Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2027 (April 1, 2026 to September 30, 2026) <Japanese GAAP>

November 10, 2026

Company Name: **NICHIAS Corporation**
Stock Exchange Listing: Tokyo Stock Exchange (Code number 5393)
URL: https://www.nichias.co.jp/nichias-E/
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Scheduled date of filing of semi-annual consolidated financial statements: November 12, 2026
Supplementary materials for financial results: Available
Organization of financial results briefing: Available (for institutional investors and analysts)
Scheduled date of commencement of dividend payment: December 1, 2026

(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the first half of Fiscal Year 2026 (April 1, 2026 to September 30, 2026)

(1) Operating Results (cumulative)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2026 H1	145,895	18.9	25,039	40.8	25,620	39.5	17,841	40.1
FY2025 H1	122,744	(3.1)	17,778	(10.5)	18,361	(11.0)	12,737	(11.9)

Note: Comprehensive income FY2026 H1 ¥20,213 million ---63.6%; FY2025 H1 ¥12,351 million---(19.1)%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2026 H1	94.69	―
FY2025 H1	66.34	―

Note: Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. Basic earnings per share has been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2026	328,077	250,324	76.0
As of March 31, 2026	307,123	239,612	77.7

(Reference) Shareholders' equity FY2026 H1 ¥ 249,207 million; As of March 31, 2026 (FY2025) ¥ 238,515 million

2. Dividends

	Annual dividends				
	End of 1st quarter	End of 1st half	End of 3rd quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2025	—	76.00	—	88.00	164.00
FY2026	—	35.00			
FY2026 (Forecast)			—	35.00	70.00

Notes: 1. Adjustments from the most recently released dividend forecast: Yes
*For information on the revision to our dividend forecast, please see the "Notice of Revisions to Year-end Dividend Forecast" released separately today.
2. Effective April 1, 2026, the Company has implemented a stock split at a ratio of 3 shares for each 1 share of its common stock. For FY2025, the actual dividend amounts prior to the stock split are shown. For FY2026 (forecast), the figures following the stock split are shown.

3. Forecast of consolidated financial results for Fiscal Year 2026 (April 1, 2026 to March 31, 2027)

(Percentage figures represent changes from previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	288,000	14.3	49,000	32.4	50,500	28.2	35,000	10.6	186.13

Note: Adjustments from the most recently released consolidated results forecast: None

*Notes

(1) Significant changes in the scope of consolidation during the consolidated quarter under review: Yes
Newly included 2 companies (Company names)
NICHIAS INDUSTRIAL PRODUCTS PRIVATE LTD. and one other company
(2) Application of specific accounting methods in the preparation of interim consolidated financial statements: None
(3) Changes in accounting policies, changes in accounting estimates, and restatements
1) Changes in accounting policies due to revision of accounting standards: None
2) Changes other than those in 1) above: None
3) Changes in accounting estimates: None
4) Restatements: None

(4) Number of shares outstanding (ordinary shares)
1) Number of shares issued at the end of the period (including treasury stock)
FY2026 H1 (As of September 30, 2025) 190,985,751 shares
FY2025 (As of March 31, 2025) 190,985,751 shares
2) Number of shares of treasury stock at the end of the period
FY2026 H1 (As of September 30, 2025) 3,271,248 shares
FY2025 (As of March 31, 2025) 1,896,849 shares
3) Average number of shares outstanding during the period
FY2026 H1 (As of September 30, 2025) 188,418,126 shares
FY2025 H1 (As of September 30, 2024) 191,997,428 shares

Notes: 1. Effective April 1, 2026, the Company has implemented a share split at a ratio of 3 shares for each 1 share of its common stock. The number of shares issued at the end of the period (including treasury stock), the number of shares of treasury stock at the end of the period, and the average number of shares outstanding during the period have been calculated on the assumption that the share split had taken place at the beginning of the previous fiscal year.
2. The Company introduced a stock-grant plan utilizing a stock-grant ESOP trust during the first quarter of the current fiscal year. The number of shares of treasury stock deducted in calculating the number of shares of treasury stock at the end of the period and the average number of shares outstanding during the period

includes shares of the Company held by the trust account established in connection with the introduction of the stock-grant plan utilizing the stock-grant ESOP trust (155,560 shares at the end of FY2026 H1).

*The consolidated financial results for the first half of the fiscal year ending March 31, 2026, are not subject to review by a certified public accountant or auditor.

