

O-WELL (7670)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2025		69,416	1,239	1,592	1,779	173.98	45.00	2,127.34
FY03/2026		68,268	1,261	1,680	1,798	178.85	45.00	2,251.67
FY03/2027CoE		73,000	1,600	1,800	1,900	188.86	55.00	-
FY03/2026	YoY	(1.7%)	1.8%	5.5%	1.0%	-	-	-
FY03/2027CoE	YoY	6.9%	26.8%	7.1%	5.7%	-	-	-
Consolidated Quarter (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 FY03/2026		16,895	205	261	195	-	-	-
Q2 FY03/2026		16,283	192	249	189	-	-	-
Q3 FY03/2026		17,454	395	639	445	-	-	-
Q4 FY03/2026		17,636	469	531	969	-	-	-
Q1 FY03/2027		17,657	433	508	309	-	-	-
Q1 FY03/2027	YoY	4.5%	111.3%	94.7%	58.8%	-	-	-

Source: Company data; calculations by WRJ

1.0 Executive Summary (9 October 2026)

Expansion of Value Provided

O-WELL is broadly involved in operations at manufacturing sites, starting from sales of paint-related and automotive products, and is implementing measures to expand the value it provides. In Q1 (April–June) FY03/2027, operating profit doubled YoY, driven by an expansion in sales share among automakers and other industries, the passing on of higher procurement costs to selling prices, and timely and flexible supply responses to supply-chain uncertainty arising from developments in the Middle East, as well as increased sales of car navigation software and share gains in automotive sensors and motor controllers. In light of this, the Company revised upward its full-year Company forecast. From a medium- to long-term perspective, meanwhile, the Company is pursuing a shift from a “product provision” model to a “one-stop solution provision” model, expanding into contract and processing operations through the use of OLDAS and other solutions centered on its paint film formation capabilities, while also broadening its business model overseas, expanding its sensor business and adding new functions. Furthermore, the Company has set out a policy of allocating funds secured through the reduction of strategic shareholdings, operating cash flow and other means to growth investments in areas including human capital, overseas business, technology development, M&A and CVC, thereby seeking to expand the value it provides based on its existing customer base and its technologies and functions.

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2.0 Company Profile

A One-Stop Solution Provider Beyond the Traditional Trading Company Framework

Company Name	O-WELL CORPORATION Company Website Investor Relations (Japanese) Share Price (Japanese) 
Established	8 November 1943
Listing	4 April 2022: Tokyo Stock Exchange Standard Market (ticker: 7670) 13 December 2018: Tokyo Stock Exchange 2nd section
Capital	¥857m (as of the end of June 2026)
No. of Shares	10,500,000 shares, including 439,678 treasury shares (as of the end of June 2026)
Main Features	● Production goods trading company with Coating Related Business, centered on sales of industrial paints, as its core business ● Engaged in a broad range of operations extending beyond paint sales to color matching and processing, painting services, painting equipment and paint film formation technology ● Promoting a shift to a “one-stop solution provision” model, including for automotive-related products
Segment	I . Coating Related Business II . Electronics Related Business
Representative	Representative Director and President: Yasuharu Kawato
Major Shareholders	O-WELL Employee Stock Ownership Plan 13.50%, Nippon Paint 8.94%, Kansai Paint 6.95%, Dai Nippon Toryo 5.46%, MUFG Bank 3.18% (as of the end of March 2026, excluding treasury shares)
Head Office	Nishiyodogawa-ku, Osaka, JAPAN
No. of Personnel	Consolidated: 618 (as of the end of March 2026)

Source: Company data

3.0 Corporate Philosophy and Business Model

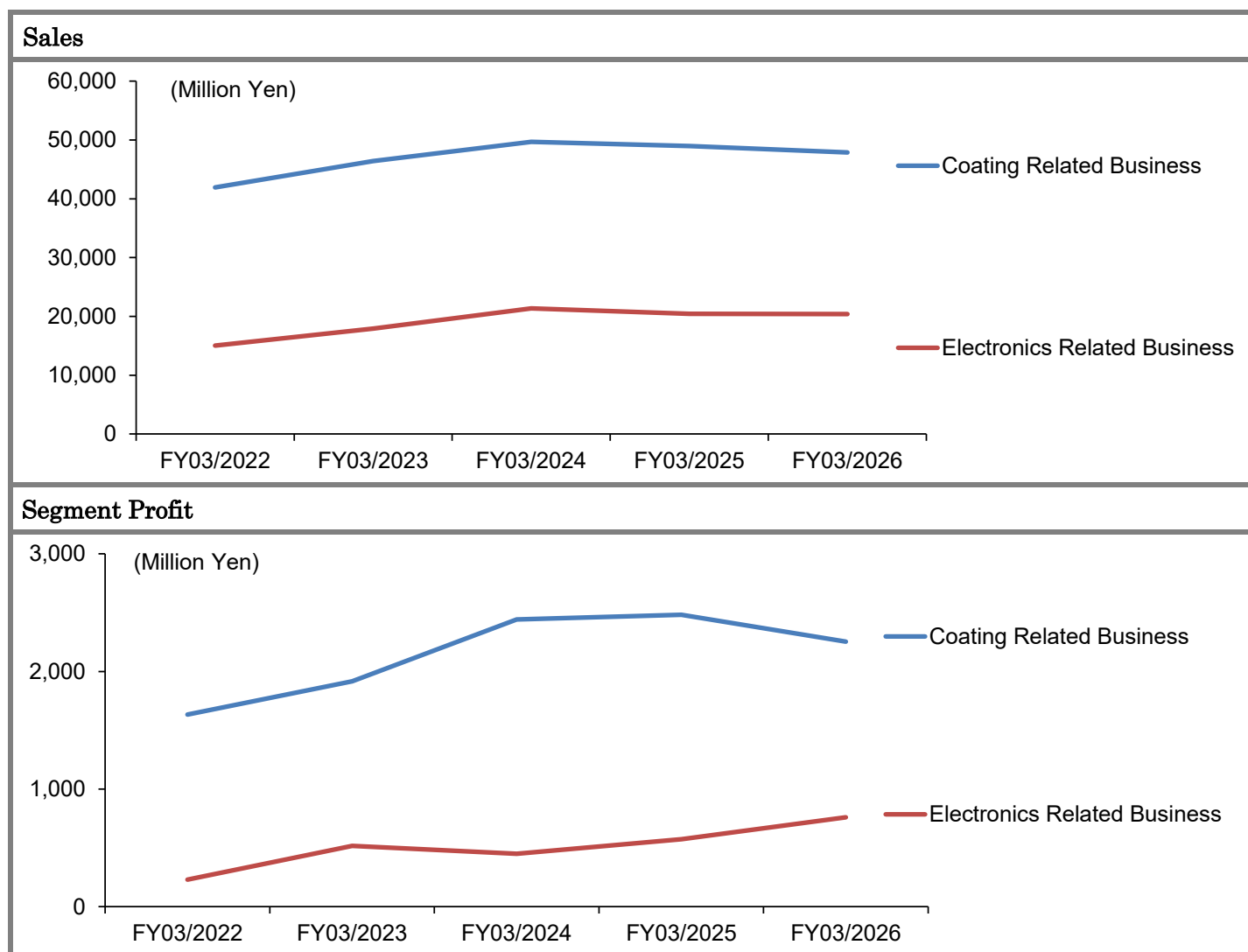
Expanding Value Provided Based on Credibility and Paint Film Formation Capabilities

