Interim Financial Results for Fiscal Year Ending March 31, 2027

SUGIMOTO & CO., LTD.

9932 October 28, 2026

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Overview of Interim Financial Results for Fiscal Year Ending March 31, 2027

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- Factors contributing to change in net sales:
  Net sales increased due to expanding demand related to AI and semiconductors, as well as growing demand for capital investment.
- Factors contributing to change in operating profit:
  Operating profit increased due to improved operational efficiency following the stabilization of the new core system and efforts to curb increases in SG&A expenses.
- Dividend policy:
  The interim dividend for the fiscal year ending March 31, 2027, was implemented at 27 yen per share, as originally planned.

Net sales	Operating profit	Key indicators
24,990 million yen	**1,023 million yen**	**Interim Period**
(9.7% increase YoY)	(56.9% increase YoY)	**Dividend per share: 27 yen**
		EPS : 48.11 yen

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- Net sales increased due to expanding demand related to AI and semiconductors, as well as solid capital investment by the manufacturing sector.
- Operating profit increased due to improved operational efficiency following the stabilization of the new core system and efforts to curb increases in SG&A expenses.

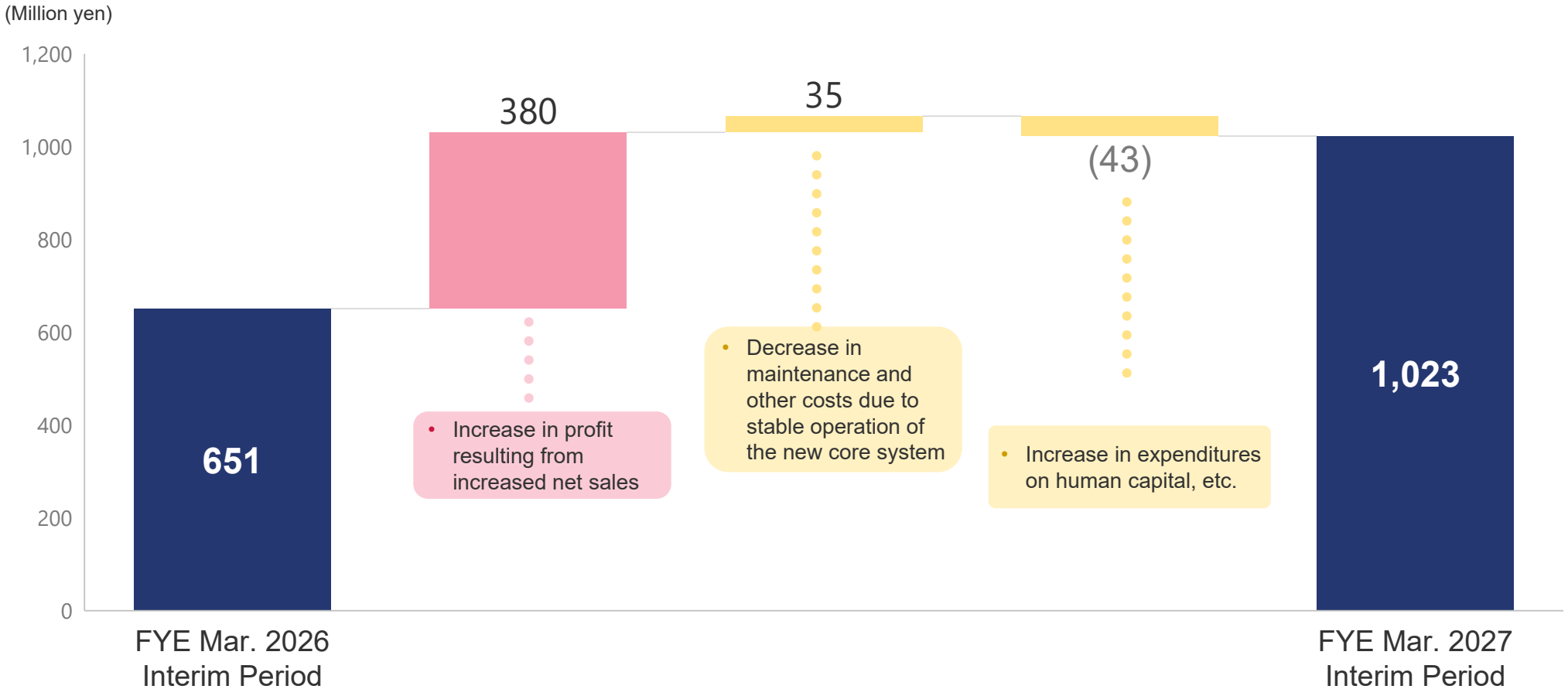
(Million yen)

