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February 12, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)



Company name: FUKUVI CHEMICAL INDUSTRY CO.,LTD.

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Securities code: 7871

URL: <https://www.fukuvi.co.jp/en>

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President, Chief Operating Officer

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Scheduled date to commence dividend payments: -

Preparation of supplementary materials on financial results: Yes (<https://www.fukuvi.co.jp/en/ir/kessan>)

Holding of financial results briefing: None

(Yen amounts are rounded to the nearest million, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 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	%
Nine months ended								
December 31, 2025	30,225	0.5	1,247	(1.7)	1,592	1.3	1,258	19.5
December 31, 2024	30,089	(0.7)	1,269	(14.8)	1,571	(10.5)	1,053	(26.0)

Note: Comprehensive income For the nine months ended December 31, 2025: ¥2,223 million [119.7%]

For the nine months ended December 31, 2024: ¥1,012 million [(55.6)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	63.62	-
December 31, 2024	52.89	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	53,695	38,916	71.2
March 31, 2025	53,237	37,520	68.7

Reference: Equity

As of December 31, 2025: ¥38,252 million

As of March 31, 2025: ¥36,595 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	-	10.50	-	15.50	26.00
Fiscal year ending March 31, 2026	-	13.50	-		
Fiscal year ending March 31, 2026 (Forecast)				13.50	27.00

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

3. Consolidated financial result forecasts 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
Full year	41,460	3.7	2,120	36.8	2,230	18.5	1,560	6.4	79.70

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

* Notes

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

Newly included: - companies()
Excluded: - companies()

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of December 31, 2025	20,688,425 shares
As of March 31, 2025	20,688,425 shares

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

As of December 31, 2025	895,383 shares
As of March 31, 2025	964,283 shares

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

Nine months ended December 31, 2025	19,770,275 shares
Nine months ended December 31, 2024	19,904,849 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently 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. For the assumptions underlying the earnings forecasts and other related matters, please refer to "Explanation Regarding Forecasts Such as Consolidated Earnings Forecasts and Forward-Looking Information" on page 6 of the attached materials.

Supplementary materials on the quarterly financial results are posted on our website (<https://www.fukuvi.co.jp/en/ir/kessan>).

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1. Qualitative Information on the Quarterly Financial Results

(1) Overview of Operating Results

(i) Overview of Business Performance

(Millions of yen, unless otherwise indicated)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Amount of increase/decrease	Rate of increase/decrease (%)
Net sales	30,089	30,225	136	0.5
Gross profit	9,048	9,209	161	1.8
Operating profit	1,269	1,247	(22)	(1.7)
Ordinary profit	1,571	1,592	20	1.3
Profit before income taxes	1,505	1,766	260	17.3
Profit attributable to owners of parent	1,053	1,258	205	19.5

Net sales for the nine months ended December 31, 2025 were 30,225 million yen, up 0.5% year on year. In terms of profit, gross profit increased to 9,209 million yen, a rise of 161 million yen (up 1.8%) compared to the previous year, due to controlled cost of sales.

Selling, general and administrative expenses increased mainly due to higher digital-related costs, resulting in operating profit of 1,247 million yen (down 1.7% year on year). Ordinary profit was 1,592 million yen (up 1.3% year on year), reflecting the recording of foreign exchange gains. Profit attributable to owners of parent for the period was 1,258 million yen (up 19.5% year on year) mainly due to gain on sale of investment securities. For further details, please refer to “(ii) Overview by Segment.”

This fiscal year marks the third year of the Seventh Medium-Term Management Plan (FY2023–FY2027). Under the slogan “Unleashing Technology, Inspiring the Future,” we are working to enhance corporate value by implementing initiatives based on the three basic policies: “Expansion of Circular Business,” “Establishment of a Robust Profit Base,” and “Building an Organization that Drives Growth.”

· Expansion of Circular Business

In the circular business segment, regenerated wood material “PLUSWOOD,” which utilizes thinned timber, achieved significant growth, increasing by 30.0% year on year. “PLUSWOOD” has also been deployed in urban development projects, aiming to capture new revenue opportunities through proposals for integrated spatial designs that combine outdoor furniture products.

In April 2025, we launched design furniture for public spaces, “NEURAUM”; in July, solar LED outdoor lighting fixtures “LUMENITE” and “LAYOVIA”; and in August, contract furniture “Lignimo.”

