

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026
<under Japanese GAAP>

May 12, 2026

Company name : NIKKO COMPANY
 ID number : 5343 Stock listing : Nagoya Stock Exchange Main Market
 URL : <https://www.nikko-company.co.jp/>
 Representative : Akiko Mitani, Chief Executive Officer
 Contact : Hirotsugu Bamba, Chief Financial Officer (Phone: +81-76-276-2121)
 Scheduled date of general meeting of shareholders : June 23, 2026
 Scheduled date to submit Securities Report : June 22, 2026
 Scheduled date to begin dividend payments : -
 Preparation of supplementary materials for financial results : None
 Holding of financial results meeting : None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 2026)

(1) Consolidated operating results (Percentage figures represent changes from the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended Mar. 31, 2026	15,982	6.1	724	97.0	741	105.0	813	181.3
FY ended Mar. 31, 2025	15,068	2.4	367	148.8	361	91.7	289	99.4

Note: Comprehensive income (Millions of yen) : Mar. 31, 2026 : 987 (219.5%) Mar. 31, 2025 : 309 (88.4%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY ended Mar. 31, 2026	28.08	-	35.7	7.5	4.5
FY ended Mar. 31, 2025	10.93	-	23.1	3.8	2.4

Reference: Equity in earnings of affiliates (Millions of yen) : Mar. 31, 2026 : (3) Mar. 31, 2025 : (2)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2026	10,047	2,773	27.6	95.70
As of Mar. 31, 2025	9,687	1,785	18.4	61.61

Reference: Shareholders' equity (Millions of yen) : Mar. 31, 2026: 2,773 Mar. 31, 2025: 1,785

(3) Consolidated cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investment activities	Financing activities	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY ended Mar. 31, 2026	737	(335)	(269)	1,593
FY ended Mar. 31, 2025	599	(247)	121	1,456

2. Dividends

(Record date)	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Dividend on Equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Year ended Mar. 31, 2026	-	0.00	-	0.00	0.00	-	-	-
Year ending Mar. 31, 2027 (forecast)	-	0.00	-	0.00	0.00		-	

3. Projected Consolidated Results for FY2027 (April 1, 2026 to March 31, 2027)

Based on our awareness that “a company is a public entity of society,” one of our important management goals is to be a company that aims to create a society that prioritizes business operations based on a long-term perspective instead of short-term profit. Accordingly, we embrace the philosophy of public interest capitalism which is a concept that suggests that a company should deliver profits to its shareholders as a result of enhancing the company value by contributing to all people and organizations with the same interests including its employees, customers, suppliers, local communities, and the Earth.

Concerns have been raised that, due to the nature of the relevant systems, programs, and rules (business customs), the disclosure of quarterly financial results and/or projected results may have multiple adverse effects. This includes the occurrence of an excessive focus on short-term financial results and immediate stock price fluctuations and the narrowing of the investors’ speculative view when making investment decisions.

This in turn hinders R&D investments, equipment investments, and employee development activities by a company based on a long-term perspective, and results in a company’s negligence of its roles as a public entity, i.e., negligence of social contribution activities such as sharing the company’s profits with employees, customers, business partners, and local communities.

As an attempt to address these concerns, a proposal to abolish the projected results form in financial briefs was presented in the Future Investment Strategy 2017 (Cabinet Office, Government of Japan). This proposal was adopted in February 2017.

Taking these viewpoints into consideration, while the Nikko Group has been disclosing projected consolidated results for each fiscal year up to FY2017, the Group recognizes the purpose and the significance of the revision made by the Japanese Government in February 2017 and has decided to embrace the revision starting from FY2018, from which the Group has stopped disclosing its projected consolidated results.

※Notes

(1) Significant changes in the scope of consolidation during the ended March 31, 2026 : None

(2) Changes in accounting policies, changes in accounting estimates, or restatement

- 1) Changes in accounting policies due to changes in consolidated accounting methods : None
- 2) Changes other than 1) above : None
- 3) Changes in accounting estimates : None
- 4) Restatement : None

(3) Number of shares outstanding (common shares)

- 1) Number of shares outstanding (including treasury stock) at the end of the period

	Mar. 31, 2026 : 29,842,000 shares	Mar. 31, 2025 : 29,842,000 shares
--	-----------------------------------	-----------------------------------
- 2) Number of treasury stock at the end of the period

	Mar. 31, 2026 : 865,040 shares	Mar. 31, 2025 : 865,040 shares
--	--------------------------------	--------------------------------
- 3) Average number of shares over period

	Mar. 31, 2026 : 28,976,960 shares	Mar. 31, 2025 : 26,460,529 shares
--	-----------------------------------	-----------------------------------

(Reference) Non-consolidated financial results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 2026)

