August 6, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: ITOKI CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 7972
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Scheduled date to file semi-annual securities report: August 6, 2026
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes(for institutional investors and security analysts)

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

1. Consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (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	%
June 30, 2026	86,316	8.9	11,632	9.5	11,580	10.3	7,748	11.3
June 30, 2025	79,244	9.3	10,625	54.8	10,497	53.5	6,960	36.8

Note: Comprehensive income For the six months ended June 30, 2026: ¥ 8,647 million [23.3%]
For the six months ended June 30, 2025: ¥ 7,011 million [24.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	156.77	-
June 30, 2025	141.26	-

(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
June 30, 2026	130,144	61,969	47.5	1,250.53
December 31, 2025	130,724	56,813	43.4	1,147.78

Reference: Equity
As of June 30, 2026: ¥ 61,862 million
As of December 31, 2025: ¥ 56,709 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 December 31, 2025	-	0.00	-	75.00	75.00
Fiscal year ending December 31, 2026	-	0.00			
Fiscal year ending December 31, 2026 (Forecast)			-	90.00	90.00

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

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 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	167,500	9.0	16,000	16.9	16,000	16.5	11,200	19.4	226.50

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 2 companies(Itoki All Steel Co., Ltd., Fuji Paudal Co., Ltd.)

(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 June 30, 2026	53,382,850 shares
As of December 31, 2025	53,382,850 shares

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

As of June 30, 2026	3,913,913 shares
As of December 31, 2025	3,974,999 shares

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

Six months ended June 30, 2026	49,428,029 shares
Six months ended June 30, 2025	49,272,038 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

All forward-looking statements (earnings forecasts, etc.) in this document are prepared based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ significantly from the forecast figures due to various factors. For notes on assumptions for the earnings forecasts and notes on usage of the earnings forecasts, please refer to “1. Overview of Operating Results” - “(3) Explanation of Forward-Looking Information for Earnings Forecasts, etc.” on page 4 of the appendix.

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1. Overview of Operating Results

(1) Overview of Operating Results During the Period

Against the backdrop of the prolonged trade dispute between the U.S. and China, and the heightened geopolitical risk resulting from the Middle East and the Ukrainian situation, the world economy remained uncertain about the future in the six months ended June 30, 2026.

In the current fiscal year, which is the last year of the Medium-term Management Plan "RISE TO GROWTH 2026," the Group is implementing various measures based on the key strategy "7 Flags" and the ESG strategy. During the six months ended June 30, 2026, in order to enhance sustainable growth potential, the Group has worked to further expand sales and profits by proposing new work styles and office spaces that employ them, as well as by deploying sales activities that focus on value enhancement.

(Millions of yen)

	First six months of fiscal year ended December 31, 2025	First six months of fiscal year ending December 31, 2026	Increase/decrease (amount)	Increase/decrease (%)
Net sales	79,244	86,316	7,072	8.9%
Gross profit	33,869	37,364	3,495	10.3%
Selling, general and administrative expenses	23,243	25,731	2,488	10.7%
Operating profit	10,625	11,632	1,006	9.5%
Non-operating income	280	363	83	29.7%
Non-operating expenses	408	415	6	1.6%
Ordinary profit	10,497	11,580	1,083	10.3%
Extraordinary income	71	114	43	60.2%
Extraordinary losses	103	289	186	180.0%
Profit before income taxes	10,465	11,405	940	9.0%
Total income taxes	3,510	3,653	142	4.1%
Profit	6,955	7,752	797	11.5%
Profit attributable to owners of parent	6,960	7,748	788	11.3%

(i) Net sales

Net sales were 86,316 million yen, an increase of 7,072 million yen (8.9%) year-on-year, as planned. Furthermore, we have achieved increased revenues for five consecutive years and a record high in net sales for four consecutive years for the first six months of the fiscal year.

- The Workplace Business performed well mainly due to renovation projects to fit new hybrid work styles.
- In the Equipment and Public Works-Related Business, revenues substantially increased due to robust performance in equipment for public research facilities.

(ii) Gross profit

Gross profit was 37,364 million yen, an increase of 3,495 million yen (10.3%) year-on-year.

- In the Workplace Business, profit increased due to increased revenue.
- In the Equipment and Public Works-Related Business, profit substantially increased due to increased revenue for equipment for public research facilities and an improved profit margin resulting from an improvement in value provided.

(iii) Selling, general and administrative expenses

In addition to increased personnel expenses resulting from business expansion, strategic expenditures were made as planned for future growth, such as strengthening the infrastructure to promote AX, selling, general and administrative expenses were 25,731 million yen, an increase of 2,488 million yen (10.7%) year-on-year.

(iv) Operating profit

As a result of the above, operating profit was 11,632 million yen, an increase of 1,006 million yen (9.5%) year-on-year, as planned. Furthermore, we have achieved increased operating profit for two consecutive years and a record high in operating profit for the first six months of the fiscal year.