Furthermore, as part of our efforts to utilize regional timber, we added “PLUSWOOD-NR,” which uses Nara Prefecture timber, to our product lineup in October 2025. This initiative promotes CO₂ reduction and contributes to the SDGs through the use of locally sourced wood. In addition, we have commenced development of a series incorporating Miyagi Prefecture timber, and, in collaboration with initiatives such as the “Miyagi Wood Utilization Campaign,” we are working to further promote its adoption.

Strengthening our product proposal capabilities, we are continuing our joint research with Waseda University to scientifically analyze how bench placement affects “comfort” and user behavior, applying these findings to proposals for creating better public spaces.

Regarding research and development activities, in addition to demonstration projects for thermal insulation retrofitting of educational facilities through industry-academia-government collaboration, we have established an integrated manufacturing process for thermoplastic carbon fiber reinforced plastics (CFRTP) utilizing the New Energy and Industrial Technology Development Organization

(NEDO) program. This advancement enables the mass production—previously considered challenging—of composites using high heat-resistant resins, achieves a weight reduction of one-fifth compared to metals, and significantly reduces manufacturing energy. As a result, we have established a mass production framework for lightweight and energy-saving transportation equipment, including automobiles.

· Establishment of a Robust Profit Base

Sales of the high-performance insulation material “Phenova Board,” which meets insulation needs, remained strong and contributed to the growth of the insulation materials segment (up 6.3% year on year). To further address expanding demand and ensure stable supply, our wholly owned subsidiary Fukubi Okayama Co., Ltd. was selected for the Ministry of Economy, Trade and Industry’s “Subsidy for Large-Scale Growth Investments to Promote Labor-Saving and Wage Increases at Medium-Sized and Small Enterprises,” and decided to construct a second plant. This will establish a two-site production system (decentralized production system) in Fukui and Okayama, strengthening production capacity and enhancing BCP responsiveness.

In addition, we have been working to expand sales of products for factories and warehouses, such as “PLANTOOL,” which has contributed to earnings in the non-residential sector (up 2.1% year on year).

In the mobility sector, one of our growth drivers, sales of the “Light Guiding Bar” used in automobile interior illumination components remained strong. Furthermore, we successfully developed the “Light Guiding Bar PFAS-Free Type,” which contains no fluorinated compounds (per- and polyfluoroalkyl substances, or PFAS), ahead of other companies, and plan to begin mass production from April 2026.

· Building an Organization that Drives Growth

In the area of human capital management initiatives, we continue to promote “Certified Health and Productivity Management Organization” activities from the perspective of enhancing employee health. In terms of talent development, we newly added and implemented “Coaching Training” and “Active Listening Training” for management-level employees. These efforts are aimed at strengthening management capabilities and enhancing organizational strength and employee engagement by encouraging greater autonomy among team members.

Furthermore, to enhance an environment where employees can take parental leave with peace of mind, we introduced the “Parental Leave Support Program” in December 2025. By providing allowances to employees who cover the duties of those on parental leave, we aim to strengthen team capability while promoting diversity & inclusion. Notably, the utilization rate of parental leave among male employees reached 100%, demonstrating the establishment and active use of the program.

Furthermore, to drive digital innovation and enhance competitiveness through DX, we reorganized the Digital Strategy Office into the Digital Strategy Division this fiscal year, accelerating company-wide DX initiatives. We have also implemented the “AI Learning Program” to elevate digital literacy across the organization and promote operational efficiency.

(ii) Overview by Segment

The performance by segment and the principal factors are as follows.

As part of the organizational restructuring implemented on April 1, 2025, Alice Chemical Co., Ltd. was transferred from under the Building Materials Business Division to the Business Development Division, which is responsible for new businesses, in order to further expand the FRP business.

Accordingly, from the nine months ended December 31, 2025, Alice Chemical Co., Ltd., which was previously included in the “Building Materials Business,” has been reclassified to “Others.” Comparative figures for the year-on-year change and percentage change have been prepared based on the revised segment classification.

[Building Materials Business]

(Millions of yen, unless otherwise indicated)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Amount of increase/decrease	Rate of increase/decrease (%)
Net sales	19,370	19,008	(362)	(1.9)
Gross profit	7,150	6,933	(216)	(3.0)
Operating profit	2,746	2,519	(227)	(8.3)

The number of new housing starts decreased by 13.7% year-on-year, creating a challenging environment that led to a 1.9% decline in overall net sales and an 8.3% decrease in operating profit, resulting in lower sales and profit. However, the insulation business, a key area of our medium-term management plan, achieved a robust 6.3% increase year-on-year, while environmentally conscious products grew significantly by 34.5%, offsetting the decline in general-purpose products. We expect continued growth in this area and will pursue further expansion of revenue opportunities through initiatives such as launching a demonstration project for insulation retrofitting utilizing closed school buildings to enhance awareness, as well as accelerating cross-divisional business expansion projects.

