Consolidated Financial Results for the Six Months Ended September 30, 2026

ARE Holdings, Inc. [IFRS]

November 4, 2026

Stock code:	5857
Shares listed:	Tokyo Stock Exchange - Prime Market
URL:	https://www.are-holdings.com/english/
Representative:	Tomoya Higashiura, Representative Director, President & CEO
For further information please contact:	Jiro Saito, General Manager, Corporate Planning & Communications Department (Phone) +81–3–6270–1833
Filing date of semi-annual securities report:	November 13, 2026
Start of dividend payment:	November 27, 2026
Supplementary materials for the financial results:	Yes
Investor conference for the financial results:	Yes (for institutional investors, analysts)

(Rounded down to the nearest million yen)

1. Results of the six months ended September 30, 2026 (From April 1, 2026 to September 30, 2026)

(1) Results of operations (cumulative) (Percentage: Changes relative to corresponding previous period)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
The six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	365,164	53.3	28,729	87.4	28,675	106.8	20,933	93.3	20,933	92.9	(26,158)	–
September 30, 2025	238,239	(0.9)	15,332	84.3	13,869	65.3	10,831	64.0	10,849	64.3	9,834	39.6

	Basic earnings per share	Diluted earnings per share
The six months ended	Yen	Yen
September 30, 2026	243.53	242.44
September 30, 2025	141.60	127.67

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2026	618,349	199,015	199,015	32.2
March 31, 2026	615,388	230,555	230,555	37.5

2. Dividend payments

	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2026	–	60.00	–	65.00	125.00
Year ending March 31, 2027	–	75.00			
Year ending March 31, 2027 (Forecast)			–	80.00	155.00

(Note) Revisions in dividend forecast in the current period: Yes

3. Forecast (From April 1, 2026 to March 31, 2027) (Percentage: Changes relative to corresponding previous period)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2027	700,000	22.8	52,000	40.2	51,000	46.9	36,000	47.3	422.98

(Note) Revisions in forecast in the current period: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: No

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRS: No

(ii) Changes other than (i) above: No

(iii) Changes in accounting estimates: No

(3) Number of issued shares (common stock)

(i) Number of issued shares at the semi-annual end (including treasury stock)

As of September 30, 2026	86,853,534 shares
As of March 31, 2026	86,853,534 shares

(ii) Number of treasury stock at the semi-annual end

As of September 30, 2026	860,324 shares
As of March 31, 2026	909,016 shares

(iii) Averaged number of shares during the period (semi-annual period)

Six months ended September 30, 2026	85,957,022 shares
Six months ended September 30, 2025	76,617,462 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Statement regarding the proper use of financial forecasts and other special remarks
(Notes on forward looking statements, etc.)

These forecast performance figures are based on the information currently available to the Company's management and certain assumptions judged rational. Accordingly, there might be cases in which actual results materially differ from forecasts of this report. Please refer to page 3 "1. Overview of Consolidated Operating Results (3) Consolidated Performance Forecasts" for the assumptions used and other notes.

【Appendix】

Table of contents of the appendix

1. Overview of Consolidated Operating Results 2
(1) Overview of Consolidated Operating Results for the Six Months Ended September 30, 2026 2
(2) Overview of Consolidated Financial Position and Cash Flows for the Six Months Ended September 30, 2026 ... 2
(3) Consolidated Performance Forecasts 3
2. Condensed Semi-annual Consolidated Financial Statements 4
(1) Condensed Semi-annual Consolidated Statements of Financial Position 4
(2) Condensed Semi-annual Consolidated Statements of Income 6
(3) Condensed Semi-annual Consolidated Statements of Comprehensive Income 7
(4) Condensed Semi-annual Consolidated Statements of Changes in Equity 8
(5) Condensed Semi-annual Consolidated Statements of Cash Flows 10
(6) Notes on Condensed Semi-annual Consolidated Financial Statements 11
Segment information 11
Notes on assumptions for going concern 12
Significant subsequent events 12

1. Overview of Consolidated Operating Results

(1) Overview of Consolidated Operating Results for the Six Months Ended September 30, 2026

The financial results for the six months ended September 30, 2026 were as follows.

