

# Translation

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

November 7, 2025

Company name: Sangetsu Corporation  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 8130 URL <https://www.sangetsu.co.jp/>  
 Representative: Representative Director, President and CEO Yasumasa Kondo  
 Executive Officer, General Manager of  
 Inquiries: Corporate Division Shigenobu Maki TEL 052-564-3314  
 Scheduled date to file Semi-annual Securities Report: November 14, 2025  
 Scheduled date to commence dividend payments: December 1, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

### 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 attributable to owners of parent |        |
|-------------------------------------|-----------------|-----|------------------|--------|-----------------|--------|-----------------------------------------|--------|
|                                     | Millions of yen | %   | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %      |
| Six months ended September 30, 2025 | 98,892          | 5.3 | 8,185            | 10.9   | 8,526           | 12.1   | 6,313                                   | 26.4   |
| Six months ended September 30, 2024 | 93,878          | 3.6 | 7,379            | (28.1) | 7,607           | (27.3) | 4,995                                   | (29.9) |

(Note) Comprehensive income Six months ended September 30, 2025 6,669 millions of yen , 9.4%  
 Six months ended September 30, 2024 6,097 millions of yen , (27.9)%

|                                     | Earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------|----------------------------|
|                                     | Yen                | Yen                        |
| Six months ended September 30, 2025 | 107.40             | 107.40                     |
| Six months ended September 30, 2024 | 85.04              | 85.02                      |

#### (2) Consolidated financial position

|                          | Total assets    | Net assets      | Equity ratio |
|--------------------------|-----------------|-----------------|--------------|
|                          | Millions of yen | Millions of yen | %            |
| As of September 30, 2025 | 182,522         | 116,119         | 63.2         |
| As of March 31, 2025     | 183,923         | 113,810         | 61.4         |

(Reference) Equity As of September 30, 2025 115,407 millions of yen As of March 31, 2025 113,013 millions of yen

(Note) In the interim period of the fiscal year ended March 2026, the Company finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 2025 reflect the details of the finalization of the provisional accounting treatment.

### 2. Cash dividends

|                                       | Annual dividends per share |                 |                 |                 |        |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|--------|
|                                       | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total  |
|                                       | Yen                        | Yen             | Yen             | Yen             | Yen    |
| Year ended March 31, 2025             | —                          | 75.00           | —               | 75.00           | 150.00 |
| Year ending March 31, 2026            | —                          | 77.50           |                 |                 |        |
| Year ending March 31, 2026 (Forecast) |                            |                 | —               | 77.50           | 155.00 |

(Note) Revisions to the dividend forecast announced most recently: No

### 3. Forecast of consolidated financial results for the 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 |     | Earnings per share |
|-----------|-----------------|-----|------------------|-----|-----------------|-----|-----------------------------------------|-----|--------------------|
|           | Millions of yen | %   | Millions of yen  | %   | Millions of yen | %   | Millions of yen                         | %   | Yen                |
| Full year | 210,000         | 4.8 | 19,000           | 4.7 | 19,500          | 5.0 | 13,000                                  | 3.6 | 221.20             |

(Note) Revisions to the earnings forecast announced most recently: No

(Note) In the interim period of the fiscal year ended March 2026, the Company finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 2025 reflect the details of the finalization of the provisional accounting treatment.

#### 4. Notes

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

Newly included: 1 company (SDS Corporation)

Excluded: None

(Note) For details, please refer to “2. Interim Consolidated Financial Statements and Major Notes, (3) Notes to Interim Consolidated Financial Statements (Notes on Significant Changes in the Scope of Consolidation)” on page 10 of the attached material.

(2) Application of special accounting methods for preparing interim consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

|                          |                   |                      |                   |
|--------------------------|-------------------|----------------------|-------------------|
| As of September 30, 2025 | 59,200,000 shares | As of March 31, 2025 | 59,200,000 shares |
|--------------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

|                          |                |                      |                |
|--------------------------|----------------|----------------------|----------------|
| As of September 30, 2025 | 408,134 shares | As of March 31, 2025 | 429,993 shares |
|--------------------------|----------------|----------------------|----------------|

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

|                                     |                   |                                     |                   |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Six months ended September 30, 2025 | 58,779,815 shares | Six months ended September 30, 2024 | 58,743,922 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

\*Interim consolidated financial results are not subject to the review by certified public accountants or an audit corporation.