[CSE Business] (*)

(Millions of yen, unless otherwise indicated)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Amount of increase/decrease	Rate of increase/decrease (%)
Net sales	7,605	7,621	16	0.2
Gross profit	951	1,081	130	13.7
Operating profit	227	400	173	76.3

Flooring materials among construction materials OEM products remained sluggish, while among non-construction materials OEM products, the illumination component “Light Guiding Bar” showed a remarkable increase of 487.4% compared to the same period last year. Logistics material “Resin Fork Guard” and components for large vehicles such as buses continued to perform well, resulting in overall sales increasing by 0.2% year-on-year and, on the profit side, fixed cost reductions boosted profits, leading to a 76.3% increase in operating profit year-on-year.

(*) “CSE” is an acronym that stands for “Customer Satisfaction & Expectation.” It refers to sales engineering that leverages specialized knowledge and technical capabilities to provide value exceeding customer needs and expectations. The goal of CSE is to enhance customer satisfaction and trust.

[Precision Business]

(Millions of yen, unless otherwise indicated)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Amount of increase/decrease	Rate of increase/decrease (%)
Net sales	1,242	1,390	148	12.0
Gross profit	243	369	126	52.0
Operating profit	114	233	119	103.9

In the Precision Business, while non-automotive segment, mainly electronic device components such as cameras and sensors, remained at the same level as the previous period, automotive anti-reflection components increased significantly by 40.6%, resulting in overall

business revenue growth of 12.0% year on year. Continuous efforts to improve productivity on the production line led to a 103.9% increase in operating profit, thereby enhancing profitability.

[Global Business]

(Millions of yen, unless otherwise indicated)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Amount of increase/decrease	Rate of increase/decrease (%)
Net sales	2,481	2,844	363	14.6
Gross profit	583	769	186	31.9
Operating profit	(102)	26	128	–

In the Global Business segment, the building materials businesses of our local subsidiaries in Vietnam and Thailand continued to perform steadily, and we are focusing on developing customers in the ASEAN region to further expand our business. In addition, strong performance in building material OEM products by our U.S. subsidiary and vehicle parts for overseas markets resulted in an overall year-on-year net sales increase of 14.6%. On the profit side, operating profit turned positive due to cost reduction efforts.

(2) Overview of Financial Position

(i) Overview of Assets, Liabilities and Net Assets

	December 31, 2024	December 31, 2025	Amount of increase/decrease	Rate of increase/decrease (%)
Current assets (Millions of yen)	35,454	34,374	(1,080)	(3.0)
Non-current assets (Millions of yen)	17,783	19,321	1,538	8.6
Total assets (Millions of yen)	53,237	53,695	458	0.9
Total liabilities (Millions of yen)	15,717	14,779	(939)	(6.0)
Total net assets (Millions of yen)	37,520	38,916	1,397	3.7
Equity-to-asset ratio (%)	68.7	71.2	2.5	–

(Assets)

Total assets as of December 31, 2025 were 53,695 million yen, an increase of 458 million yen (0.9%) compared to the end of the previous fiscal year. The main factors for this change were as follows: In current assets, trade receivables increased by 2,235 million yen, while cash and deposits decreased by 3,524 million yen, resulting in a decrease of 1,080 million yen (3.0%). This was primarily due to the impact of the last day of the third quarter under review falling on a holiday for financial institutions, and as a result, liquidity remains at a very high level. In non-current assets, investment securities increased by 1,373 million yen due to the rise in fair value, resulting in an increase of 1,538 million yen (8.6%).

(Liabilities)

Liabilities decreased by 939 million yen (6.0%) compared to the end of the previous fiscal year to 14,779 million yen. The main factors for the decrease were as follows: In current liabilities, trade payables decreased by 1,069 million yen, and income taxes payable decreased by 306 million yen, resulting in a decrease of 1,504 million yen (11.2%). In non-current liabilities, deferred tax liabilities increased by 584 million yen, resulting in an increase of 566 million yen (24.4%).

