

November 12, 2025

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

Company name: PIOLAX, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 5988
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 Scheduled date to file semi-annual securities report: November 13, 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 securities analysts)

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results

(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	%
September 30, 2025	30,060	(5.9)	845	(33.5)	787	(56.4)	435	(64.5)
September 30, 2024	31,946	3.2	1,271	(32.4)	1,807	(23.2)	1,225	(38.1)

Note: Comprehensive income For the six months ended September 30, 2025: ¥(1,885) million [-%]
 For the six months ended September 30, 2024: ¥5,653 million [(6.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	16.49	-
September 30, 2024	36.00	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	99,254	65,000	64.2
March 31, 2025	105,464	91,781	85.8

Reference: Equity
 As of September 30, 2025: ¥63,692 million
 As of March 31, 2025: ¥90,446 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 March 31, 2025	-	39.00	-	53.00	92.00
Fiscal year ending March 31, 2026	-	39.00			
Fiscal year ending March 31, 2026 (Forecast)				53.00	92.00

Note: Revisions to the forecast of cash dividends most recently announced: 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 attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	62,000	(2.1)	2,100	(11.9)	2,000	(41.2)	1,200	(33.1)	45.79

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes
- Note: This is whether or not accounting procedures specific to the preparation of interim consolidated financial statements are applied.
- (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 September 30, 2025	37,054,100 shares
As of March 31, 2025	37,054,100 shares

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

As of September 30, 2025	12,261,578 shares
As of March 31, 2025	2,828,310 shares

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

Six months ended September 30, 2025	26,427,320 shares
Six months ended September 30, 2024	34,050,163 shares

Note: 1. The Company has introduced a stock-based remuneration plan for officers, and the Company's shares remaining in the trust are included in the treasury stock to be deducted in the calculation of the average number of shares during the period. (104,021 shares in the previous interim consolidated accounting period, 87,376 shares in the current interim consolidated accounting period)

2. The Company has introduced a stock-based compensation plan for employees, and the Company's shares remaining in the trust are included in the treasury stock to be deducted in the calculation of the average number of shares during the period. (64,898 shares in the previous interim consolidated accounting period, 63,919 shares in the current interim consolidated accounting 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

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	34,883	25,271
Notes and accounts receivable - trade	12,588	12,349
Electronically recorded monetary claims - operating	1,691	1,652
Securities	796	221
Merchandise and finished goods	6,052	5,983
Work in process	2,330	2,238
Raw materials and supplies	3,075	2,821
Income taxes refund receivable	205	381
Other	2,816	3,480
Allowance for doubtful accounts	(41)	(39)
Total current assets	64,398	54,360
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,031	13,778
Machinery, equipment and vehicles, net	8,078	7,589
Tools, furniture and fixtures, net	2,561	2,405
Land	5,919	5,899
Leased assets, net	743	648
Construction in progress	4,239	7,012
Total property, plant and equipment	33,572	37,332
Intangible assets		
Other	1,563	1,514
Total intangible assets	1,563	1,514
Investments and other assets		
Investment securities	4,546	4,697
Other	1,387	1,354
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	5,930	6,047
Total non-current assets	41,066	44,894
Total assets	105,464	99,254

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	2,943	2,803
Short-term borrowings	-	20,000
Income taxes payable	370	259
Provisions	813	845
Asset retirement obligations	64	90
Other	8,026	8,737
Total current liabilities	12,218	32,737
Non-current liabilities		
Provision for share awards for directors (and other officers)	125	140
Provision for share awards	34	41
Retirement benefit liability	385	424
Asset retirement obligations	37	37
Other	881	873
Total non-current liabilities	1,464	1,516
Total liabilities	13,683	34,253
Net assets		
Shareholders' equity		
Share capital	2,960	2,960
Capital surplus	2,572	2,572
Retained earnings	77,441	76,055
Treasury shares	(5,403)	(28,476)
Total shareholders' equity	77,571	53,112
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	711	881
Deferred gains or losses on hedges	(0)	(1)
Foreign currency translation adjustment	12,163	9,699
Total accumulated other comprehensive income	12,874	10,580
Non-controlling interests	1,335	1,307
Total net assets	91,781	65,000
Total liabilities and net assets	105,464	99,254

