							47
Cancellation of treasury shares							
Net changes in items other than shareholders' equity	(619)	4,405	421	4,207	7	(145)	4,069
Total changes during period	(619)	4,405	421	4,207	7	(145)	(2,145)
Balance at end of period	5,067	10,445	1,644	17,157	169	(530)	124,157

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,136	10,950	98,008	(9,733)	107,361
Changes during period					
Reversal of reserve for tax purpose reduction entry			(32)		(32)
Dividends of surplus			(3,838)		(3,838)
Change in scope of consolidation					
Profit attributable to owners of parent			2,486		2,486
Purchase of treasury shares				(2,500)	(2,500)
Disposal of treasury shares		(0)		48	48

Cancellation of treasury shares		(8)	(8,381)	8,390	-
Net changes in items other than shareholders' equity					-
Total changes during period	-	(8)	(9,767)	5,938	(3,836)
Balance at end of period	8,136	10,941	88,241	(3,795)	103,525

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	5,067	10,445	1,644	17,157	169	(530)	124,157
Changes during period							
Reversal of reserve for tax purpose reduction entry							(32)
Dividends of surplus							(3,838)
Change in scope of consolidation							
Profit attributable to owners of parent							2,486
Purchase of treasury shares							(2,500)
Disposal of treasury shares							48
Cancellation of treasury shares							-
Net changes in items other than shareholders' equity	1,192	(756)	371	806	-	(6)	800
Total changes during period	1,192	(756)	371	806	-	(6)	(3,036)
Balance at end of period	6,259	9,689	2,015	17,964	169	(537)	121,121

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	6,832	4,197
Depreciation	5,446	5,357
Impairment losses	-	2,342
Loss on liquidation of business	-	103
Extra retirement payments	218	221
Other extraordinary loss (income)	-	52
Gain on sale of investment property	(305)	-
Loss on retirement of non-current assets	329	464
Loss (gain) on sale of non-current assets	(6)	139
Loss (gain) on sale of investment securities	(432)	-
Increase (decrease) in provision for product warranties	340	(128)
Increase (decrease) in retirement benefit liability	41	54
Decrease (increase) in retirement benefit asset	(861)	(1,027)
Interest and dividend income	(474)	(512)
Interest expenses	326	341
Foreign exchange losses (gains)	(95)	(310)
Decrease (increase) in trade receivables	747	2,546
Decrease (increase) in inventories	508	2,508
Increase (decrease) in trade payables	(1,692)	(2,540)
Other, net	2,072	(1,891)
Subtotal	12,995	11,917
Interest and dividends received	463	490
Interest paid	(316)	(348)
Extra retirement payments	(166)	(273)
Income taxes paid	(2,566)	(3,584)
Income taxes refund	3	11
Net cash provided by (used in) operating activities	10,413	8,212

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,352)	(3,950)
Proceeds from sale of property, plant and equipment	7	154
Purchase of intangible assets	(62)	(30)
Purchase of investment securities	(2)	(2)
Proceeds from sale of investment securities	499	-
Proceeds from sale of investment property	972	-
Other, net	(98)	51
Net cash provided by (used in) investing activities	(3,036)	(3,776)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	965	(63)
Proceeds from long-term borrowings	3,055	2,900
Repayments of long-term borrowings	(3,000)	(3,030)
Repayments of lease liabilities	(101)	(159)
Purchase of treasury shares	(5,000)	(2,500)
Dividends paid	(3,968)	(3,838)
Other, net	41	48
Net cash provided by (used in) financing activities	(8,008)	(6,643)
Effect of exchange rate change on cash and cash equivalents	412	423
Net increase (decrease) in cash and cash equivalents	(219)	(1,784)
Cash and cash equivalents at beginning of period	26,700	26,481
Cash and cash equivalents at end of period	26,481	24,696

(Notes on segment information, etc.)

1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate performance.

The Company conducts business activities centered on the exterior materials business, and has adopted a management style in which the Company and its consolidated subsidiaries (hereinafter referred to as "business operating companies") are engaged in a single business as independent management units for each business segmented by industry.

Accordingly, the Group is comprised of industry-specific segments based on the operating companies, with the Exterior Materials Business as the reporting segment.

The Exterior Materials segment manufactures and sells ceramic and metal exterior materials, as well as related products and exterior accessories.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is generally the same as that described in the "Fundamental Important Matters for the Preparation of Consolidated Financial Statements".

Profit in the reporting segment is a figure based on operating income.

Internal revenues and transfers between segments are based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments	Others (Note 1)	Total	Adjustment amount (Note 2 and 4)	Amount recorded in consolidated financial statements (Note 3)
	Exterior building materials business				
Sales					
Revenues from external customers	138,891	9,587	148,478	-	148,478
Transactions with other segments	1,061	1,974	3,035	(3,035)	-
Total	139,952	11,561	151,513	(3,035)	148,478
Segment profit (loss)	9,685	47	9,732	(2,780)	6,951
Segment Assets	144,734	6,482	151,216	26,238	177,455
Other items					
Depreciation	5,095	82	5,178	268	5,446
Increase in property, plant and equipment and intangible assets	4,200	100	4,301	113	4,414

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 of (2,780) million yen include (2,824) million yen in corporate expenses and 44 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 to operating income in the consolidated financial statements.

4. Adjustments to segment assets of ¥26,238 million include ¥28,467 million in company-wide assets and other adjustments that have not been allocated to each reporting segment.

5. Depreciation and amortization and increases in property, plant and equipment and intangible assets include long-term prepaid expenses and amortization.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments	Others (Note 1)	Total	Adjustment amount (Note 2 and 4)	Amount recorded in consolidated financial statements (Note 3)
	Exterior building materials business				
Sales					
Revenues from external customers	134,108	9,632	143,740	-	143,740
Transactions with other segments	1,168	1,971	3,139	(3,139)	-
Total	135,276	11,603	146,880	(3,139)	143,740
Segment profit (loss)	11,957	166	12,123	(2,768)	9,355
Segment Assets	134,042	6,013	140,056	28,205	168,261
Other items					
Depreciation	5,041	92	5,133	223	5,357
Impairment Loss	2,164	177	2,342	-	2,342
Increase in property, plant and equipment and intangible assets	3,813	124	3,937	312	4,250

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 of (2,768) million yen include (2,803) million yen in corporate expenses and 35 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 to operating income in the consolidated financial statements.

4. Adjustments to segment assets of ¥28,205 million include ¥26,045 million in company-wide assets and ¥2,159 million in adjustments that have not been allocated to each reporting segment.

5. Depreciation and amortization and increases in property, plant and equipment and intangible assets include long-term prepaid expenses and amortization.