(Net Assets)

Net assets increased by 1,397 million yen (3.7%) compared to the end of the previous fiscal year to 38,916 million yen. While foreign currency translation adjustment decreased by 70 million yen, retained earnings increased by 668 million yen, and valuation difference on available-for-sale securities increased by 1,047 million yen. As a result, total shareholders' equity amounted to 34,293 million yen, and net assets amounted to 38,252 million yen. As part of our growth strategy, we acquired additional shares of our subsidiary, Rifojur Co., Ltd., resulting in a decrease of 261 million yen in non-controlling interests, and the equity ratio improved by 2.5 points from 68.7% at the end of the previous fiscal year to 71.2%.

(3) Explanation Regarding Forecasts Such as Consolidated Earnings Forecasts and Forward-Looking Information

During the nine months ended December 31, 2025, progress rates for net sales and operating profit were 72.9% and 58.8%, respectively, against the full-year earnings forecast announced on May 13, 2025.

Although higher fixed costs, including wage increases and rising IT-related expenses, pressured profits and resulted in a decline in operating profit, measures such as strengthening the production system are expected to secure net sales and operating profit in the fourth quarter. Accordingly, the full-year earnings forecast remains unchanged at this time.

Please note that actual results may differ from the forecast figures due to various factors going forward. Should we determine that a revision of the earnings outlook is necessary in light of future business conditions, we will promptly disclose such information.

(Millions of yen, unless otherwise indicated)

	Full-year consolidated earnings forecast	Nine months ended December 31, 2025	Progress rate (%)
Net sales	41,460	30,225	72.9
Operating profit	2,120	1,247	58.8
Ordinary profit	2,230	1,592	71.4
Profit attributable to owners of parent	1,560	1,258	80.6

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	14,184	10,661
Notes and accounts receivable - trade, and contract assets	8,536	8,048
Electronically recorded monetary claims - operating	5,979	8,703
Merchandise and finished goods	3,475	3,598
Work in process	777	713
Raw materials and supplies	1,384	1,483
Accounts receivable - other	981	1,002
Other	136	166
Total current assets	35,454	34,374
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,610	3,469
Machinery, equipment and vehicles, net	1,950	2,192
Tools, furniture and fixtures, net	198	231
Land	1,911	1,908
Leased assets, net	423	418
Construction in progress	163	122
Total property, plant and equipment	8,256	8,342
Intangible assets		
Software	123	254
Leased assets	519	476
Other	152	44
Total intangible assets	794	775
Investments and other assets		
Investment securities	5,845	7,218
Long-term prepaid expenses	251	226
Retirement benefit asset	2,144	2,172
Deferred tax assets	65	62
Other	428	527
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	8,733	10,205
Total non-current assets	17,783	19,321
Total assets	53,237	53,695

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,568	3,777
Short-term borrowings	82	30
Current portion of long-term borrowings	17	17
Electronically recorded obligations - operating	3,931	4,653
Income taxes payable	388	83
Accrued expenses	1,124	1,152
Lease liabilities	322	330
Liabilities related to charged supply	504	522
Provision for bonuses	683	425
Provision for bonuses for directors (and other officers)	14	17
Provision for product compensation	47	36
Other provisions	29	8
Other	684	840
Total current liabilities	13,394	11,890
Non-current liabilities		
Long-term borrowings	33	75
Lease liabilities	624	564
Deferred tax liabilities	1,308	1,891
Retirement benefit liability	68	67
Other	291	292
Total non-current liabilities	2,323	2,889
Total liabilities	15,717	14,779
Net assets		
Shareholders' equity		
Share capital	2,194	2,194
Capital surplus	1,511	1,521
Retained earnings	30,465	31,133
Treasury shares	(598)	(555)
Total shareholders' equity	33,572	34,293
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,113	3,160
Foreign currency translation adjustment	469	399
Remeasurements of defined benefit plans	441	401
Total accumulated other comprehensive income	3,023	3,959
Non-controlling interests	924	664
Total net assets	37,520	38,916
Total liabilities and net assets	53,237	53,695

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income
For the Nine-Month Period