	FYE Mar. 2026 Interim period	FYE Mar. 2027 Interim period	YoY Change	YoY Change (%)
Net sales	22,774	24,990	+2,216	+9.7%
Operating profit	651	1,023	+371	+56.9%
Ordinary profit	905	1,311	+405	+44.8%
Profit attributable to owners of parent	658	840	+182	+27.6%
ROE (%)	1.9	2.4	+0.5	+26.3%
EPS (Yen)	35.60	48.11	+12.51	+35.1%

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- Operating profit increased due to higher profit resulting from increased net sales, improved operational efficiency following the stabilization of the new core system, and efforts to curb increases in SG&A expenses.



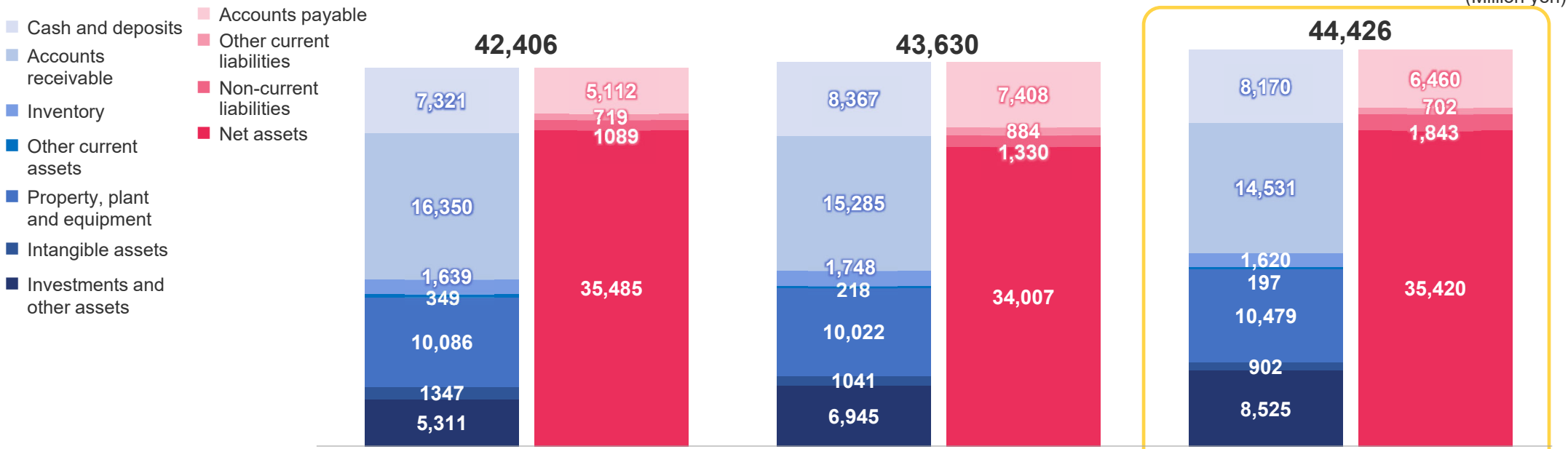
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- Promote appropriate level of shareholders' equity through various initiatives, with a focus on achieving an optimal capital structure.

Consolidated Balance Sheet

(Million yen)



	FYE Mar. 2025	FYE Mar. 2026	FYE Mar. 2027 Interim Period
Net assets	35,485	34,007	35,420
Equity ratio	83.7%	77.9%	79.7%

