Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 10, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: SEIKO GROUP CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 8050
URL: https://www.seiko.co.jp/en/
Representative: Shuji Takahashi President
Inquiries: Masanobu Minami General Manager, Accounting Department
Telephone: +81-3-3563-2111

Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date to commence dividend payments: December 8, 2026
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 six months ended September 30, 2026 (from April 1, 2026 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	196,303	22.3	31,429	86.5	31,593	81.6	22,487	79.9
September 30, 2025	160,524	6.3	16,849	26.2	17,398	35.6	12,498	44.2

Note: Comprehensive income For the six months ended September 30, 2026: ¥ 31,638 million [230.7%]
For the six months ended September 30, 2025: ¥ 9,567 million [23.8%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	275.40	-
September 30, 2025	152.94	-

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	%
September 30, 2026	422,387	201,090	47.2
March 31, 2026	383,881	177,502	45.8

Reference: Equity
As of September 30, 2026: ¥ 199,276 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	-	60.00			
Fiscal year ending March 31, 2027 (Forecast)			-	60.00	120.00

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
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2027	390,000	16.2	47,000	52.2	47,500	43.4	32,000	45.6	392.57

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 semi-annual 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 September 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 September 30, 2026	1,432,812 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)

Six months ended September 30, 2026	81,654,599 shares
Six months ended September 30, 2025	81,720,549 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.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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 4

(2) Financial Condition 6

(3) Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2027 (FY2026) 8

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet 10

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income ... 12

(3) Semi-annual Consolidated Statement of Cash Flows..... 14

(4) Notes to Semi-annual Consolidated Financial Statements 15

(Going concern assumption) 15

(Significant changes in shareholder's equity) 15

(Segment information) 16

1. Business Results

(1) Overview

During the six-month period ended September 30, 2026, the Japanese economy continued to recover at a moderate pace. However, amid ongoing tensions in the Middle East, crude oil prices began to rise again, raising concerns about downside risks to the economy through heightened inflationary pressures. 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)

	1H FY2024 (a)	1H FY2025 (b)	1H FY2026 ①	Variance ① - (a)	Variance ① - (b)
Net sales	151,001	160,524	196,303	45,301	35,778
Operating profit	13,351	16,849	31,429	18,077	14,580
%	*8.8%*	*10.5%*	*16.0%*	*7.2 pt*	*5.5 pt*
Ordinary profit	12,833	17,398	31,593	18,760	14,195
%	*8.5%*	*10.8%*	*16.1%*	*7.6 pt*	*5.3 pt*
Profit attributable to owners of parent	8,667	12,498	22,487	13,819	9,989
%	*5.7%*	*7.8%*	*11.5%*	*5.8 pt*	*3.7 pt*
Exchange rate (v. JPY)					
USD	152.8	146.0	159.5	6.7	13.5
EUR	166.0	168.1	184.4	18.4	16.4

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 six months ended September 30, 2026 rose significantly to ¥196.3 billion (up 22.3% YoY). Domestic net sales reached ¥96.3 billion (up 16.1% YoY), while overseas net sales were ¥99.9 billion (up 29.0% YoY), resulting in an overseas net sales ratio of 50.9%.

Selling, general and administrative expenses for the six months ended September 30, 2026 were ¥65.8 billion (up 15.0% 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 ¥14.5 billion from the same period of the previous year to ¥31.4 billion (up 86.5% YoY), driven by the EVS Business and the DS Business. Non-operating income and expenses declined by ¥0.3 billion year on year, mainly due to the recording of foreign exchange losses, but ordinary profit grew by ¥14.1

billion to ¥31.5 billion (up 81.6% YoY). As a result, profit attributable to owners of parent increased by ¥9.9 billion to ¥22.4 billion (up 79.9% YoY).
The average exchange rates for the six months ended September 30, 2026 were 159.5 yen per US dollar and 184.4 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 ¥25.8 billion year on year to ¥131.1 billion (up 24.5% YoY), while operating profit rose by ¥11.7 billion year on year to ¥27.6 billion (up 73.7% YoY).
In the Watches Business, net sales grew significantly year on year in both the domestic and overseas markets, driven by solid performance across Global Brands portfolio, particularly, Grand Seiko, Seiko Prospex, Seiko Presage, and Seiko Astron. 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 ¥9.6 billion year on year to ¥41.7 billion (up 30.2% YoY), and operating profit grew by ¥2.8 billion year on year to ¥4.8 billion (up 140.0% YoY).
Significant growth was seen in net sales of ICs for crystal oscillators and superior performance Co-Ni alloy products, driven by the expansion of the AI servers, data centers, and optical communications market. In addition, net sales of micro batteries, primarily silver oxide batteries for medical equipment, and inkjet heads remained solid.
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 ¥1.4 billion year on year to ¥28.0 billion (up 5.5% YoY), while operating profit was ¥2.2 billion (up 0.3% YoY), remaining virtually unchanged from the same period of the previous fiscal year.
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 42nd consecutive quarter.

