

Consolidated Financial Results

for the Six Months Ended September 30, 2025

(Under Japanese GAAP)

October 30, 2025

Company name: CHORI CO., LTD. Listing: Tokyo Stock Exchange (Prime)
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 Scheduled date to file semi-annual securities report: November 12, 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)

(Amounts are rounded down to the nearest million yen)

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 before income taxes		Net profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sep. 30, 2025	144,962	(6.1)	6,610	(10.5)	6,842	(20.1)	6,851	(26.4)	5,113	(27.3)
Sep. 30, 2024	154,455	1.0	7,384	(5.3)	8,560	12.3	9,310	19.9	7,038	40.2

Note: Comprehensive income

For the six months ended Sep. 30, 2025: 4,328 million yen [(47.5)%]

For the six months ended Sep. 30, 2024: 8,240 million yen [7.9%]

	Basic earnings per share	Diluted earnings per share
Six months ended	yen	yen
Sep. 30, 2025	207.49	—
Sep. 30, 2024	285.61	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
Sep. 30, 2025	143,909	94,402	65.6
Mar. 31, 2025	146,076	92,101	63.0

Reference: Equity

As of Sep. 30, 2025: 94,333 million yen

As of Mar. 31, 2025: 92,009 million yen

2. Dividends

	Annual dividends per share				
	1 st quarter-end	2 nd quarter-end	3 rd quarter-end	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended Mar. 31, 2025	—	61.00	—	81.00	142.00
Fiscal year ending Mar. 31, 2026	—	72.00			
Fiscal year ending Mar. 31, 2026 (Forecast)			—	72.00	144.00

Note: Revisions to the most recently announced forecast of dividends: 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 before income taxes		Net profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full Year	330,000	5.9	15,000	3.5	16,000	(1.2)	16,000	(1.9)	11,000	(5.6)	446.32

Note: Revisions to the most recently announced forecasts of consolidated financial results: None

* Notes

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

Newly included: —

Excluded: —

(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 restatements

1. Changes in accounting policies due to the revision of accounting standards, etc.: None

2. Changes in accounting policies due to other reasons: Yes

3. Changes in accounting estimates: None

4. Restatements: None

Note: Please refer to “2. Interim Consolidated Financial Statements and Main Notes (4) Notes to Interim Consolidated Financial Statements (Changes in accounting policies)” on page 11 of the Appendix for details.

(4) Number of issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)	As of Sep. 30, 2025	25,303,478 shares	As of Mar. 31, 2025	25,303,478 shares
2. Number of treasury shares at the end of the period	As of Sep. 30, 2025	657,652 shares	As of Mar. 31, 2025	657,540 shares
3. Average number of shares outstanding during the period	Six months ended Sep. 30, 2025	24,645,910 shares	Six months ended Sep. 30, 2024	24,643,363 shares

Note: The Company has introduced the Board Benefit Trust - Restricted Stock (BBT-RS), and the number of shares of the Company held by the trust are included in that of treasury shares to be deducted in calculating the number of treasury shares at the end of the period and the average number of shares outstanding during the period.

* 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

The forward-looking statements in this document are based on the information available at the time of publication and certain assumptions that the Company judges as rational. In addition, actual financial results may vary significantly due to various reasons. The Company, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements.

Please refer to “1. Overview of Operating Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information” on page 4 of the Appendix for the prerequisites for the forward-looking statements and precautions on their use.

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1. Overview of Operating Results

(1) Explanation of Operating Results for the Current Interim Consolidated Accounting Period

During the interim consolidated period ended September 30, 2025, the Japanese economy, despite the impact of the U.S. tariff policy on corporate earnings came to the surface in certain sectors, maintained the stable employment and income environment and continued to experience a moderate recovery trend.

In the global economy, China showed signs of a slowdown in domestic demand which had been supported by the government-led consumption stimulus measures. Furthermore, geopolitical risks in Russia, Ukraine, the Middle East, and other regions, as well as U.S. tariff policy, have acted as a drag, and the outlook remains uncertain.

Under these circumstances, CHORI CO., LTD. (the “Company”) and its subsidiaries (the “Chori Group” or the “Group”) are steadily implementing the basic strategy of the medium-term management plan Chori Innovation Plan 2025 announced on April 28, 2023, and are working to achieve sustainable growth on a global basis and transform the Group’s business through digital transformation.

