Consolidated Financial Results for the Three Months of Fiscal Year Ending March 31, 2027 <under Japanese GAAP>

August 10, 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 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 Three Months Ended June 30, 2026 (April 1, 2026 - June 30, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit (loss) attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2026	3,690	5.8	53	319.6	61	439.1	20	-
Three months ended June 30, 2025	3,488	(2.5)	12	-	11	-	(22)	-

Note: Comprehensive income (Millions of yen) : June 30, 2026 : 15 (-%) June 30, 2025 : (37) (-%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June. 30, 2026	0.72	-
Three months ended June. 30, 2025	(0.77)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2026	10,264	2,788	27.2	96.24
Year ended Mar. 31, 2026	10,047	2,773	27.6	95.70

Reference: Shareholders' equity (Millions of yen) : June 30, 2026: 2,788 Mar. 31, 2026: 2,773

2. Dividends

(Record date)	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2026	-	0.00	-	0.00	0.00
Year ending Mar. 31, 2027	-				
Year ending Mar. 31, 2027 (forecast)		0.00	-	0.00	0.00

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

The NIKKO Group will no longer disclose its projected consolidated results for periods starting from that ending in March 2019. Details of the decision are described in "3. Projected Consolidated Results for FY2027" in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2026" disclosed on May 12, 2026.

※**Notes**

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2026 : None

(2) Application of special accounting methods for quarterly consolidated financial statements : None

(3) 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

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding (including treasury stock) at the end of the period
June 30, 2026 : 29,842,000 shares   Mar. 31, 2026 : 29,842,000 shares
2) Number of treasury shares at the end of the period
June 30, 2026 : 865,040 shares   Mar. 31, 2026 : 865,040 shares
3) Average number of shares during the period
Three months ended June 30, 2026: 28,976,960 shares   Three months ended June 30, 2025: 28,976,960 shares

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	FY03/2026 (As of Mar.31,2026)	FY03/2027 (As of June.30,2026)
Assets		
Current assets		
Cash and deposits	1,634	1,343
Notes and accounts receivable - trade, and contract assets	2,331	2,489
Merchandise and finished goods	1,467	1,538
Work in process	562	627
Costs on uncompleted construction contracts	367	459
Raw materials and supplies	513	577
Other	94	63
Allowance for doubtful accounts	(5)	(6)
Total current assets	6,964	7,094
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	7,037	7,048
Accumulated depreciation	(5,974)	(6,004)
Buildings and structures, net	1,062	1,043
Machinery, equipment and vehicles	4,610	4,610
Accumulated depreciation	(4,246)	(4,270)
Machinery, equipment and vehicles, net	364	339
Tools, furniture and fixtures	1,229	1,250
Accumulated depreciation	(1,154)	(1,161)
Tools, furniture and fixtures, net	74	88
Land	702	702
Lease assets	167	170
Accumulated depreciation	(69)	(78)
Lease assets, net	98	91
Construction in progress	60	199
Total property, plant and equipment	2,362	2,465
Intangible assets	148	144
Investments and other assets		
Investment securities	250	235
Deferred tax assets	191	196
Other	130	129
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	571	560
Total noncurrent assets	3,083	3,170
Total assets	10,047	10,264
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,036	1,759
Short-term loans payable	1,000	1,200
Current portion of long-term loans payable	150	150
Lease obligations	63	64
Income taxes payable	125	57
Contract liabilities	1,116	1,435
Provision for bonuses	321	137
Provision for product warranties	43	43
Other	575	825
Total current liabilities	5,431	5,673
Noncurrent liabilities		
Long-term loans payable	443	405
Lease obligations	107	96
Provision for directors' retirement benefits	97	101
Net defined benefit liability	1,075	1,082
Other	117	117
Total noncurrent liabilities	1,842	1,802
Total liabilities	7,274	7,476
Net assets		
Shareholders' equity		
Capital stock	3,850	3,850
Capital surplus	1,964	1,964
Retained earnings	(2,839)	(2,819)
Treasury stock	(338)	(338)
Total shareholders' equity	2,636	2,657
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27	17
Foreign currency translation adjustment	(22)	(13)
Remeasurements of defined benefit plans	131	127
Total accumulated other comprehensive income	136	131
Total net assets	2,773	2,788
Total liabilities and net assets	10,047	10,264