(2) Financial Condition

a. Status of Assets, Liabilities and Net Assets

-Assets-

Total assets at the end of the six months ended September 30, 2026 amounted to ¥422.3 billion, an increase of ¥38.5 billion from the end of the previous fiscal year. In current assets, total current assets increased by ¥19.7 billion to ¥207.6 billion, primarily reflecting increases of ¥7.5 billion in cash and deposits, ¥4.5 billion in notes and accounts receivable - trade, and contract assets, and ¥6.2 billion in inventories. In non-current assets, total non-current assets rose by ¥18.7 billion to ¥214.7 billion, mainly due to a ¥16.1 billion increase in investment securities.

-Liabilities-

Total liabilities increased by ¥14.9 billion from the end of the previous fiscal year to ¥221.2 billion, primarily reflecting a ¥6.3 billion increase in long-term borrowings, which brought total borrowings to ¥102.5 billion, and a ¥4.2 billion increase in deferred tax liabilities.

-Net assets-

Total net assets increased by ¥23.5 billion from the end of the previous fiscal year to ¥201.0 billion. This was mainly due to increases of ¥14.4 billion in shareholders' equity and ¥10.0 billion in valuation differences on available-for-sale securities.

b. Overview of Cash Flows

The balance of cash and cash equivalents at the end of the six months ended September 30, 2026 was ¥51.0 billion, an increase of ¥7.5 billion compared with the end of the previous fiscal year.

This was primarily attributable to the following factors.

-Cash flows from operating activities-

Net cash provided by operating activities came to positive ¥20.9 billion, an increase of ¥6.8 billion year on year (compared to a positive cash flow of ¥14.1 billion in the same period of the previous year). This was mainly attributable to profit before income taxes of ¥32.0 billion and depreciation of ¥7.2 billion, partially offset by a ¥4.2 billion increase in trade receivables, a ¥4.9 billion increase in inventories, a ¥4.2 billion decrease in accounts payable - other, and income taxes paid of ¥6.7 billion.

-Cash flows from investing activities-

Net cash used in investing activities came to negative ¥7.9 billion, mainly due to ¥5.6 billion in purchases of property, plant and equipment (compared to a negative cash flow of ¥7.5 billion in the same period of the previous year).

-Cash flows from financing activities-

Net cash used in financing activities came to negative ¥4.8 billion, mainly due to dividend payments (compared to a negative cash flow of ¥5.5 billion in the same period of the previous year).

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

For the six months ended September 30, 2026, as both the EVS Business and DS Business recorded significant increases in both revenue and operating 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 Aug. 7, 2026)	375,000	41,000	41,500	28,000	342.50 yen
Revised forecast (B) (as of Nov. 10, 2026)	**390,000**	**47,000**	**47,500**	**32,000**	**392.57 yen**
Variance (B-A)	15,000	6,000	6,000	4,000	50.07 yen
Change (%)	4.0	14.6	14.5	14.3	14.6

■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	**254.0**	241.0	**41.5**	37.0
Devices Solutions Business	**82.0**	80.5	**7.8**	6.4
Systems Solutions Business	**61.0**	61.5	**6.2**	6.6
Total for reported segments	**397.0**	383.0	**55.5**	50.0
Others	**4.5**	4.5	**0.1**	0.1
Consolidated total	**390.0**	375.0	**47.0**	41.0

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 decided to pay a dividend of 60 yen per share at the end of the second quarter, an increase of 7.5 yen per share from the previous forecast. We have also revised the year-end dividend forecast upward by 7.5 yen per share from the previous forecast to 60 yen per share. Accordingly, the annual dividends per share have been revised upward by 15 yen per share to 120 yen per share.

■Dividend forecast

	Annual dividends per share		
Record date	2nd quarter-end	Fiscal year-end	Total (annual)
Previous forecast (as of Aug. 7, 2026)	52.50 yen	52.50 yen	105.00 yen
Revised forecast (as of Nov. 10, 2026)	-	**60.00 yen**	**120.00 yen**
Fiscal year ending March 31, 2027	60.00 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 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.

