Financial Results for 2Q (Interim Period) FY3/2027

(April 2026 - September 2026)

Art in Technology

komatsumateRe

Part I

1 **Summary of Financial Results for 2Q (Interim Period) of FY3/2027**

2 Full year Financial Forecast for FY3/2027

Summary of financial results for 2Q of FY3/2027

(Millions of yen)

Item	Results for 2Q of FY3/2026	Results for 2Q of FY3/2027	Change	
			Amount	%
Net sales	20,354	**19,787**	- 566	- 2.8
Operating profit	1,353	**1,148**	- 205	- 15.1
Ordinary profit	1,693	**1,711**	18	1.1
Profit attributable to owners of parent	189	**1,234**	1,044	550.5

Net assets per share	992.97 yen	**1,101.39 yen**
Net income per share	4.82 yen	**32.78 yen**

Average exchange rate	**USD**	146.02 yen	**159.49 yen**
	EUR	168.05 yen	**184.43 yen**

Net sales and operating profit by segment

(Millions of yen)

Segment	Net sales				Operating profit			
	FY3/2026 2Q	FY3/2027 2Q	Change		FY3/2026 2Q	FY3/2027 2Q	Change	
			Amount	%			Amount	%
Textile Business	20,107	**19,552**	-555	-2.8	1,320	**1,131**	-189	-14.3
Fashion fabrics	14,461	**14,172**	-288	-2.0	1,172	**997**	-175	-14.9
Highly functional fabrics	4,276	**4,004**	-271	-6.4				
Product Division	1,371	**1,376**	5	0.4	148	**134**	-14	-9.5
Other Businesses	246	**235**	-11	-4.6	34	**17**	-17	-50.0
Total	20,354	**19,787**	-566	-2.8	1,353	**1,148**	-205	-15.1

Comments

- Fashion fabrics

Although fashion in North America performed well, national costume in the Middle East, domestic fashion, and products for the sports field struggled, resulting in an overall decline.

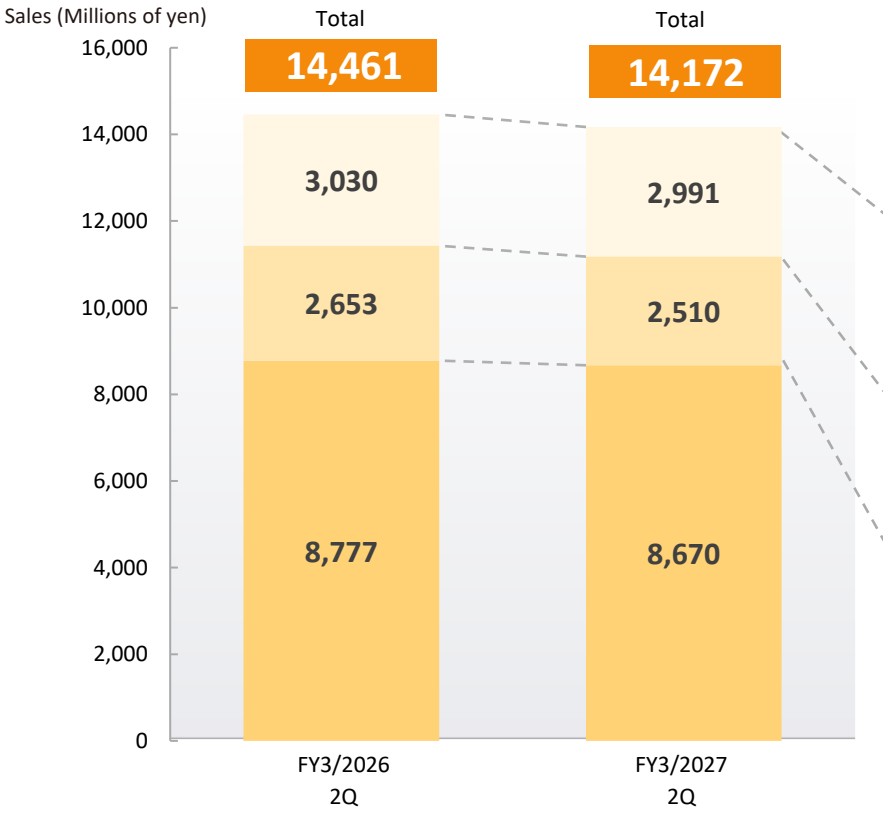
- Highly functional fabrics

The living, housing, and Vehicles fields struggled, resulting in an overall decline.

