



Supplementary Material

Second Quarter Results for FY2026

Disclaimer:

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Earnings Summary

- Net profit attributable to owners of the parent company reached a record high for the second quarter.
- Progress toward our full-year net profit¹⁾ target of ¥30.0 billion stands at a steady 54%.

Earnings Results

(Unit: JPY Bn)	FY2025 2Q	FY2026 2Q	YoY	Growth
Revenue	518.6	513.5	(5.1)	(1%)
Operating profit	25.4	25.2	(0.2)	(1%)
Net profit	15.1	16.1	1.0	+7%
Operating cash flows (adjusted) ²⁾	21.9	15.5	(6.4)	
CF from investing activities	(6.5)	(5.9)	0.5	
	End of Mar 2025	End of Sep 2025	YoY	
Net D/E ratio ³⁾	0.69x	0.59x	(0.10x)	
Equity ratio ⁴⁾	25.2%	28.3%	+3.1%	

Forecast

(Unit: JPY Bn)	FY2026 Annual	2Q Progress
Revenue	1,100.0	47%
Operating profit	50.0	50%
Net profit ¹⁾	30.0	54%
Annual dividend per share	115 yen	
Dividend payout ratio	32.0%	

1) Net profit = Profit attributable to owners of the parent

2) Operating cash flows (adjusted) = Operating cash flows ± Change in working capital – Repayment of lease liabilities

3) Net D/E Ratio = Net interest-bearing debt ÷ total equity attributable to owners of the parent

4) Equity ratio = Shareholders' equity ÷ total assets

Profit and Loss

Earnings Results

(Unit: JPY Bn)	FY2025 2Q	FY2026 2Q	YoY	Growth
Revenue	518.6	513.5	(5.1)	(1%)
Gross profit	76.3	82.3	+6.0	+8%
Selling, general and administrative expenses	(56.1)	(58.4)	(2.3)	-
Other income (expenses)	5.2	1.2	(4.0)	(77%)
Operating profit	25.4	25.2	(0.2)	(1%)
Interest income (expenses)	(2.5)	(2.1)	+0.3	-
Dividend income	0.8	0.8	(0.1)	(10%)
Other finance income (costs)	(0.3)	(0.2)	+0.0	-
Finance income (costs)	(1.9)	(1.6)	+0.3	-
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	(0.3)	0.7	+1.0	-
Profit before tax	23.3	24.3	+1.0	+4%
Income tax expense	(7.8)	(7.6)	+0.2	-
Profit for the period	15.4	16.6	+1.2	+8%
Profit for the period attributable to owners of the parent	15.1	16.1	+1.0	+7%

1) Net profit = Profit attributable to owners of the parent

■ Revenue

While the ICT Solution segment and the Electronics & Devices segment saw an increase in revenue, the Steel, Materials & Plant segment and the Motor Vehicles & Aerospace segment recorded a decline in revenue, resulting in an overall decrease of ¥5.1 billion.

■ Operating profit

While gross profit increased, selling, general and administrative expenses as well as other expenses related to foreign exchange gains and losses also rose, resulting in a nearly flat overall outcome.

■ Profit before tax

Due to a decrease in interest expenses and an improvement in share of profit (loss) of investments accounted for using the equity method in earnings of affiliated companies, profit increased by ¥1.0 billion.

■ Profit for the period attributable to owners of the parent

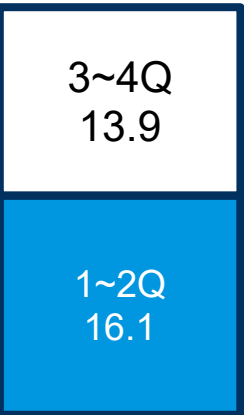
Achieved a record-high profit of ¥16.1 billion. See page 4 for more details.