- In the Workplace Business, operating profit decreased due to an increase in selling, general and administrative expenses, although revenues increased due to a strong trend in sales.

- In the Equipment and Public Works-Related Business, operating profit substantially increased due to increased revenue for equipment for public research facilities and an improved profit margin resulting from an improvement in value provided.

(v) Non-operating income

Non-operating income was 363 million yen, an increase of 83 million yen (29.7%) year-on-year, mainly due to an increase in foreign exchange gains.

(vi) Non-operating expenses

Non-operating expenses were 415 million yen, an increase of 6 million yen (1.6%) year-on-year, mainly due to an increase in interest expenses.

(vii) Ordinary profit

As a result of the above, ordinary profit was 11,580 million yen, an increase of 1,083 million yen (10.3%) year-on-year.

(viii) Extraordinary income

Extraordinary income was 114 million yen, an increase of 43 million yen (60.2%) year-on-year, as we posted a reversal of allowance for losses related to a voluntary product recall.

(ix) Extraordinary losses

Extraordinary losses were 289 million yen, an increase of 186 million yen (180.0%) year-on-year, mainly due to the recording of impairment losses.

(x) Profit attributable to owners of parent

As a result of the above, profit attributable to owners of parent was 7,748 million yen, an increase of 788 million yen (11.3%) year-on-year.

Segment results were as follows.

(Millions of yen)

Name of segment		First six months of fiscal year ended December 31, 2025	First six months of fiscal year ending December 31, 2026	Increase/decrease (amount)	Increase/decrease (%)
Workplace Business	Net sales	58,571	62,365	3,793	6.5%
	Operating profit	8,322	8,019	(303)	(3.6%)
Equipment and Public Works-Related Business	Net sales	19,897	23,196	3,298	16.6%
	Operating profit	2,221	3,544	1,322	59.6%
Reportable segment total	Net sales	78,468	85,561	7,092	9.0%
	Operating profit	10,543	11,563	1,019	9.7%
Other	Net sales	775	754	(20)	(2.7%)
	Operating profit	81	69	(12)	(15.0%)
Total	Net sales	79,244	86,316	7,072	8.9%
	Operating profit	10,625	11,632	1,006	9.5%

(2) Overview of Financial Position During the Period

a. Assets, liabilities and net assets

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026	Increase/decrease (amount)	Increase/decrease (%)
Assets	130,724	130,144	(580)	(0.4%)
Liabilities	73,910	68,174	(5,736)	(7.8%)
Net assets	56,813	61,969	5,155	9.1%

(Assets)

Total assets decreased by 580 million yen from the end of the previous fiscal year to 130,144 million yen due to decreases in deferred tax assets and other assets.

(Liabilities)

Total liabilities decreased by 5,736 million yen from the end of the previous fiscal year to 68,174 million yen due to decreases in notes and accounts payable - trade, electronically recorded obligations - operating, and other liabilities.

(Net assets)

Net assets increased by 5,155 million yen from the end of the previous fiscal year to 61,969 million yen due to increases in retained earnings and other net assets resulting from increased profit. The equity ratio was 47.5%, an increase of 4.2 points from the end of the previous fiscal year.

b. Cash flows

Cash and cash equivalents (“funds”) as of June 30, 2026 increased by 1,351 million yen compared to the end of the previous fiscal year to 22,172 million yen.

The status of each cash flow and their factors during the current semi-annual consolidated accounting period are as follows.

(i) Cash flows from operating activities

The increase in funds from operating activities was 4,003 million yen (an increase of 4,060 million yen in the same period of the previous fiscal year), mainly due to increased revenues.

(ii) Cash flows from investing activities

The decrease in funds from investing activities was 1,180 million yen (a decrease of 2,476 million yen in the same period of the previous fiscal year), mainly due to expenditure resulting from capital investment in Tokyo Head Office Showroom (ITOKI DESIGN HOUSE) and factories, despite cash inflows from the cancellation of insurance funds.

(iii) Cash flows from financing activities

The decrease in funds from financing activities was 1,596 million yen (an increase of 978 million yen in the previous fiscal year), mainly due to dividends paid.

(3) Explanation of Forward-Looking Information for Earnings Forecasts, etc.

At the current point in time, the full-year consolidated earnings forecast that was announced in the Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 on February 13, 2026 remains unchanged. Going forward, we will promptly disclose the occurrence of any matters that make revision necessary.