(1) Non-consolidated operating results (Percentage figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended Mar. 31, 2026	15,749	5.7	605	87.5	632	99.3	703	189.3
FY ended Mar. 31, 2025	14,903	2.9	322	573.2	317	261.5	243	542.0

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY ended Mar. 31, 2026	24.26	-
FY ended Mar. 31, 2025	9.18	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2026	11,387	2,110	18.5	72.83
As of Mar. 31, 2025	11,096	1,381	12.5	47.68

Reference: Shareholders' equity (Millions of yen) : Mar.31, 2026: 2,110 Mar.31, 2025: 1,381

Consolidated Financial Statements

(1) Consolidated Balance Sheet

	FY03/2025 (As of Mar.31.2025)	(Millions of yen) FY03/2026 (As of Mar.31.2026)
Assets		
Current assets		
Cash and deposits	1,497	1,634
Notes and accounts receivable - trade, and contract assets	2,400	2,331
Merchandise and finished goods	1,394	1,467
Work in process	579	562
Costs on uncompleted construction contracts	363	367
Raw materials and supplies	481	513
Other	77	94
Allowance for doubtful accounts	(6)	(5)
Total current assets	6,787	6,964
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	6,999	7,037
Accumulated depreciation	(5,878)	(5,974)
Buildings and structures, net	1,121	1,062
Machinery, equipment and vehicles	4,567	4,610
Accumulated depreciation	(4,196)	(4,246)
Machinery, equipment and vehicles, net	370	364
Tools, furniture and fixtures	1,209	1,229
Accumulated depreciation	(1,146)	(1,154)
Tools, furniture and fixtures, net	63	74
Land	702	702
Lease assets	223	167
Accumulated depreciation	(91)	(69)
Lease assets, net	131	98
Construction in progress	68	60
Total property, plant and equipment	2,457	2,362
Intangible assets	145	148
Investments and other assets		
Investment securities	162	250
Deferred tax assets	—	191
Other	135	130
Allowance for doubtful accounts	(3)	(1)
Total investments and other assets	295	571
Total noncurrent assets	2,899	3,083
Total assets	9,687	10,047
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,734	2,036
Short-term loans payable	1,600	1,000
Current portion of bonds payable	20	—
Current portion of long-term loans payable	110	150
Lease obligations	72	63
Income taxes payable	98	125
Contract liabilities	814	1,116
Provision for bonuses	174	321
Provision for product warranties	47	43
Other	568	575
Total current liabilities	6,239	5,431
Noncurrent liabilities		
Long-term loans payable	60	443
Lease obligations	159	107
Deferred tax liabilities	2	—
Provision for directors' retirement benefits	96	97
Net defined benefit liability	1,220	1,075
Other	123	117
Total noncurrent liabilities	1,662	1,842
Total liabilities	7,901	7,274
Net assets		
Shareholders' equity		
Capital stock	3,850	3,850
Capital surplus	1,964	1,964
Retained earnings	(3,653)	(2,839)
Treasury stock	(338)	(338)
Total shareholders' equity	1,822	2,636
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2	27
Foreign currency translation adjustment	(54)	(22)
Remeasurements of defined benefit plans	14	131
Total accumulated other comprehensive income	(37)	136
Total net assets	1,785	2,773
Total liabilities and net assets	9,687	10,047

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

	(Millions of yen)	
	FY03/2025	FY03/2026
	(Apr.1, 2024-Mar.31,2025)	(Apr.1, 2025-Mar.31,2026)
Net sales	15,068	15,982
Cost of sales	10,393	10,638
Gross profit	4,675	5,343
Selling, general and administrative expenses	4,308	4,619
Operating profit	367	724
Non-operating income		
Interest income	0	1
Rent income	10	10
Foreign exchange gains	8	25
Subsidy income	0	8
Other	22	20
Total non-operating income	42	66
Non-operating expenses		
Interest expenses	21	24
Loss on sales of notes payable	5	5
Loss on transfer of accounts receivable	8	9
Share of loss of entities accounted for using equity method	2	3
Other	10	6
Total non-operating expenses	48	48
Ordinary profit	361	741
Extraordinary Income		
Gain on sales of noncurrent assets	0	—
Total extraordinary Income	0	—
Extraordinary losses		
Loss on retirement of noncurrent assets	3	22
Loss on valuation of investment securities	7	—
Total extraordinary losses	10	22
Profit before income taxes	351	719
Income taxes-current	62	117
Income taxes-deferred	(0)	(211)
Total income taxes	62	(94)
Profit	289	813
Profit attributable to owners of parent	289	813