O-WELL was established in November 1943 as Omiya Kogyo Co., Ltd., succeeding the businesses of three proprietors engaged in paint sales in Osaka under wartime business controls. The Company changed its name to the current O-WELL CORPORATION in 1992, listed on the Second Section of the Tokyo Stock Exchange in December 2018, and transferred to the Standard Market in April 2022 in conjunction with the market restructuring. Today, leveraging a base of approximately 2,000 suppliers and approximately 3,000 customers, the Company operates Coating Related Business and Electronics Related Business, while broadening the scope of its involvement in customers' manufacturing sites beyond product sales to include technical support, quality control, inventory management, daily delivery, painting services and other functions.

Under the Medium-Term Management Plan “MAP24-26” (FY03/2025–FY03/2027), “MAP” incorporates the meanings of both “My Action Plan” and a “map” indicating the direction in which the Company should proceed. As its desired future state looking toward around 2034, approximately 10 years after the plan was announced on 15 March 2024, the Company has set out the “Establishment of the Global Brand O-WELL.” This does not mean pursuing expansion across the entire world, but rather becoming a presence, primarily in Japan and emerging markets where it already operates, that customers recognize as one they can turn to when they face difficulties and entrust with confidence. Toward realizing this objective, the Company is creating new businesses based on the credibility and paint film formation capabilities it has cultivated over more than 80 years.

The Company's current vision is to “lead the development and evolution of manufacturing sites and contribute to the creation and realization of a sustainable world.” Toward realizing this vision, the Company is promoting digital transformation and globalization at manufacturing sites, while pursuing a shift from a “product provision” model to a “one-stop solution provision” model. Specifically, while leveraging its existing customer base, the Company is expanding into contract and processing operations in Coating Related Business, shifting toward higher-value-added products and modularization in Electronics Related Business, and rolling out overseas functions cultivated in Japan, including inventory management, logistics and technical support, thereby seeking to expand both the value it provides and its sources of earnings.

In addition, the Company has set out a policy of allocating funds secured through operating cash flow and the reduction of strategic shareholdings to growth investments in areas including human capital, overseas business, technology development, M&A and CVC (corporate venture capital). Based on the credibility and customer relationships it has cultivated over many years, the Company's medium- to long-term growth direction is to broaden the scope of its offerings from product sales to higher-value-added functions and services, while simultaneously expanding its business domains and improving profitability.



Source: Company data

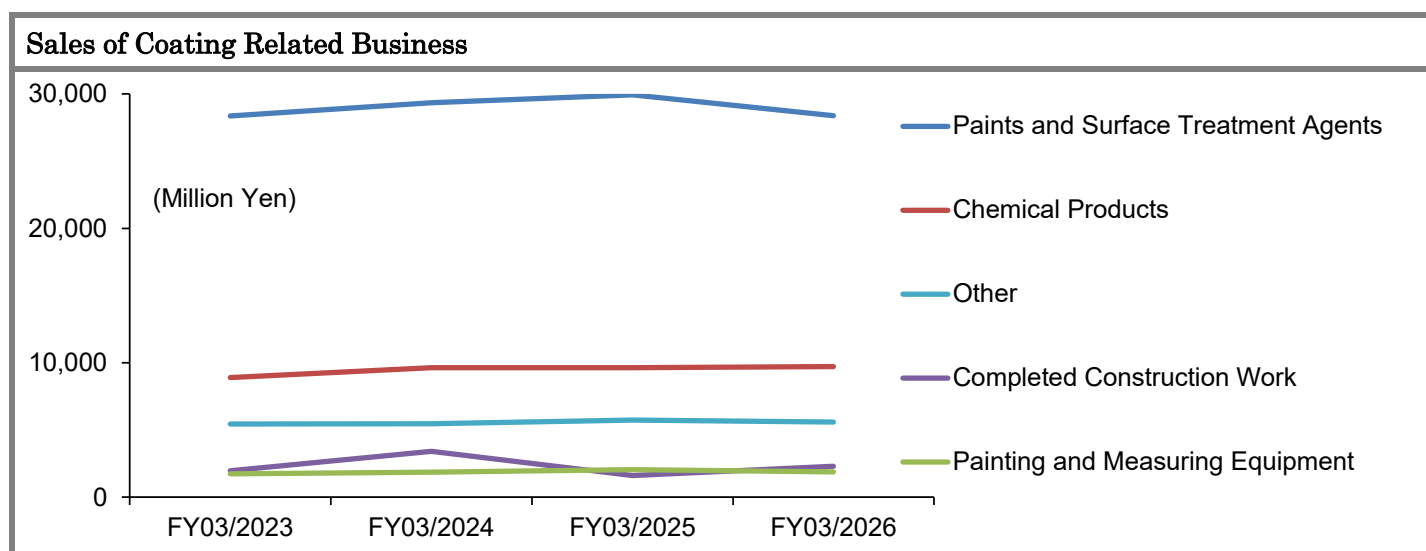
Business Model

For FY03/2026, sales came in at ¥68,268m (down 1.7% YoY), operating profit at ¥1,261m (up 1.8%), recurring profit at ¥1,680m (up 5.5%) and profit attributable to owners of parent at ¥1,798m (up 1.0%), while the operating profit margin came in at 1.8% (up 0.1% point). In Coating Related Business, which handles a broad range of products and services centered on industrial paints, including surface treatment agents, chemical products and materials, painting and measuring equipment and painting-line-related construction work, as well as paint color matching and processing, painting services and technical proposals utilizing paint film formation technology, sales came in at ¥47,861m (down 2.3%), segment profit at ¥2,253m (down 9.2%) and the segment profit margin at 4.7% (down 0.4% points).