As for the consolidated financial results for the interim consolidated period, net sales decreased by 6.1% year-on-year to 144,962 million yen, operating profit decreased by 10.5% year-on-year to 6,610 million yen, ordinary profit decreased by 20.1% year-on-year to 6,842 million yen, profit before income taxes decreased by 26.4% year-on-year to 6,851 million yen, and net profit attributable to owners of parent decreased by 27.3% year-on-year to 5,113 million yen.

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025	Increase (decrease)	Year on year (%)
Net sales	154,455	144,962	(9,493)	(6.1)
Operating profit	7,384	6,610	(773)	(10.5)
Ordinary profit	8,560	6,842	(1,717)	(20.1)
Profit before income taxes	9,310	6,851	(2,458)	(26.4)
Net profit attributable to owners of parent	7,038	5,113	(1,924)	(27.3)

The results of each business segment are as follows.

(i) Fibers, Textiles, and Garments

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025	Increase (decrease)	Year on year (%)
Net sales	74,764	69,248	(5,516)	(7.4)
Profit before income taxes	4,379	3,265	(1,114)	(25.4)

In this segment, net sales decreased by 7.4% year-on-year to 69,248 million yen, primarily due to the automotive seat materials and textile product sectors performing sluggishly, as well as the slowdown in textile sales to the Middle East and China. Segment profit (profit before income taxes) decreased by 25.4% year-on-year to 3,265 million yen, mainly due to the absence of the gain on sale of investment securities recorded in the same period of the previous fiscal year.

(ii) Chemicals

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025	Increase (decrease)	Year on year (%)
Net sales	79,233	75,314	(3,919)	(4.9)
Profit before income taxes	4,543	3,958	(584)	(12.9)

In this segment, net sales decreased by 4.9% year-on-year to 75,314 million yen, mainly due to sluggish market conditions in the performance chemicals field. Segment profit (profit before income taxes) decreased by 12.9% year-on-year to 3,958 million yen, mainly due to the absence of a reversal of allowance for doubtful accounts recorded in the same period of the previous fiscal year, when the Company collected a portion of receivables from a chemical manufacturing group in China.

(iii) Machinery

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025	Increase (decrease)	Year on year (%)
Net sales	411	355	(55)	(13.6)
Profit before income taxes	300	229	(70)	(23.4)

In this segment, net sales decreased by 13.6% year-on-year to 355 million yen, mainly due to the sluggish automobile sales for Europe. Segment profit (profit before income taxes) decreased by 23.4% year-on-year to 229 million yen.

(2) Explanation of Financial Position for the Current Interim Consolidated Accounting Period

(i) Status of assets, liabilities, and net assets

(Assets)

Total assets at the end of the interim consolidated period under review were 143,909 million yen, a decrease of 2,166 million yen from the end of the previous consolidated fiscal year. This was mainly due to decreases of 4,859 million yen in software in progress, 4,410 million yen in notes and accounts receivable-trade, and 1,002 million yen in deposits paid to subsidiaries and associates, partially offset by an increase of 4,346 million yen in software, and 3,704 million yen in cash and deposits. Furthermore, the decrease in software in progress is attributable to the reclassification to software.

(Liabilities)

Liabilities at the end of the interim consolidated period under review were 49,507 million yen, a decrease of 4,467 million yen from the end of the previous consolidated fiscal year. This was mainly due to decreases of 3,944 million yen in notes and accounts payable-trade and 245 million yen in income taxes payable.

(Net assets)

Net assets at the end of the interim consolidated period under review were 94,402 million yen, an increase of 2,300 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases of 5,113 million yen resulting from the recording of net profit attributable to owners of parent and 734 million yen in valuation difference on available-for-sale securities, offsetting decreases of 2,007 million yen due to the payment of dividends and 1,525 million yen in foreign currency translation adjustment.

(ii) Status of cash flows

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the interim consolidated period under review increased by 2,382 million yen from the end of the previous consolidated fiscal year to 25,586 million yen.

The status of cash flows in the interim consolidated period under review and the contributing factors are as follows.