Progress

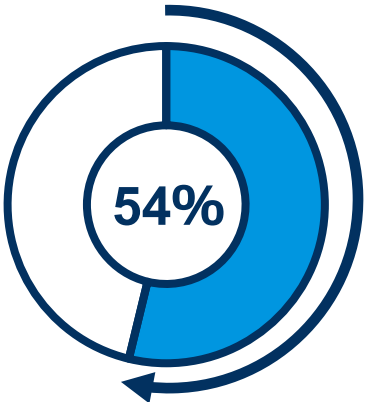
(Unit: JPY Bn)	FY2026 Annual Forecast	2Q Progress
Revenue	1,100.0	47%
Operating profit	50.0	50%
Profit before tax	46.0	53%
Profit attributable to owners of the parent	30.0	54%
Dividend payout ratio	32.0%	

(Unit: JPY Bn) Net Profit¹⁾ Forecast

Annual 30.0



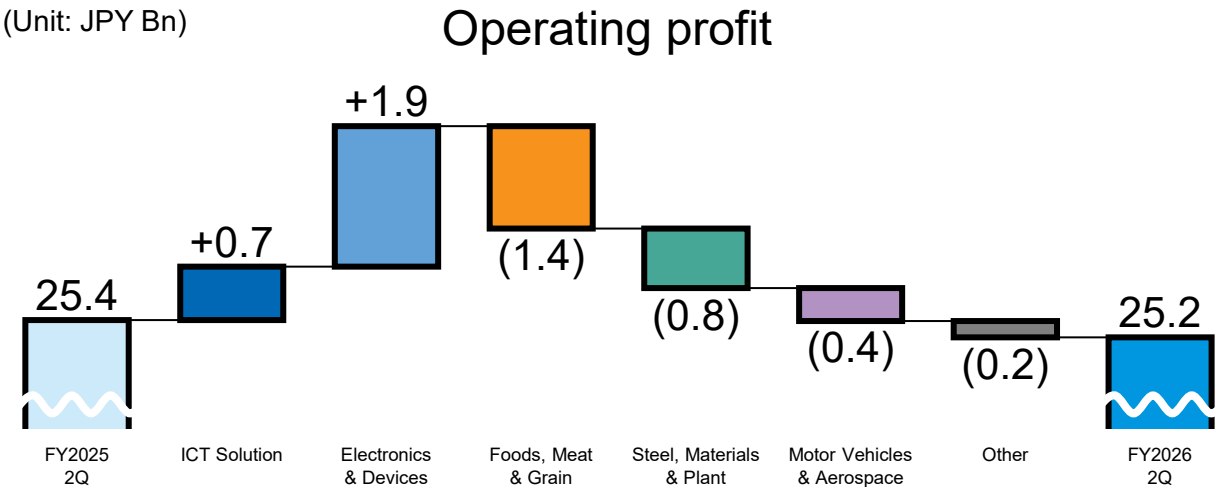
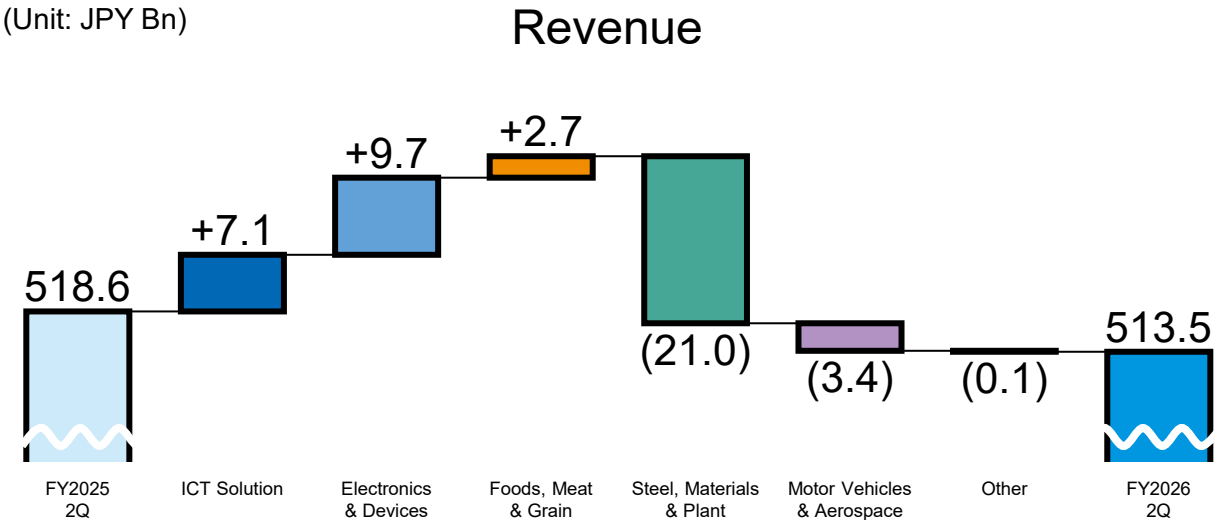
2Q Progress