Meanwhile, in Electronics Related Business, which handles Hall ICs used as automotive sensors, car navigation software and LED lighting products, while also providing functions including quality control, technical support, global logistics and BCP support, sales came in at ¥20,407m (down 0.2%), segment profit at ¥761m (up 32.7%) and the segment profit margin at 3.7% (up 0.9% points). In other words, as seen in the trend over the past five years, the medium-term expansion in segment profit from Electronics Related Business is underpinning the Company's earnings.

Coating Related Business

Coating Related Business broadly covers customers' painting processes, starting with sales of products centered on industrial paints and extending to surface treatment agents, chemical products and materials, painting and measuring equipment, painting-line-related construction work, paint color matching and processing, painting services and technical proposals utilizing paint film formation technology. Rather than limiting itself to the trading function of simply procuring and selling paints, the business is characterized by its involvement at customers' production sites, where it combines paint selection, painting conditions, equipment, processing, construction and logistics to solve customer issues.



Source: Company data

In Paints and Surface Treatment Agents, which forms the core of the business, the Company mainly handles industrial paints for mass-produced products such as automobiles. For industrial paints, the required paints and painting specifications vary depending on factors such as customers' products, materials and production conditions, making it necessary to provide proposals that take into account the entire process through which paint ultimately forms a "paint film," rather than simply selling products. The Company provides products and services that contribute to resolving customer issues in areas including paint selection, painting specifications, painting methods and painting environments.

Here, the Company's core function is its "paint film formation capabilities." At the Technical Center of the Kanagawa Office, based on paint film formation technologies cultivated in the automotive industry, the Company undertakes total planning that combines paints with painting equipment, machinery and systems, as well as the development of new materials and new painting methods. In other words, the value added to its trading function lies not simply in selling products supplied by paint manufacturers, but in becoming involved in process design—determining which paints should be applied using which equipment, conditions and methods in order to achieve the quality, cost and productivity required by customers.

Furthermore, paint color matching and processing is another important function. By accommodating small-lot, high-mix and short-lead-time requirements at its color-matching plants, the Company contributes both to resolving issues faced by paint manufacturers and to enabling efficient production for customers. In addition, through its group company OAC, the Company also undertakes painting services, providing engineering functions that include improvements in QCD (quality, cost and delivery) in response to customers' advanced painting and paint film requirements. Here, its involvement in customers' processes extends beyond simply selling products to actually undertaking the painting process itself.

For painting and measuring equipment as well, the Company does not simply sell equipment, just as it does not simply sell paints. Because appropriate equipment and systems must be selected according to factors such as the paints and materials used, the production site and the required quality, the Company leverages the painting technology expertise it has accumulated to propose suitable painting and measuring equipment to customers. In completed construction work, the Company undertakes the design and construction of part or all of the equipment, machinery, systems, conveyance and control involved in painting lines, from pretreatment through painting and drying processes. As a result, the scope of the Company's offerings has expanded from the single product of "paint" to the painting line itself.

In chemical products and materials, the Company handles a wide range of products used in customers' products and production sites beyond paints, including soundproofing materials, plastic sheets, adhesives, synthetic resin products, tapes, inks and abrasives. By not limiting customer contact points to paints alone and also capturing peripheral demand arising at manufacturing sites, the Company has a structure that enables it to broaden the scope of transactions with customers.

In its customer relationships, the Company's broad transaction base, comprising approximately 2,000 suppliers and approximately 3,000 customers, plays an important role. While combining products and technologies from numerous suppliers to make proposals tailored to individual customer issues, the Company remains continuously involved in customers' procurement and production activities by providing functions including quality control, inventory management, logistics and daily delivery. These ongoing customer contact points also provide a foundation for securing new opportunities involving product sales, equipment, construction work, processing and contract operations.

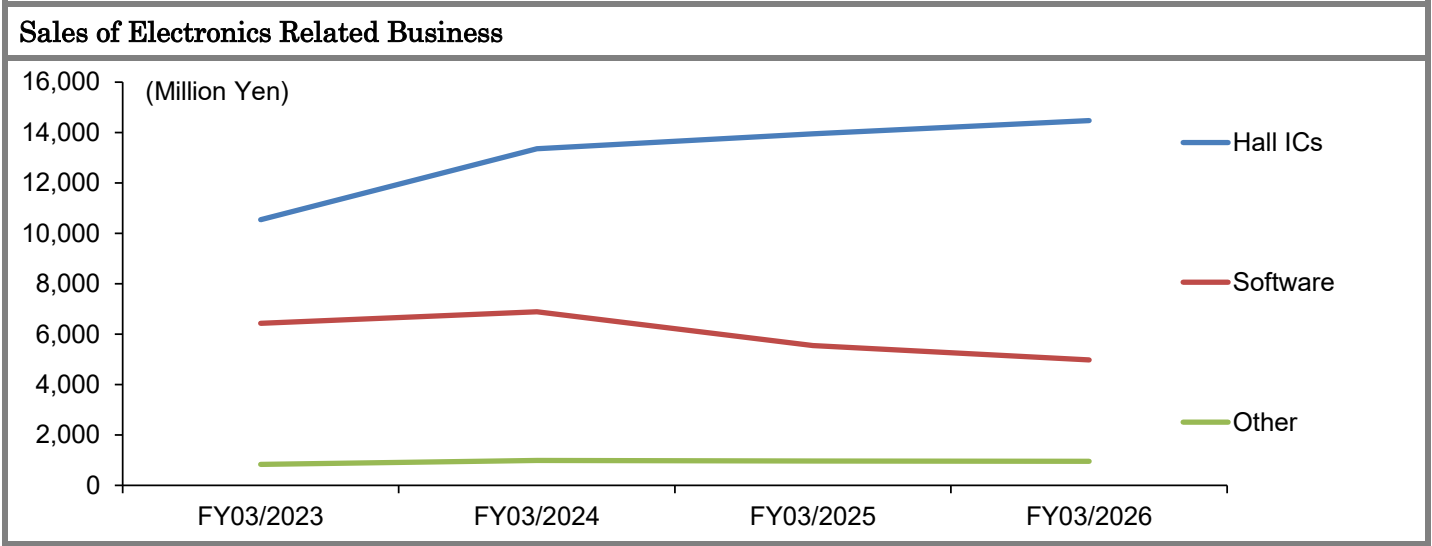
Accordingly, the earnings model of Coating Related Business appears to be structured around expanding the scope of transactions with each customer by broadening the range of offerings from product sales to technical support, paint color matching and processing, painting services, equipment and construction work. The shift from a "product provision" model to a "one-stop solution provision" model set out under the Medium-Term Management Plan "MAP24-26" is based on the concept of further broadening the scope of offerings on the foundation of this existing business structure. The core function of the business is defined as "demonstrating paint film formation capabilities = the ability to solve issues in painting processes," and the Company has set out a policy of monetizing these capabilities in Japan and overseas by promoting labor-saving and more advanced operations through the implementation of OLDAS (painting site management system), while also expanding the scope of contract operations to encompass not only painting but also peripheral processes.

