August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: SEIKO GROUP CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 8050
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	99,089	28.5	15,440	88.8	16,491	94.3	11,197	76.3
June 30, 2025	77,114	4.2	8,176	60.2	8,488	56.7	6,352	81.9

Note: Comprehensive income For the three months ended June 30, 2026: ¥ 18,440 million [720.2%]
For the three months ended June 30, 2025: ¥ 2,248 million [(68.7) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	136.99	-
June 30, 2025	77.75	-

Note: The Company implemented a 2-for-1 share split of its common shares effective April 1, 2026. Basic earnings per share have been calculated on the assumption that the share split had been implemented at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	407,233	191,938	46.7
March 31, 2026	383,881	177,502	45.8

Reference: Equity
As of June 30, 2026: ¥ 190,017 million
As of March 31, 2026: ¥ 175,783 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	60.00	-	105.00	165.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		52.50	-	52.50	105.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

The Company implemented a 2-for-1 share split of its common shares effective April 1, 2026. For the fiscal year ended March 31, 2026, the dividend amounts shown in the table above are the actual amounts before the share split. On a post-split basis, the dividends for the fiscal year ended March 31, 2026 would have been 30 yen at the end of the second quarter, 52.50 yen at the fiscal year-end, and 82.50 yen in total for the fiscal year.

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	375,000	11.7	41,000	32.8	41,500	25.3	28,000	27.4	342.50

Note: Revisions to the financial result forecast most recently announced: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies( )

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	82,808,522 shares
As of March 31, 2026	82,808,522 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	1,052,280 shares
As of March 31, 2026	1,066,720 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	81,743,222 shares
Three months ended June 30, 2025	81,698,402 shares

(Note)

For the purpose of calculating the number of treasury shares at the end of period and the average numbers of shares issued during the period, treasury shares held in the Board Benefit Trust (BBT) are included in the treasury shares deducted in the calculation.

The Company implemented a 2-for-1 share split of its common shares effective April 1, 2026. Total number of issued shares at the end of the period (including treasury shares), number of treasury shares at the end of the period, and average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) have been calculated on the assumption that the share split had been implemented at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Cautionary statements with respect to financial forecast)

The financial forecasts which appear in this report have been prepared based solely on the information which was available to the Company as of the date on which the report was released and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly from the forecasted figures due to a number of factors.

Contents

1. Business Results

(1) Overview

During the three-month period ended June 30, 2026, the Japanese economy continued to recover at a moderate pace, supported by sustained consumption growth and a turnaround in exports, primarily to the United States. Inbound demand also remained strong.

As for overseas economies, solid growth persisted in the US, whereas Europe showed signs of a stalling recovery. In China, recovery slowed due to sluggish domestic demand, and the real estate market remained a key concern.

(¥ million)

	Q1 FY2024 (a)	Q1 FY2025 (b)	Q1 FY2026 ①	Variance ① - (a)	Variance ① - (b)
Net sales	74,040	77,114	99,089	25,049	21,975
Operating profit	5,104	8,176	15,440	10,335	7,263
%	*6.9%*	*10.6%*	*15.6%*	*8.7 pt*	*5.0 pt*
Ordinary profit	5,415	8,488	16,491	11,075	8,002
%	*7.3%*	*11.0%*	*16.6%*	*9.3 pt*	*5.6 pt*
Profit attributable to owners of parent	3,492	6,352	11,197	7,704	4,845
%	*4.7%*	*8.2%*	*11.3%*	*6.6 pt*	*3.1 pt*
Exchange rate (v. JPY)					
USD	155.9	144.6	159.6	3.7	15.0
EUR	167.8	163.8	185.4	17.6	21.6

In the Emotional Value Solutions (EVS) Business, the Watches Business significantly increased net sales both domestically and overseas, and the Wako Business also performed well. Net sales of the Devices Solutions (DS) Business substantially exceeded those of the same period of the previous year, and net sales of the Systems Solutions (SS) Business likewise achieved year-on-year growth.

As a result, Group’s net sales for the three months ended June 30, 2026 rose significantly to ¥99.0 billion (up 28.5% YoY). Domestic net sales reached ¥49.5 billion (up 21.2% YoY), while overseas net sales were ¥49.5 billion (up 36.7% YoY), resulting in an overseas net sales ratio of 50.0%.