Consolidated statements of comprehensive income

	(Millions of yen)	
	FY03/2025	FY03/2026
	(Apr.1, 2024-Mar.31,2025)	(Apr.1, 2025-Mar.31,2026)
Profit	289	813
Other comprehensive income		
Valuation difference on available-for-sale securities	0	25
Foreign currency translation adjustment	(4)	27
Remeasurements of defined benefit plans, net of tax	15	116
Share of other comprehensive income of entities accounted for using equity method	7	4
Total Other comprehensive income	19	174
Comprehensive income	309	987
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	309	987
Comprehensive income attributable to non-controlling interests	—	—

(3)Consolidated Statements of changes in equity

FY03/2025 (Apr.1, 2024-Mar. 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	3,470	1,584	(3,942)	(338)	773
Changes of items during the period					
Issuance of new shares	380	379			759
Profit attributable to owners of parent			289		289
Purchase of treasury stock				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during the period	380	379	289	(0)	1,048
Balance at the end of current period	3,850	1,964	(3,653)	(338)	1,822

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Accumulated other comprehensive income	
Balance at the beginning of current period	1	(57)	(1)	(57)	716
Changes of items during the period					
Issuance of new shares					759
Profit attributable to owners of parent					289
Purchase of treasury stock					(0)
Net changes of items other than shareholders' equity	0	3	15	19	19
Total changes of items during the period	0	3	15	19	1,068
Balance at the end of current period	2	(54)	14	(37)	1,785

FY03/2026 (Apr.1, 2025-Mar. 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	3,850	1,964	(3,653)	(338)	1,822
Changes of items during the period					
Profit attributable to owners of parent			813		813
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	813	—	813
Balance at the end of current period	3,850	1,964	(2,839)	(338)	2,636

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Accumulated other comprehensive income	
Balance at the beginning of current period	2	(54)	14	(37)	1,785
Changes of items during the period					
Profit attributable to owners of parent					813
Net changes of items other than shareholders' equity	25	31	116	174	174
Total changes of items during the period	25	31	116	174	987
Balance at the end of current period	27	(22)	131	136	2,773

(4) Consolidated Statements of Cash Flows

	FY03/2025 (Apr.1, 2024-Mar.31,2025)	(Millions of yen) FY03/2026 (Apr.1, 2025-Mar.31,2026)
Net cash provided by (used in) operating activities		
Profit before income taxes	351	719
Depreciation and amortization	378	370
Increase (decrease) in allowance for doubtful accounts	(0)	(2)
Increase (decrease) in provision for bonuses	85	147
Increase (decrease) in net defined benefit liability	(32)	(22)
Increase (decrease) in provision for product warranties	(5)	(4)
Interest and dividends income	(0)	(2)
Interest expenses	21	24
Share of profit of entities accounted for using equity method	2	3
Subsidy income	(0)	(8)
Compensation income	(4)	(0)
Loss (gain) on valuation of investment securities	7	—
Loss (gain) on sales of non-current assets	(0)	—
Loss on retirement of noncurrent assets	3	22
Decrease (increase) in notes and accounts receivable-trade	(103)	83
Decrease (increase) in inventories	75	(91)
Increase (decrease) in notes and accounts payable-trade	(62)	(697)
Increase (decrease) in contract liabilities	52	301
Other, net	(123)	5
Subtotal	643	848
Interest and dividends income received	0	2
Interest expenses paid	(21)	(24)
Income taxes paid	(28)	(98)
Proceeds from subsidy income	0	8
Proceeds from compensation	4	0
Net cash provided by (used in) operating activities	599	737
Net cash provided by (used in) investment activities		
Payments into time deposits	(0)	(0)
Purchase of property, plant and equipment	(179)	(218)
Purchase of investment securities	(49)	(49)
Other, net	(18)	(67)
Net cash provided by (used in) investment activities	(247)	(335)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(400)	(600)
Proceeds from long-term loans payable	—	600
Repayment of long-term loans payable	(124)	(176)
Redemption of bonds	(40)	(20)
Repayments of lease obligations	(67)	(72)
Proceeds from issuance of common stock	753	—
Purchase of treasury shares	(0)	—
Net cash provided by (used in) financing activities	121	(269)
Effect of exchange rate change on cash and cash equivalents	(1)	4
Net increase (decrease) in cash and cash equivalents	473	136
Cash and cash equivalents at beginning of period	983	1,456
Cash and cash equivalents at end of period	1,456	1,593

[Consolidated Segment Information]

1. Overview of reportable segments

Segments used for financial reporting are the Nikko Group's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Group has established business divisions that comprise of the company and its subsidiaries and affiliates, and each division conducts business in line with the comprehensive strategies they have devised for products, merchandise and services in both domestic and overseas markets.

Therefore, the Group consists of segments by products, merchandise and services on the basis of the business divisions, and the "Housing & Environmental equipment", "Functional Ceramics Product" and "Tabletop" are three reportable segments.