(Cash flows from operating activities)

Funds provided by operating activities were 5,949 million yen (an inflow of 2,057 million yen in the same period of the previous consolidated fiscal year). The main components of income were profit before income taxes of 6,851 million yen, and a decrease in trade receivables of 3,605 million yen. The main components of expenses were a decrease in trade payables of 3,531 million yen, and income taxes paid of 2,045 million yen.

(Cash flows from investing activities)

Funds used in investing activities were 437 million yen (an inflow of 187 million yen in the same period of the previous consolidated fiscal year). The main component of income was sale of shares of subsidiaries and associates of 56 million yen. The main components of expenses were purchase of property, plant and equipment of 126 million yen, and purchase of intangible assets of 66 million yen.

(Cash flows from financing activities)

Funds used in financing activities were 2,340 million yen (an outflow of 2,149 million yen in the same period of the previous consolidated fiscal year). The main components of expenses were dividends paid of 2,007 million yen, and a net decrease in short-term borrowings of 171 million yen.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

There have been no changes to the consolidated financial results forecast announced on April 28, 2025.

The financial results forecast is based on the information available at the time of publication and certain assumptions that the Company judges as rational. As such, actual financial results may vary significantly due to various reasons.

2. Interim Consolidated Financial Statements and Main Notes

(1) Interim Consolidated Balance Sheet

(Unit: Millions of yen)

	As of Mar. 31, 2025	As of Sep. 30, 2025
Assets		
Current assets		
Cash and deposits	22,812	26,516
Deposits paid to subsidiaries and associates	1,002	—
Notes and accounts receivable - trade	72,161	67,750
Merchandise and finished goods	17,350	17,866
Work in process	1,133	1,248
Raw materials and supplies	47	29
Goods in transit	1,759	1,620
Other	5,489	4,228
Allowance for doubtful accounts	(191)	(139)
Total current assets	121,566	119,121
Non-current assets		
Property, plant and equipment	1,791	1,878
Intangible assets		
Goodwill	243	147
Customer-related assets	692	642
Software	363	4,709
Software in progress	4,878	19
Other	18	17
Total intangible assets	6,197	5,537
Investments and other assets	16,521	17,371
Total non-current assets	24,509	24,788
Total assets	146,076	143,909
Liabilities		
Current liabilities		
Notes and accounts payable - trade	40,597	36,653
Short-term borrowings	1,384	1,208
Current portion of long-term borrowings	19	—
Income taxes payable	2,036	1,791
Provision for bonuses	1,281	1,239
Provision for loss on liquidation of subsidiaries and associates	42	42
Other	5,195	4,737
Total current liabilities	50,556	45,672
Non-current liabilities		
Deferred tax liabilities	1,042	1,327
Provision for share awards	109	144
Retirement benefit liability	2,108	2,150
Other	158	213
Total non-current liabilities	3,418	3,834
Total liabilities	53,974	49,507

(Unit: Millions of yen)

	As of Mar. 31, 2025	As of Sep. 30, 2025
Net assets		
Shareholders' equity		
Share capital	6,800	6,800
Capital surplus	2,152	2,152
Retained earnings	76,071	79,159
Treasury shares	(921)	(922)
Total shareholders' equity	84,101	87,189
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,112	2,847
Deferred gains or losses on hedges	3	31
Foreign currency translation adjustment	5,724	4,198
Remeasurements of defined benefit plans	67	65
Total accumulated other comprehensive income	7,907	7,143
Non-controlling interests	92	69
Total net assets	92,101	94,402
Total liabilities and net assets	146,076	143,909

(2) Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive

Income

Interim Consolidated Statements of Income

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025
Net sales	154,455	144,962
Cost of sales	134,101	124,653
Gross profit	20,354	20,308
Selling, general and administrative expenses	12,970	13,698
Operating profit	7,384	6,610
Non-operating income		
Interest income	404	213
Dividend income	197	193
Share of profit of entities accounted for using equity method	65	136
Foreign exchange gains	101	—
Reversal of allowance for doubtful accounts	807	60
Gain on adjustment of accounts payable	13	16
Miscellaneous income	62	108
Total non-operating income	1,651	729
Non-operating expenses		
Interest expenses	71	50
Loss on sale of notes receivable - trade	388	163
Foreign exchange losses	—	272
Miscellaneous expenses	15	9
Total non-operating expenses	475	496
Ordinary profit	8,560	6,842
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	—	56
Gain on sale of investment securities	770	9
Gain on sale of non-current assets	3	4
Total extraordinary income	774	70
Extraordinary losses		
Loss on valuation of investment securities	—	43
Loss on disposal of non-current assets	23	18
Total extraordinary losses	23	61
Profit before income taxes	9,310	6,851
Income taxes - current	2,353	1,826
Income taxes - deferred	(111)	(75)
Total income taxes	2,241	1,751
Net profit	7,068	5,100
Net profit (loss) attributable to non-controlling interests	30	(13)
Net profit attributable to owners of parent	7,038	5,113