Overseas as well, the Company is developing its business based not simply on exporting paints from Japan, but on rolling out to overseas manufacturing sites, primarily those of Japanese manufacturers, functions cultivated in Japan such as inventory management, logistics, quality control and technical support. The business can be viewed as a model in which the Company expands transactions by extending overseas the combination of product sales and peripheral functions it has established in Japan, thereby supporting customers’ local production.

As described above, the business is not simply a “trading company that sells paints,” but rather a business model that uses paint sales as an entry point to become involved in customers’ painting processes across a broad range of areas, including technology, processing, equipment, construction work, logistics, quality control and painting services, thereby expanding both the value it provides and its earnings opportunities as the scope of that involvement broadens. The ongoing shift toward one-stop solutions is an initiative to deepen this structure further by broadening the Company’s sources of earnings beyond conventional product sales into contract and processing operations.

Electronics Related Business

Electronics Related Business handles Hall ICs used mainly as automotive sensors and car navigation software. Rather than simply selling electronic components and software, the business combines functions including quality control, technical support, global logistics, inventory management and BCP support to establish a framework that supports customers’ procurement and production activities. In the automotive field, in which the business has by far its greatest involvement, high quality requirements and stable supply are essential, and the value provided therefore extends beyond the products themselves to encompass these peripheral functions.



Source: Company data

Hall ICs, which form the core of the business, are magnetic sensors that detect changes in magnetic fields and field strength to sense the position, rotation and other conditions of target objects. According to the Company, they have an extensive track record of adoption in applications including transmission control, brake control, steering control and engine control. The Company has expanded its business as a specialized distributor of Hall ICs, taking on a broad range of roles that extend beyond product sales to include quality, technical support, global logistics and visual inspection. In addition, from a BCP perspective, inventories are maintained at multiple locations in Japan and overseas, establishing a framework that enables stable supply even in the event of disasters and other disruptions.

Accordingly, in the Hall IC business, functions including quality assurance, technical support, inventory management, logistics, inspection and stable supply are provided as an integrated package in addition to the conventional trading function of procuring products from manufacturers and selling them to customers. In the automotive industry, where the quality of components and continuity of supply directly affect customers' production activities, the continuous provision of these peripheral functions is an important factor supporting customer relationships.

In software, the Company mainly sells automotive software for applications such as car navigation systems, with software, touch panels and other products provided as modules. According to the Company, some of the products included in these modules carry relatively high profit margins. In other words, in addition to sales of standalone products such as Hall ICs, the business also provides multiple products as modules.

In FY03/2026, while sales of car navigation software and automotive touch panels declined, orders for automotive sensors and motor controllers expanded, resulting in a substantial increase in segment profit despite sales remaining broadly flat. This indicates that changes in the product mix can have a meaningful impact on profitability in the business.

In the business, the Company has set out a policy of continuing to meet customer expectations for the functions it currently provides, including sales, global logistics, technical support and quality control, while adding new functions through combinations and integration, including software. The Company recognizes the need to build new business models through the addition of these functions and to expand the role it plays beyond its current functions by clarifying “where, to whom, what value and how” it will provide that value.

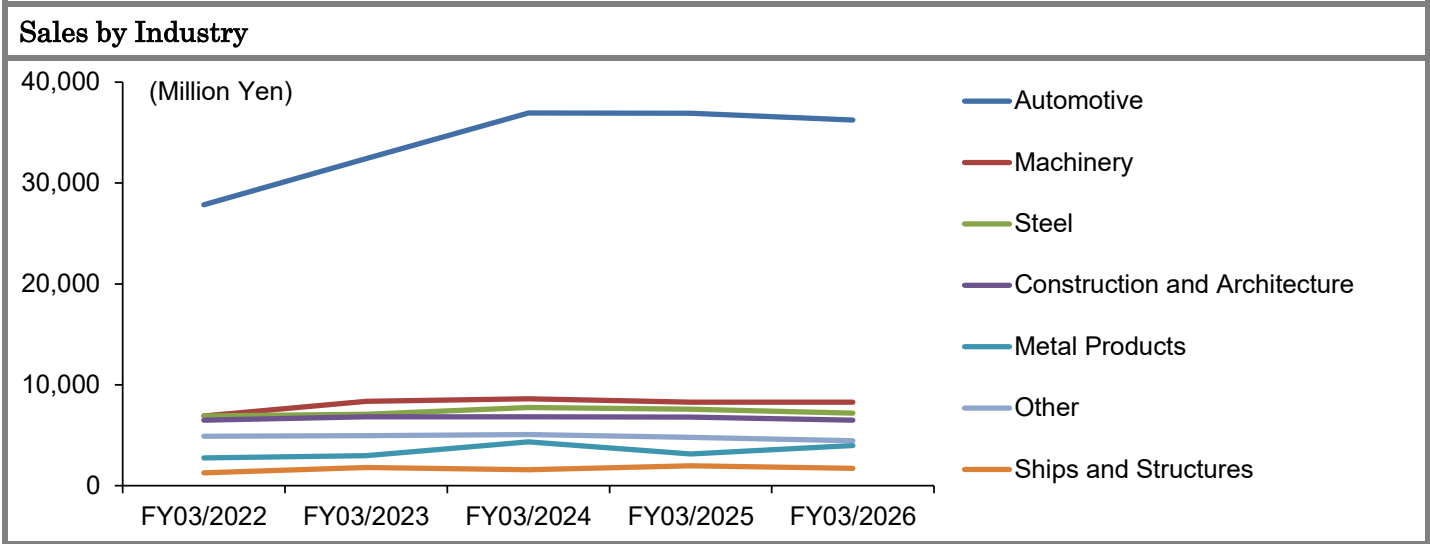
Accordingly, the business model of Electronics Related Business appears to be structured around broadening the scope of transactions with customers by combining functions such as quality control, technical support, inventory management, global logistics, inspection and BCP support with the sale of products including sensors and software. In addition, the Medium-Term Management Plan “MAP24-26” (FY03/2025–FY03/2027) sets out the concept of enhancing the value provided not simply by selling existing products on a standalone basis, but by combining software with multiple technologies and products to add new functions.