\*Proper use of financial results forecasts, and other special matters

(Note on the forward-looking statements)

The forward-looking statements, including the financial results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to achieve the stated performance. Actual business and other results may differ substantially due to various factors.

(How to obtain the content of the financial results briefing)

The Company will hold an online financial results briefing for analysts and institutional investors on Wednesday, November 26, 2025. The video and materials of this briefing will be posted on the Company's website immediately after the meeting.

The Company's website (Financial results briefings materials and video)

[https://www.sangetsu.co.jp/english/ir/library/briefing\\_report.html](https://www.sangetsu.co.jp/english/ir/library/briefing_report.html)

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results

During the current consolidated interim accounting period (April 1, 2025 to September 30, 2025), the Japanese economy maintained a moderate recovery trend on the back of improvements in employment and income. On the other hand, risks to the economy include the impact of U.S. trade policy on certain industries, a downturn in consumer sentiment due to continued price increases, and the impact of fluctuations in financial markets. In North America, there are concerns that the momentum of economic expansion may weaken due to the impact of trade policy on prices and a decline in demand.

As for developments in the domestic construction market, which have a direct impact on our Company's business, conditions in both the residential and non-residential markets remain severe. Although the number of new housing starts and floor space has been on a slightly improving trend since June, it has not yet reached a full-scale improvement. The number of new housing starts and floor space decreased compared to the previous year due to a decline in front-loaded demand following the April 2025 amendments to the Building Standards Act and the Act on the Rational Use of Energy in Buildings. In the non-residential market, floor area increased in some markets such as accommodations and commercial facilities in the cumulative period from April to September, mainly on the back of firm inbound demand. In addition, according to the survey on building renovations and renewals by the Ministry of Land, Infrastructure, Transport and Tourism, orders received in the non-residential market, such as offices, accommodation and production facilities, increased year on year in the April-June period, and firm investment is expected to continue in some markets.

In this business environment, our Group aims to transform itself into a space creation company, and in accordance with its Long-term Vision [DESIGN 2030] and Medium-term Business Plan [BX 2025] (Business Transformation), our Company is deepening and transforming the 4 core businesses of interior, exterior, overseas, and space solutions business, while also seeking and creating new businesses for future markets.

During the interim consolidated accounting period under review, our Company steadily advanced the various measures set forth in the Medium-term Business Plan [BX 2025], specifically, strengthening various functions such as products, design, logistics, and construction, strengthening human capital through human resource development and work style reforms, and promoting supply chain management (hereinafter, "SCM").

In the domestic interior segment, in addition to product development to meet market needs and publication of sample books, price revisions implemented in December 2024 contributed to sales. On the other hand, due to the impact of a fire accident at a supplier to our Company in the same month, net sales in the domestic interior segment remained at the same level as in the same period last year. In the overseas segment, sales increased year-on-year due to the contribution of D'Perception Pte Ltd, which became a group company in July 2024 and operates in the design and construction business, as well as the steady performance of the North American operations. As a result, on a consolidated basis, net sales increased year-on-year. On the profit side, the optimization of the sales portfolio including medium-sized products (high value-added products), the effect of price revisions throughout the year, and an increase in gross profit in the overseas segment contributed. On the other hand, we have continued to face rising procurement costs, and in addition to the suspension of orders caused by the fire accident at one of our supplier's factories, we recorded a valuation loss on sample book products that were discontinued as a result of this incident. Although there were increases in personnel and other expenses in selling, general and administrative expenses in each segment, consolidated profit increased as a result of appropriate control of SG&A expenses. Extraordinary income and losses include a one-time gain from subsidies for maintaining past employment in the United States.

As a result, net sales for the interim consolidated accounting period under review were 98,892 million yen (up 5.3% year-on-year), operating profit was 8,185 million yen (up 10.9% year-on-year), ordinary profit was 8,526 million yen (up 12.1% year-on-year), and profit attributable to owners of parent was 6,313 million yen (up 26.4% year-on-year).

Operating results by segment are as follows.