- Product Division

Profit decreased due to sluggish sales of products in the domestic market.

Net sales of Textile Business (Fashion fabrics division)



(Millions of yen)

National costume

- 39 (- 1.3%)

Decreased due to the impact of heightened tensions in the Middle East.

Sports & Functions

- 143 (- 5.4%)

Decreased due to production adjustments in the sports field.

Fashion

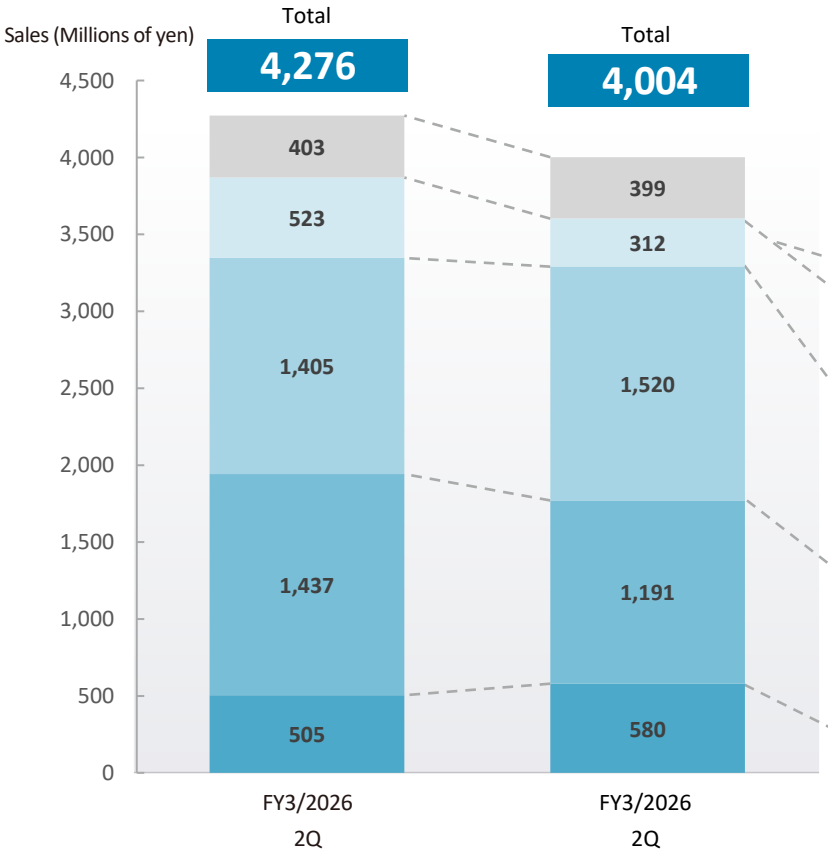
- 106 (- 1.2%)

Sales to European luxury brands remained firm overall.
Although sales increased mainly in North America, fashion as a whole decreased due to production adjustments for the domestic market.

Net sales YoY - 288

- 2.0%

Net sales of Textile Business (Highly functional fabrics division)



(Millions of yen)

Other
- 4 (- 1.1%)
Remained at approximately the same level as the same period of the previous year.

Vehicles
- 210 (- 40.2%)
Decreased significantly due to lower orders for vehicle interior materials.

Medicine and welfare
+ 115 (+ 8.2%)
Increased due to improved productivity.