Overseas as well, for automotive-related products such as Hall ICs, the Company provides functions including inventory management, logistics and quality support by leveraging its locations in Japan and overseas. The Company has Electronics Related Business locations in countries including South Korea, Thailand and Indonesia, and supports customers’ overseas production not only through product supply but also through stable supply and quality control. This domestic and overseas supply network serves as a foundation for transactions with customers operating globally.

As described above, the business is not simply a “trading company that sells electronic components,” but rather a business model that uses products such as sensors and software as an entry point to become involved in customers’ procurement and production activities across quality control, technical support, logistics, inventory management, inspection and BCP support, while further expanding both the value it provides and its earnings opportunities by adding new functions through combinations and integration. From a medium-term perspective, the Company is working to broaden the scope of its offerings from simple product sales to higher-value-added businesses through expansion of the sensor business and the addition of new functions.

Earnings Drivers

As the Company’s business is based on product sales, its performance is first affected by demand trends such as customers’ production activity and capital investment. Looking at the composition of sales by industry in FY03/2026, automotive accounted for more than half at 53.1%, followed by machinery at 12.1%, steel at 10.5% and construction and architecture at 9.5%, while Japan accounted for 85.2% by region. Accordingly, domestic-centered automobile production, production activity in industries such as steel and machinery, and demand in construction and architecture affect the Company’s sales.



Source: Company data

Coating Related Business is highly correlated with the production volumes of customers, mainly in the automotive industry. According to the Company, domestic automobile production and the performance of the business tend to “move largely in tandem.” In FY03/2026, while total domestic production by the eight major automakers remained broadly unchanged YoY, production declined at automakers that are customers of the Company, contributing to lower sales for the Company. In steel, crude steel production declined YoY for the fourth consecutive year, while in construction and architecture, factors including a decrease in housing starts for detached houses in Japan weighed on sales. By contrast, sales increased in metal products due to the completion of a large-scale painting facility project, indicating that performance is affected not only by customers’ production volumes but also by whether large-scale projects such as painting facilities are undertaken.

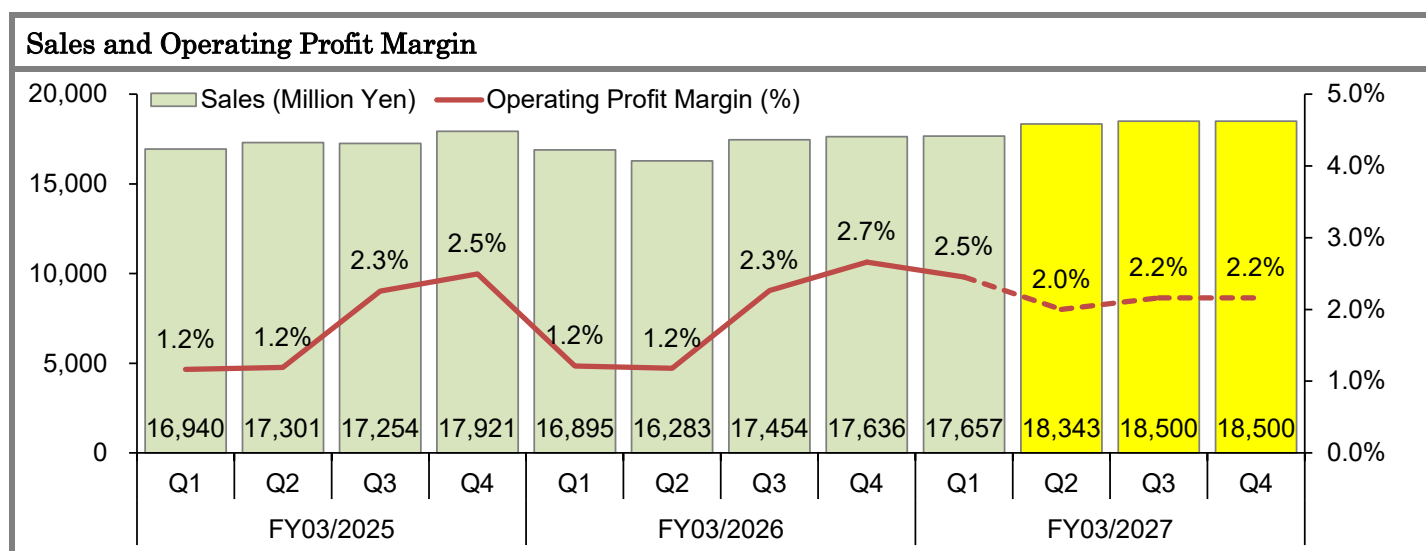
Electronics Related Business is also driven primarily by automobile production on the demand side, as sales to the automotive industry account for approximately 90% of total sales. However, in this business, changes in the product mix also have a significant impact on profit, in addition to sales volumes. In FY03/2026, while sales of car navigation software and automotive touch panels declined, orders for automotive sensors and motor controllers expanded, resulting in a 32.7% increase in segment profit despite sales remaining broadly flat. According to the Company, automotive sensors and motor controllers have higher profit margins than car navigation software and automotive touch panels, and the shift in the product mix contributed to improved profitability. In addition, according to the Company, broader adoption of motor controllers in areas such as autonomous driving and electrification has moved into a full-scale phase.

Accordingly, the Company’s earnings drivers appear to be structured around external demand, such as production volumes and capital investment in customer industries, and the extent to which the Company can capture that demand. In Coating Related Business, broadening the scope of offerings beyond sales of products such as paints to include painting services, processing, equipment and construction work, logistics and quality control contributes to sales growth. In Electronics Related Business, meanwhile, profit growth is driven by factors including expansion of the sensor business, the addition of new functions, an increase in the number of applications and shifts in the product mix toward higher-margin products. In other words, external demand trends create sales opportunities, while broadening the range of products, functions and processes provided by the Company acts as an internal driver of growth in both sales and profitability.