#### (Domestic Interior Segment)

In the Domestic Interior Segment, we promoted strengthening of each function, such as product, design, logistics, and construction, as well as collaboration among functions, and developed activities to propose solutions that meet the needs of markets, regions, and customers. As an industry-wide issue, there is a strong need for environmental consideration and construction efficiency, and we focused on the development of new products and a lineup of products with low environmental impact. In the second quarter, we published wallpaper sample books for the high-grade category, "TEXTURE & MATERIAL" and "BRAND & PATTERN", and a curtain sample book "CONTRACT CURTAIN vol.11" for various facilities. In addition, sales of REATEC (adhesive decorative film), medium- and high-grade carpet tiles, floor tiles, and medium-sized (high value-added) products such as chair fabrics continued to perform strongly.

With regard to logistics, we are promoting continuous improvement activities as a core function of SCM to build an efficient and competitive system. In fiscal year 2024, we started upgrading SCM through a company-wide organization to improve procurement logistics and labor savings at logistics sites. In addition, we will work together with SDS Corporation, a logistics company that became a group company in April 2025, and Kurosukikaku, Corporation, a group company that handles logistics in the Kyushu region, to further improve logistics functions.

In manufacturing, CREANATE Inc., a wallpaper manufacturer of the Group, opened a new plant in Hiroshima Prefecture in October 2025. CREANATE Inc. will establish a manufacturing base in western Japan in addition to eastern Japan (Iwate and Chiba Prefectures), and will establish an optimal production system at the 3 bases while striving to ensure stable supply backed by our Group's high quality and competitiveness.

The Space Solutions Group, which was established in April 2025, will be in charge of business planning, space design and planning, construction, sales, marketing and project management. We aim to propose and provide value backed by our Group's uniqueness and expertise, including the diverse market network we have cultivated in the interior business and the total interior product portfolio.

As a result of the fire accident at our Company's supplier factory, we recorded a decrease in sales of some flooring products (mainly for non-residential and multi-family residential) and a valuation loss on old sample book products that were discontinued because of the fire accident in the first quarter. From the second quarter, we resumed full-scale sales of flooring products for non-residential, for which orders had been suspended, and the recovery is generally as expected.

As a result, the domestic interior segment recorded net sales of 78,010 million yen (up 0.3% year-on-year) and operating profit of 8,253 million yen (up 3.1% year-on-year). Net sales of wallcovering units were 39,349 million yen (up 4.2% year-on-year), net sales of flooring units were 25,863 million yen (down 6.8% year-on-year), net sales of fabric units were 4,827 million yen (up 8.1% year-on-year), and net sales of other products, including design fee and construction, were 7,970 million yen (up 1.7% year-on-year).

#### **(Domestic Exterior Segment)**

In the domestic exterior segment, as with the domestic interior segment, the business environment remains challenging, with factors such as the stagnation of new housing starts. Under such circumstances, Sungreen Co., Ltd., a group company, recorded an increase in net sales compared to the same period of the previous year, due to factors including rising sales prices, strong sales growth of various products such as highly designed carports and gates that are seeing increased demand for security reasons, as well as the stable acquisition of orders at two new sites established in the Kanto region in 2024. In our space design and construction for exterior areas, sales increased due to the hiring of specialized personnel, the strengthening of sales activities, and the expansion of construction areas. Selling, general and administrative expenses decreased due to the implementation of appropriate SG & A cost controls.

As a result, net sales in the domestic exterior segment were 3,380 million yen (up 7.7% year on year), and operating profit was 36 million yen (compared to an operating loss of 40 million yen in the same period of the previous fiscal year).

#### **(Overseas segment)**

In the overseas segment, the results of overseas subsidiaries and associates for the period from January to June 2025 are included in the consolidated results for the current interim period.

In North America (the United States and Canada), we are making steady progress in various measures as we further strengthen our management base and business infrastructure. Sales increased not only in the hotel market but also in other markets such as offices and commercial facilities. Although personnel expenses including performance-linked bonuses increased, this was offset by an increase in sales and improvements in productivity at manufacturing sites, and profit increased year on year.

In Southeast Asia, profit in the interior goods wholesale business, which had worsened in fiscal year 2024, improved significantly due to progress in structural reforms including a reorganization of the management structure and returned to profit in second quarter. On the other hand, D'Perception Pte Ltd, which was incorporated as a group company in July 2024, contributed to sales but posted a loss.

In China and Hong Kong, conditions remain difficult due to a stagnation of real estate market and a decline in consumer willingness to spend due to the worsening employment environment. However, business performance improved compared to the same period of the previous fiscal year due to an increase in orders through the implementation of customer- and market-specific strategies, a review of the compensation structure, and rationalization of various costs.