Interim Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025
Net profit	7,068	5,100
Other comprehensive income		
Valuation difference on available-for-sale securities	(559)	734
Deferred gains or losses on hedges	(520)	28
Foreign currency translation adjustment	1,873	(1,238)
Remeasurements of defined benefit plans, net of tax	(0)	(1)
Share of other comprehensive income of entities accounted for using equity method	379	(294)
Total other comprehensive income	1,171	(771)
Comprehensive income	8,240	4,328
Comprehensive income attributable to:		
Owners of parent	8,204	4,349
Non-controlling interests	36	(21)

(3) Interim Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025
Cash flows from operating activities		
Profit before income taxes	9,310	6,851
Depreciation	456	858
Amortization of goodwill	97	98
Increase (decrease) in retirement benefit liability	43	42
Increase (decrease) in allowance for doubtful accounts	(886)	(92)
Interest and dividend income	(601)	(406)
Interest expenses	71	50
Foreign exchange losses (gains)	102	118
Share of loss (profit) of entities accounted for using equity method	(65)	(136)
Loss (gain) on sale of non-current assets	20	13
Loss (gain) on sale of investment securities	(770)	(9)
Loss (gain) on valuation of investment securities	—	43
Loss (gain) on sale of shares of subsidiaries and associates	—	(56)
Decrease (increase) in trade receivables	2,670	3,605
Decrease (increase) in inventories	(495)	(647)
Increase (decrease) in trade payables	(6,490)	(3,531)
Decrease (increase) in consumption taxes refund receivable	282	894
Decrease (increase) in other assets	742	202
Increase (decrease) in other liabilities	(66)	(416)
Other, net	(223)	110
Subtotal	4,197	7,591
Interest and dividends received	637	450
Interest paid	(69)	(46)
Income taxes refund (paid)	(2,708)	(2,045)
Net cash provided by (used in) operating activities	2,057	5,949
Cash flows from investing activities		
Purchase of property, plant and equipment	(204)	(126)
Proceeds from sale of property, plant and equipment	6	16
Purchase of intangible assets	(1,348)	(66)
Purchase of investment securities	(332)	(24)
Proceeds from sale of investment securities	2,278	20
Proceeds from sale of shares of subsidiaries and associates	—	56
Loan advances	(1)	(8)
Proceeds from collection of loans receivable	15	14
Other, net	(225)	(319)
Net cash provided by (used in) investing activities	187	(437)

(Unit: Millions of yen)

	Six months ended Sep. 30, 2024	Six months ended Sep. 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(464)	(171)
Repayments of long-term borrowings	(56)	(19)
Dividends paid	(1,483)	(2,007)
Purchase of treasury shares	(0)	(0)
Other, net	(144)	(142)
Net cash provided by (used in) financing activities	(2,149)	(2,340)
Effect of exchange rate change on cash and cash equivalents	856	(788)
Net increase (decrease) in cash and cash equivalents	952	2,382
Cash and cash equivalents at beginning of period	21,088	23,203
Cash and cash equivalents at end of period	22,041	25,586

(4) Notes to Interim Consolidated Financial Statements

(Note regarding assumptions of a going concern)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Changes in accounting policies)

(Change in valuation method of inventories)

The Group's valuation standard and method for inventories have traditionally been based primarily on the cost method using the monthly weighted average method. However, from the beginning of the interim consolidated accounting period, we have changed to the cost method primarily using the moving average method.

This change was made in response to significant fluctuations in procurement costs, including recent sharp increases in raw material prices. It also reflects the implementation of a new core system promoted under the Company's medium-term management plan (Chori Innovation Plan 2025), aimed at business and management transformation through digital transformation (DX). The purpose of this change is to enable more timely and accurate profit and loss calculation for the period. The impact of this change is immaterial. Since the effect of this accounting policy change on prior periods is immaterial, retrospective application has not been adopted.