4.0 Recent Trading and Prospects

Q1 (April–June) FY03/2027

In Q1 (April–June) FY03/2027, sales came in at ¥17,657m (up 4.5% YoY), operating profit at ¥433m (up 111.3%), recurring profit at ¥508m (up 94.7%) and profit attributable to owners of parent at ¥309m (up 58.8%), while the operating profit margin came in at 2.5% (up 1.2% points). In other words, the operating profit margin improved substantially YoY, with the low level of 1.2% in the same period of the previous year also contributing to the large extent of the improvement.

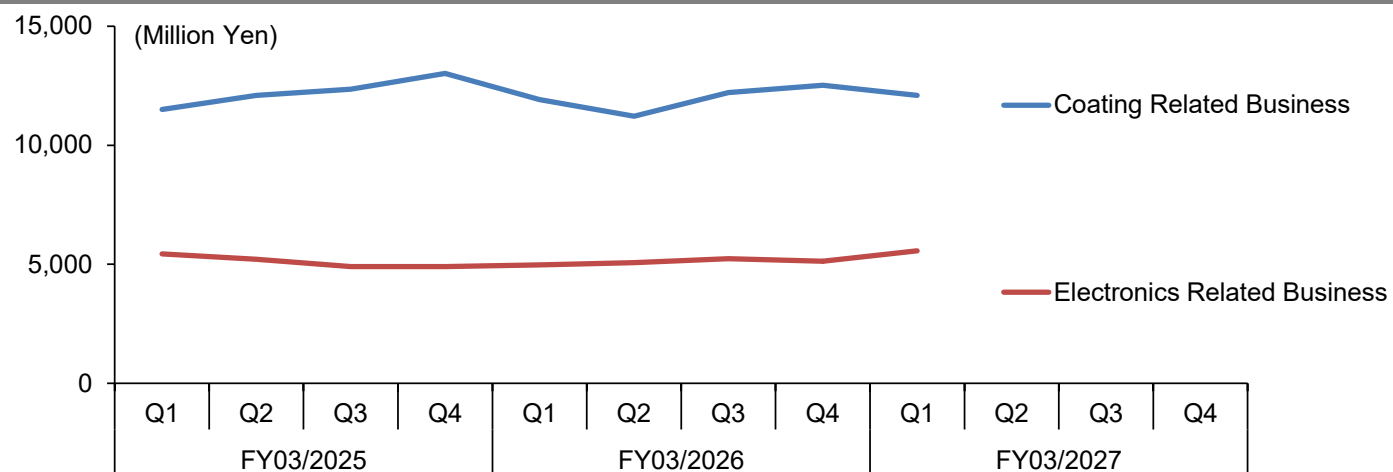


Source: Company data; calculations by WRJ (Q3 and Q4 FY03/2027: Company forecast for H2 allocated equally)

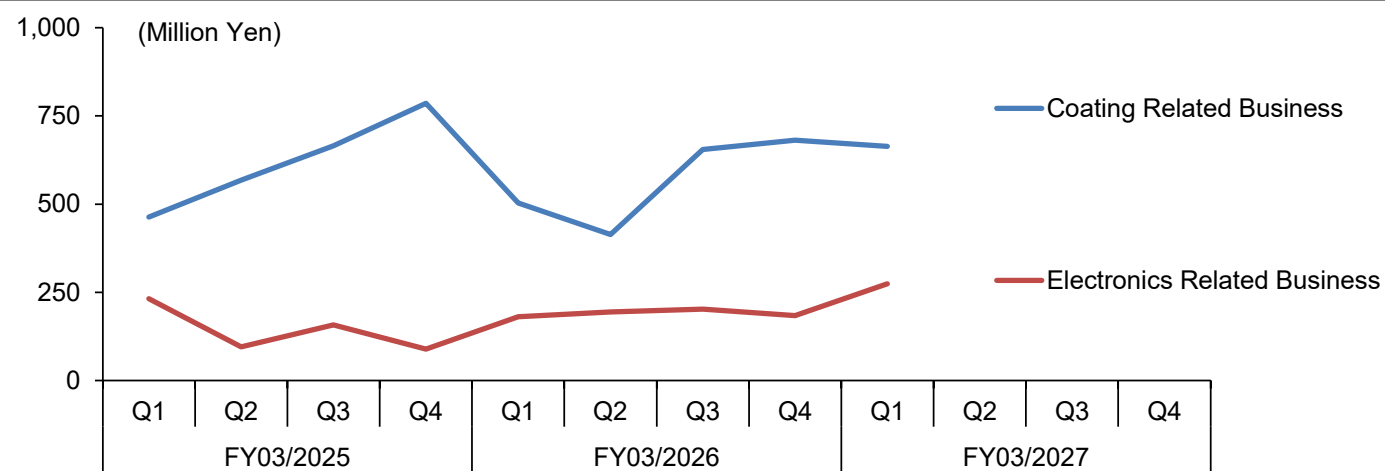
In Coating Related Business, sales came in at ¥12,096m (up 1.5%), segment profit at ¥664m (up 32.0%) and the segment profit margin at 5.5% (up 1.3% points). Although sales arising from contract construction work relating to customers' painting lines declined YoY in line with lower completed construction work, an expansion in sales share among automakers and other industries, together with progress in passing on higher procurement costs to selling prices, contributed to increases in both sales and profit. In addition, amid heightened supply-chain uncertainty arising from developments in the Middle East, the Company's timely and flexible supply responses to customers' efforts to reduce procurement risk also contributed to higher sales and profit, according to the Company.

Meanwhile, in Electronics Related Business, sales came in at ¥5,561m (up 11.7% YoY), segment profit at ¥274m (up 51.5%) and the segment profit margin at 4.9% (up 1.3% points). Compared with the same period of the previous year, sales of car navigation software increased, while the Company also expanded its share in automotive sensors and motor controllers, which contributed to higher sales and profit. According to the Company, the automotive sensors and motor controllers in which it is gaining share carry relatively higher profit margins.