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	30,089	30,225
Cost of sales	21,040	21,015
Gross profit	9,048	9,209
Selling, general and administrative expenses	7,780	7,962
Operating profit	1,269	1,247
Non-operating income		
Interest income	4	6
Dividend income	197	205
Foreign exchange gains	40	63
Other	92	110
Total non-operating income	333	385
Non-operating expenses		
Interest expenses	6	7
Commission for transfer of receivables	11	11
Claim compensation expenses	6	13
Other	8	8
Total non-operating expenses	31	40
Ordinary profit	1,571	1,592
Extraordinary income		
Gain on sale of non-current assets	2	0
Gain on sale of investment securities	36	189
Subsidy income	-	3
Total extraordinary income	38	191
Extraordinary losses		
Loss on retirement of non-current assets	2	4
Loss on sale of investment securities	18	-
Expenses for product compensation	84	13
Other	0	-
Total extraordinary losses	104	18
Profit before income taxes	1,505	1,766
Income taxes - current	323	315
Income taxes - deferred	87	140
Total income taxes	410	455
Profit	1,096	1,311
Profit attributable to non-controlling interests	43	53
Profit attributable to owners of parent	1,053	1,258

Quarterly Consolidated Statement of Comprehensive Income
For the Nine-Month Period

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	1,096	1,311
Other comprehensive income		
Valuation difference on available-for-sale securities	(56)	1,047
Foreign currency translation adjustment	33	(95)
Remeasurements of defined benefit plans, net of tax	(61)	(40)
Total other comprehensive income	(84)	912
Comprehensive income	1,012	2,223
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	960	2,194
Comprehensive income attributable to non-controlling interests	52	29

(3) Notes to Quarterly Consolidated Financial Statements

(Note on Going Concern Assumption)

No applicable matters.

(Note on Significant Changes in Shareholders' Equity)

No applicable matters.

(Notes on Segment Information, etc.)

【Segment Information】

For the nine months ended December 31, 2024

1. Information on the amounts of sales and profit or loss by reportable segment, as well as breakdown of revenue

(Millions of yen)

	Reportable segment					Other (Note 1)	Adjust- ment (Note 2)	Amounts recorded in the quarterly consolidated statements of income (Note 3)
	Building Materials Business	CSE Business	Precision Business	Global Business	Total			
Net sales								
Goods transferred at a point in time	16,467	7,605	1,242	1,781	27,095	243	–	27,337
Goods transferred over a period of time	2,751	–	–	–	2,751	–	–	2,751
Revenue from contracts with customers	19,218	7,605	1,242	1,781	29,846	243	–	30,089
Revenue from external customers	19,218	7,605	1,242	1,781	29,846	243	–	30,089
Intersegment sales or transfers	152	–	–	700	852	153	(1,005)	–
Total	19,370	7,605	1,242	2,481	30,698	396	(1,005)	30,089
Segment profit (loss)	2,746	227	114	(102)	2,984	(218)	(1,498)	1,269

(Note) 1. "Others" includes new businesses not included in the reportable segments.

2. The adjustment amount of segment profit or loss (1,498) million yen includes elimination of inter-segment transactions of 63 million yen and company-wide expenses of (1,561) million yen not allocated to each reportable segment. Company-wide expenses mainly consist of personnel expenses and administrative expenses related to the submitting company's management division.

3. Segment profit or loss is adjusted with operating profit in the quarterly consolidated statement of income.

4. Internal sales or transfers between segments are determined through consultation, taking into account market prices.

For the nine months ended December 31, 2025

1. Information on the amounts of sales and profit or loss by reportable segment, as well as breakdown of revenue

(Millions of yen)

	Reportable segment					Other (Note 1)	Adjust- ment (Note 2)	Amounts recorded in the quarterly consolidated statements of income (Note 3)
	Building Materials Business	CSE Business	Precision Business	Global Business	Total			
Net sales								
Goods transferred at a point in time	15,953	7,621	1,390	2,133	27,097	212	–	27,309
Goods transferred over a period of time	2,915	–	–	–	2,915	–	–	2,915
Revenue from contracts with customers	18,868	7,621	1,390	2,133	30,012	212	–	30,225
Revenue from external customers	18,868	7,621	1,390	2,133	30,012	212	–	30,225
Intersegment sales or transfers	141	–	–	711	851	175	(1,026)	–
Total	19,008	7,621	1,390	2,844	30,863	388	(1,026)	30,225
Segment profit (loss)	2,519	400	233	26	3,177	(220)	(1,710)	1,247

(Note) 1. “Others” includes new businesses not included in the reportable segments.