Selling, general and administrative expenses for the three months ended June 30, 2026 were ¥32.3 billion (up 17.4% YoY), mainly due to increases in advertising and sales promotion expenses and personnel expenses compared with the same period of the previous year. Operating profit rose by ¥7.2 billion from the same period of the previous year to ¥15.4 billion (up 88.8% YoY), driven by the EVS Business, as well as higher profit in the DS Business. Non-operating income and expenses improved by ¥0.7 billion year on year, mainly due to an increase in share of profit of entities accounted for using equity method, and ordinary profit grew by ¥8.0 billion to ¥16.4 billion (up 94.3% YoY). As a result,

profit attributable to owners of parent increased by ¥4.8 billion to ¥11.1 billion (up 76.3% YoY).
The average exchange rates for the three months ended June 30, 2026 were 159.6 yen per US dollar and 185.4 yen per euro.

Results by Segment

Results for each segment are as follows:

a. Emotional Value Solutions Business (EVS Business)

Net sales in the EVS Business increased by ¥17.0 billion year on year to ¥67.2 billion (up 33.9% YoY), while operating profit rose by ¥6.2 billion year on year to ¥13.9 billion (up 81.0% YoY).
In the Watches Business, net sales grew significantly year on year both in the domestic and overseas markets, driven by robust performance across Global Brands such as Grand Seiko, Seiko Prospex, Seiko Presage, and Seiko 5 Sports. In Japan, both domestic and inbound demand remained strong, while overseas sales expanded in the Americas, Europe, and Asia.
In the Wako Business, net sales also increased significantly year on year, driven by solid performance in watches division, including Grand Seiko.

b. Devices Solutions Business (DS Business)

Net sales in the DS Business increased by ¥4.0 billion year on year to ¥20.4 billion (up 24.9% YoY), and operating profit grew by ¥1.2 billion year on year to ¥2.3 billion (up 109.3% YoY).
Significant growth was seen in net sales of micro batteries, primarily silver oxide batteries for medical equipment, as well as ICs for crystal oscillators, supported by market expansion in AI servers, data centers, and optical communications. In addition, net sales of superior performance Co-Ni alloy products, quartz crystals, automobile parts, thermal printers, and inkjet heads also expanded year on year.
Consequently, the DS Business achieved substantial year-on-year increases in both revenue and profit.

c. Systems Solutions Business (SS Business)

Net sales in the SS Business increased by ¥1.0 billion year on year to ¥13.7 billion (up 8.1% YoY), while operating profit was at the same level as the previous period at ¥0.9 billion (up 0.2% YoY).
Alongside ongoing steady performance in IT infrastructure-related and security-related businesses since the previous fiscal year, the order entry systems for restaurant chains also grew. As a result, the business of Seiko Solutions Inc. achieved increased revenue and profit for the 41st consecutive quarter.

(2) Financial Condition

-Assets-

Total assets at the end of the three months ended June 30, 2026 amounted to ¥407.2 billion, an increase of ¥23.3 billion from the end of the previous fiscal year. In current assets, total current assets increased by ¥12.9 billion to ¥200.8 billion, primarily reflecting increases of ¥4.9 billion in cash and deposits, ¥6.0 billion in notes and accounts receivable - trade, and contract assets, and ¥1.2 billion in inventories. In non-current assets, total non-current assets rose by ¥10.4 billion to ¥206.3 billion, mainly due to ¥9.5 billion increases in investment securities.

-Liabilities-

Total liabilities increased by ¥8.9 billion from the end of the previous fiscal year to ¥215.2 billion, primarily driven by a ¥9.3 billion increase in short-term borrowings, which brought total borrowings to ¥105.1 billion.

-Net assets-

Total net assets increased by ¥14.4 billion from the end of the previous fiscal year to ¥191.9 billion. This was mainly due to increases of ¥7.1 billion in shareholders' equity, ¥5.8 billion in valuation difference on available-for-sale securities, and ¥1.2 billion in foreign currency translation adjustment.

(3) Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2027 (FY2026)

For the three months ended June 30, 2026, as both the EVS Business and DS Business recorded significant increases in both revenue and profit compared to the same period of the previous year, we have revised the full-year consolidated forecasts and segment forecasts as follows.

■Forecast for the consolidated business results for the year ending March 31, 2027 (FY2026)

(¥ million)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecast (A) (as of May 13, 2026)	358,000	33,500	34,000	23,000	281.37 yen
Revised forecast (B) (as of Aug. 7, 2026)	**375,000**	**41,000**	**41,500**	**28,000**	**342.50 yen**
Variance (B-A)	17,000	7,500	7,500	5,000	61.13 yen
Change (%)	4.7	22.4	22.1	21.7	21.7

■Forecasted results by segment for the year ending March 31, 2027 (FY2026)

(¥ billion)	**Net Sales**		**Operating Profit**	
	Current	Previous	**Current**	Previous
Emotional Value Solutions Business	**241.0**	229.0	**37.0**	31.0
Devices Solutions Business	**80.5**	73.5	**6.4**	4.3
Systems Solutions Business	**61.5**	61.5	**6.6**	6.6
Total for reported segments	**383.0**	364.0	**50.0**	41.9
Others	**4.5**	4.5	**0.1**	0.1
Consolidated total	**375.0**	358.0	**41.0**	33.5

Note: Consolidated total represents figures after consolidation adjustment such as the elimination of inter-segment sales.