*Information concerning proper use of financial forecasts and other special notes

(Information concerning forward-looking statements)

Forward-looking statements concerning financial forecasts contained in these materials are based on information available to the Company when the forecasts were made and certain assumptions judged to be reasonable. However, the Company makes no guarantee that those forecasts will be achieved. Actual results may differ significantly from the forecasts due to a variety of factors.

(1) Interim consolidated balance sheets

(Millions of yen)

	FY2025 (As of March 31, 2026)	FY2026 H1 (As of September 30, 2026)
Assets		
Current assets		
Cash and deposits	57,723	67,564
Notes and accounts receivable – trade	33,549	35,962
Electronically recorded monetary claims	16,606	18,777
Accounts receivable from completed construction contracts	22,327	22,647
Merchandise and finished goods	22,875	23,006
Work in process	3,896	4,975
Raw materials and supplies	27,290	27,431
Costs on uncompleted construction contracts	2,505	2,107
Other	5,562	4,173
Allowance for doubtful accounts	(22)	(21)
Total current assets	192,315	206,624
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	79,935	81,542
Accumulated depreciation and impairment loss	(43,359)	(44,804)
Buildings and structures, net	36,576	36,738
Machinery, equipment and vehicles	90,234	92,112
Accumulated depreciation and impairment loss	(77,385)	(78,775)
Machinery, equipment and vehicles, net	12,849	13,336
Land	15,270	18,034
Lease assets	471	467
Accumulated depreciation	(290)	(325)
Lease assets, net	181	142
Construction in progress	4,434	4,556
Other	14,531	15,206
Accumulated depreciation and impairment loss	(12,078)	(12,447)
Other, net	2,453	2,758
Total property, plant and equipment	71,765	75,566
Intangible assets		
Software	619	645
Other	1,449	1,588
Total intangible assets	2,068	2,233
Investments and other assets		
Investment securities	17,926	20,911
Long-term loans receivable	858	2
Net defined benefit asset	15,194	15,363
Deferred tax assets	2,552	2,643
Other	5,245	5,465
Allowance for doubtful accounts	(804)	(735)
Total investments and other assets	40,973	43,652
Total noncurrent assets	114,807	121,453
Total assets	307,123	328,077

(Millions of yen)

	FY2025 (As of March 31, 2026)	FY2026 H1 (As of September 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	16,638	19,054
Electronically recorded monetary obligations	7,029	6,770
Short-term loans payable	9,750	10,173
Accounts payable – other	7,046	5,251
Income taxes payable	2,439	7,964
Advances received on uncompleted construction contracts	611	712
Provision for bonuses	2,900	3,884
Other	5,729	6,912
Total current liabilities	52,144	60,724
Noncurrent liabilities		
Deferred tax liabilities	6,298	6,977
Net defined benefit liability	4,344	4,423
Reserves for litigation losses	285	671
Lease liabilities	977	986
Other	3,458	3,971
Total noncurrent liabilities	15,365	17,029
Total liabilities	67,510	77,753
Net assets		
Shareholders' equity		
Capital stock	12,128	12,128
Capital surplus	12,753	13,036
Retained earnings	190,210	203,488
Treasury stock	(2,974)	(8,165)
Total shareholders' equity	212,117	220,488
Total other cumulative comprehensive income		
Valuation difference on available-for-sale securities	9,090	11,236
Foreign currency translation adjustment	9,670	10,122
Remeasurement of defined benefit plans	7,636	7,360
Total other cumulative comprehensive income	26,397	28,719
Non-controlling interests	1,097	1,116
Total net assets	239,612	250,324
Total liabilities and net assets	307,123	328,077

(2) Interim consolidated statements of income and interim consolidated statements of comprehensive income

Interim consolidated statements of income

(Millions of yen)

