NIKKO
SINCE 1908

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

November 6, 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 submit Semiannual Securities Report : November 13, 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 Six Months Ended September 30, 2026 (April 1, 2026 - September 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 attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2026	8,161	8.5	265	20.2	259	18.4	178	20.7
Six months ended September 30, 2025	7,524	1.2	221	564.6	218	-	147	-

Note: Comprehensive income (Millions of yen) : September 30, 2026 : 148((0.5)%) September 30, 2025 : 148 (-%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2026	6.16	-
Six months ended September 30, 2025	5.11	-

Note : The percentage change from the corresponding prior interim period (year-on-year percentage change) for both Ordinary profit and Profit attributable to owners of parent for the six months of the fiscal year ending March 31, 2026, is denoted by a dash ("—") as it exceeds 1,000%.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2026	10,044	2,921	29.1
Year ended Mar. 31, 2026	10,047	2,773	27.6

Reference: Shareholders' equity (Millions of yen) : September 30, 2026 : 2,921 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	-	0.00			
Year ending Mar. 31, 2027 (forecast)			-	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 six months ended September 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
September 30, 2026 : 29,842,000 shares Mar. 31, 2026 : 29,842,000 shares
2) Number of treasury stock at the end of the period
September 30, 2026 : 865,070 shares Mar. 31, 2026 : 865,040 shares
3) Average number of shares issued during the period (cumulative; consolidated)
Six months ended September 30, 2026 : 28,976,959 shares Six months ended September 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 Sep.30,2026)
Assets		
Current assets		
Cash and deposits	1,634	1,084
Notes and accounts receivable - trade, and contract assets	2,331	2,637
Merchandise and finished goods	1,467	1,443
Work in process	562	644
Costs on uncompleted construction contracts	367	391
Raw materials and supplies	513	530
Other	94	102
Allowance for doubtful accounts	(5)	(5)
Total current assets	6,964	6,827
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	7,037	7,113
Accumulated depreciation	(5,974)	(6,034)
Buildings and structures, net	1,062	1,079
Machinery, equipment and vehicles	4,610	4,704
Accumulated depreciation	(4,246)	(4,297)
Machinery, equipment and vehicles, net	364	406
Tools, furniture and fixtures	1,229	1,309
Accumulated depreciation	(1,154)	(1,169)
Tools, furniture and fixtures, net	74	140
Land	702	702
Lease assets	167	170
Accumulated depreciation	(69)	(88)
Lease assets, net	98	82
Construction in progress	60	119
Total property, plant and equipment	2,362	2,531
Intangible assets	148	134
Investments and other assets		
Investment securities	250	223
Deferred tax assets	191	200
Other	130	128
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	571	550
Total noncurrent assets	3,083	3,217
Total assets	10,047	10,044
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,036	1,722
Short-term loans payable	1,000	1,350
Current portion of long-term loans payable	150	150
Lease obligations	63	63
Income taxes payable	125	97
Contract liabilities	1,116	1,065
Provision for bonuses	321	332
Provision for product warranties	43	43
Provision for environmental measures	—	13
Other	575	522
Total current liabilities	5,431	5,360
Noncurrent liabilities		
Long-term loans payable	443	368
Lease obligations	107	81
Provision for directors' retirement benefits	97	105
Net defined benefit liability	1,075	1,092
Other	117	114
Total noncurrent liabilities	1,842	1,762
Total liabilities	7,274	7,123
Net assets		
Shareholders' equity		
Capital stock	3,850	3,850
Capital surplus	1,964	1,964
Retained earnings	(2,839)	(2,661)
Treasury stock	(338)	(338)
Total shareholders' equity	2,636	2,814
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27	10
Foreign currency translation adjustment	(22)	(26)
Remeasurements of defined benefit plans	131	122
Total accumulated other comprehensive income	136	106
Total net assets	2,773	2,921
Total liabilities and net assets	10,047	10,044

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

Consolidated statements of income

(Millions of yen)

