

October 29, 2026

Consolidated Financial Results for the Nine Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: Mitsubishi Pencil Company, Limited
 Listing: Tokyo Stock Exchange
 Securities code: 7976
 URL: <https://www.mpuni.co.jp/>
 Representative: Shigehiko Suhara, Representative Director, President
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended September 30, 2026 (from January 1, 2026 to September 30, 2026)

(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 September 30, 2026	69,825	9.0	9,083	38.7	9,347	38.7	6,115	53.2
September 30, 2025	64,081	1.9	6,547	(15.1)	6,740	(17.1)	3,992	(47.6)

Note: Comprehensive income For the nine months ended September 30, 2026: ¥11,971 million [50.2%]
 For the nine months ended September 30, 2025: ¥7,969 million [(20.3)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2026	117.50	117.24
September 30, 2025	72.97	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2026	196,015	139,647	70.3	2,755.15
December 31, 2025	183,005	140,432	75.7	2,560.99

Reference: Equity As of September 30, 2026: ¥137,783 million
 As of December 31, 2025: ¥138,526 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 December 31, 2025	-	26.00	-	26.00	52.00
Fiscal year ending December 31, 2026	-	28.50	-		
Fiscal year ending December 31, 2026 (Forecast)				28.50	57.00

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

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 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 December 31, 2026	95,500	6.3	11,500	18.6	12,000	19.7	8,000	28.3	155.44

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 quarterly consolidated financial statements: Yes
- (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, 2026	60,042,592 shares
As of December 31, 2025	60,042,592 shares

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

As of September 30, 2026	10,033,357 shares
As of December 31, 2025	5,951,757 shares

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

Nine months ended September 30, 2026	52,050,035 shares
Nine months ended September 30, 2025	54,716,163 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

Note: Forecasts are based on information available at the time, but include potential risks and uncertainties. Therefore, please be aware that actual results may differ from forecasts due to changes in various factors.

(Method of accessing supplementary material on financial results)

Supplementary explanatory materials for financial results are posted on the Company's website.

Quarterly consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	37,067	43,448
Notes and accounts receivable - trade	20,327	15,643
Inventories	30,753	33,122
Other	4,074	4,680
Allowance for doubtful accounts	(429)	(500)
Total current assets	91,793	96,394
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,587	15,317
Other, net	17,675	17,589
Total property, plant and equipment	33,262	32,906
Intangible assets		
Goodwill	5,844	5,241
Trademark right	5,580	5,177
Other	1,320	1,286
Total intangible assets	12,746	11,705
Investments and other assets		
Investment securities	32,024	41,519
Investment property, net	5,822	5,751
Other	7,440	7,821
Allowance for doubtful accounts	(83)	(83)
Total investments and other assets	45,203	55,008
Total non-current assets	91,212	99,620
Total assets	183,005	196,015

	As of December 31, 2025	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,140	4,095
Short-term borrowings	1,735	1,606
Income taxes payable	904	2,178
Provision for bonuses	656	1,416
Other	8,266	6,932
Total current liabilities	14,703	16,230
Non-current liabilities		
Bonds payable	-	10,023
Long-term borrowings	13,166	12,000
Retirement benefit liability	2,880	2,847
Provision for retirement benefits for directors (and other officers)	74	69
Other	11,748	15,196
Total non-current liabilities	27,869	40,137
Total liabilities	42,573	56,367
Net assets		
Shareholders' equity		
Share capital	4,497	4,497
Capital surplus	4,809	4,852
Retained earnings	106,521	109,805
Treasury shares	(6,002)	(15,730)
Total shareholders' equity	109,825	103,425
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,456	22,768
Foreign currency translation adjustment	10,019	9,554
Remeasurements of defined benefit plans	2,225	2,034
Total accumulated other comprehensive income	28,701	34,357
Share acquisition rights	-	0
Non-controlling interests	1,906	1,864
Total net assets	140,432	139,647
Total liabilities and net assets	183,005	196,015

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Net sales	64,081	69,825
Cost of sales	31,653	34,196
Gross profit	32,427	35,628
Selling, general and administrative expenses	25,880	26,544
Operating profit	6,547	9,083
Non-operating income		
Interest income	73	58
Dividend income	363	454
Rental income from land and buildings	294	282
Insurance claim income	26	34
Other	64	155
Total non-operating income	822	985
Non-operating expenses		
Interest expenses	144	214
Foreign exchange losses	171	220
Rental expenses	160	143
Commission for syndicated loans	25	20
administrative expenses for investment partnerships	57	61
Other	69	61
Total non-operating expenses	629	721
Ordinary profit	6,740	9,347
Extraordinary income		
Gain on sale of non-current assets	1	22
Gain on liquidation of subsidiaries and associates	82	-
Total extraordinary income	84	22
Extraordinary losses		
Loss on sale and retirement of non-current assets	22	123
Factory restructuring loss	5	42
Loss on store closings	411	-
Loss on valuation of investment securities	-	55
Loss on valuation of membership	-	7
Total extraordinary losses	438	228
Profit before income taxes	6,385	9,141
Income taxes	2,235	2,916
Profit	4,149	6,225
Profit attributable to non-controlling interests	157	109
Profit attributable to owners of parent	3,992	6,115

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Profit	4,149	6,225
Other comprehensive income		
Valuation difference on available-for-sale securities	3,057	6,311
Foreign currency translation adjustment	859	(374)
Remeasurements of defined benefit plans, net of tax	(97)	(191)
Total other comprehensive income	3,819	5,746
Comprehensive income	7,969	11,971
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,852	11,771
Comprehensive income attributable to non-controlling interests	117	199