Segment Information

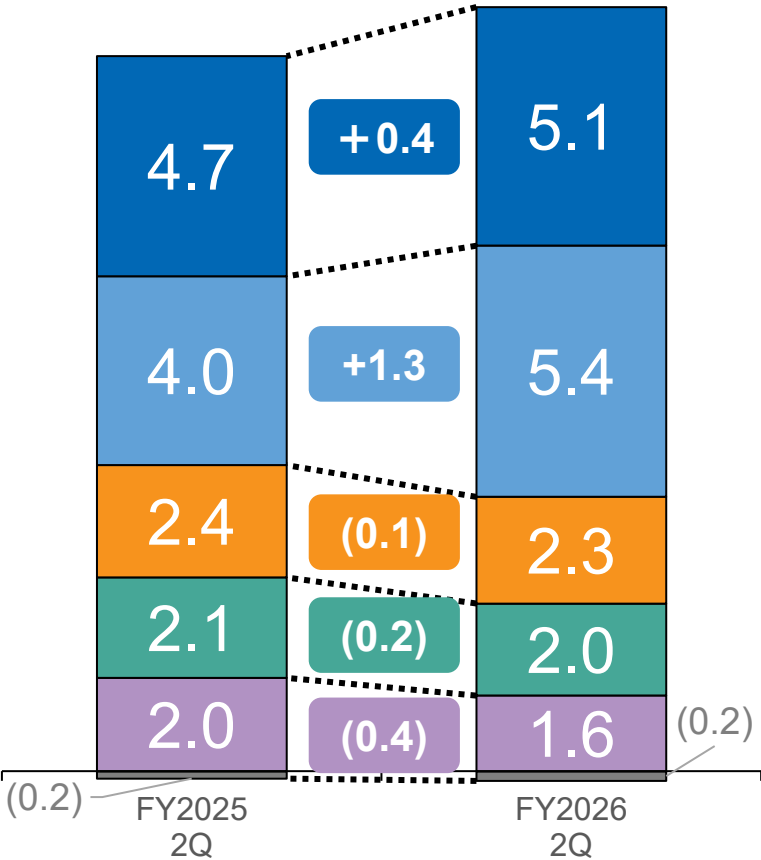
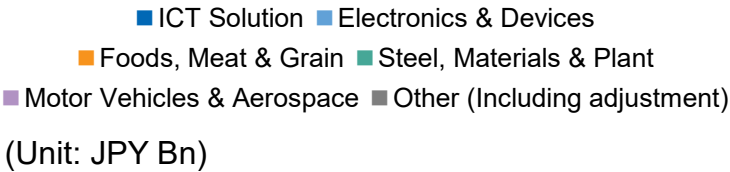
(Unit: JPY Bn)	FY2025 2Q	FY2026 2Q	YoY	Growth	FY2026 Forecast	Progress
ICT Solution						
Revenue	45.5	52.7	+7.1	+16%	105.0	50%
Operating Profit	7.0	7.7	+0.7	+10%	15.5	50%
Net Profit ¹⁾	4.7	5.1	+0.4	+8%	10.5	49%
Electronics & Devices						
Revenue	126.1	135.8	+9.7	+8%	275.0	49%
Operating profit	6.1	8.0	+1.9	+31%	14.5	55%
Net profit	4.0	5.4	+1.3	+33%	9.5	57%
Foods, Meat & Grain						
Revenue	179.1	181.7	+2.7	+2%	385.0	47%
Operating profit	5.3	3.9	(1.4)	(26%)	8.1	48%
Net profit	2.4	2.3	(0.1)	(5%)	3.5	65%
Steel, Materials & Plant						
Revenue	102.4	81.4	(21.0)	(21%)	200.0	41%
Operating profit	3.9	3.1	(0.8)	(21%)	6.2	50%
Net profit	2.1	2.0	(0.2)	(8%)	3.5	56%
Motor Vehicles & Aerospace						
Revenue	64.3	60.9	(3.4)	(5%)	130.0	47%
Operating profit	3.2	2.7	(0.4)	(14%)	5.8	47%
Net profit	2.0	1.6	(0.4)	(19%)	3.4	48%
Other (Including adjustment)						
Revenue	1.1	1.0	(0.1)	-	5.0	-
Operating profit	(0.0)	(0.3)	(0.2)	-	(0.1)	-
Net profit	(0.2)	(0.2)	(0.0)	-	(0.4)	-
Total						
Revenue	518.6	513.5	(5.1)	(1%)	1,100.0	47%
Operating profit	25.4	25.2	(0.2)	(1%)	50.0	50%
Net profit	15.1	16.1	+1.0	+7%	30.0	54%