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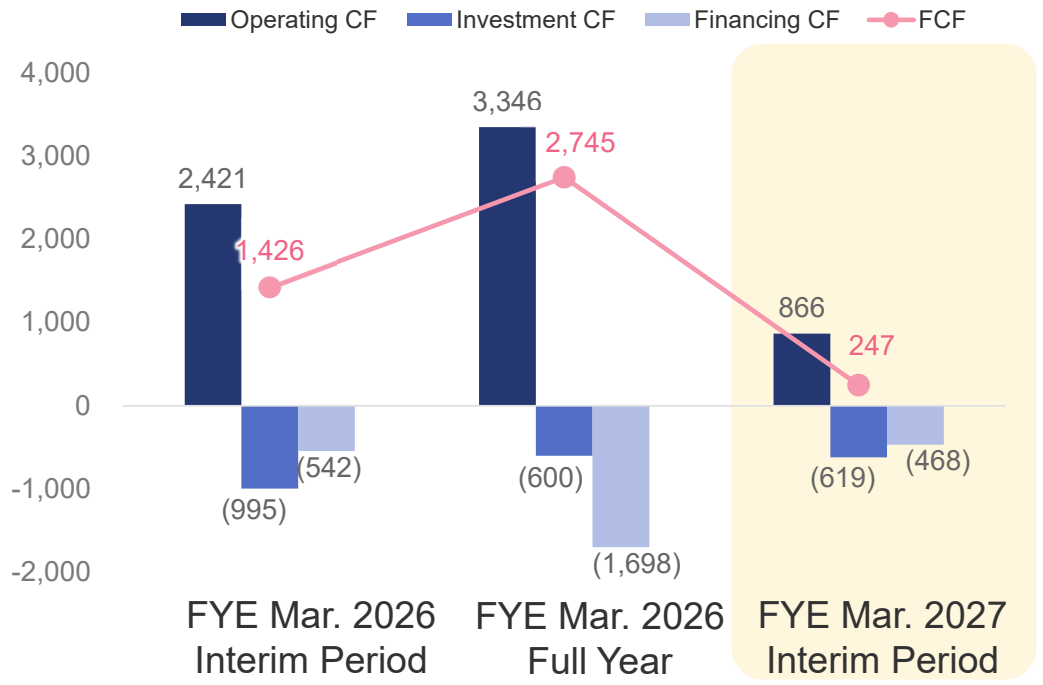
- Net cash inflow from operating activities was recorded, primarily due to profit before income taxes and a decrease in trade receivables.
- Net cash outflow from investing activities was recorded, primarily due to purchase of property, plant and equipment, including land.
- Net cash outflow from financing activities was recorded, primarily due to dividends paid and other factors.
- Free cash flow decreased year on year due to a decrease in cash flow from operating activities.

Statement of Cash Flows

(Million yen)

	FYE Mar. 2026 Interim period	**FYE Mar. 2027 Interim period**
Net cash provided by (used in) operating activities	2,421	866
Net cash provided by (used in) investing activities	(995)	(619)
Net cash provided by (used in) financing activities	(542)	(468)
Net increase (decrease) in cash and cash equivalents	884	(221)
Cash and cash equivalents at end of period	8,137	8,078

(Million yen)



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Earnings Forecast for Fiscal Year Ending March 31, 2027

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- Net sales progressed generally in line with the plan, supported mainly by demand related to AI and semiconductors.
- Each profit item also progressed generally in line with the plan, with ordinary profit reaching 51.1% of the full-year forecast.

(Million yen)

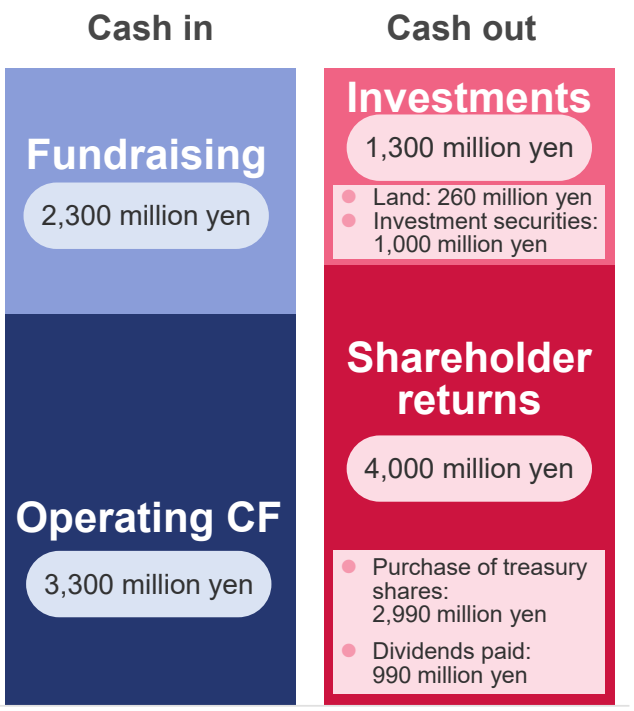
	FYE Mar. 2026 Full Year (Results)	FYE Mar. 2027 Full Year (Forecast)	FYE Mar. 2027 Interim period (Results)	Progress
Net sales	48,611	51,100	24,990	48.9%
Operating profit	2,047	2,070	1,023	49.4%
Ordinary profit	2,550	2,565	1,311	51.1%
Profit attributable to owners of parent	2,112	1,736	840	48.4%
EPS (Yen)	117.29	99.32	48.11	48.4%