As a result of these factors, net sales in the overseas segment were 17,502 million yen (up 35.3% year on year). Operating loss was 106 million yen, mainly driven by the North American business and a narrowing of the deficit in the wholesale business in Southeast Asia (compared to an operating loss of 589 million yen for the same period of the previous fiscal year, including one-time expenses related to the acquisition of shares of D'Perception Pte Ltd in first quarter of the previous fiscal year).

### **(Sustainability Initiatives)**

In order to fulfill corporate social responsibility through our corporate activities, the Sangetsu Group has positioned sustainability initiatives as one of our top priorities in an aim to achieve a sustainable society and company. We have established our Purpose (reason for existence) "With all people we collaborate to create peaceful and inspirational spaces," which is the top concept in its corporate philosophy aimed at realizing both economic and social value. The Company promotes management that links its sustainability activities with its business activities aimed at "A world where everyone can achieve their dreams together for a better tomorrow."

In our environmental efforts, we are promoting the reduction of environmental impact at the new manufacturing base of CREANATE Inc., the previously mentioned wallpaper manufacturer. Specifically, by establishing manufacturing bases in western Japan in addition to eastern Japan, we expect to significantly reduce the distance for raw material procurement and product delivery, leading to a reduction in GHG emissions from transportation. We also plan to contribute to improving energy efficiency by switching the main fuel from heavy oil to liquefied natural gas (LNG). In other efforts, we are accelerating product development aimed at solving social issues, such as by offering a large lineup of eco-friendly products in each sample book that contribute to a decarbonized society and water resource conservation.

In our human capital initiatives, we endorsed the "IKUKYU.PJT," a project by Sekisui House, Ltd. that considers male childcare leave. Timed with September 19, "Think About Childcare Leave Day" we issued a news release regarding our promotion of male employees taking childcare leave. We disseminated information aimed at creating an environment where everyone, regardless of gender, can balance work and childcare, and realizing "Tomo-sodate", where the entire company and departments support child-rearing. Furthermore, regarding Sangetsu (non-consolidated) results for fiscal year 2024, we have achieved the goal set in the Medium-term Business Plan [BX 2025] of "a 100% take-up rate of two weeks or more of childcare leave for male employees."

In our social contribution efforts, we are focusing on social contribution through new initiatives with educational institutions, such as industry-academia collaboration projects, in addition to the renovation support for children's homes that we have been conducting since 2014. Among these initiatives, our social contribution activity "Bili-Bilympic & Eco Photo Frame Making" was awarded the "19th Kids Design Award" (\*), the first time for us to win in a non-product category. This activity is a unique hands-on event for our company, where the task of sorting sample books with sample chips of interior materials such as wall coverings, floor materials, and fabrics is turned into a competition, and photo frames are made using the removed sample chips. It aims to contribute to raising awareness of the importance of recycling and interest in interiors, as well as fostering children's creativity.

The Group will continue to work on resolving social issues through space creation, which is the core of the Group's business, and aims at the goal of "With all people we collaborate to create peaceful and inspirational spaces" by creating economic and social value.

(\*)The Kids Design Award (Organizer: Kids Design Association, a non-profit organization) honors outstanding works from among products, services, spaces, activities, and research that fulfill the objectives of "Enabling children to live safely and securely," "Nurturing children's sensitivity and creativity," and "Creating a society that is easy to bear and raise children," and that address social issues related to children and child-rearing.

## **(2) Overview of Financial Position**

### **(Assets)**

Current assets at the end of the current interim consolidated accounting period were 113,272 million yen, a decrease of 3,738 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 897 million yen in merchandise and finished goods, but a decrease of 4,277 million yen in the total of trade receivables and contract assets. Non-current assets were 69,249 million yen, an increase of 2,337 million yen from the end of the previous consolidated fiscal year. This was due to an increase of 669 million yen in property, plant and equipment, 705 million yen in intangible assets, and 961 million yen in investments and other assets.

As a result, total assets amounted to 182,522 million yen, a decrease of 1,401 million yen from the end of the previous consolidated fiscal year.

### **(Liabilities)**

Current liabilities at the end of the current interim consolidated accounting period were 44,499 million yen, a decrease of 13,777 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease of 7,031 million yen in short-term borrowings and 3,829 million yen in electronically recorded obligations - operating. Non-current liabilities were 21,903 million yen, an increase of 10,066 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 10,000 million yen in long-term borrowings.