2. The adjustment amount of segment profit or loss (1,710) million yen includes elimination of inter-segment transactions of 12 million yen and company-wide expenses of (1,722) million yen not allocated to each reportable segment. Company-wide expenses mainly consist of personnel expenses and administrative expenses related to the submitting company’s management division.
3. Segment profit or loss is adjusted with operating profit in the quarterly consolidated statement of income.
4. Internal sales or transfers between segments are determined through consultation, taking into account market prices.

2. Matters Concerning Changes in Reportable Segments

(Matters concerning changes in reportable segments)

As a result of the organizational restructuring implemented on April 1, 2025, Alice Chemical Co., Ltd. was reorganized from under the Building Materials Business Division to the Business Development Division, which is responsible for new business initiatives, with the aim of further expanding the FRP business.

Accordingly, from the nine months ended December 31, 2025, Alice Chemical Co., Ltd., which was previously included in “Building Materials Business,” has been transferred to “Others.”

Please note that the segment information for the nine months ended December 31, 2024, has been disclosed based on the revised segment classification.

(Notes to the Consolidated Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the nine months ended December 31, 2025, has not been prepared. The depreciation and amortization expenses for the nine months ended December 31, 2025 (including amortization of intangible assets other than goodwill), are as follows.

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Depreciation	979 million yen	1,031 million yen

(Additional Information)

(Transactions under common control, etc.)

(Transfer of business to consolidated subsidiary)

At the Board of Directors meeting held on November 14, 2025, the Company resolved to transfer a portion of its business (Construction Business) to its consolidated subsidiary, Reforjule Co., Ltd., and to change the trade name of the said consolidated subsidiary.

1. Overview of Transaction

(1) Description of the business concerned

Construction Business of the Company's Construction Work Supervisory Division (Construction Business)

(2) Date of business transfer

April 1, 2026 (scheduled)

(3) Legal form of business transfer

The Company as the transferring company and Reforjule Co., Ltd. as the transferee company, with cash as consideration for the transfer

(4) Name of the company after business transfer

Fukuvi Refojoule Architects Co., Ltd.

(5) Other matters related to the outline of the transaction

In response to the expanding demand for energy efficiency, decarbonization, and renovation in the construction industry, as well as a shortage of construction personnel, the construction businesses previously dispersed within the Group will be integrated and consolidated. The newly launched company will pursue the goal of becoming a "development-oriented construction company," combining the Group's strengths in "quality," "functionality," and "design" with new "construction methods." This approach aims to provide high value-added services, expand into new fields, and enhance the Group's synergy effects.

2. Overview of Accounting Procedures to Be Implemented

Based on the "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan Statement No. 21, January 16, 2019) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures, etc." (Accounting Standards Board of Japan Guidance No. 10, January 16, 2019), the transaction will be accounted for as a transaction under common control.

(Business Combinations and Related Matters)

(Transactions under common control, etc.)

(Additional acquisition of shares of subsidiaries)

Based on Article 370 of the Companies Act and Article 25, Paragraph 2 of our Articles of Incorporation, we have additionally acquired shares of our subsidiary, Reforjour Co., Ltd., and made it a wholly owned subsidiary.

1. Overview of Business Combination

(1) Name and Business Description of Companies Involved in the Combination

Company Name: Refojoule Co., Ltd.

Business Description: Installation and sales of ceiling materials and interior materials

(2) Date of Business Combination

April 10, 2025 (Share Acquisition Date)

(3) Legal Form of Business Combination

Acquisition of shares from non-controlling shareholders

(4) Name of the Company After the Combination

There are no changes.

(5) Other Matters Related to the Overview of Transactions

As part of our growth strategy to promote and expand the construction business, we have decided to acquire all shares held by YAGIKUMA CO.,LTD. and make it a wholly owned subsidiary.

2. Overview of Accounting Treatment Implemented

Based on the “Accounting Standard for Business Combinations” (Accounting Standards Board of Japan Statement No. 21, January 16, 2019) and the “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures, etc.” (Accounting Standards Board of Japan Guidance No. 10, January 16, 2019), this transaction is processed as a transaction with non-controlling shareholders under transactions under common control.

3. Matters Related to Additional Acquisition of Subsidiary Shares

Consideration for the acquisition: Cash

Acquisition cost: 280 million yen

4. Matters Related to Changes in the Company’s Ownership Interest due to Transactions with Non-Controlling Shareholders

(1) Main Factors Affecting Capital Surplus

Additional Acquisition of Subsidiary Shares

(2) Amount of capital surplus decreased due to transactions with non-controlling shareholders

1 million yen