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Consolidated Financial Results for the Six Months Ended September 30, 2026 [Japanese GAAP]

October 30, 2026

Company name: **NGK Corporation**

Stock exchange listings: Tokyo and Nagoya

Stock code: 5333

URL: <https://www.ngk-global.com>

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Scheduled date of the filing semi-annual report: November 6, 2026

Scheduled date of commencing of dividend payments: December 2, 2026

Availability of supplementary explanatory materials prepared for financial results: Yes

Briefing session on financial results to be held: Yes (for securities analysts and institutional investors)

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated Operating Results

% represents increase (decrease) from the previous period

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
Fiscal Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	371,306	13.8	69,889	43.5	70,395	50.8	60,800	154.7
September 30, 2025	326,204	9.3	48,700	22.7	46,667	21.6	23,870	(7.7)

(Note) Comprehensive income: Six months ended September 30, 2026 ¥54,864 million 4.7 %
: Six months ended September 30, 2025 ¥52,416 million 682.6 %

	Net income per share	Diluted net income per share
Fiscal Year ended	Yen	Yen
September 30, 2026	214.66	214.37
September 30, 2025	81.58	81.46

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	1,237,456	830,375	66.3
March 31, 2026	1,243,330	817,352	65.0

(Reference) Equity: As of September 30, 2026 ¥821,041 million
: As of March 31, 2026 ¥808,553 million

2. Dividend Payments

	Cash dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2026	—	38.00	—	42.00	80.00
Fiscal Year ending March 31, 2027	—	63.00			
Fiscal Year ending March 31, 2027 (forecast)			—	63.00	126.00

(Note) Revision of dividend forecasts during this period: Yes

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2027

% represents increase (decrease) from the previous period

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal Year ending March 31, 2027	770,000	14.9	130,000	36.8	126,000	32.3	100,000	66.8	354.02

(Note) Revision of forecasts of consolidated financial results during this period: Yes

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 preparing semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, accounting estimates or retrospective restatements
 - (i) Changes in accounting policies due to revisions of accounting standards : None
 - (ii) Changes in accounting policies other than the above (i) : None
 - (iii) Changes in accounting estimates : None
 - (iv) Retrospective restatement : None

(4) Number of shares outstanding (Common Shares)

(i) Number of shares outstanding at period end including treasury shares	September 30, 2026	285,993,496 shares	March 31, 2026	292,243,496 shares
(ii) Number of treasury shares at period end	September 30, 2026	4,415,126 shares	March 31, 2026	4,632,457 shares
(iii) Average number of shares outstanding over period	September 30, 2026	283,236,327 shares	September 30, 2025	292,602,011 shares

*** The report of the semi-annual financial results is not subject to the review by certified public accountants or audit firm**

*** Explanation about the appropriate use of the business forecasts and other notes**

This document contains future statements that are based on information and certain assumptions that NGK Corporation. (hereinafter referred to as "the Company") has acquired and deemed reasonable as of the time of the release and the Company does not guarantee the achievement of them. Actual future results and trends may differ materially from those in the forecasts due to a variety of factors. For the basis of presumption of the business forecast and the notes on its use, please refer to "1. Overview of Business Results and Others, (3) Explanation of Future Statements including Forecasts for Consolidated Financial Statements" on page 3 of the Appendix.

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1. Overview of Business Results and Others

(1) Overview of Business Results for the Six Months Ended September 30, 2026

In the six months ended September 30, 2026, the global economy continued to grow at a moderate pace overall, although uncertainty surrounding trade policies and the situation in the Middle East remained high. The Japanese economy continued its moderate recovery, supported by solid corporate earnings, capital investment, and improved employment and income conditions, despite the impact of rising raw material prices and other factors. The U.S. economy remained resilient, driven by AI (artificial intelligence) and data center-related investments, despite continued downward pressure on consumption and investment from import tariffs and high interest rates. Despite continued government economic support measures, the Chinese economy lacked momentum, as the real estate market remained sluggish and personal consumption growth stayed weak. In Europe, domestic demand picked up, supported by improving real incomes and other factors, while the manufacturing sector's recovery has been slow due to sluggish demand from China.