1) Net profit = Profit attributable to owners of the parent



Net Profit Breakdown

Profit attributable to owners of the parent



Primary factors contributing to the year-on-year changes

ICT Solution

Increased by ¥0.4 billion

- Strong sales of storage and servers for the manufacturing industry, as well as robust demand for networks in the distribution sector, together with increased needs for services and security, led to higher profits.

Electronics & Devices

Increased by ¥1.3 billion

- **Mobile:** In addition to the increase in sales volume resulting from expanded sales channels, the growth of the business for corporate clients also contributed to higher profits.
- **Semiconductor Parts & Equipment Business:** Strong performance in semiconductor component transactions led to higher profits.
- **Electronic devices & Materials:** Profit increased due to the effects of M&A and other factors.

Foods, Meat & Grain

Decreased by ¥0.1 billion

- **Meat Products:** Sales struggled and profits declined due to higher costs from elevated overseas market conditions and sluggish domestic market trends.

Steel, Materials & Plant

Decreased by ¥0.2 billion

- **Steel & Steel Tubing:** Profit increased primarily due to gains associated with the divestment of a domestic steel subsidiary.
- **Energy:** Compared to the strong performance in the previous period, profit decreased due to reduced demand.
- **Environment-related:** Profit decreased due to the absence of gains on the sale of idle assets that were recorded in the same period of the previous year.
- **Plant:** Profit decreased due to a reduction in the number of ODA (Official Development Assistance) projects compared to the same period of the previous year.

Motor Vehicles & Aerospace

Decreased by ¥0.4 billion

- **Machine Tools & Industrial Machinery:** Profit decreased due to a decline in demand for capital investment.

Sub-segment Information

(Unit:JPY Bn)	Operating Profit			Profit Attributable to Owners of the Parent					
	FY2025 2Q	FY2026 2Q	YoY	FY2025 2Q	FY2026 2Q	YoY	FY2026 Forecast (Start of year)	FY2026 Forecast (After segment forecast revision)	Progress (After segment forecast revision)
ICT Solution	7.0	7.7	+0.7	4.7	5.1	+0.4	10.5	10.5	49%
Semiconductor parts & Equipment	0.6	1.0	+0.4	0.3	0.6	+0.3	1.4	1.1	58%
Electronic devices & Materials	0.4	0.8	+0.4	0.3	0.5	+0.3	0.5	0.8	69%
Mobile	5.1	6.2	+1.1	3.4	4.2	+0.7	7.0	7.6	55%
Electronics & Devices	6.1	8.0	+1.9	4.0	5.4	+1.3	8.9	9.5	57%
Foods	1.1	1.0	(0.0)	0.6	0.7	+0.1	0.7	0.9	76%
Meat Products	1.6	0.7	(0.9)	0.6	0.3	(0.3)	0.9	0.6	57%
Grain, Oilseeds & Feedstuff	2.6	2.1	(0.5)	1.2	1.3	+0.1	1.9	2.0	63%
Foods, Meat & Grain	5.3	3.9	(1.4)	2.4	2.3	(0.1)	3.5	3.5	65%
Steel & Steel Tubing	1.1	1.7	+0.6	0.3	1.1	+0.8	1.4	1.1	103%
Energy, Chemicals & Plant	2.1	0.9	(1.1)	1.5	0.6	(0.8)	1.8	1.8	35%
Environment-related	0.7	0.4	(0.3)	0.4	0.2	(0.2)	0.6	0.6	36%
Steel, Materials, Plant	3.9	3.1	(0.8)	2.1	2.0	(0.2)	3.8	3.5	56%
Aerospace	2.1	2.2	+0.1	1.3	1.3	(0.0)	1.7	2.0	66%
Motor Vehicles & Parts	0.4	0.2	(0.2)	0.2	0.1	(0.2)	0.3	0.3	21%
Machine Tools & Industrial Machinery	0.8	0.4	(0.4)	0.4	0.2	(0.2)	1.4	1.1	21%
Motor Vehicles & Aerospace	3.2	2.7	(0.4)	2.0	1.6	(0.4)	3.4	3.4	48%
Others	(0.0)	(0.3)	(0.2)	(0.2)	(0.2)	(0.0)	(0.1)	(0.4)	
Total	25.4	25.2	(0.2)	15.1	16.1	+1.0	30.0	30.0	54%