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. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet

(¥ million)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	43,487	51,016
Notes and accounts receivable - trade, and contract assets	45,720	50,260
Inventories	85,579	91,821
Accounts receivable - other	4,520	3,764
Other	10,475	12,660
Allowance for doubtful accounts	(1,867)	(1,876)
Total current assets	187,914	207,646
Non-current assets		
Property, plant and equipment		
Buildings and structures	86,119	88,760
Machinery, equipment and vehicles	96,558	96,095
Tools, furniture and fixtures	47,096	47,057
Other	19,545	19,183
Accumulated depreciation	(189,272)	(191,062)
Land	52,879	52,953
Construction in progress	1,437	1,958
Total property, plant and equipment	114,365	114,945
Intangible assets		
Goodwill	6,091	5,340
Other	13,921	15,031
Total intangible assets	20,012	20,372
Investments and other assets		
Investment securities	49,545	65,673
Deferred tax assets	2,618	3,029
Other	9,571	10,965
Allowance for doubtful accounts	(146)	(245)
Total investments and other assets	61,589	79,423
Total non-current assets	195,967	214,741
Total assets	383,881	422,387

(¥ million)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	28,322	28,907
Short-term borrowings	42,569	45,676
Current portion of bonds payable	-	60
Current portion of long-term borrowings	28,605	26,146
Accounts payable - other	15,098	10,762
Income taxes payable	6,743	10,268
Provision for bonuses	6,595	7,672
Other provisions	978	1,266
Asset retirement obligations	513	599
Other	27,191	28,489
Total current liabilities	156,616	159,849
Non-current liabilities		
Bonds payable	-	120
Long-term borrowings	24,308	30,686
Deferred tax liabilities	4,023	8,272
Deferred tax liabilities for land revaluation	3,720	3,720
Other provisions	1,260	2,214
Retirement benefit liability	5,153	5,614
Asset retirement obligations	706	798
Other	10,588	10,020
Total non-current liabilities	49,762	61,448
Total liabilities	206,378	221,297
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	7,259	7,259
Retained earnings	115,182	133,649
Treasury shares	(1,318)	(5,296)
Total shareholders' equity	131,124	145,611
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,999	21,041
Deferred gains or losses on hedges	(48)	70
Revaluation reserve for land	8,083	8,083
Foreign currency translation adjustment	25,935	24,818
Remeasurements of defined benefit plans	(311)	(348)
Total accumulated other comprehensive income	44,659	53,664
Non-controlling interests	1,719	1,813
Total net assets	177,502	201,090
Total liabilities and net assets	383,881	422,387

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

a. Semi-annual Consolidated Statement of Income

(¥ million)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	160,524	196,303
Cost of sales	86,371	98,983
Gross profit	74,153	97,319
Selling, general and administrative expenses	57,303	65,889
Operating profit	16,849	31,429
Non-operating income		
Interest income	257	340
Dividend income	424	452
Share of profit of entities accounted for using equity method	566	1,160
Foreign exchange gains	252	-
Other	331	313
Total non-operating income	1,832	2,266
Non-operating expenses		
Interest expenses	709	833
Foreign exchange losses	-	609
Other	573	659
Total non-operating expenses	1,283	2,102
Ordinary profit	17,398	31,593
Extraordinary income		
Gain on bargain purchase	-	440
Gain on step acquisitions	-	31
Gain on sale of non-current assets	561	-
Total extraordinary income	561	472
Profit before income taxes	17,959	32,065
Income taxes	5,353	9,408
Profit	12,606	22,656
Profit attributable to non-controlling interests	108	169
Profit attributable to owners of parent	12,498	22,487

b. Semi-annual Consolidated Statement of Comprehensive Income

(¥ million)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	12,606	22,656
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,703)	10,121
Deferred gains or losses on hedges	(26)	118
Foreign currency translation adjustment	1,257	(1,601)
Remeasurements of defined benefit plans, net of tax	(125)	(53)
Share of other comprehensive income of entities accounted for using equity method	(441)	396
Total other comprehensive income	(3,039)	8,981
Comprehensive income	9,567	31,638
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,375	31,493
Comprehensive income attributable to non-controlling interests	191	145