Under these circumstances, in the Environment Business, although global automobile sales varied by region, demand for the Group's products remained solid. In the Digital Society Business, demand for semiconductors used in AI increased substantially, resulting in higher demand particularly for the components for semiconductor manufacturing equipment and HICERAM carriers. In the Energy & Industry Business, sales declined year on year due to the decision made in the previous fiscal year to discontinue the manufacturing and sales activities of NAS batteries (sodium-sulfur batteries).

As a result, added with the positive effect of the depreciation of the yen, net sales in the six months ended September 30, 2026, increased by 13.8% year on year to ¥371,306 million. With regard to profits, operating income increased by 43.5% year on year to ¥69,889 million mainly due to higher sales. Ordinary income increased by 50.8% year on year to ¥70,395 million. Quarterly net income attributable to owners of the parent increased by 154.7% year on year to ¥60,800 million. This was mainly due to an increase in gain on sales of investment securities, a decrease in income tax expenses resulting from the organizational restructuring of the electronics components business effective April 1, 2026, as well as a reduction in tax expenses following the completion of liquidation of overseas subsidiaries.

By segment, net sales increased by 8.0% year on year in the Environment Business to ¥208,828 million, and operating income increased by 25.3% year on year to ¥46,000 million. In the Digital Society Business, net sales increased by 32.8% year on year to ¥129,942 million. Operating income increased by 45.7% year on year to ¥19,676 million. In the Energy & Industry Business, net sales decreased by 7.8% year on year to ¥33,425 million and operating income was ¥4,245 million (operating loss of ¥1,374 million in the same period of the previous fiscal year).

Effective from the first quarter of the current fiscal year, the low-level radioactive waste treatment systems previously included in the "Environment" has been changed to the "Energy & Industry". Year-on-year figures for each segment were calculated after adjusting the figures for the same period of the previous fiscal year to the revised segment classification.

(2) Summary of Financial Position for the Six Months Ended September 30, 2026

As of September 30, 2026, total assets were ¥1,237,456 million, a decrease of ¥5,874 million from the previous fiscal year-end. This was mainly due to decreases in securities and property, plant and equipment despite an increase in inventories and investment securities.

Total liabilities decreased by ¥18,897 million from the previous fiscal year-end to ¥407,081 million. This was mainly due to decreases in current portion of long-term borrowings and short-term borrowings.

Total net assets stood at ¥830,375 million, or ¥13,022 million higher than the previous fiscal year-end, due to an increase in retained earnings despite a decrease in foreign currency translation adjustment and an increase in treasury shares.

(3) Explanation of Future Statements including Forecasts for Consolidated Financial Statements

Regarding the full-year forecasts for financial statements, in the Environment Business, despite weakness in the Chinese market and certain other areas for automotive-related products, demand for the Company's products is expected to remain solid. In the Digital Society Business, robust demand for components for semiconductor manufacturing equipment is expected to continue, driven by growing AI-related demand. Together with the positive effect of the depreciation of the yen during the first half of the fiscal year, net sales, operating income, ordinary income, and net income attributable to owners of the parent are now expected to exceed the previous forecast.

The assumed exchange rates for the second half of the fiscal year are ¥150 to the U.S. dollar and ¥175 to the euro.

(Average exchange rates for the year: ¥155 to the U.S. dollar and ¥180 to the euro)

Consolidated financial results forecasts for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Millions of yen)	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous forecast (A)	710,000	107,000	105,000	82,000	(yen) 290.67
Revised forecast (B)	770,000	130,000	126,000	100,000	354.02
Change (B-A)	60,000	23,000	21,000	18,000	—
Change (%)	8.5	21.5	20.0	22.0	—
For Reference: Results from the previous year (Fiscal year ended March 31, 2026)	670,125	94,997	95,202	59,936	206.32

Financial results forecasts are based on information available at the time of the release, and actual results may vary significantly from forecasts due to various factors.