Revenue	365,164 million yen	(a year-on-year increase of 126,925 million yen, or +53.3 percent)
Operating profit	28,729 million yen	(a year-on-year increase of 13,397 million yen, or +87.4 percent)
Profit before tax	28,675 million yen	(a year-on-year increase of 14,806 million yen, or +106.8 percent)
Profit attributable to owners of parent	20,933 million yen	(a year-on-year increase of 10,083 million yen, or +92.9 percent)

As for the precious metals recycling business, operating profit increased year on year. In the electronics sector, the volume of gold collected increased year on year, and operating profit increased year on year. In the jewelry sector, the volume of gold collected decreased year on year, but as a result of efforts to improve profitability, operating profit increased year on year. Although the volume of gold collected in the dental sector decreased year on year, operating profit increased year on year, mainly due to increased market share. In the catalyst-related sector, the volume of palladium collected increased year on year, and operating profit increased year on year. In addition, although the sales volume of recycled precious metals sold at a premium increased year on year, the sales volume of precious metal products for retail decreased year on year.

As for the precious metals refining-related business in North America, operating profit increased year on year. In the refining sector, the incoming shipments of gold and silver raw materials from mines increased, and operating profit increased year on year. In the products sector, sales volume increased year on year, and operating profit increased year on year. In the trading sector, operating profit increased year on year due to the successful capture of arbitrage opportunities. Operating profit in the storage sector remained at the same level year on year.

As a result, operating profit in Precious Metals business segment increased year on year. In the Environmental Preservation business segment, the share of profit (loss) of investments accounted for using equity method remained at the same level year on year.

(2) Overview of Consolidated Financial Position and Cash Flows for the Six Months Ended September 30, 2026

As of September 30, 2026, total assets amounted to 618,349 million yen, up 2,960 million yen from the previous fiscal year end. This was mainly due to increases of 5,462 million yen in cash and cash equivalents and 59,054 million yen in trade and other receivables, despite decreases of 16,384 million yen in inventories and 43,756 million yen in other financial assets (current).

Total liabilities amounted to 419,334 million yen, up 34,501 million yen from the previous fiscal year end. This was mainly due to increases of 79,824 million yen in bonds and loans payable and 42,761 million yen in other financial liabilities, despite a decrease of 73,568 million yen in trade and other payables.

Total equity amounted to 199,015 million yen, down 31,540 million yen from the previous fiscal year end. This was mainly due to a decrease of 26,158 million yen in comprehensive income and a decrease of 5,586 million yen used for dividends.

As a result, the equity attributable to owners of parent ratio changed to 32.2%, from 37.5% at the end of the previous fiscal year.

Net cash provided by operating activities amounted to 63,168 million yen due mainly to 28,675 million yen of profit before tax, 1,706 million yen of depreciation and amortization, 16,402 million yen of decrease in inventories, 32,699 million yen of increase in trade and other receivables, 62,971 million yen of increase in trade, loans and other payables, and 6,572 million yen of income taxes paid.

Net cash used in investing activities amounted to 2,443 million yen due mainly to 2,836 million yen of purchase of property, plant and equipment.

Net cash used in financing activities amounted to 55,233 million yen due mainly to 25,000 million yen of net decrease in short-term loans payable, 41,071 million yen of repayment of long-term loans payable, and 5,588 million yen of cash dividends paid, despite 16,498 million yen of proceeds from long-term loans payable.

As a result, cash and cash equivalents as of September 30, 2026 increased by 5,462 million yen from the previous fiscal year end, to 15,798 million yen.

(3) Consolidated Performance Forecasts

(i) Reasons for the revision of financial forecast

The consolidated financial forecast for the year ending March 31, 2027, as announced on May 1, 2026, has been revised as follows. For details, please refer to the "Notice Regarding the Difference between Consolidated Financial Forecasts and Actual Results for the Six Months Ended September 30, 2026, the Revision of Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2027, and the Revision of Dividends of Surplus (Interim Dividend) and Year-End Dividend Forecast" released today (November 4, 2026).