As a result, total liabilities amounted to 66,402 million yen, a decrease of 3,710 million yen from the end of the previous consolidated fiscal year.

### **(Net assets)**

Total net assets at the end of the current interim consolidated accounting period were 116,119 million yen, an increase of 2,309 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 1,905 million yen in retained earnings (6,313 million yen in profit attributable to owners of parent and 4,407 million yen in dividends of surplus), and 1,134 million yen in valuation difference on available-for-sale securities.

As a result, the equity ratio was 63.2% (61.4% at the end of the previous consolidated fiscal year).

## **(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information**

There are no changes to the consolidated financial results forecast as announced on May 14, 2025.

## 2. Interim Consolidated Financial Statements and Major Notes

### (1) Interim Consolidated Balance Sheets

(Millions of yen)

|                                                            | As of March 31, 2025 | As of September 30, 2025 |
|------------------------------------------------------------|----------------------|--------------------------|
| Assets                                                     |                      |                          |
| Current assets                                             |                      |                          |
| Cash and deposits                                          | 33,727               | 33,392                   |
| Notes and accounts receivable - trade, and contract assets | 35,045               | 30,541                   |
| Electronically recorded monetary claims - operating        | 23,834               | 24,061                   |
| Securities                                                 | 300                  | 300                      |
| Merchandise and finished goods                             | 19,300               | 20,198                   |
| Work in process                                            | 185                  | 225                      |
| Raw materials and supplies                                 | 2,948                | 2,799                    |
| Other                                                      | 2,118                | 2,197                    |
| Allowance for doubtful accounts                            | (449)                | (443)                    |
| Total current assets                                       | 117,011              | 113,272                  |
| Non-current assets                                         |                      |                          |
| Property, plant and equipment                              |                      |                          |
| Land                                                       | 16,361               | 16,286                   |
| Other, net                                                 | 25,304               | 26,048                   |
| Total property, plant and equipment                        | 41,665               | 42,335                   |
| Intangible assets                                          |                      |                          |
| Software                                                   | 1,644                | 1,700                    |
| Goodwill                                                   | 1,691                | 2,488                    |
| Other                                                      | 1,018                | 871                      |
| Total intangible assets                                    | 4,354                | 5,060                    |
| Investments and other assets                               |                      |                          |
| Investment securities                                      | 8,203                | 9,798                    |
| Investment property                                        | 4,945                | 5,002                    |
| Guarantee deposits                                         | 2,088                | 2,154                    |
| Retirement benefit asset                                   | 1,218                | 1,287                    |
| Deferred tax assets                                        | 3,196                | 2,400                    |
| Other                                                      | 1,252                | 1,224                    |
| Allowance for doubtful accounts                            | (12)                 | (14)                     |
| Total investments and other assets                         | 20,892               | 21,853                   |
| Total non-current assets                                   | 66,912               | 69,249                   |
| Total assets                                               | 183,923              | 182,522                  |

(Millions of yen)