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	September 30, 2026	March 31, 2026
Assets		
Current assets		
Cash and deposits	194,748	198,166
Notes and accounts receivable-trade, and contract assets	144,005	143,929
Securities	106,081	124,754
Inventories	249,735	232,835
Other	23,731	31,461
Allowance for doubtful accounts	(512)	(509)
Total current assets	717,789	730,638
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	139,955	140,260
Machinery, equipment and vehicles, net	148,327	155,456
Other, net	76,507	73,467
Total property, plant and equipment	364,790	369,184
Intangible assets	5,905	6,191
Investments and other assets		
Investment securities	92,564	85,252
Other	56,746	52,405
Allowance for doubtful accounts	(340)	(342)
Total investments and other assets	148,971	137,315
Total non-current assets	519,666	512,691
Total assets	1,237,456	1,243,330

(Millions of yen)

	September 30, 2026	March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable-trade	45,378	48,847
Short-term borrowings	1,362	7,363
Current portion of long-term borrowings	29,467	35,585
Income taxes payable	10,736	12,530
Other	64,917	62,729
Total current liabilities	151,863	167,056
Non-current liabilities		
Bonds payable	62,000	62,000
Long-term borrowings	137,539	139,686
Retirement benefit liability	19,428	19,158
Provision for business restructuring	10,574	12,270
Other	25,675	25,806
Total non-current liabilities	255,218	258,921
Total liabilities	407,081	425,978
Net assets		
Shareholders' equity		
Share capital	70,064	70,064
Capital surplus	70,631	70,389
Retained earnings	516,919	492,019
Treasury shares	(16,821)	(10,458)
Total shareholders' equity	640,793	622,014
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	48,910	45,342
Deferred gains or losses on hedges	(7)	(44)
Foreign currency translation adjustment	112,491	121,551
Remeasurements of defined benefit plans	18,853	19,689
Total accumulated other comprehensive income	180,247	186,538
Share acquisition rights	624	684
Non-controlling interests	8,709	8,114
Total net assets	830,375	817,352
Total liabilities and net assets	1,237,456	1,243,330

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Six months ended September 30, 2026	Six months ended September 30, 2025
Net sales	371,306	326,204
Cost of sales	246,722	230,309
Gross profit	124,584	95,894
Selling, general and administrative expenses	54,694	47,194
Operating income	69,889	48,700
Non-operating income		
Interest income	1,750	1,351
Dividend income	1,212	1,078
Gain on valuation of derivatives	319	—
Foreign exchange gains	—	1,186
Other	2,141	1,147
Total non-operating income	5,423	4,763
Non-operating expenses		
Interest expense	1,406	1,613
Loss on valuation of derivatives	—	1,662
Foreign exchange losses	1,061	—
Loss on liquidation of business	*1 1,084	—
Loss on liquidation of subsidiaries and associates	—	2,822
Other	1,364	698
Total non-operating expense	4,917	6,796
Ordinary income	70,395	46,667
Extraordinary income		
Gain on sales of non-current assets	28	78
Gain on sales of investment securities	2,591	483
Subsidies income	159	66
Total extraordinary income	2,779	628
Extraordinary losses		
Loss on disposals of non-current assets	338	174
Impairment loss	579	2,492
Business restructuring expenses	—	11,693
Total extraordinary losses	918	14,359
Income before income taxes	72,256	32,935
Income taxes-current	14,816	12,736
Income taxes-deferred	(3,874)	(3,961)
Total income taxes	10,942	8,774
Net income	61,314	24,161
Net income attributable to non-controlling interests	513	290
Net income attributable to owners of the parent	60,800	23,870

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2026	Six months ended September 30, 2025
Net income	61,314	24,161
Other comprehensive (loss) income		
Valuation difference on available-for-sale securities	3,568	12,184
Deferred gain or loss on hedges	39	98
Foreign currency translation adjustment	(9,222)	16,327
Defined retirement benefit plans	(835)	(354)
Total other comprehensive (loss) income	(6,450)	28,255
Comprehensive income	54,864	52,416
Comprehensive income attributable to:		
Owners of the parent	54,509	51,701
Non-controlling interests	354	714

(3) Notes to Consolidated Financial Statements

(Note on the Assumption as a Going Concern)

Not applicable

(Consolidated Statement of Income)

***1. Loss on liquidation of business**

These expenses or losses are associated with the discontinuation of the manufacture and sale of insulator products at the Chita site, as announced on March 23, 2023, following the completion of order intake for such products.

These mainly consist of inventory valuation losses, as well as costs or losses expected to be incurred in the future in connection with the disposal of inventory and the fulfillment of the Company's obligations.

(Significant Changes in Stockholder's Equity)

The Company acquired 6,250,000 shares of its own shares at a total acquisition cost of ¥31,006 million on May 1, 2026 based on the resolution at the meeting of the Board of Directors held on April 30, 2026.