Revisions of the consolidated financial forecast for the year ending March 31, 2027
(April 1, 2026 to March 31, 2027)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	680,000	41,000	40,000	29,000	337.43
Revised forecast (B)	700,000	52,000	51,000	36,000	422.98
Change (B-A)	20,000	11,000	11,000	7,000	–
Change (%)	2.9	26.8	27.5	24.1	–
(Ref.) Results for the previous FY (FY ended March 31, 2026)	569,992	37,088	34,706	24,441	315.49

(ii) Reasons for the revision of dividend forecast

After comprehensively considering the performance trends for the fiscal year ending March 31, 2027, the current business environment and other factors, the Company has resolved at its Board of Directors meeting held today to increase the interim dividend by 10 yen per share from the previous forecast, setting it at 75 yen.

The Company also plans to increase the year-end dividend by 10 yen per share from the previous forecast, setting it at 80 yen. As a result, the annual dividend forecast for the fiscal year ending March 31, 2027 is expected to be 155 yen per share.

For details, please refer to the "Notice Regarding the Difference between Consolidated Financial Forecasts and Actual Results for the Six Months Ended September 30, 2026, the Revision of Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2027, and the Revision of Dividends of Surplus (Interim Dividend) and Year-End Dividend Forecast" released today (November 4, 2026).

2. Condensed Semi-annual Consolidated Financial Statements

(1) Condensed Semi-annual Consolidated Statements of Financial Position

	As of March 31, 2026	As of September 30, 2026
	Millions of yen	Millions of yen
ASSETS		
Current assets		
Cash and cash equivalents	10,336	15,798
Trade and other receivables	315,302	374,357
Inventories	122,415	106,031
Income tax receivables	250	0
Other financial assets	52,379	8,623
Other current assets	36,312	32,959
Total current assets	536,998	537,771
Non-current assets		
Property, plant and equipment	41,800	42,382
Intangible assets	1,678	1,570
Investments accounted for using equity method	31,486	32,606
Deferred tax assets	204	453
Net defined benefit asset	224	368
Financial assets	2,866	3,035
Other non-current assets	129	161
Total non-current assets	78,390	80,578
Total assets	615,388	618,349

	As of March 31, 2026	As of September 30, 2026
	Millions of yen	Millions of yen
LIABILITIES and EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	131,965	58,397
Bonds and loans payable	98,554	162,604
Income tax payable	5,619	5,673
Other financial liabilities	31,041	73,698
Provisions	1,934	1,965
Other current liabilities	7,761	8,695
Total current liabilities	276,876	311,034
Non-current liabilities		
Bonds and loans payable	84,648	100,423
Deferred tax liabilities	22,806	7,319
Net defined benefit liability	156	162
Other financial liabilities	289	393
Other non-current liabilities	55	–
Total non-current liabilities	107,956	108,299
Total liabilities	384,833	419,334
Equity		
Capital stock	20,233	20,233
Capital surplus	26,760	26,921
Treasury stock	(1,657)	(1,573)
Retained earnings	138,497	153,962
Other components of equity	46,721	(529)
Total equity attributable to owners of parent	230,555	199,015
Total equity	230,555	199,015
Total liabilities and equity	615,388	618,349

(2) Condensed Semi-annual Consolidated Statements of Income

	The six months ended September 30, 2025	The six months ended September 30, 2026
	Millions of yen	Millions of yen
Revenue	238,239	365,164
Cost of sales	(220,116)	(332,673)
Gross profit	18,122	32,491
Selling, general and administrative expenses	(4,276)	(5,173)
Other operating income	800	701
Other operating expenses	(191)	(403)
Share of profit (loss) of investments accounted for using equity method	877	1,115
Operating profit	15,332	28,729
Finance income	62	384
Finance costs	(1,526)	(438)
Profit before tax	13,869	28,675
Income tax expenses	(3,037)	(7,742)
Profit	10,831	20,933
Profit attributable to:		
Owners of parent	10,849	20,933
Non-controlling interests	(17)	–
Profit	10,831	20,933
Earnings per share		
Basic earnings per share (Yen)	141.60	243.53
Diluted earnings per share (Yen)	127.67	242.44