Industry Segment	Major Products
Housing & Environmental Equipment	Septic tanks, Garbage disposal systems, System baths, Other FRP items, Water treatment facilities
Functional Ceramics Product	Alumina substrates, LTCC substrates, Dielectric ceramics
Tabletop	Fine bone china, Fine vitrified china, Fine porcelain, Oven ware

2. Information related to net sales and profit or loss for each reportable segment

FY03/2025(Apr. 1, 2024 - Mar. 31, 2025)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	Tabletop	Other (Note 1)	Segment total	Adjustment (Note2)	Amounts on the consolidated statements of income (Note3)
Net sales							
Goods and services transferred at a point in time	2,013	2,749	1,614	7	6,385	-	6,385
Goods and services transferred over time (Note 4)	8,683	-	-	-	8,683	-	8,683
Revenue from contracts with customers	10,696	2,749	1,614	7	15,068	-	15,068
Other revenue (Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	10,696	2,749	1,614	7	15,068	-	15,068
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	10,696	2,749	1,614	7	15,068	-	15,068
Segment profit (loss) (Operating profit (loss))	979	234	8	(5)	1,216	(848)	367
Segment assets	3,496	2,137	2,181	20	7,835	1,851	9,687
Other Items							
Depreciation and Amortization	112	153	73	1	341	37	378
Investment to affiliates accounted for by the equity method	-	-	96	-	96	-	96
Increase in Property, plant and equipment and Intangible assets	55	103	111	15	286	92	379

Note:1. The category "Other" is new business which is a business segment not included in the reportable segments.

Note:2. Below is a description of adjustments.

- (1) Segment profit adjustment of (848) million yen consists of expenses related to departments that do not belong to the reportable segments.
- (2) Segment assets adjustment of 1,851 million yen includes assets that do not belong to the reportable segments. The assets consists of mainly surplus funds (cash and cash equivalents), long-term investment funds (investment securities).
- (3) Depreciation and Amortization adjustment of 37 million yen consists of Depreciation and Amortization related to departments that do not belong to the reportable segments.
- (4) Increase in Property, plant and equipment and Intangible assets adjustment of 92 million yen consists of capital investments associated with departments that do not belong to the reportable segments.

Note:3. Segment profit and losses are adjusted with Operating income on the consolidated statements of income.

Note:4. Goods and services transferred over time in the Housing Environment Equipment Business include goods and services that were applied alternative treatments and were then recognized as revenue when performance obligations were fully satisfied.

Note:5. Other revenue is income based on accounting standards for leasing transactions.

FY03/2026(Apr. 1, 2025 - Mar. 31, 2026)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	Tabletop	Other (Note 1)	Segment total	Adjustment (Note2)	Amounts on the consolidated statements of income (Note3)
Net sales							
Goods and services transferred at a point in time	1,899	3,039	1,964	7	6,911	-	6,911
Goods and services transferred over time (Note 4)	9,070	-	-	-	9,070	-	9,070
Revenue from contracts with customers	10,969	3,039	1,964	7	15,982	-	15,982
Other revenue (Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	10,969	3,039	1,964	7	15,982	-	15,982
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	10,969	3,039	1,964	7	15,982	-	15,982
Segment profit (loss) (Operating profit (loss))	1,164	424	41	(10)	1,620	(896)	724
Segment assets	3,444	2,082	2,321	22	7,870	2,177	10,047
Other Items							
Depreciation and Amortization	94	147	87	3	332	37	370
Investment to affiliates accounted for by the equity method	-	-	97	-	97	-	97
Increase in Property, plant and equipment and Intangible assets	87	104	59	-	251	28	280

Note:1. The category "Other" is new business which is a business segment not included in the reportable segments.

Note:2. Below is a description of adjustments.

- (1) Segment profit adjustment of (896) million yen consists of expenses related to departments that do not belong to the reportable segments.
- (2) Segment assets adjustment of 2,177 million yen includes assets that do not belong to the reportable segments. The assets consists of mainly surplus funds (cash and cash equivalents), long-term investment funds (investment securities).
- (3) Depreciation and Amortization adjustment of 37 million yen consists of Depreciation and Amortization related to departments that do not belong to the reportable segments.
- (4) Increase in Property, plant and equipment and Intangible assets adjustment of 28 million yen consists of capital investments associated with departments that do not belong to the reportable segments.

Note:3. Segment profit and losses are adjusted with Operating income on the consolidated statements of income.

Note:4. Goods and services transferred over time in the Housing Environment Equipment Business include goods and services that were applied alternative treatments and were then recognized as revenue when performance obligations were fully satisfied.

Note:5. Other revenue is income based on accounting standards for leasing transactions.