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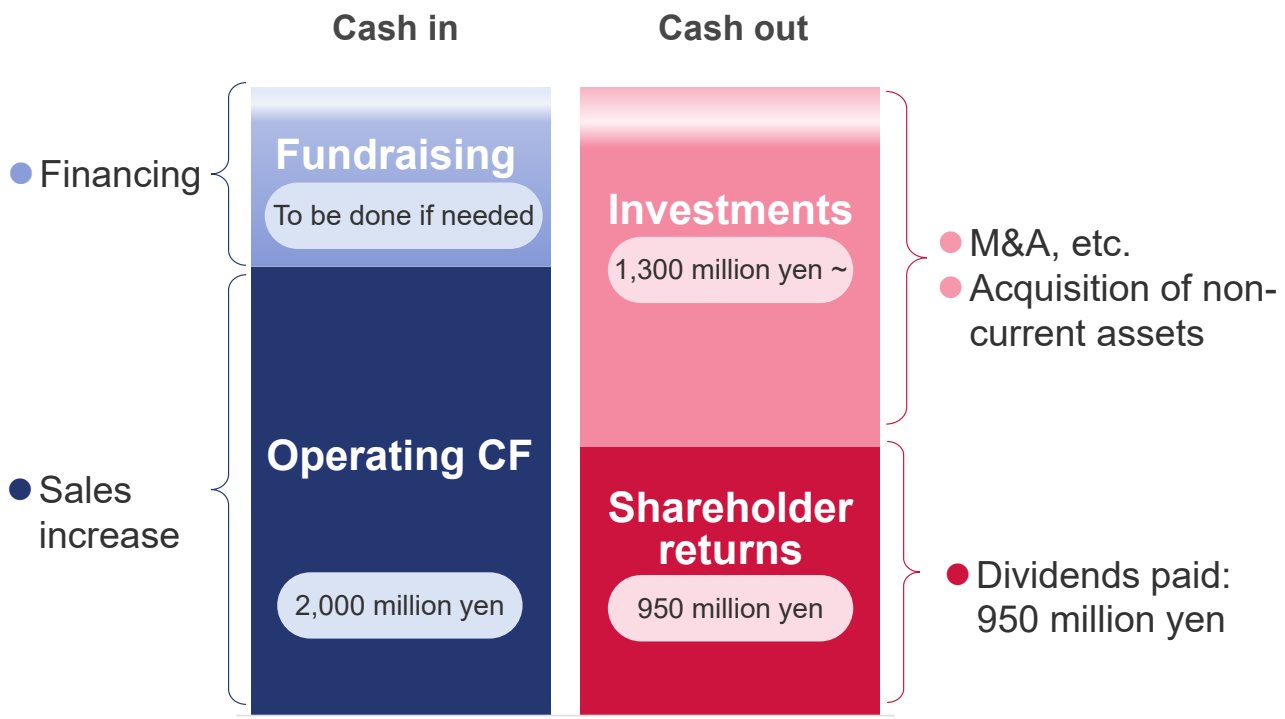
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- We plan to allocate funds to active growth investments, including M&A, and shareholder returns.
- We will appropriately utilize external financing to improve capital efficiency while pursuing growth investments.

FYE Mar. 2026



FYE Mar. 2027



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- The cash allocation plan established at the beginning of the fiscal year has progressed smoothly as of the end of September 2026.

	FYE Mar. 2027 Planned amount	Completed	Remarks
Fundraising	As needed	–	• Fundraising in response to funding needs
Growth investments	1,300 million yen	570 million yen	• Acquisition of land
Shareholder returns	950 million yen	470 million yen	• Planned through interim and year-end dividends