The Company's basic policy for profit allocation is to enhance internal reserves to strengthen its management foundation and to focus on allocating stable profits to shareholders. In addition, the Company returns profits to shareholders primarily through dividends and will maintain a consolidated payout ratio of 30% or above.

For the current fiscal year, as announced today, since the full-year consolidated forecasts are expected to exceed the previous projections, we have revised the dividend forecast for the current fiscal year upward by 15 yen per share (7.5 yen at the end of the second quarter and 7.5 yen at year-end) from the previous forecast. Accordingly, the annual dividends per share have been revised to 105 yen per share (52.5 yen at the end of the second quarter and 52.5 yen at year-end).

■Dividend forecast

	Annual dividends per share		
Record date	2nd quarter-end	Fiscal year-end	Total (annual)
Previous forecast (as of May 13, 2026)	45.00 yen	45.00 yen	90.00 yen
Revised forecast (as of Aug. 7, 2026)	**52.50 yen**	**52.50 yen**	**105.00 yen**
Fiscal year ended March 31, 2026	60.00 yen	105.00 yen	165.00 yen
(on a post-split basis)	30.00 yen	52.50 yen	82.50 yen

Note: The Company implemented a two-for-one share split of its common shares effective April 1, 2026. For the fiscal year ended March 31, 2026, the dividend amounts shown in the table above are the actual amounts before the share split. On a post-split basis, the dividends for the fiscal year ended March 31, 2026 would have been 30 yen at the end of the second quarter, 52.50 yen at the fiscal year-end, and 82.50 yen in total for the fiscal year.

The above forecasts are based on information currently available to the company and certain assumptions deemed reasonable; actual results may differ significantly due to various factors.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(¥ million)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	43,487	48,470
Notes and accounts receivable - trade, and contract assets	45,720	51,774
Inventories	85,579	86,827
Accounts receivable - other	4,520	3,545
Other	10,475	12,183
Allowance for doubtful accounts	(1,867)	(1,957)
Total current assets	187,914	200,844
Non-current assets		
Property, plant and equipment		
Buildings and structures	86,119	86,474
Machinery, equipment and vehicles	96,558	97,533
Tools, furniture and fixtures	47,096	48,053
Other	19,545	19,794
Accumulated depreciation	(189,272)	(191,698)
Land	52,879	52,888
Construction in progress	1,437	1,734
Total property, plant and equipment	114,365	114,780
Intangible assets		
Goodwill	6,091	5,716
Other	13,921	14,595
Total intangible assets	20,012	20,311
Investments and other assets		
Investment securities	49,545	59,085
Deferred tax assets	2,618	2,730
Other	9,571	9,626
Allowance for doubtful accounts	(146)	(146)
Total investments and other assets	61,589	71,296
Total non-current assets	195,967	206,388
Total assets	383,881	407,233

(¥ million)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	28,322	29,213
Short-term borrowings	42,569	51,907
Current portion of long-term borrowings	28,605	29,248
Accounts payable - other	15,098	11,446
Income taxes payable	6,743	4,630
Provision for bonuses	6,595	3,731
Other provisions	978	1,083
Asset retirement obligations	513	521
Other	27,191	30,223
Total current liabilities	156,616	162,005
Non-current liabilities		
Long-term borrowings	24,308	23,999
Deferred tax liabilities	4,023	7,712
Deferred tax liabilities for land revaluation	3,720	3,720
Other provisions	1,260	1,390
Retirement benefit liability	5,153	5,122
Asset retirement obligations	706	692
Other	10,588	10,650
Total non-current liabilities	49,762	53,289
Total liabilities	206,378	215,294
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	7,259	7,259
Retained earnings	115,182	122,359
Treasury shares	(1,318)	(1,301)
Total shareholders' equity	131,124	138,317
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,999	16,823
Deferred gains or losses on hedges	(48)	(82)
Revaluation reserve for land	8,083	8,083
Foreign currency translation adjustment	25,935	27,207
Remeasurements of defined benefit plans	(311)	(332)
Total accumulated other comprehensive income	44,659	51,699
Non-controlling interests	1,719	1,921
Total net assets	177,502	191,938
Total liabilities and net assets	383,881	407,233