Cash Flows

■ Cash flows from operating activities

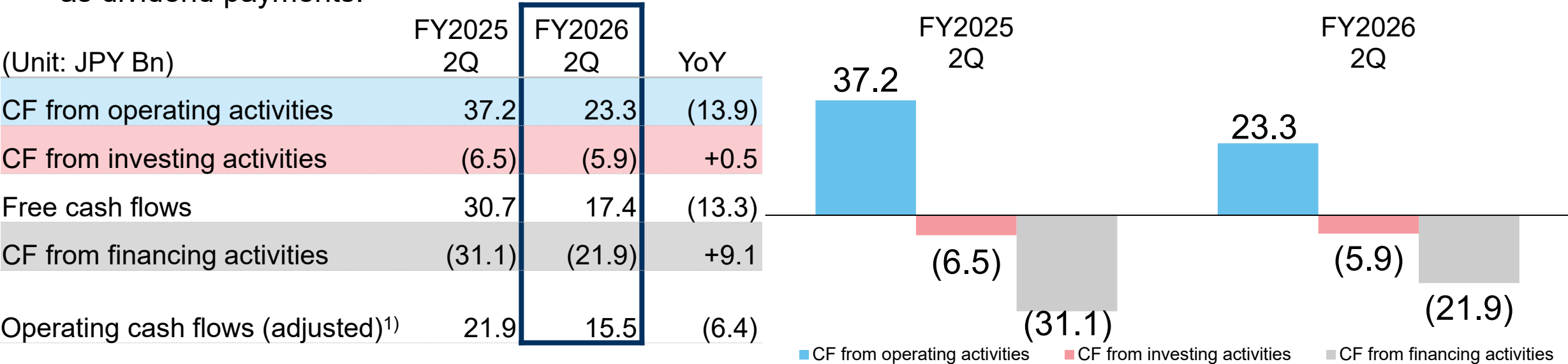
The cash inflow of ¥23.3 billion was primarily due to the accumulation of operating revenue and a decline in working capital.

■ Cash flows from investing activities

The cash outflow of ¥5.9 billion was primarily due to business investments such as the acquisition of property, plant and equipment, as well as subsidiaries.

■ Cash flows from financing activities

The cash outflow of ¥21.9 billion was primarily due to repayments of borrowings and lease liabilities, as well as dividend payments.



1) Operating cash flows (adjusted) = Operating cash flows ± Change in working capital – Repayment of lease liabilities

Financial Position

■ Total assets

The decrease of ¥17.8 billion was primarily due to the sale of a domestic steel subsidiary and a decrease in trade receivables, including the collection of accounts receivable and other operating receivables.

■ Net interest-bearing debt

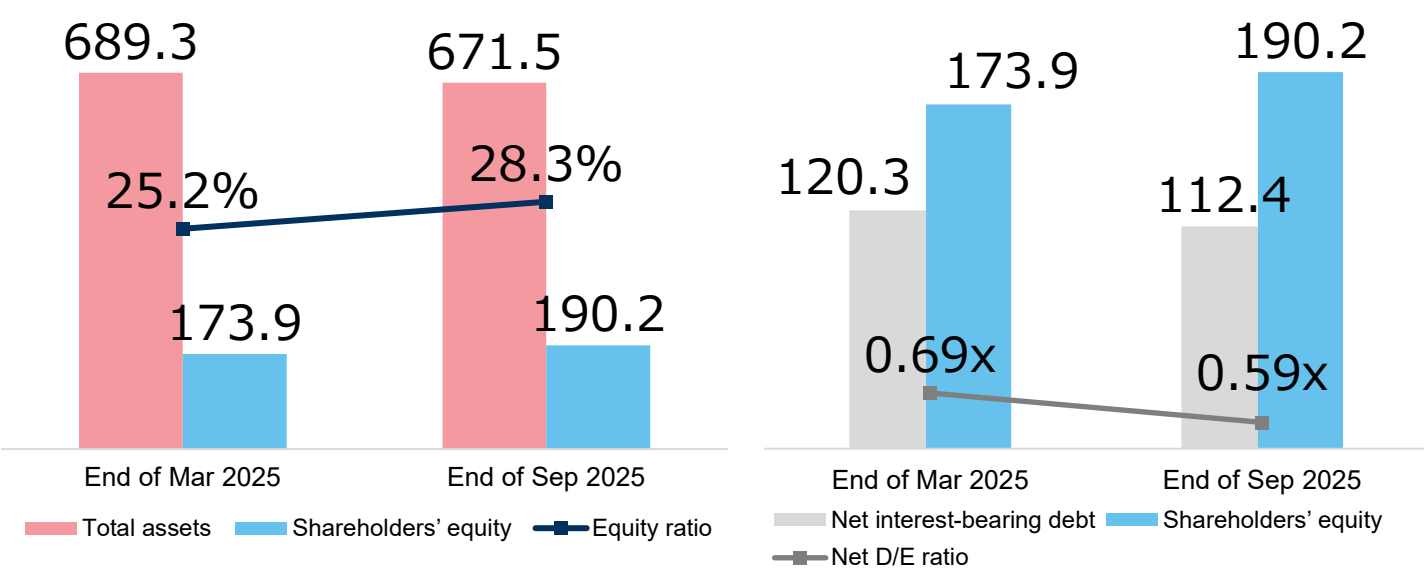
The decrease of ¥8.0 billion was primarily due to repayments of borrowings following a decrease in working capital.