(3) Semi-annual Consolidated Statement of Cash Flows

(¥ million)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	17,959	32,065
Depreciation	6,943	7,278
Increase (decrease) in allowance for doubtful accounts	200	132
Increase (decrease) in retirement benefit liability	(241)	(20)
Interest and dividend income	(681)	(792)
Interest expenses	709	833
Foreign exchange losses (gains)	(81)	100
Share of loss (profit) of entities accounted for using equity method	(566)	(1,160)
Loss (gain) on sale of non-current assets	(561)	-
Loss on retirement of non-current assets	158	78
Decrease (increase) in trade receivables	(3,447)	(4,247)
Decrease (increase) in inventories	(2,113)	(4,994)
Decrease (increase) in accounts receivable - other	569	799
Increase (decrease) in trade payables	2,125	(478)
Increase (decrease) in accounts payable - other	(3,175)	(4,282)
Other, net	1,231	2,418
Subtotal	19,027	27,732
Interest and dividends received	681	792
Dividends received from entities accounted for using equity method	51	55
Interest paid	(712)	(833)
Income taxes paid	(4,885)	(6,777)
Net cash provided by (used in) operating activities	14,163	20,968
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,248)	(5,691)
Proceeds from sale of property, plant and equipment	739	3
Purchase of investment securities	(0)	(0)
Proceeds from sale of investment securities	-	3
Loan advances	(121)	(98)
Proceeds from collection of loans receivable	177	53
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(801)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	1,069
Other, net	(2,327)	(3,280)
Net cash provided by (used in) investing activities	(7,581)	(7,940)
Cash flows from financing activities		
Proceeds from short-term borrowings	615,192	563,307
Repayments of short-term borrowings	(619,744)	(560,817)
Proceeds from long-term borrowings	14,900	21,800
Repayments of long-term borrowings	(12,230)	(19,163)
Purchase of treasury shares	(1)	(3,997)
Dividends paid	(2,273)	(4,340)
Repayments of lease liabilities	(1,386)	(1,455)
Other, net	(3)	(138)
Net cash provided by (used in) financing activities	(5,548)	(4,806)
Effect of exchange rate change on cash and cash equivalents	505	(549)
Net increase (decrease) in cash and cash equivalents	1,539	7,672
Cash and cash equivalents at beginning of period	39,429	43,487
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(143)
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	(118)	-
Cash and cash equivalents at end of period	40,850	51,016

(4) Notes to Semi-annual Consolidated Financial Statements

(Going concern assumption)

Not applicable.

(Significant changes in shareholder's equity)

Not applicable.

(Segment information)

I. For the six months ended September 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	104,081	29,640	25,562	159,284	965	160,250	274	160,524
Transactions with other segments	1,240	2,426	1,041	4,708	850	5,558	(5,558)	-
Net sales	105,321	32,067	26,604	163,992	1,815	165,808	(5,284)	160,524
Segment profit	15,937	2,032	2,211	20,181	74	20,255	(3,406)	16,849

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 ¥274 million is royalty income at headquarters, unallocated to operating segments.

(2) Adjustments to segment profit in the amount of -¥3,406 million include -¥283 million in the amortization of goodwill, ¥413 million that mainly consists of the elimination of transactions with other segments, and -¥3,536 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 semi-annual consolidated statements of income.

II. For the six months ended September 30, 2026

1. 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	129,840	38,051	26,972	194,864	1,138	196,003	299	196,303
Transactions with other segments	1,292	3,689	1,086	6,068	1,095	7,163	(7,163)	-
Net sales	131,133	41,740	28,058	200,932	2,234	203,167	(6,864)	196,303
Segment profit	27,680	4,877	2,218	34,776	101	34,878	(3,448)	31,429

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 ¥299 million is royalty income at headquarters, unallocated to operating segments.

(2) Adjustments to segment profit in the amount of -¥3,448 million include -¥283 million in the amortization of goodwill, ¥161 million that mainly consists of the elimination of transactions with other segments, and -¥3,326 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 semi-annual consolidated statements of income.

2. Information on impairment losses of fixed assets and goodwill by reported segment (Significant gain on bargain purchase)

In the Emotional Value Solutions Business, CLOCKWORK HOLDINGS CO., LTD., which had previously been an equity-method affiliate, and its subsidiary, THE CLOCK HOUSE CO., LTD., have been included in the scope of consolidation from the second quarter following the additional acquisition of shares of CLOCKWORK HOLDINGS CO., LTD. The amount of gain on bargain purchase recorded for the six months ended September 30, 2026 was ¥440 million. As the gain on bargain purchase is recorded as extraordinary income, it is not included in the segment profit presented above.