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

a. Quarterly Consolidated Statement of Income

For the Three-Month Period

(¥ million)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	77,114	99,089
Cost of sales	41,390	51,306
Gross profit	35,723	47,783
Selling, general and administrative expenses	27,546	32,343
Operating profit	8,176	15,440
Non-operating income		
Interest income	126	146
Dividend income	423	452
Share of profit of entities accounted for using equity method	185	770
Foreign exchange gains	-	143
Other	195	185
Total non-operating income	931	1,698
Non-operating expenses		
Interest expenses	350	374
Foreign exchange losses	9	-
Other	260	272
Total non-operating expenses	620	647
Ordinary profit	8,488	16,491
Extraordinary income		
Gain on sale of non-current assets	561	-
Total extraordinary income	561	-
Profit before income taxes	9,049	16,491
Income taxes	2,591	5,096
Profit	6,458	11,394
Profit attributable to non-controlling interests	106	196
Profit attributable to owners of parent	6,352	11,197

b. Consolidated Statement of Comprehensive Income

For the Three-Month Period

(¥ million)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	6,458	11,394
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,558)	5,768
Deferred gains or losses on hedges	(37)	(34)
Foreign currency translation adjustment	(653)	1,070
Remeasurements of defined benefit plans, net of tax	(62)	(26)
Share of other comprehensive income of entities accounted for using equity method	101	268
Total other comprehensive income	(4,210)	7,045
Comprehensive income	2,248	18,440
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,079	18,238
Comprehensive income attributable to non-controlling interests	168	202

(3) Notes to Quarterly Consolidated Financial Statements

(Going concern assumption)

Not applicable.

(Significant changes in shareholder's equity)

Not applicable.

(Segment Information)

I. For the three months ended June 30, 2025

Disclosure of sales and profit for each reported segment

(¥ million)

	Reported segments				Others (Note 1)	Grand total	Adjustment (Note 2)	Figures in consolidated statements of income (Note 3)
	Emotional Value Solutions Business	Devices Solutions Business	Systems Solutions Business	Total				
Sales								
Revenues from external customers	49,490	15,150	11,831	76,473	508	76,981	132	77,114
Transactions with other segments	691	1,201	858	2,751	417	3,168	(3,168)	-
Net sales	50,181	16,352	12,690	79,224	926	80,150	(3,036)	77,114
Segment profit	7,726	1,129	976	9,832	57	9,889	(1,712)	8,176

Notes:
1. The “Others” category denotes operating segments not included among reported segments, such as the Shared Services Business.
2. Adjustments are as follows:
(1) Adjustment to revenues from external customers in the amount of ¥132 million is royalty income at headquarters, unallocated to operating segments.
(2) Adjustments to segment profit in the amount of -¥1,712 million include -¥141 million in the amortization of goodwill, ¥280 million that mainly consists of the elimination of transactions with other segments, and -¥1,851 million in company-wide expenses not appropriated to each operating segment. Company-wide expenses primarily consist of expenses incurred at headquarters, unallocated to operating segments.
3. Segment profit has been adjusted alongside operating profit on the quarterly consolidated statements of income.

II. For the three months ended June 30, 2026

Disclosure of sales and profit for each reported segment

(¥ million)

	Reported segments				Others (Note 1)	Grand total	Adjustment (Note 2)	Figures in consolidated statements of income (Note 3)
	Emotional Value Solutions Business	Devices Solutions Business	Systems Solutions Business	Total				
Sales								
Revenues from external customers	66,565	18,552	13,248	98,367	569	98,936	153	99,089
Transactions with other segments	635	1,868	466	2,971	573	3,544	(3,544)	-
Net sales	67,201	20,421	13,715	101,338	1,142	102,481	(3,391)	99,089
Segment profit	13,984	2,364	978	17,326	104	17,431	(1,991)	15,440

Notes:
1. The "Others" category denotes operating segments not included among reported segments, such as the Shared Services Business.
2. Adjustments are as follows:
(1) Adjustment to revenues from external customers in the amount of ¥153 million is royalty income at headquarters, unallocated to operating segments.
(2) Adjustments to segment profit in the amount of -¥1,991 million include -¥141 million in the amortization of goodwill, ¥18 million that mainly consists of the elimination of transactions with other segments, and -¥1,867 million in company-wide expenses not appropriated to each operating segment. Company-wide expenses primarily consist of expenses incurred at headquarters, unallocated to operating segments.
3. Segment profit has been adjusted for alongside operating profit on the quarterly consolidated statements of income.

(Consolidated Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the three months ended has not been prepared. Depreciation expense (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended are as follows.

(¥ million)

	Q1 FY2025	Q1 FY2026
Depreciation expense	3,392	3,531
Amortization of goodwill	345	375