(3) Condensed Semi-annual Consolidated Statements of Comprehensive Income

	The six months ended September 30, 2025	The six months ended September 30, 2026
	Millions of yen	Millions of yen
Profit	10,831	20,933
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(16)	118
Share of other comprehensive income of investments accounted for using equity method	13	5
Total items that will not be reclassified to profit or loss	(2)	123
Items that may be reclassified to profit or loss		
Cash flow hedges	(1,702)	(43,668)
Translation adjustments of foreign operations	707	(3,546)
Total items that may be reclassified to profit or loss	(994)	(47,215)
Other comprehensive income, net of tax	(996)	(47,091)
Comprehensive income	9,834	(26,158)
Comprehensive income attributable to:		
Owners of parent	9,854	(26,158)
Non-controlling interests	(19)	–
Comprehensive income	9,834	(26,158)

(4) Condensed Semi-annual Consolidated Statements of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Translation adjustments of foreign operations	Cash flow hedges
Balance at April 1, 2025	7,790	12,080	(6,066)	121,679	474	(9,670)
Profit	–	–	–	10,849	–	–
Other comprehensive income	–	–	–	–	710	(1,702)
Total comprehensive income	–	–	–	10,849	710	(1,702)
Dividends	–	–	–	(3,064)	–	–
Reclassified from other components of equity to retained earnings	–	–	–	(16)	–	–
Share-based payment transactions	–	52	27	–	–	–
Total transactions with owners	–	52	27	(3,080)	–	–
Balance at September 30, 2025	7,790	12,133	(6,039)	129,448	1,184	(11,372)

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity					
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Total	Non-controlling interests	Total equity
Balance at April 1, 2025	13	–	(9,182)	126,301	47	126,349
Profit	–	–	–	10,849	(17)	10,831
Other comprehensive income	13	(16)	(994)	(994)	(2)	(996)
Total comprehensive income	13	(16)	(994)	9,854	(19)	9,834
Dividends	–	–	–	(3,064)	–	(3,064)
Reclassified from other components of equity to retained earnings	–	16	16	–	–	–
Share-based payment transactions	–	–	–	79	–	79
Total transactions with owners	–	16	16	(2,984)	–	(2,984)
Balance at September 30, 2025	27	–	(10,160)	133,172	27	133,199

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Translation adjustments of foreign operations	Cash flow hedges
Balance at April 1, 2026	20,233	26,760	(1,657)	138,497	6,728	39,960
Profit	–	–	–	20,933	–	–
Other comprehensive income	–	–	–	–	(3,546)	(43,668)
Total comprehensive income	–	–	–	20,933	(3,546)	(43,668)
Purchase of treasury stock	–	–	(0)	–	–	–
Dividends	–	–	–	(5,586)	–	–
Reclassified amount of reserve of cash flow hedges to inventories	–	–	–	–	–	(40)
Reclassified from other components of equity to retained earnings	–	–	–	118	–	–
Share-based payment transactions	–	161	83	–	–	–
Total transactions with owners	–	161	83	(5,467)	–	(40)
Balance at September 30, 2026	20,233	26,921	(1,573)	153,962	3,181	(3,748)

(Millions of yen)

	Equity attributable to owners of parent				
	Other components of equity				
	Financial assets measured at fair value through other comprehen-sive income	Remeasure-ments of defined benefit plans	Total	Total	Total equity
Balance at April 1, 2026	32	–	46,721	230,555	230,555
Profit	–	–	–	20,933	20,933
Other comprehensive income	5	118	(47,091)	(47,091)	(47,091)
Total comprehensive income	5	118	(47,091)	(26,158)	(26,158)
Purchase of treasury stock	–	–	–	(0)	(0)
Dividends	–	–	–	(5,586)	(5,586)
Reclassified amount of reserve of cash flow hedges to inventories	–	–	(40)	(40)	(40)
Reclassified from other components of equity to retained earnings	–	(118)	(118)	–	–
Share-based payment transactions	–	–	–	244	244
Total transactions with owners	–	(118)	(158)	(5,381)	(5,381)
Balance at September 30, 2026	37	–	(529)	199,015	199,015