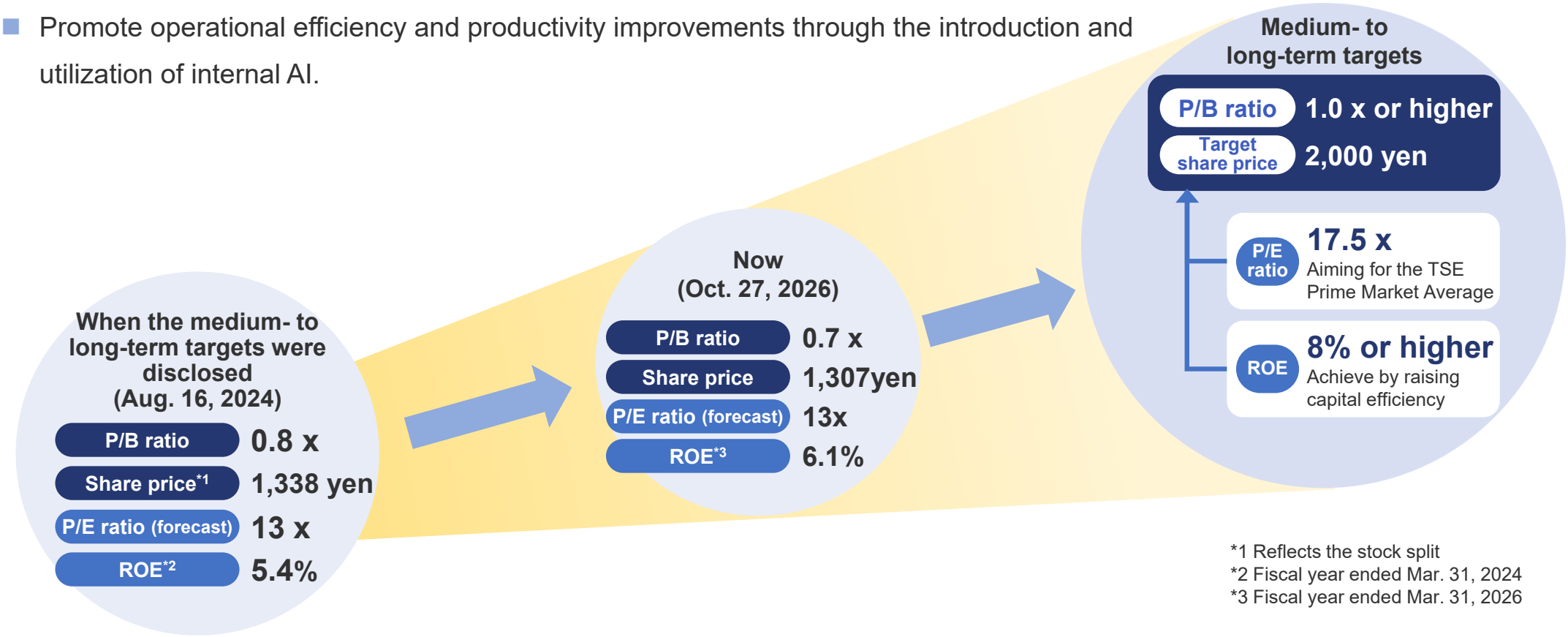
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Progress of Capital Policy Initiatives

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- Steadily implement measures for realizing the medium- to long-term indicators published in August 2024, “Measures to achieve management that takes capital costs and share price into account.”
- Continue implementing various measures to improve market valuation through sustainable enhancement of corporate value.
- Promote operational efficiency and productivity improvements through the introduction and utilization of internal AI.



*1 Reflects the stock split
*2 Fiscal year ended Mar. 31, 2024
*3 Fiscal year ended Mar. 31, 2026

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Progress of the KPI of Each Measure (As of October 2026)

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- Steady progress in capital policy initiatives
- Medium- to long-term payout ratio target to be achieved in the fiscal year ending March 31, 2027
- The next medium-term plan to be determined based on the results of the 4th Medium-Term Management Plan

					Actual: FYE Mar. 2027 Interim Period	Plan: FYE Mar. 2027	KPI: 4th Medium-Term Plan FYE Mar. 2027
P/B Ratio	ROE	Limit excessive retention of shareholders' equity	Capital policies/ financial strategy	Enhance shareholder returns • Increase the payout ratio and proactively perform share buybacks	• Payout ratio: 56.1%	• Payout ratio: 54.4% (Annual dividend: 54 yen)	Maintain payout ratio of 50% or higher*
				Implement a stock split	–	–	–
	ROE P/E Ratio	Growth of net sales and improvement of margin Improvement of expected growth rate	Growth strategy	Expansion of net sales and improvement of earnings capacity due to smooth execution of medium-term management plan • Enhance existing businesses • Expansion of new products and services and development of new markets • Proactive growth investments (Including M&A)	Net sales: 24,990 million yen Operating profit: 1,023 million yen	Net sales: 51,100 million yen Operating profit: 2,070 million yen	Final year Net sales: 55,830 million yen Operating profit: 2,860 million yen
	Reduced cost of equity		Non-financial strategy	Comprehensive information disclosure	• Continue disclosure of financial results briefing materials	• Continue disclosure of financial results briefing materials • Communicate with financial institutions on funding needs	Comprehensive information disclosure

In progress　　Achieved

*The minimum dividend per share shall be 35 yen (after reflecting the stock split)

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These materials are intended to provide information about our current plans and performance forecasts. Such future plans and forecast figures are made by the Company based on currently available information.

The actual results are subject to a variety of factors and conditions and may not be the same as the plan. These materials are not intended to confirm or guarantee the results described herein.

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