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

Consolidated statements of income

(Millions of yen)

	FY03/2026 (Apr.1, 2025-June 30,2025)	FY03/2027 (Apr.1, 2026-June 30,2026)
Net sales	3,488	3,690
Cost of sales	2,347	2,454
Gross profit	1,141	1,236
Selling, general and administrative expenses	1,128	1,182
Operating profit	12	53
Non-operating income		
Interest income	0	0
Share of profit of entities accounted for using equity method	0	—
Foreign exchange gains	—	6
Subsidy income	4	7
Other	5	7
Total non-operating income	10	21
Non-operating expenses		
Interest expenses	5	6
Share of loss of entities accounted for using equity method	—	1
Other	6	4
Total non-operating expenses	11	13
Ordinary profit	11	61
Extraordinary losses		
Loss on retirement of noncurrent assets	18	0
Total extraordinary losses	18	0
Profit (loss) before income taxes	(7)	61
Income taxes - current	14	40
Income taxes-deferred	(0)	(0)
Total income taxes	14	40
Profit (loss)	(22)	20
Profit (loss) attributable to owners of parent	(22)	20

Consolidated statements of comprehensive income

(Millions of yen)

	FY03/2026 (Apr.1, 2025-June 30,2025)	FY03/2027 (Apr.1, 2026-June 30,2026)
Profit (loss)	(22)	20
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	(9)
Foreign currency translation adjustment	(9)	7
Remeasurements of defined benefit plans	(1)	(4)
Share of other comprehensive income of entities accounted for using equity method	(4)	1
Other comprehensive income	(15)	(5)
Comprehensive income	(37)	15
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(37)	15
Comprehensive income attributable to non-controlling interests	—	—

[Consolidated Segment Information]

Three Months ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(Millions of yen, rounded down)

	Functional Ceramics Product	Housing & Environmental Equipment	Tabletop	Other (Note 1)	Segment total	Adjustment (Note 2)	Amounts on the consolidated statements of income (Note 3)
Net sales							
Goods and services transferred at a point in time	644	491	451	1	1,589	-	1,589
Goods and services transferred over time (Note 4)	-	1,898	-	-	1,898	-	1,898
Revenue from contracts with customers	644	2,390	451	1	3,488	-	3,488
Other revenue(Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	644	2,390	451	1	3,488	-	3,488
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	644	2,390	451	1	3,488	-	3,488
Segment profit (loss) (Operating profit (loss))	54	162	23	(2)	238	(225)	12

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

Note: 2. Segment profit adjustment of (225) million yen consists of expenses related to departments that do not belong to the reportable segments.

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

Note: 4. Goods and services transferred over time in the Housing & Environmental 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.

Three Months ended June 30, 2026 (April 1, 2026 – June 30, 2026)

(Millions of yen, rounded down)

	Functional Ceramics Product	Housing & Environmental Equipment	Tabletop	Other (Note 1)	Segment total	Adjustment (Note 2)	Amounts on the consolidated statements of income (Note 3)
Net sales							
Goods and services transferred at a point in time	919	391	383	2	1,697	-	1,697
Goods and services transferred over time (Note 4)	-	1,993	-	-	1,993	-	1,993
Revenue from contracts with customers	919	2,384	383	2	3,690	-	3,690
Sales to Outside Customers	919	2,384	383	2	3,690	-	3,690
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	919	2,384	383	2	3,690	-	3,690
Segment profit (loss) (Operating profit (loss))	173	157	(40)	(0)	288	(235)	53

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

Note: 2. Segment profit adjustment of (235) million yen consists of expenses related to departments that do not belong to the reportable segments.

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

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