|                                                          | As of March 31, 2025 | As of September 30, 2025 |
|----------------------------------------------------------|----------------------|--------------------------|
| Liabilities                                              |                      |                          |
| Current liabilities                                      |                      |                          |
| Notes and accounts payable - trade                       | 18,157               | 17,577                   |
| Contract liabilities                                     | 1,515                | 1,753                    |
| Electronically recorded obligations - operating          | 13,940               | 10,110                   |
| Short-term borrowings                                    | 9,098                | 2,066                    |
| Lease liabilities                                        | 509                  | 501                      |
| Income taxes payable                                     | 3,045                | 2,652                    |
| Provision for bonuses                                    | 3,972                | 3,092                    |
| Provision for bonuses for directors (and other officers) | 95                   | 41                       |
| Provision for product warranties                         | 174                  | 153                      |
| Other                                                    | 7,767                | 6,548                    |
| Total current liabilities                                | 58,276               | 44,499                   |
| Non-current liabilities                                  |                      |                          |
| Long-term borrowings                                     | 2,000                | 12,000                   |
| Lease liabilities                                        | 1,177                | 1,531                    |
| Deferred tax liabilities                                 | 290                  | 243                      |
| Retirement benefit liability                             | 5,547                | 5,534                    |
| Asset retirement obligations                             | 1,697                | 1,707                    |
| Other                                                    | 1,123                | 886                      |
| Total non-current liabilities                            | 11,836               | 21,903                   |
| Total liabilities                                        | 70,113               | 66,402                   |
| Net assets                                               |                      |                          |
| Shareholders' equity                                     |                      |                          |
| Share capital                                            | 13,616               | 13,616                   |
| Capital surplus                                          | 17,218               | 17,247                   |
| Retained earnings                                        | 74,538               | 76,443                   |
| Treasury shares                                          | (698)                | (663)                    |
| Total shareholders' equity                               | 104,674              | 106,644                  |
| Accumulated other comprehensive income                   |                      |                          |
| Valuation difference on available-for-sale securities    | 3,628                | 4,763                    |
| Foreign currency translation adjustment                  | 2,084                | 1,299                    |
| Remeasurements of defined benefit plans                  | 2,626                | 2,700                    |
| Total accumulated other comprehensive income             | 8,338                | 8,763                    |
| Share acquisition rights                                 | 4                    | 4                        |
| Non-controlling interests                                | 791                  | 707                      |
| Total net assets                                         | 113,810              | 116,119                  |
| Total liabilities and net assets                         | 183,923              | 182,522                  |

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

(Interim Consolidated Statements of Income)

(Millions of yen)

|                                                | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2025 |
|------------------------------------------------|----------------------------------------|----------------------------------------|
| Net sales                                      | 93,878                                 | 98,892                                 |
| Cost of sales                                  | 64,900                                 | 68,271                                 |
| Gross profit                                   | 28,977                                 | 30,621                                 |
| Selling, general and administrative expenses   | 21,598                                 | 22,435                                 |
| Operating profit                               | 7,379                                  | 8,185                                  |
| Non-operating income                           |                                        |                                        |
| Interest income                                | 35                                     | 151                                    |
| Dividend income                                | 93                                     | 113                                    |
| Rental income from real estate                 | 213                                    | 214                                    |
| Other                                          | 147                                    | 139                                    |
| Total non-operating income                     | 490                                    | 619                                    |
| Non-operating expenses                         |                                        |                                        |
| Interest expenses                              | 120                                    | 141                                    |
| Rental expenses on real estate                 | 53                                     | 55                                     |
| Loss on valuation of interest rate swaps       | —                                      | 44                                     |
| Foreign exchange losses                        | 74                                     | 13                                     |
| Other                                          | 13                                     | 23                                     |
| Total non-operating expenses                   | 263                                    | 278                                    |
| Ordinary profit                                | 7,607                                  | 8,526                                  |
| Extraordinary income                           |                                        |                                        |
| Gain on sale of non-current assets             | 1                                      | 0                                      |
| Gain on sale of investment securities          | 18                                     | 34                                     |
| Subsidy income                                 | —                                      | 404                                    |
| Total extraordinary income                     | 20                                     | 440                                    |
| Extraordinary losses                           |                                        |                                        |
| Loss on sale of non-current assets             | —                                      | 0                                      |
| Loss on retirement of non-current assets       | 30                                     | 11                                     |
| Loss on sale of investment securities          | 19                                     | —                                      |
| Total extraordinary losses                     | 49                                     | 12                                     |
| Profit before income taxes                     | 7,577                                  | 8,954                                  |
| Income taxes - current                         | 2,165                                  | 2,394                                  |
| Income taxes - deferred                        | 416                                    | 293                                    |
| Total income taxes                             | 2,582                                  | 2,688                                  |
| Profit                                         | 4,995                                  | 6,266                                  |
| Loss attributable to non-controlling interests | —                                      | (46)                                   |
| Profit attributable to owners of parent        | 4,995                                  | 6,313                                  |

**(Interim Consolidated Statements of Comprehensive Income)**

(Millions of yen)

|                                                                | Six months ended<br>September 30, 2024 | Six months ended<br>September 30, 2025 |
|----------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Profit                                                         | 4,995                                  | 6,266                                  |
| Other comprehensive income                                     |                                        |                                        |
| Valuation difference on available-for-sale securities          | (260)                                  | 1,134                                  |
| Deferred gains or losses on hedges                             | 20                                     | —                                      |
| Foreign currency translation adjustment                        | 1,275                                  | (806)                                  |
| Remeasurements of defined benefit plans, net of tax            | 67                                     | 74                                     |
| Total other comprehensive income                               | 1,102                                  | 403                                    |
| Comprehensive income                                           | 6,097                                  | 6,669                                  |
| Comprehensive income attributable to                           |                                        |                                        |
| Comprehensive income attributable to owners of parent          | 6,097                                  | 6,737                                  |
| Comprehensive income attributable to non-controlling interests | —                                      | (68)                                   |