Thereafter, based on the same resolution of the Board of Directors, the Company canceled 6,250,000 shares of its own shares on June 1, 2026. Since the balance of other capital surplus turned to negative due to the cancellation of treasury shares, retained earnings were transferred to capital surplus, resulting in decreases of ¥23,814 million in both retained earnings and treasury shares.

As a result, during the six months ended September 30, 2026, retained earnings amounted to ¥516,919 million and treasury shares amounted to ¥16,821 million.

(Segment Information, etc.)

1. Six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Net sales and profits or losses by reportable segment

(Millions of yen)

	Business Segment				Adjustment *1	Consolidated *2
	Environment	Digital Society	Energy & Industry	Total		
Net sales						
Sales to customers	208,209	129,939	33,157	371,306	—	371,306
Intersegment sales	618	3	267	890	(890)	—
Total	208,828	129,942	33,425	372,196	(890)	371,306
Operating income	46,000	19,676	4,245	69,921	(31)	69,889

*1. The adjustment of (¥31) million to operating income comprises of intersegment transactions.

*2. Segment profit is reconciled to operating income in the semi-annual consolidated statement of operations.

(2) Changes in reportable business segment

Effective from the first quarter of the current fiscal year, the low-level radioactive waste treatment systems previously included in the "Environment" has been changed to the "Energy & Industry" due to the change of organization.

Segment information for the first quarter of the previous fiscal year has been restated in accordance with the revised segment classification.

2. Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

Net sales and profits or losses by reportable segment

(Millions of yen)

	Business Segment				Adjustment *1	Consolidated *2
	Environment	Digital Society	Energy & Industry	Total		
Net sales						
Sales to customers	192,480	97,825	35,897	326,204	—	326,204
Intersegment sales	844	1	346	1,192	(1,192)	—
Total	193,325	97,827	36,244	327,396	(1,192)	326,204
Operating income	36,708	13,506	(1,374)	48,839	(139)	48,700

*1. The adjustment of (¥139) million to operating income comprises of intersegment transactions.

*2. Segment profit(loss) is reconciled to operating income in the semi-annual consolidated statement of operations.

(Revenue Recognition)

Disaggregated revenue recognized from contracts with customers

Six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(Millions of yen)

	Business Segment			Total
	Environment	Digital Society	Energy & Industry	
Major geographical regions				
Japan	24,337	27,105	23,261	74,704
North America	48,346	31,484	6,865	86,695
Europe	73,994	3,265	81	77,341
Asia	58,133	67,973	778	126,885
Others	3,397	111	2,170	5,679
Total	208,209	129,939	33,157	371,306
Major product lines				
Automotive ceramics for exhaust gas purification	158,238	—	—	158,238
Sensors	38,499	—	—	38,499
Industrial processes	11,471	—	—	11,471
SPE related (Components for semiconductor production equipment)	—	86,468	—	86,468
Electronics components	—	27,106	—	27,106
Metal related	—	16,363	—	16,363
Energy plant	—	—	6,105	6,105
Insulators	—	—	26,656	26,656
Others	—	—	395	395
Total	208,209	129,939	33,157	371,306
Timing of revenue recognition				
Goods and services transferred at a point in time	205,369	129,939	28,088	363,397
Goods and services transferred over time	2,839	—	5,069	7,908
Total	208,209	129,939	33,157	371,306

Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(Millions of yen)

	Business Segment			Total
	Environment	Digital Society	Energy & Industry	
Major geographical regions				
Japan	22,384	22,852	24,800	70,037
North America	39,143	25,481	7,764	72,389
Europe	68,848	2,679	472	71,999
Asia	59,408	46,703	1,237	107,349
Others	2,695	109	1,622	4,427
Total	192,480	97,825	35,897	326,204
Major product lines				
Automotive ceramics for exhaust gas purification	148,927	—	—	148,927
Sensors	32,931	—	—	32,931
Industrial processes	10,622	—	—	10,622
SPE related (Components for semiconductor production equipment)	—	69,726	—	69,726
Electronics components	—	15,006	—	15,006
Metal related	—	13,092	—	13,092
Energy plant	—	—	5,082	5,082
Insulators	—	—	24,133	24,133
Others	—	—	6,681	6,681
Total	192,480	97,825	35,897	326,204
Timing of revenue recognition				
Goods and services transferred at a point in time	189,890	97,825	31,575	319,291
Goods and services transferred over time	2,590	—	4,321	6,912
Total	192,480	97,825	35,897	326,204