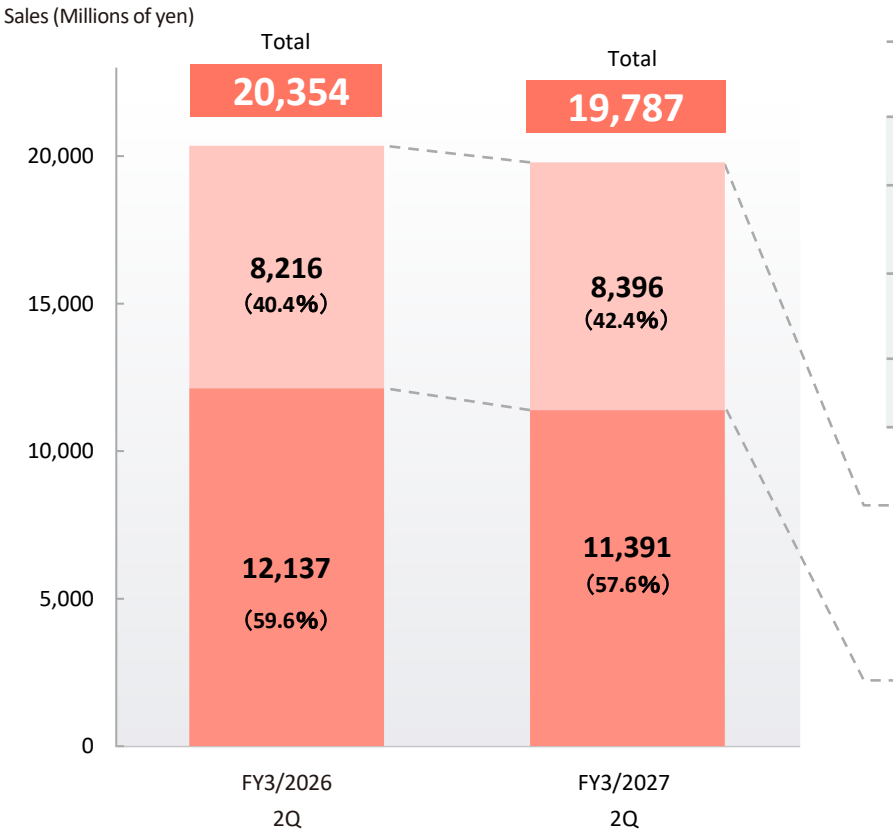
Living and housing
- 246 (- 17.2%)
Decreased significantly due to lower orders for lifestyle goods such as bags and for cosmetics applications.

Living
+ 74 (+ 14.7%)
Increased due to the introduction of high-value-added products.

Net sales YoY - 271

- 6.4%

Sales by market (domestic and overseas)



(Millions of yen)

	FY3/2026 2Q	FY3/2027 2Q	Change (Amount)	Change (%)
Europe	1,710	**1,229**	- 481	- 28.1
North America	2,518	**3,237**	718	28.5
Asia and others	1,162	**1,175**	13	1.1
Middle East	2,824	**2,753**	- 70	- 2.5

Overseas

180 (+ 2.2%)

Domestic

- 746 (- 6.1%)

* Overseas sales for 2Q (Interim period) of FY3/2027 reached a record high.