### (3) Notes to Interim Consolidated Financial Statements

#### (Notes on Significant Changes in the Scope of Consolidation)

During the interim consolidated accounting period, the Company acquired all shares of SDS Corporation and is therefore included in the scope of consolidation.

#### (Notes to Segment Information)

I. Six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on the amount of net sales and profit or loss by reportable segment

| (Millions of yen)                      |                      |                      |          |                                |                                                                                          |
|----------------------------------------|----------------------|----------------------|----------|--------------------------------|------------------------------------------------------------------------------------------|
|                                        | Domestic<br>Interior | Domestic<br>Exterior | Overseas | Adjusted<br>amount<br>(Note 1) | Amount recorded<br>on the interim<br>consolidated<br>financial<br>statements<br>(Note 2) |
| Net sales                              |                      |                      |          |                                |                                                                                          |
| Sales to external<br>customers         | 77,810               | 3,129                | 12,938   | -                              | 93,878                                                                                   |
| Intersegment net<br>sales or transfers | 0                    | 9                    | -        | (10)                           | -                                                                                        |
| Total                                  | 77,810               | 3,139                | 12,938   | (10)                           | 93,878                                                                                   |
| Ordinary profit (loss)<br>for segment  | 8,008                | (40)                 | (589)    | 1                              | 7,379                                                                                    |

Notes: 1. All adjustments of segment profits (losses) are performed by eliminating transactions among segments.  
2. Segment profit (loss) is adjusted to operating profit in the interim consolidated statement of income.

2. Information on assets by reportable segment

The Company acquired 70% shares of D'Perception Pte Ltd during the interim consolidated accounting period and is therefore included in the scope of consolidation. As a result, the amount of assets in the Overseas segment for the current interim consolidated accounting period increased by 6,425 million yen from the end of the previous consolidated fiscal year. This increase in assets reflects a significant revision to the initial allocation of the acquisition cost following the finalization of the provisional accounting treatment.

3. Information on impairment loss of fixed assets or goodwill, etc. by reportable segment

In the Overseas segment, the Company acquired 70% shares of D'Perception Pte Ltd and included it in the scope of consolidation. The increase in goodwill as a result of this event was 770 million yen in the current interim consolidated accounting period. This increase in goodwill reflects a significant revision to the initial allocation of the acquisition cost following the finalization of the provisional accounting treatment.

II. Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on the amount of net sales and profit or loss by reportable segment

(Millions of yen)

|                                        | Domestic<br>Interior | Domestic<br>Exterior | Overseas | Adjusted<br>amount<br>(Note 1) | Amount recorded<br>on the interim<br>consolidated<br>financial<br>statements<br>(Note 2) |
|----------------------------------------|----------------------|----------------------|----------|--------------------------------|------------------------------------------------------------------------------------------|
| Net sales                              |                      |                      |          |                                |                                                                                          |
| Sales to external<br>customers         | 78,010               | 3,380                | 17,502   | -                              | 98,892                                                                                   |
| Intersegment net<br>sales or transfers | 0                    | 0                    | -        | (0)                            | -                                                                                        |
| Total                                  | 78,010               | 3,380                | 17,502   | (0)                            | 98,892                                                                                   |
| Ordinary profit (loss)<br>for segment  | 8,253                | 36                   | (106)    | 1                              | 8,185                                                                                    |

Notes: 1. All adjustments of segment profits (losses) are performed by eliminating transactions among segments.

2. Segment profit (loss) is adjusted to operating profit in the interim consolidated statement of income.

2. Information on impairment loss of fixed assets or goodwill, etc. by reportable segment

In the Domestic Interior segment, the Company acquired all shares of SDS Corporation and included it in the scope of consolidation. The increase in goodwill as a result of this event was 932 million yen in the current interim consolidated accounting period.

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

Not applicable.

**(Notes on Going Concern Assumption)**

Not applicable.