■ Shareholders' equity

The increase of ¥16.3 billion was primarily from the accumulation of profit attributable to owners of the parent. The equity ratio reached 28.3%, with a net D/E ratio of 0.59x.

(Unit: JPY Bn)	End of Mar 2025	End of Sep 2025	YoY
Total assets	689.3	671.5	(17.8)
Net interest-bearing debt	120.3	112.4	(8.0)
Shareholders' equity ¹⁾	173.9	190.2	+16.3
Equity ratio ²⁾	25.2%	28.3%	+3.1%
Net D/E ratio ³⁾	0.69x	0.59x	(0.10x)
PBR ⁴⁾	1.22x	1.38x	+0.16x

1) Shareholders' equity = Total equity attribute to owners of the parent
2) Equity ratio = Shareholders' equity ÷ total assets
3) Net D/E Ratio = Net interest-bearing debt ÷ total equity attributable to owners of the parent

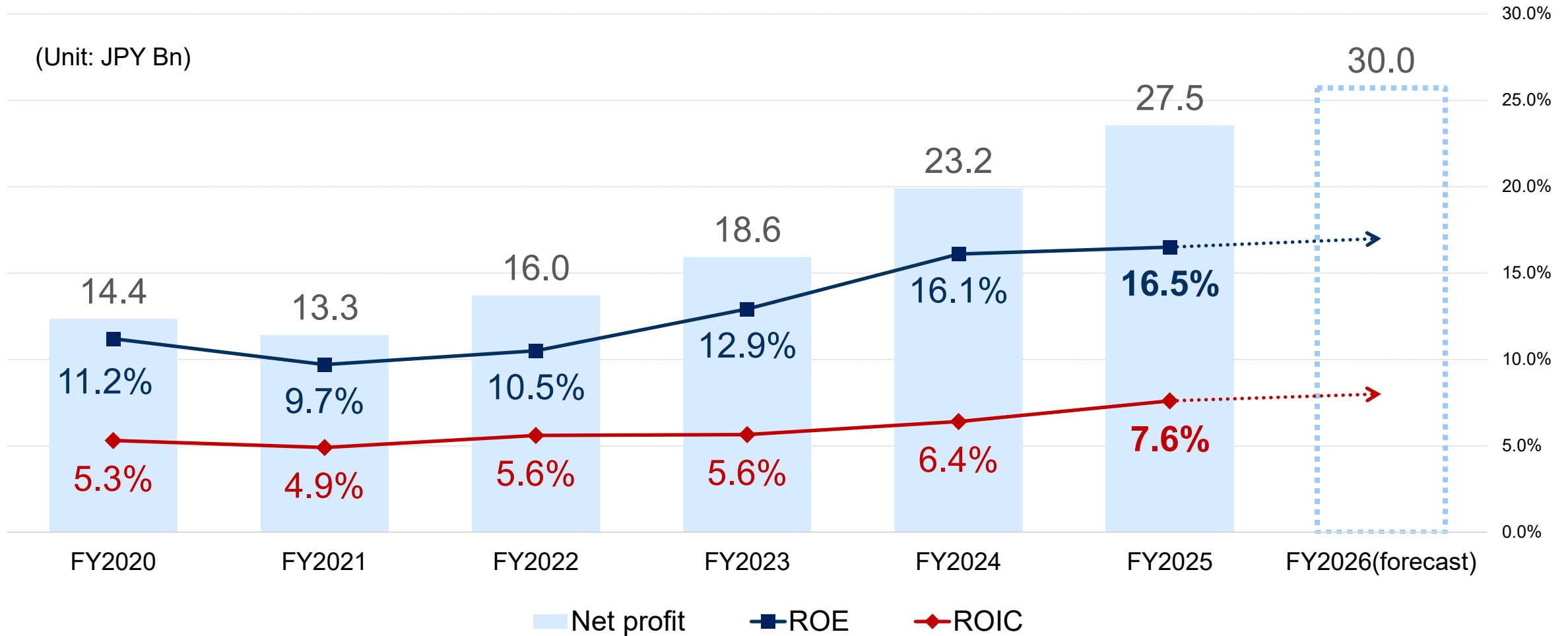