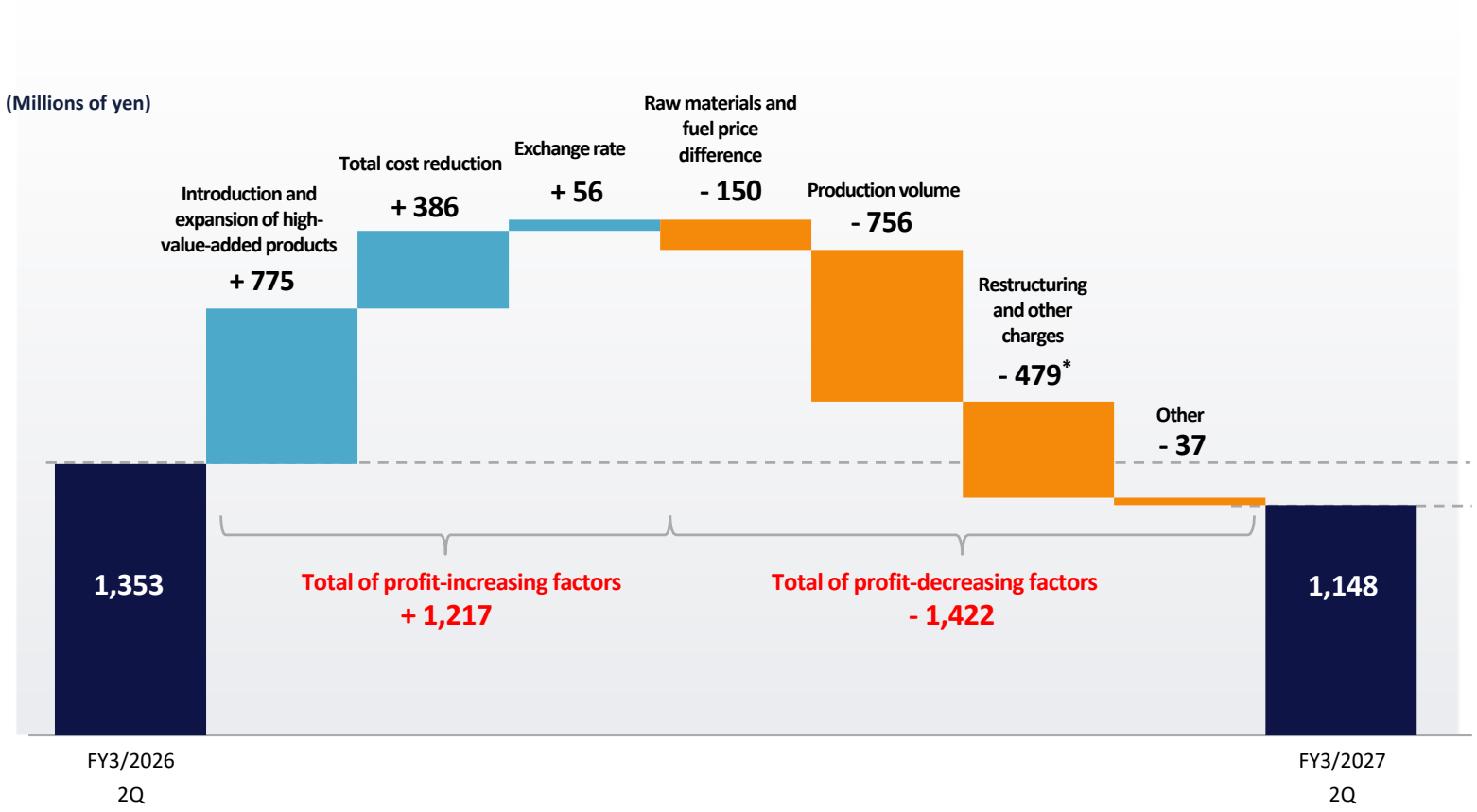
● Overseas markets

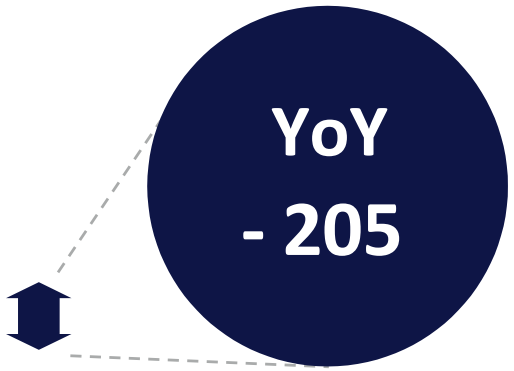
<Europe>Although sales to luxury brands remained firm overall, fashion for the upper-middle market and the sports field decreased.
<North America>Fashion bound for Canada continued to increase.
<Asia & others>Fashion bound for Australia increased.
<Middle East>Decreased due to the impact of heightened tensions in the Middle East.

● Domestic market

Decreased due to production adjustments mainly in the fashion and sports fields.