2.Semi-annual Consolidated Financial Statements and Primary Notes

(1)Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	21,629	22,393
Notes and accounts receivable - trade, and contract assets	34,474	32,634
Electronically recorded monetary claims - operating	7,289	8,808
Securities	-	340
Merchandise and finished goods	6,572	6,907
Work in process	2,035	1,592
Raw materials and supplies	4,592	4,859
Other	2,997	3,293
Allowance for doubtful accounts	(186)	(221)
Total current assets	79,406	80,609
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,458	12,946
Land	7,950	7,950
Other, net	6,117	6,237
Total property, plant and equipment	26,525	27,133
Intangible assets		
Goodwill	714	635
Other	5,359	5,177
Total intangible assets	6,074	5,813
Investments and other assets		
Investment securities	6,659	7,500
Retirement benefit asset	1,740	1,682
Deferred tax assets	2,370	702
Other	8,063	6,766
Allowance for doubtful accounts	(145)	(91)
Total investments and other assets	18,688	16,561
Total non-current assets	51,288	49,508
Deferred assets		
Bond issuance costs	29	26
Total deferred assets	29	26
Total assets	130,724	130,144

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,380	7,694
Electronically recorded obligations - operating	1,962	707
Notes payable - facilities	0	3
Current portion of bonds payable	16	9
Short-term borrowings	12,830	18,470
Current portion of long-term borrowings	6,055	3,859
Income taxes payable	4,141	2,740
Accrued consumption taxes	1,234	1,406
Provision for bonuses	4,170	1,555
Provision for bonuses for directors (and other officers)	344	28
Provision for loss on orders received	0	0
Provision for product warranties	16	18
Provision for loss on business of subsidiaries and associates	85	93
Provision for loss on voluntary recall of products	82	8
Other	9,260	8,581
Total current liabilities	49,580	45,175
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	10,089	8,989
Lease liabilities	637	556
Deferred tax liabilities	345	247
Provision for loss on voluntary recall of products	83	83
Retirement benefit liability	3,669	3,652
Asset retirement obligations	1,584	1,558
Other	2,921	2,909
Total non-current liabilities	24,330	22,998
Total liabilities	73,910	68,174
Net assets		
Shareholders' equity		
Share capital	7,351	7,351
Capital surplus	11,692	11,789
Retained earnings	42,812	46,855
Treasury shares	(7,684)	(7,566)
Total shareholders' equity	54,171	58,429
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,719	2,610
Foreign currency translation adjustment	729	725
Remeasurements of defined benefit plans	89	96
Total accumulated other comprehensive income	2,537	3,432
Non-controlling interests	104	106
Total net assets	56,813	61,969
Total liabilities and net assets	130,724	130,144

(2)Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales	79,244	86,316
Cost of sales	45,374	48,951
Gross profit	33,869	37,364
Selling, general and administrative expenses	23,243	25,731
Operating profit	10,625	11,632
Non-operating income		
Interest income	18	18
Dividend income	53	77
Foreign exchange gains	48	86
Insurance claim income	33	67
Other	126	113
Total non-operating income	280	363
Non-operating expenses		
Interest expenses	243	285
Commission expenses	108	6
Other	56	122
Total non-operating expenses	408	415
Ordinary profit	10,497	11,580
Extraordinary income		
Gain on sale of non-current assets	2	2
Gain on sale of investment securities	69	52
Reversal of provision for loss on voluntary recall of products	-	50
Other	-	8
Total extraordinary income	71	114
Extraordinary losses		
Loss on sale of non-current assets	21	-
Loss on retirement of non-current assets	80	26
Loss on termination of retirement benefit plan	-	83
Impairment losses	-	146
Other	1	33
Total extraordinary losses	103	289
Profit before income taxes	10,465	11,405
Income taxes - current	2,901	2,475
Income taxes - deferred	608	1,177
Total income taxes	3,510	3,653
Profit	6,955	7,752
Profit (loss) attributable to non-controlling interests	(4)	4
Profit attributable to owners of parent	6,960	7,748

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Profit	6,955	7,752
Other comprehensive income		
Valuation difference on available-for-sale securities	86	891
Foreign currency translation adjustment	(35)	(4)
Remeasurements of defined benefit plans, net of tax	5	7
Total other comprehensive income	56	894
Comprehensive income	7,011	8,647
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,018	8,644
Comprehensive income attributable to non-controlling interests	(6)	3

(3)Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	10,465	11,405
Depreciation	1,547	2,137
Amortization of goodwill	70	79
Impairment losses	-	146
Increase (decrease) in allowance for doubtful accounts	(0)	13
Increase (decrease) in provision for bonuses	(1,344)	(2,616)
Increase (decrease) in provision for bonuses for directors (and other officers)	(203)	(315)
Increase (decrease) in provision for loss on orders received	(1)	(0)
Increase (decrease) in retirement benefit liability	(88)	(16)
Decrease (increase) in retirement benefit asset	23	76
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(71)	-
Increase (decrease) in provision for product warranties	0	1
Increase (decrease) in provision for loss on business of subsidiaries and associates	0	7
Increase (decrease) in provision for loss related to competition law	(734)	-
Interest and dividend income	(72)	(95)
Interest expenses	243	285
Loss (gain) on sale of investment securities	(68)	(25)
Loss (gain) on sale of non-current assets	19	(2)
Loss on retirement of non-current assets	80	26
Decrease (increase) in trade receivables	(1,822)	487
Decrease (increase) in inventories	(660)	(141)
Increase (decrease) in trade payables	(1,886)	(3,055)
Other, net	1,375	(415)
Subtotal	6,871	7,983
Interest and dividends received	74	95
Interest paid	(228)	(279)
Payment for loss on competition law	(734)	-
Income taxes refund (paid)	(1,921)	(3,796)
Net cash provided by (used in) operating activities	4,060	4,003