4) PBR = Market cap at the end of the period (end stock price x number of issued shares) ÷ Equity capital

Trends in ROE and ROIC

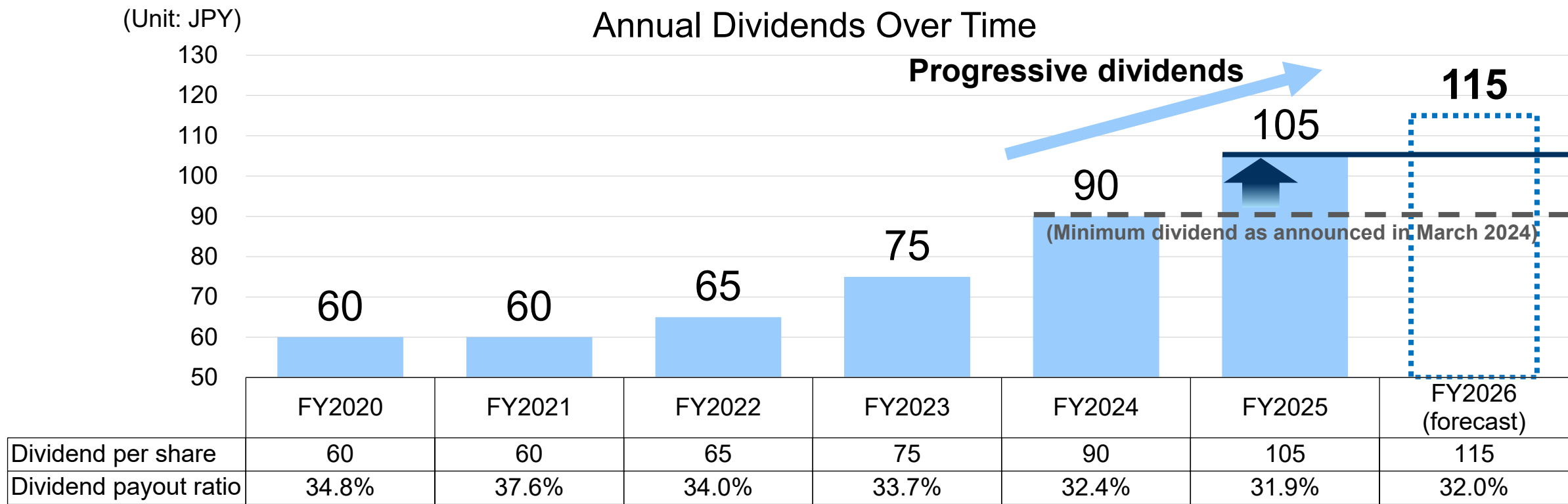
- Both ROE and ROIC have improved.

Net profit attributable to owners of the parent, ROE and ROIC



Dividends

- A progressive dividend policy has been implemented, with the minimum dividend for the fiscal year ending March 2026 raised from the initial ¥90 to ¥105.
- The total payout ratio is targeted at 30–35%, with the dividend for the fiscal year ending March 2026 scheduled to increase by ¥10 from the previous year to ¥115.
- We plan to continue raising dividends in line with net profit¹⁾ growth going forward.



1) Net profit = Profit attributable to owners of the parent