(Additional information)

(Performance-linked stock compensation plan for Directors, etc.)

Based on the resolution of the 76th Annual General Meeting of Shareholders held on June 16, 2023, the Company has introduced a performance-linked stock compensation plan, i.e. the Board Benefit Trust - Restricted Stock (BBT-RS), with the aim of clarifying the linkage between the compensation for directors (excluding directors who are Audit & Supervisory Committee members and non-executive Directors) and executive officers (together with directors, collectively, the "Directors, etc.") and the Company's business performance and share value, and enhancing their motivation to contribute to the improvement of the Company's business performance in the medium to long term and the enhancement of its corporate value.

The Company accounts for this plan in accordance with the Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts (PITF No. 30, March 26, 2015).

(i) Summary of the transaction

This is a performance-linked stock compensation plan under which the Company's shares are acquired through a trust using money contributed by the Company, and the Directors, etc. are provided with the Company's shares and an amount of money equivalent to the market value of the Company's shares through the trust, pursuant to the Share Benefit Regulations for Directors and Officers established by the Company.

In principle, the time when the Directors, etc. receive the Company's shares shall be a certain time after the end of each applicable period.

(ii) The Company's shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares under net assets at their book value in the trust (excluding ancillary costs). There were 135 thousand such treasury shares carried at 403 million yen at the end of the previous consolidated fiscal year and the end of the interim consolidated period under review.

(Notes on segment information, etc.)

[Segment information]

For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on net sales and profit (loss) by reportable segment

(Unit: Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Interim Consolidated Statements of Income (Note 3)
	Fibers, Textiles, and Garments	Chemicals	Machinery	Subtotal				
Net sales								
Net sales to outside customers	74,764	79,233	411	154,409	46	154,455	—	154,455
Inter-segment net sales or transfers	—	—	—	—	237	237	(237)	—
Total	74,764	79,233	411	154,409	284	154,693	(237)	154,455
Segment profit	4,379	4,543	300	9,222	36	9,259	50	9,310

- Notes:
1. The “Others” category is a business segment that is not attributable to reportable segments and includes the provision of various services such as commissioned back-office operations.
 2. Adjustment to segment profit of 50 million yen represents company-wide profit (loss) that has not been allocated to reportable segments. Company-wide profit (loss) represents finance-related gains and losses that are not attributable to reportable segments.
 3. The total of segment profit and adjustment for reportable segments and the Others business segments is consistent with profit before income taxes in the interim consolidated statements of income.

For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on net sales and profit (loss) by reportable segment

(Unit: Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Interim Consolidated Statements of Income (Note 3)
	Fibers, Textiles, and Garments	Chemicals	Machinery	Subtotal				
Net sales								
Net sales to outside customers	69,248	75,314	355	144,917	45	144,962	—	144,962
Inter-segment net sales or transfers	—	—	—	—	251	251	(251)	—
Total	69,248	75,314	355	144,917	296	145,213	(251)	144,962
Segment profit	3,265	3,958	229	7,453	23	7,477	(625)	6,851

- Notes:
1. The “Others” category is a business segment that is not attributable to reportable segments and includes the provision of various services such as commissioned back-office operations.
 2. Adjustment to segment profit of negative 625 million yen represents company-wide profit (loss) that has not been allocated to reportable segments. Company-wide profit (loss) represents finance-related gains and losses that are not attributable to reportable segments.
 3. The total of segment profit and adjustment for reportable segments and the Others business segments is consistent with profit before income taxes in the interim consolidated statements of income.

2. Changes in reportable segments

(Change in valuation method of inventories)

As stated in the notes regarding the changes in accounting policies, the Group's valuation standard and method for inventories have traditionally been based primarily on the cost method using the monthly weighted average method. However, from the beginning of the interim period of the consolidated fiscal year, we have changed to the cost method primarily using the moving average method.

This change was made in response to significant fluctuations in procurement costs, including recent sharp increases in raw material prices. It also reflects the implementation of a new core system promoted under the Company's medium-term management plan (Chori Innovation Plan 2025), aimed at business and management transformation through digital transformation (DX). The purpose of this change is to enable more timely and accurate profit and loss calculation for the period. The impact of this change is immaterial.