Sales



Segment Profit



Source: Company data

Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY	
(Million Yen)	03/2026	03/2026	03/2026	03/2026	03/2027	03/2027	03/2027	03/2027	Net Chg.	
Sales	16,895	33,178	50,632	68,268	17,657	-	-	-	+762	
Cost of Sales	14,734	28,885	44,004	59,094	15,245	-	-	-	+511	
Gross Profit	2,161	4,292	6,627	9,174	2,412	-	-	-	+251	
SG&A Expenses	1,956	3,894	5,834	7,913	1,978	-	-	-	+22	
Operating Profit	205	397	792	1,261	433	-	-	-	+228	
Non Operating Balance	56	113	357	419	75	-	-	-	+19	
Recurring Profit	261	510	1,149	1,680	508	-	-	-	+247	
Extraordinary Balance	32	59	58	867	-	-	-	-	(32)	
Profit before Income Taxes	293	569	1,207	2,547	508	-	-	-	+215	
Total Income Taxes	98	188	386	752	199	-	-	-	+101	
NP Belonging to Non-Controlling SHs	-	(3)	(8)	(3)	-	-	-	-	-	
Profit Attributable to Owners of Parent	195	384	829	1,798	309	-	-	-	+114	
Sales YoY	(0.3%)	(3.1%)	(1.7%)	(1.7%)	+4.5%	-	-	-	-	
Operating Profit YoY	+4.1%	(1.5%)	+0.1%	+1.8%	+111.3%	-	-	-	-	
Recurring Profit YoY	(5.4%)	(6.2%)	+5.2%	+5.5%	+94.7%	-	-	-	-	
Profit Attributable to Owners of Parent YoY	+15.3%	+3.0%	+6.6%	+1.0%	+58.8%	-	-	-	-	
Gross Profit Margin	12.8%	12.9%	13.1%	13.4%	13.7%	-	-	-	+0.9%	
SG&A Ratio	11.6%	11.7%	11.5%	11.6%	11.2%	-	-	-	(0.4%)	
Operating Profit Margin	1.2%	1.2%	1.6%	1.8%	2.5%	-	-	-	+1.2%	
Recurring Profit Margin	1.5%	1.5%	2.3%	2.5%	2.9%	-	-	-	+1.3%	
Profit Attributable to Owners of Parent Margin	1.2%	1.2%	1.6%	2.6%	1.8%	-	-	-	+0.6%	
Corporate Tax Rate	33.4%	33.0%	32.0%	29.5%	39.2%	-	-	-	+5.7%	

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY	
(Million Yen)	03/2026	03/2026	03/2026	03/2026	03/2027	03/2027	03/2027	03/2027	Net Chg.	
Sales	16,895	16,283	17,454	17,636	17,657	-	-	-	+762	
Cost of Sales	14,734	14,151	15,119	15,090	15,245	-	-	-	+511	
Gross Profit	2,161	2,131	2,335	2,547	2,412	-	-	-	+251	
SG&A Expenses	1,956	1,938	1,940	2,079	1,978	-	-	-	+22	
Operating Profit	205	192	395	469	433	-	-	-	+228	
Non Operating Balance	56	57	244	62	75	-	-	-	+19	
Recurring Profit	261	249	639	531	508	-	-	-	+247	
Extraordinary Balance	32	27	(1)	809	-	-	-	-	(32)	
Profit before Income Taxes	293	276	638	1,340	508	-	-	-	+215	
Total Income Taxes	98	90	198	366	199	-	-	-	+101	
NP Belonging to Non-Controlling SHs	-	(3)	(5)	5	-	-	-	-	-	
Profit Attributable to Owners of Parent	195	189	445	969	309	-	-	-	+114	
Sales YoY	(0.3%)	(5.9%)	+1.2%	(1.6%)	+4.5%	-	-	-	-	
Operating Profit YoY	+4.1%	(6.8%)	+1.5%	+4.9%	+111.3%	-	-	-	-	
Recurring Profit YoY	(5.4%)	(8.1%)	+16.6%	+6.2%	+94.7%	-	-	-	-	
Profit Attributable to Owners of Parent YoY	+15.3%	(7.4%)	+9.9%	(3.2%)	+58.8%	-	-	-	-	
Gross Profit Margin	12.8%	13.1%	13.4%	14.4%	13.7%	-	-	-	+0.9%	
SG&A Ratio	11.6%	11.9%	11.1%	11.8%	11.2%	-	-	-	(0.4%)	
Operating Profit Margin	1.2%	1.2%	2.3%	2.7%	2.5%	-	-	-	+1.2%	
Recurring Profit Margin	1.5%	1.5%	3.7%	3.0%	2.9%	-	-	-	+1.3%	
Profit Attributable to Owners of Parent Margin	1.2%	1.2%	2.5%	5.5%	1.8%	-	-	-	+0.6%	
Corporate Tax Rate	33.4%	32.6%	31.0%	27.3%	39.2%	-	-	-	+5.7%	

Source: Company data; calculations by WRJ

Segment Information (Cumulative / Quarterly)

Segment Information	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	YoY
(Million Yen)	03/2026	03/2026	03/2026	03/2026	03/2027	03/2027	03/2027	03/2027	Net Chg.
Coating Related Business	11,916	23,131	35,347	47,861	12,096	-	-	-	+180
Electronics Related Business	4,979	10,046	15,284	20,407	5,561	-	-	-	+582
Sales	16,895	33,178	50,632	68,268	17,657	-	-	-	+762
Coating Related Business	+3.5%	(2.0%)	(1.7%)	(2.3%)	+1.5%	-	-	-	-
Electronics Related Business	(8.3%)	(5.6%)	(1.6%)	(0.2%)	+11.7%	-	-	-	-
Sales (YoY)	(0.3%)	(3.1%)	(1.7%)	(1.7%)	+4.5%	-	-	-	-
Coating Related Business	70.5%	69.7%	69.8%	70.1%	68.5%	-	-	-	-
Electronics Related Business	29.5%	30.3%	30.2%	29.9%	31.5%	-	-	-	-
Sales (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-
Coating Related Business	503	917	1,572	2,253	664	-	-	-	+161
Electronics Related Business	181	375	577	761	274	-	-	-	+93
Total	684	1,293	2,150	3,015	939	-	-	-	+255
Adjustments	(479)	(895)	(1,358)	(1,754)	(505)	-	-	-	(26)
Operating Profit	205	397	792	1,261	433	-	-	-	+228
Coating Related Business	+8.6%	(11.0%)	(7.3%)	(9.2%)	+32.0%	-	-	-	-
Electronics Related Business	(22.0%)	+14.7%	+19.0%	+32.7%	+51.5%	-	-	-	-
Segment profit (YoY)	(1.6%)	(4.8%)	(1.5%)	(1.3%)	+37.3%	-	-	-	-
Coating Related Business	73.5%	70.9%	73.1%	74.7%	70.7%	-	-	-	-
Electronics Related Business	26.5%	29.0%	26.8%	25.2%	29.2%	-	-	-	-
Segment profit (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-
Coating Related Business	4.2%	4.0%	4.4%	4.7%	5.5%	-	-	-	+1.3%
Electronics Related Business	3.6%	3.7%	3.8%	3.7%	4.9%	-	-	-	+1.3%
Adjustments	(2.8%)	(2.7%)	(2.7%)	(2.6%)	(2.9%)	-	-	-	(0.0%)
Operating Profit Margin	1.2%	1.2%	1.6%	1.8%	2.5%	-	-	-	+1.2%