	FY03/2026 (Apr.1, 2025-Sep 30,2025)	FY03/2027 (Apr.1, 2026-Sep 30,2026)
Net sales	7,524	8,161
Cost of sales	5,036	5,473
Gross profit	2,487	2,687
Selling, general and administrative expenses	2,266	2,422
Operating profit	221	265
Non-operating income		
Interest income	0	0
Rent income	5	5
Foreign exchange gains	5	1
Subsidy income	5	7
Other	7	9
Total non-operating income	23	24
Non-operating expenses		
Interest expenses	11	15
Share of loss of entities accounted for using equity method	2	4
Other	12	10
Total non-operating expenses	26	30
Ordinary profit	218	259
Extraordinary losses		
Loss on retirement of noncurrent assets	18	3
Environmental measures expenses	—	16
Total extraordinary losses	18	20
Profit before income taxes	200	238
Income taxes-current	52	60
Income taxes-deferred	(0)	(0)
Total income taxes	52	60
Profit	147	178
Profit attributable to owners of parent	147	178

Consolidated statements of comprehensive income

(Millions of yen)

	FY03/2026 (Apr.1, 2025-Sep 30,2025)	FY03/2027 (Apr.1, 2026-Sep 30,2026)
Profit	147	178
Other comprehensive income		
Valuation difference on available-for-sale securities	6	(17)
Foreign currency translation adjustment	(0)	(7)
Remeasurements of defined benefit plans, net of tax	(2)	(8)
Share of other comprehensive income of entities accounted for using equity method	(2)	2
Other comprehensive income	0	(30)
Comprehensive income	148	148
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	148	148
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	FY03/2026 (Apr.1, 2025-Sep.30,2025)	FY03/2027 (Apr.1, 2026-Sep.30,2026)
Net cash provided by (used in) operating activities		
Profit before income taxes	200	238
Depreciation and amortization	174	177
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	61	10
Increase (decrease) in net defined benefit liability	(4)	8
Interest and dividends income	(1)	(1)
Interest expenses	11	15
Share of loss (profit) of entities accounted for using equity meth	2	4
Subsidy income	(5)	(7)
Compensation income	(0)	(2)
Loss on retirement of non-current assets	18	3
Environmental measures expenses	—	16
Decrease (increase) in notes and accounts receivable-trade	32	(309)
Decrease (increase) in inventories	(209)	(98)
Increase (decrease) in notes and accounts payable-trade	53	(317)
Increase (decrease) in contract liabilities	349	(50)
Other, net	27	(92)
Subtotal	712	(403)
Interest and dividends income received	1	1
Interest expenses paid	(11)	(15)
Income taxes paid	(60)	(80)
Proceeds from subsidy income	5	7
Proceeds from compensation	0	2
Net cash provided by (used in) operating activities	646	(488)
Net cash provided by (used in) investment activities		
Payments into time deposits	(0)	(0)
Proceeds from withdrawal of time deposits	—	1
Purchase of property, plant and equipment	(87)	(302)
Other, net	(32)	(4)
Net cash provided by (used in) investment activities	(119)	(306)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term borrowings	(600)	350
Proceeds from long-term loans payable	600	—
Repayment of long-term loans payable	(61)	(75)
Redemption of bonds	(20)	—
Repayments of lease obligations	(33)	(29)
Purchase of treasury shares	—	(0)
Net cash provided by (used in) financing activities	(115)	245
Effect of exchange rate change on cash and cash equivalents	0	(0)
Net increase (decrease) in cash and cash equivalents	412	(549)
Cash and cash equivalents at beginning of period	1,456	1,593
Cash and cash equivalents at end of period	1,868	1,043

[Consolidated Segment Information]

Six Months ended September 30, 2025 (April 1, 2025 – September 30, 2025)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	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	1,009	1,434	944	2	3,390	-	3,390
Goods and services transferred over time (Note 4)	4,133	-	-	-	4,133	-	4,133
Revenue from contracts with customers	5,142	1,434	944	2	7,524	-	7,524
Other revenue(Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	5,142	1,434	944	2	7,524	-	7,524
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	5,142	1,434	944	2	7,524	-	7,524
Segment profit (loss) (Operating profit (loss))	472	184	22	(4)	674	(453)	221

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 (453) 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.

Six Months ended September 30, 2026 (April 1, 2026 – September 30, 2026)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	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	779	1,939	875	6	3,601	-	3,601
Goods and services transferred over time (Note 4)	4,559	-	-	-	4,559	-	4,559
Revenue from contracts with customers	5,339	1,939	875	6	8,161	-	8,161
Sales to Outside Customers	5,339	1,939	875	6	8,161	-	8,161
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	5,339	1,939	875	6	8,161	-	8,161
Segment profit (loss) (Operating profit (loss))	464	353	(66)	(2)	749	(483)	265

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 (483) 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.