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from investing activities		
Payments into time deposits	(993)	(630)
Proceeds from withdrawal of time deposits	743	1,218
Purchase of property, plant and equipment	(1,813)	(2,600)
Proceeds from sale of property, plant and equipment	2	2
Purchase of intangible assets	(1,216)	(561)
Purchase of investment securities	(156)	(125)
Proceeds from sale of investment securities	107	221
Long-term loan advances	(3)	-
Proceeds from collection of long-term loans receivable	0	1
Net decrease (increase) in insurance funds	667	1,460
Other, net	186	(167)
Net cash provided by (used in) investing activities	(2,476)	(1,180)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(370)	5,640
Proceeds from long-term borrowings	10,450	100
Repayments of long-term borrowings	(6,270)	(3,395)
Redemption of bonds	(7)	(7)
Dividends paid	(2,651)	(3,699)
Dividends paid to non-controlling interests	(0)	(0)
Net decrease (increase) in treasury shares	13	(0)
Other, net	(186)	(233)
Net cash provided by (used in) financing activities	978	(1,596)
Effect of exchange rate change on cash and cash equivalents	(2)	125
Net increase (decrease) in cash and cash equivalents	2,560	1,351
Cash and cash equivalents at beginning of period	21,494	20,820
Cash and cash equivalents at end of period	24,054	22,172

(4) Notes on the Semi-annual Consolidated Financial Statements

(Notes on Assumption of Going Concern)

None.

(Notes in the Event of Significant Fluctuations in the Amount of Shareholders' Equity)

None.

(Segment Information, etc.)

[Segment information]

I. First six months of the previous fiscal year (January 1, 2025 to June 30, 2025)

Information on the amount of net sales and profit (loss) by reportable segment, and disaggregated information on earnings

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustments	Amount recorded in semi-annual consolidated statements of income (Note 2)
	Workplace Business	Equipment and Public Works-Related Business	Subtotal				
Net sales							
Japan	55,241	19,791	75,033	688	75,721	—	75,721
Asia	3,191	28	3,220	—	3,220	—	3,220
Other	137	76	214	—	214	—	214
Earnings from contracts with customers	58,571	19,897	78,468	688	79,156	—	79,156
Other earnings	—	—	—	87	87	—	87
Sales to external customers	58,571	19,897	78,468	775	79,244	—	79,244
Intersegment sales or transfers	120	6	127	273	401	(401)	—
Subtotal	58,692	19,904	78,596	1,049	79,645	(401)	79,244
Segment profit	8,322	2,221	10,543	81	10,625	—	10,625

Notes 1. "Other" is for business segments not included in reportable segments. It includes IT system-related business, etc.

2. Total segment profit is consistent with operating profit in the semi-annual consolidated statements of income.

II. First six months of the previous fiscal year (January 1, 2026 to June 30, 2026)

1. Information on the amount of net sales and profit (loss) by reportable segment, and disaggregated information on earnings

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustments	Amount recorded in semi-annual consolidated statements of income (Note 2)
	Workplace Business	Equipment and Public Works-Related Business	Subtotal				
Net sales							
Japan	58,407	22,980	81,388	710	82,099	－	82,099
Asia	3,827	138	3,966	－	3,966	－	3,966
Other	129	77	206	－	206	－	206
Earnings from contracts with customers	62,365	23,196	85,561	710	86,272	－	86,272
Other earnings	－	－	－	44	44	－	44
Sales to external customers	62,365	23,196	85,561	754	86,316	－	86,316
Intersegment sales or transfers	134	35	170	246	417	(417)	－
Subtotal	62,500	23,232	85,732	1,001	86,733	(417)	86,316
Segment profit	8,019	3,544	11,563	69	11,632	－	11,632

Notes 1. "Other" is for business segments not included in reportable segments. It includes IT system-related business, etc.

2. Total segment profit is consistent with operating profit in the semi-annual consolidated statements of income.

2. Information on impairment losses on non-current assets, goodwill, etc., by reportable segment

For the six months ended June 30, 2026, an impairment loss of 146 million yen was recorded in the Workplace Business.

(Significant Events After the Reporting Period)

None.