(Notes) Effective from the first quarter of the current fiscal year, the Company has changed its reporting segments following organizational changes. In addition, the low-level radioactive waste treatment systems previously included in the "Industrial processes" and the insulator washing equipment previously included in the "Insulators" are presented under "Energy plant." Disaggregated revenue recognized from contracts with customers for the first quarter of the previous fiscal year has been restated in accordance with the revised segment classification.

FY2026 1st Half Results (from April 1, 2026 to September 30, 2026) Supplementary Data

October 30, 2026
NGK Corporation

[After inter-segment elimination]

April Announcement

April Announcement

	FY2025 1st half		FY2026 1st half		YOY
	Results*1	Ratio	Results	Ratio	
Net Sales	Bln. yen 326	100%	Bln. yen 350 371	100%	+14%
<Overseas Sales>	<256>	79%	<297>	80%	+16%
Operating Income (%)	49 (15%)		53 70 (19%)		+44%
Environment Business ("EN"Business)	192	59%	195 208	56%	+8%
Operating Income (%)	37 (19%)		32 46 (22%)		+25%
Digital Society Business ("DS"Business)	98	30%	120 130	35%	+33%
Operating Income (%)	14 (14%)		18 20 (15%)		+46%
Energy & Industry Business ("E&I"Business)	36	11%	35 33	9%	- 8%
Operating Income (%)	(1) (-)		4 4 (13%)		-

	FY2025 Full-Year		FY2026 Full-Year		YOY
	Results*1	Ratio	Forecast	Ratio	
Net Sales	Bln. yen 670	100%	Bln. yen 710 770	100%	+15%
<Overseas Sales>	<524>	78%	<620>	80%	+18%
Operating Income (%)	95 (14%)		107 130 (17%)		+37%
Environment Business ("EN"Business)	391	58%	400 425	55%	+9%
Operating Income (%)	67 (17%)		67 82 (19%)		+22%
Digital Society Business ("DS"Business)	205	31%	245 275	36%	+34%
Operating Income (%)	28 (14%)		36 41 (15%)		+46%
Energy & Industry Business ("E&I"Business)	73	11%	65 70	9%	- 4%
Operating Income (%)	0 (0%)		4 7 (10%)		27X

		Ratio			Ratio	YOY
Ordinary Income	47	14%	53	70	19%	+51%
Net Income Attributable to Owners of the Parent	24	7%	45	61	16%	+155%
R O E	-		-			
E P S	81.58 yen		214.66 yen			
Dividend per share and Dividend Payout Ratio	38 yen		63 yen			

	Ratio			Ratio		YOY
	95	14%	105	126	16%	+32%
	60	9%	82	100	13%	+67%
	7.8%		10.0%		12.1%	
	206.32 yen		290.67 yen		354.02 yen	
	80 yen, 38.8%		106 yen, 36.5%		126 yen, 35.6%	

Foreign Exchange Rate (Yen/US\$)	147	160
Foreign Exchange Rate (Yen/Euro)	168	184

Foreign Exchange Rate (Yen/US\$)	151	150 155
Foreign Exchange Rate (Yen/Euro)	175	175 180

Capital Expenditures	26	8%	29	8%	+15%
Depreciation Costs	28	9%	29	8%	+6%
R&D Expenses	15	5%	17	5%	+13%

Capital Expenditures	56	8%	62 72	9%	+29%
Depreciation Costs	57	9%	60 60	8%	+4%
R&D Expenses	32	5%	39 40	5%	+26%

(The amounts stated in this document are rounded to the nearest billion yen.)

*1 The business segments have been changed from the beginning of FY2026. As a result of this change, the operating results for FY2025 have been rearranged and presented using the same segment classification. The low-level radioactive waste treatment systems was transferred from the Environment Business to the Energy & Industry Business.

FY2026 1st Half Results (from April 1, 2026 to September 30, 2026) Supplementary Data

October 30, 2026
NGK Corporation

The First Half of FY 2026 Results

—Net sales and all income figures significantly exceeded previous first-half record highs.
Operating profit increased year on year in all business segments.