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	31,946	30,060
Cost of sales	24,636	23,454
Gross profit	7,310	6,606
Selling, general and administrative expenses	6,038	5,760
Operating profit	1,271	845
Non-operating income		
Interest income	335	212
Dividend income	47	124
Share of profit of entities accounted for using equity method	175	-
Other	203	130
Total non-operating income	762	468
Non-operating expenses		
Interest expenses	4	109
Loss on abandonment of non-current assets	2	4
Loss on valuation of derivatives	-	29
Rental costs	3	3
Foreign exchange losses	100	84
Building demolition expenses	72	-
Commission expenses	-	205
Share of loss of entities accounted for using equity method	-	0
Other	44	89
Total non-operating expenses	226	525
Ordinary profit	1,807	787
Extraordinary losses		
Extra payments for early retirements	-	251
Total extraordinary losses	-	251
Profit before income taxes	1,807	536
Income taxes	557	99
Profit	1,249	437
Profit attributable to non-controlling interests	24	1
Profit attributable to owners of parent	1,225	435

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	1,249	437
Other comprehensive income		
Valuation difference on available-for-sale securities	(134)	169
Deferred gains or losses on hedges	0	(1)
Foreign currency translation adjustment	4,567	(2,491)
Share of other comprehensive income of entities accounted for using equity method	(29)	-
Total other comprehensive income	4,403	(2,322)
Comprehensive income	5,653	(1,885)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,512	(1,858)
Comprehensive income attributable to non-controlling interests	140	(27)

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,807	536
Depreciation	2,086	2,052
Share of loss (profit) of entities accounted for using equity method	(175)	0
Loss (gain) on valuation of derivatives	(94)	29
Increase (decrease) in retirement benefit liability	55	51
Increase (decrease) in provision for bonuses	17	32
Increase (decrease) in provision for share awards for directors (and other officers)	(47)	14
Increase (decrease) in provision for share awards	15	6
Increase (decrease) in allowance for doubtful accounts	(0)	(1)
Interest and dividend income	(382)	(337)
Interest expenses	4	109
Loss on abandonment of non-current assets	2	4
Decrease (increase) in trade receivables	1,008	(181)
Decrease (increase) in inventories	227	45
Increase (decrease) in trade payables	(657)	216
Other, net	728	(535)
Subtotal	4,595	2,042
Interest and dividends received	392	326
Interest paid	(4)	(109)
Income taxes paid	(1,050)	(785)
Net cash provided by (used in) operating activities	3,933	1,474
Cash flows from investing activities		
Payments into time deposits	(96)	(26)
Proceeds from withdrawal of time deposits	126	1,158
Proceeds from redemption of securities	280	72
Purchase of property, plant and equipment	(2,455)	(5,629)
Proceeds from sale of investment securities	-	0
Proceeds from sale of property, plant and equipment	105	53
Purchase of intangible assets	(21)	(190)
Purchase of investment securities	(176)	(4)
Other, net	34	27
Net cash provided by (used in) investing activities	(2,204)	(4,538)
Cash flows from financing activities		
Proceeds from short-term borrowings	-	20,000
Purchase of treasury shares	(0)	(23,072)
Proceeds from disposal of treasury shares	77	-
Dividends paid	(2,090)	(1,820)
Dividends paid to non-controlling interests	(74)	(61)
Other, net	(52)	(54)
Net cash provided by (used in) financing activities	(2,140)	(5,009)
Effect of exchange rate change on cash and cash equivalents	832	(766)
Net increase (decrease) in cash and cash equivalents	421	(8,839)
Cash and cash equivalents at beginning of period	24,750	30,236
Cash and cash equivalents at end of period	25,171	21,396

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (April 1, 2024 to September 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Automobile-related	Medical	Total
Sales			
Sales to external customers	29,313	2,633	31,946
Transactions with other segments	-	-	-
Total	29,313	2,633	31,946
Segment Profit	1,617	226	1,844

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the interim consolidated statement of income and the main details of the difference (matters related to adjustment of differences)

(Millions of yen)

benefit	amount of money
Total Reporting Segments	1,844
Company-wide expenses (Note)	(576)
Inter-segment transaction elimination	6
Other Adjustments	(2)
Operating income in the interim consolidated statement of income	1,271

Note: Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

There are no important items to be covered.

II. The Interim Consolidated Accounting Period (April 1, 2025 to September 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Automobile-related	Medical	Total
Sales			
Sales to external customers	27,530	2,529	30,060
Transactions with other segments	-	-	-
Total	27,530	2,529	30,060
Segment Profit	1,294	83	1,378

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the interim consolidated statement of income and the main details of the difference (matters related to adjustment of differences)

(Millions of yen)

benefit	amount of money
Total Reporting Segments	1,378
Company-wide expenses (Note)	(537)
Inter-segment transaction elimination	6
Other Adjustments	(2)
Operating income in the interim consolidated statement of income	845

Note: Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

There are no important items to be covered.