	FY2025 H1 (From April 1, 2025 to September 30, 2025)	FY2026 H1 (From April 1, 2026 to September 30, 2026)
Net sales		
Net sales of merchandise and finished goods	88,992	106,998
Net sales of completed construction contracts	33,752	38,897
Total net sales	122,744	145,895
Cost of sales		
Cost of merchandise and finished goods sold	61,115	71,391
Cost of sales of completed construction contracts	27,790	31,595
Total cost of sales	88,905	102,986
Gross profit	33,838	42,908
Selling, general and administrative expenses		
Selling expenses	4,283	4,971
General and administrative expenses	11,775	12,898
Total selling, general and administrative expenses	16,059	17,869
Operating income	17,778	25,039
Non-operating income		
Interest income	78	76
Dividends income	297	291
Rent income	288	292
Equity in earnings of affiliates	27	64
Other	471	343
Total non-operating income	1,163	1,068
Non-operating expenses		
Interest expenses	98	130
Foreign exchange losses	317	177
Other	166	178
Total non-operating expenses	581	487
Ordinary income	18,361	25,620
Extraordinary income		
Gain on sales of noncurrent assets	17	6
Gain on extinguishment of tie-in shares	-	51
Gain on sale of businesses	-	600
Total extraordinary income	17	658
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	93	50
Provision for litigation loss reserves	45	412
Litigation settlement	602	68
Loss on disaster	-	105
Total extraordinary losses	741	637
Income before income taxes	17,636	25,640
Income taxes – current	4,765	8,090
Income taxes – deferred	66	(353)
Total income taxes	4,832	7,737
Net income	12,804	17,903
Net income attributable to non-controlling interests	66	62
Profit attributable to owners of the parent company	12,737	17,841

Interim consolidated statements of comprehensive income

(Millions of yen)

	FY2025 H1 (From April 1, 2025 to September 30, 2025)	FY2026 H1 (From April 1, 2026 to September 30, 2026)
Net income	12,804	17,903
Other comprehensive income		
Valuation difference on available-for-sale securities	971	2,146
Foreign currency translation adjustment	(1,267)	439
Remeasurement of defined benefit plans	(156)	(276)
Total other comprehensive income	(452)	2,309
Comprehensive income	12,351	20,213
Breakdown		
Comprehensive income attributable to owners of the parent company	12,317	20,163
Comprehensive income attributable to minority interests	34	50

(3) Interim consolidated statements of cash flows

(Millions of yen)

	FY2025 H1 (From April 1, 2025 to September 30, 2025)	FY2026 H1 (From April 1, 2026 to September 30, 2026)
Net cash provided by (used in) operating activities		
Income before income taxes	17,636	25,640
Depreciation & amortization	3,514	3,861
Loss (gain) on sales of noncurrent assets	76	44
Loss (gain) on extinguishment of tie-in shares	-	(51)
Loss (gain) on sale of businesses	-	(600)
Loss on disaster	-	105
Decrease (increase) in net defined benefit assets	(395)	(557)
Increase (decrease) in net defined benefit liability	85	55
Increase (decrease) in provision for bonuses	735	961
Interest and dividends income received	(375)	(368)
Interest expenses	98	130
Foreign exchange losses (gains)	291	163
Decrease (increase) in notes and accounts receivable – trade	1,830	(5,086)
Decrease (increase) in inventories	314	(281)
Decrease (increase) in costs on uncompleted construction contracts	(546)	404
Increase (decrease) in notes and accounts payable – trade	(1,833)	2,007
Increase (decrease) in accounts payable – other	(755)	447
Increase (decrease) in accrued expenses	88	318
Increase (decrease) in advances received on uncompleted construction contracts	236	103
Increase (decrease) in provisions for litigation losses	(325)	385
Other	(549)	(34)
Subtotal	20,128	27,650
Interest and dividends income received	375	368
Interest expenses paid	(95)	(130)
Expenses related to factory reconstruction paid	(148)	(136)
Payments associated with disaster loss	-	(17)
Income taxes paid	(8,390)	(2,754)
Income taxes refunded	88	1,717
Net cash provided by (used in) operating activities	11,957	26,697
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	(101)	160
Expenditures for the acquisition of property, plant and equipment	(3,578)	(7,274)
Proceeds from sales of property, plant and equipment	26	47
Expenditures for the acquisition of intangible fixed assets	(117)	(345)
Proceeds from sale of businesses	-	600
Other	(24)	(254)
Net cash provided by (used in) investing activities	(3,795)	(7,065)

(Millions of yen)

	FY2025 H1 (From April 1, 2025 to September 30, 2025)	FY2025 H1 (From April 1, 2026 to September 30, 2026)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(170)	280
Cash dividends paid	(3,599)	(5,540)
Net decrease (increase) in treasury stock	(3,003)	(5,001)
Dividends paid to non-controlling interests	(23)	(31)
Other	(202)	(240)
Net cash provided by (used in) financing activities	(6,998)	(10,534)
Effect of exchange rate change on cash and cash equivalents	(450)	138
Net increase (decrease) in cash and cash equivalents	713	9,235
Cash and cash equivalents at beginning of period	58,611	56,631
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	712
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	57
Cash and cash equivalents at end of period	59,324	66,636