① Summary of business results by segment

【EN Business】		— Increased sales and income
•Automotive related		Although the automotive market, particularly in China, shows signs of weakness, demand for our products remains solid. Profits exceeded expectations partly due to the weaker yen, the timing of certain expenses, and the impact of platinum prices on sensors.
【DS Business】		— Increased sales and income
•SPE related *2		Semiconductor demand increased significantly, driven by the growing adoption of AI across society.
•Electronic components		Sales amount of HICERAM Carrier increased as the mass-production equipment came online smoothly. Piezoelectric actuators for HDDs also continued to see strong demand.
【E&I Business】		— Decreased sales but turned profitability (Sales declined and profitability improved significantly due to the termination of manufacturing and sales of NAS® batteries.)
•Insulators		Sales and operating income increased, driven by investments to strengthen power infrastructure amid robust data center investments in the U.S.
② Exchange Rate Effects		Sales increased 17.8 billion yen and operating income increased 7.9 billion yen year on year. (147 yen/ USD and 168 yen/ Euro in the first half of FY2025. 160 yen/ USD and 184 yen/ Euro in the first half of FY2026.)
③ Non-operating and Extraordinary Gains/Losses		
•Loss on liquidation of business		Regarding the Chita Plant of the Insulator Business, for which a decision was made in March 2023 to cease operations, orders have closed. Expenses of 1.1 billion yen expected to arise going forward, including inventory valuation losses and asset disposal costs, were recorded as non-operating expenses.
•Gains on sales of investment securities		We continued to reduce cross-shareholdings and recorded gains on sales of investment securities of 2.6 billion yen as extraordinary income.

④ Dividend	Resolved to declare an interim dividend of 63 yen per share. (an increase of 10 yen from the April forecasts)
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Forecasts for FY2026 Full-Year

— Net sales and all income figures are expected to increase year on year and reach a record-high.
All business segments are expected to achieve higher sales and income than forecast in April.

① Summary of forecasts by segment

【EN Business】		— Expected increases in sales and income
•Automotive related		Demand for our products is expected to remain solid. However, we anticipate a pullback from temporary first-half tailwinds, including cost-related factors and the impact of platinum prices.
【DS Business】		— Expected increases in sales and income
•SPE related *2		Demand for semiconductors for AI applications continues to expand. Demand for HPC also remains strong, with sales and income expected to increase. We will continue to make proactive investments to capture further market growth over the medium to long term.
•Electronic components		For HICERAM Carrier, sales are expected to increase significantly as mass production facilities begin full-scale operations. HICERAM Carrier is also expected to turn profitable. We aim to achieve further growth by advancing product development for panel-type and memory applications.
【E&I Business】		— Expected decrease in sales while increases in income
•Insulators		As in the first half, robust data center investments are expected to continue, particularly in the U.S., with investment in power transmission and distribution networks also remaining at a high level. Both net sales and operating income are expected to increase year on year.
② Exchange Rate Effects		
•Year-on-year		Sales to increase 12.5 billion yen and operating income to increase 7.7 billion yen year on year. (151 yen/ USD and 175 yen/ Euro in FY2025. 155 yen/ USD and 180 yen/ Euro in FY2026.) (Assumed exchange rates in the second half of FY2026 : 150 yen/ USD and 175 yen/ Euro)
•Effects of a yen change in exchange rates in second half		USD : Sales 0.9 billion yen and operating income 0.34 billion yen Euro : Sales 0.3 billion yen and operating income 0.07 billion yen
③ Dividend Forecast		An interim dividend of 63 yen (resolved) and a year-end dividend of 63 yen (planned). total dividend will be 126 yen. (Planned annual dividend increase of 20 yen from the April forecasts)