(5) Condensed Semi-annual Consolidated Statements of Cash Flows

	The six months ended September 30, 2025	The six months ended September 30, 2026
	Millions of yen	Millions of yen
Cash provided by (used in) operating activities		
Profit before tax	13,869	28,675
Depreciation and amortization	1,348	1,706
Impairment loss	56	–
Finance income and finance cost	(223)	462
Share of loss (profit) of investments accounted for using equity method	(877)	(1,115)
Decrease (increase) in inventories	(23,950)	16,402
Decrease (increase) in trade and other receivables	(155,543)	(32,699)
Increase (decrease) in trade, loans and other payables	79,898	62,971
Other, net	38,708	(6,423)
Subtotal	(46,713)	69,979
Interest and dividend income received	32	51
Interest expenses paid	(269)	(343)
Income taxes paid	(2,123)	(6,572)
Income taxes refunded	0	53
Net cash provided by (used in) operating activities	(49,074)	63,168
Cash provided by (used in) investing activities		
Payments into time deposits	(103)	(106)
Proceeds from withdrawal of time deposits	207	106
Purchase of property, plant and equipment	(5,572)	(2,836)
Proceeds from sales of property, plant and equipment	2,016	804
Purchase of intangible assets	(408)	(180)
Collection of loans receivable	5,751	–
Other, net	(1,153)	(230)
Net cash provided by (used in) investing activities	737	(2,443)
Cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	19,781	(25,000)
Proceeds from long-term loans payable	29,921	16,498
Repayment of long-term loans payable	(3,888)	(41,071)
Purchase of treasury stock	–	(0)
Cash dividends paid	(3,064)	(5,588)
Other, net	(74)	(71)
Net cash provided by (used in) financing activities	42,676	(55,233)
Effect of exchange rate change on cash and cash equivalents	(1,313)	(29)
Net increase (decrease) in cash and cash equivalents	(6,974)	5,462
Cash and cash equivalents at beginning of period	17,555	10,336
Cash and cash equivalents at end of period	10,581	15,798

(6) Notes on Condensed Semi-annual Consolidated Financial Statements

Segment information

(1) Overview of reporting segments

The Group's business segments are those Group constituent units for which separate financial information is obtainable, and which the Board of Directors subjects to regular examination in order to decide the allocation of management resources and evaluate business results.

As a pure holding company, the Company is in charge of overall strategic function for the Group, whereas operating companies of the Group engage in the precious and rare metals recycling business and the refining and processing business, industrial waste management and other environmental preservation business.

Therefore, the Group is composed of product and service segments based on business sectors. The two reporting segments are the Precious Metals business and the Environmental Preservation business.

Meanwhile, these reporting segments are not aggregated.

The Precious Metals business engages mainly in recycling and selling precious and rare metals such as gold, silver, palladium, platinum, and rhodium from scrap containing precious metals, as well as refining and processing of precious metals centered on gold and silver. The main work of the Environmental Preservation business is the collection, transport and intermediate processing of industrial waste.

(2) Segment revenue and performance

Revenue and other performance of each reporting segment of the Group are as follows.

For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(Millions of yen)

	Reporting segment						
	Precious Metals business	Environmental Preservation business	Subtotal	Other	Total	Adjustments	Consolidated
Revenue							
External revenue	238,179	–	238,179	59	238,239	–	238,239
Intersegment revenue	–	–	–	–	–	–	–
Total	238,179	–	238,179	59	238,239	–	238,239
Operating profit by business segment	14,575	870	15,446	(114)	15,332	–	15,332
Finance income							62
Finance costs							(1,526)
Profit before tax							13,869

For the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(Millions of yen)

	Reporting segment						
	Precious Metals business	Environmental Preservation business	Subtotal	Other	Total	Adjustments	Consolidated
Revenue							
External revenue	365,085	–	365,085	78	365,164	–	365,164
Intersegment revenue	–	–	–	–	–	–	–
Total	365,085	–	365,085	78	365,164	–	365,164
Operating profit by business segment	27,716	1,109	28,825	(96)	28,729	–	28,729
Finance income							384
Finance costs							(438)
Profit before tax							28,675

Notes on assumptions for going concern

Not applicable

Significant subsequent events

Not applicable