Analysis of changes in operating profit



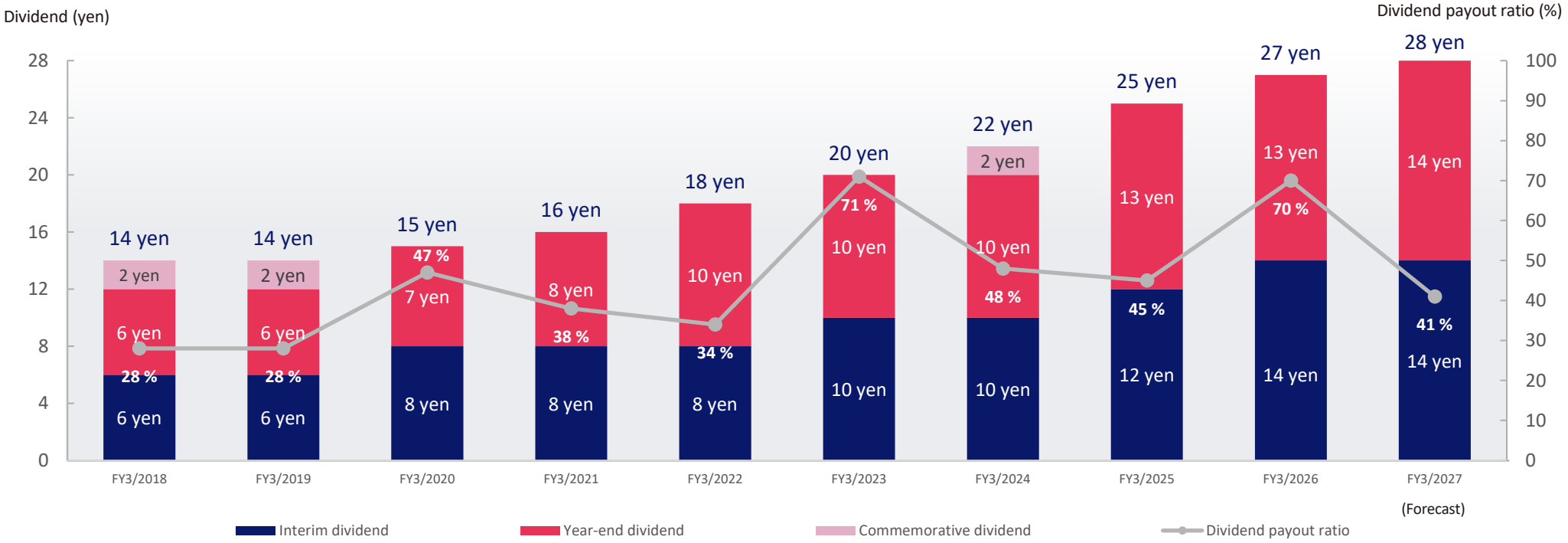


*Includes expenses for improving the working environment, maintaining manufacturing facilities, and enhancing welfare benefits.

Dividends of surplus

- The Company regards returning profits to shareholders as one of its important priorities and has a basic policy of continuously paying stable dividends.
- The Company targets a dividend payout ratio of **40% or more** of net income.
- The interim dividend for this fiscal year will be **14 yen** per share. The annual dividend is planned at **28 yen** per share, an increase of 1 yen year on year, which would mark **the eighth consecutive year of dividend increases**.

Dividend trends



Part II

1 Summary of Financial Results for 2Q (Interim Period) of FY3/2027

2 **Full year Financial Forecast for FY3/2027**

FY3/2027 Full year financial forecast

(Millions of yen)

Item	FY3/2026 Full year results	FY3/2027 Full year forecast	Change (Full year comparison)	
			Amount	%
Net sales	41,563	**42,500**	936	2.3
Operating profit	2,502	**2,600**	97	3.9
Ordinary profit	3,208	**3,500**	291	9.1
Profit attributable to owners of parent	1,500	**2,600**	1,099	73.2

Net income per share		38.51 yen	**68.19 yen**

Average exchange rate	**USD**	150.67 yen	**150.00 yen**
	EUR	174.64 yen	**175.50 yen**

*In the financial forecast for the current fiscal year, "Net sales," "Operating profit," "Ordinary profit" and "Profit attributable to owners of parent" have been revised upward from the most recently announced financial forecast.

* **Net sales and operating profit are forecast to increase for the sixth consecutive year.**

The forecasts and outlook contained in this document are based on assumptions and estimates of the future business environment and economic conditions at the present time.

Actual results may differ from these forecasts due to changes in various factors.

Art in Technology

komatsumateRe