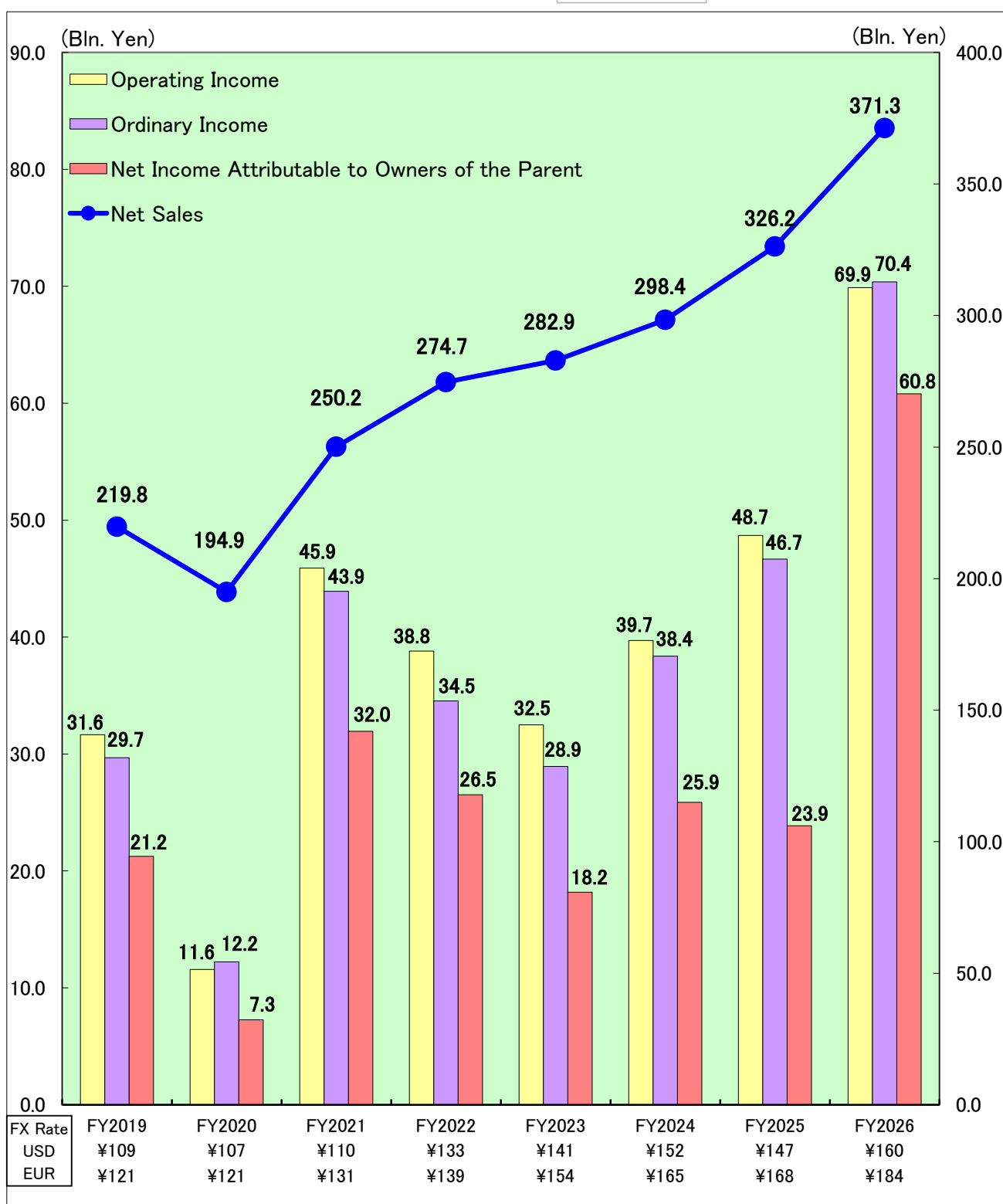
*2 SPE related...Products for semiconductor manufacturing equipment

Consolidated Operating Results(1st Half)

(Bln. Yen)

	Results from previous 1st Half (FY2024)	1st Half Results (FY2025)		Growth ratio
Net Sales	326.2	350.0	371.3	+14%
Operating Income	48.7	53.0	69.9	+44%
Ordinary Income	46.7	53.0	70.4	+51%
Net Income Attributable to Owners of the Parent	23.9	45.0	60.8	+155%

April
Announcement



Consolidated Operating Results(Annual)

(Bln. Yen)

	Results from previous year (FY2025)	Forecast (FY2026)		Growth ratio
Net Sales	670.1	710.0	770.0	+15%
Operating Income	95.0	107.0	130.0	+37%
Ordinary Income	95.2	105.0	126.0	+32%
Net Income Attributable to Owners of the Parent	59.9	82.0	100.0	+67%

April
Announcement