Segment Information	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
(Million Yen)	03/2026	03/2026	03/2026	03/2026	03/2027	03/2027	03/2027	03/2027	Net Chg.
Coating Related Business	11,916	11,215	12,216	12,514	12,096	-	-	-	+180
Electronics Related Business	4,979	5,067	5,238	5,123	5,561	-	-	-	+582
Sales	16,895	16,283	17,454	17,636	17,657	-	-	-	+762
Coating Related Business	+3.5%	(7.3%)	(1.1%)	(3.8%)	+1.5%	-	-	-	-
Electronics Related Business	(8.3%)	(2.7%)	+6.9%	+4.4%	+11.7%	-	-	-	-
Sales (YoY)	(0.3%)	(5.9%)	+1.2%	(1.6%)	+4.5%	-	-	-	-
Coating Related Business	70.5%	68.9%	70.0%	71.0%	68.5%	-	-	-	-
Electronics Related Business	29.5%	31.1%	30.0%	29.0%	31.5%	-	-	-	-
Sales (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-
Coating Related Business	503	414	655	681	664	-	-	-	+161
Electronics Related Business	181	194	202	184	274	-	-	-	+93
Total	684	609	857	865	939	-	-	-	+255
Adjustments	(479)	(416)	(463)	(396)	(505)	-	-	-	(26)
Operating Profit	205	192	395	469	433	-	-	-	+228
Coating Related Business	+8.6%	(27.1%)	(1.5%)	(13.4%)	+32.0%	-	-	-	-
Electronics Related Business	(22.0%)	+104.2%	+27.8%	+106.7%	+51.5%	-	-	-	-
Segment profit (YoY)	(1.6%)	(8.1%)	+4.0%	(1.0%)	+37.3%	-	-	-	-
Coating Related Business	73.5%	68.0%	76.4%	78.7%	70.7%	-	-	-	-
Electronics Related Business	26.5%	31.9%	23.6%	21.3%	29.2%	-	-	-	-
Segment profit (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-
Coating Related Business	4.2%	3.7%	5.4%	5.4%	5.5%	-	-	-	+1.3%
Electronics Related Business	3.6%	3.8%	3.9%	3.6%	4.9%	-	-	-	+1.3%
Adjustments	(2.8%)	(2.6%)	(2.7%)	(2.2%)	(2.9%)	-	-	-	(0.0%)
Operating Profit Margin	1.2%	1.2%	2.3%	2.7%	2.5%	-	-	-	+1.2%

Source: Company data; calculations by WRJ

Balance Sheet (Quarterly)

Balance Sheet	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY	
(Million Yen)	03/2026	03/2026	03/2026	03/2026	03/2027	03/2027	03/2027	03/2027	Net Chg.	
Cash and Deposits	5,725	7,717	5,992	3,970	3,190	-	-	-	(2,535)	
Notes Receivable	473	337	341	194	120	-	-	-	(353)	
Accounts Receivable – Trade	11,055	10,728	11,840	11,560	11,085	-	-	-	+30	
Electronically Recorded Receivables	4,017	3,031	3,702	3,442	3,806	-	-	-	(211)	
Inventories	5,523	5,417	5,756	5,627	5,817	-	-	-	+294	
Other	686	533	729	499	666	-	-	-	(20)	
Current Assets	27,479	27,763	28,360	25,292	24,684	-	-	-	(2,795)	
Property, Plant and Equipment	3,609	3,593	3,598	3,586	3,596	-	-	-	(13)	
Intangible Assets	271	244	218	202	198	-	-	-	(73)	
Total Investments and Other Assets	12,202	12,429	14,358	13,333	15,428	-	-	-	+3,226	
Non-current Assets	16,083	16,267	18,175	17,123	19,223	-	-	-	+3,140	
Total Assets	43,563	44,030	46,536	42,415	43,908	-	-	-	+345	
Notes and Accounts Payable – Trade	11,974	12,110	13,570	10,647	9,718	-	-	-	(2,256)	
Electronically Recorded Payables	1,719	1,606	1,946	367	202	-	-	-	(1,517)	
Short-Term Borrowings	2,224	2,228	2,236	2,239	3,291	-	-	-	+1,067	
Current Portion of Long-Term Borrowings	50	50	350	900	900	-	-	-	+850	
Other	1,555	1,634	1,447	1,754	1,483	-	-	-	(72)	
Current Liabilities	17,522	17,628	19,549	15,907	15,594	-	-	-	(1,928)	
Long-Term Borrowings	1,600	1,600	1,300	700	700	-	-	-	(900)	
Other	3,080	3,118	3,337	2,983	3,595	-	-	-	+515	
Non-current Liabilities	4,680	4,718	4,637	3,683	4,295	-	-	-	(385)	
Total Liabilities	22,202	22,347	24,186	19,591	19,889	-	-	-	(2,313)	
Shareholders' Equity	15,461	15,665	16,010	16,978	16,936	-	-	-	+1,475	
Other	5,899	6,018	6,339	5,846	7,082	-	-	-	+1,183	
Net Assets	21,360	21,683	22,349	22,824	24,018	-	-	-	+2,658	
Total Liabilities and Net Assets	43,563	44,030	46,536	42,415	43,908	-	-	-	+345	
Equity Capital	21,193	21,518	22,186	22,652	23,848	-	-	-	+2,655	
Interest-Bearing Debt	3,874	3,878	3,886	3,839	4,891	-	-	-	+1,017	
Net Debt	(1,851)	(3,839)	(2,106)	(131)	1,701	-	-	-	+3,552	
Equity Ratio	48.6%	48.9%	47.7%	53.4%	54.3%	-	-	-	-	
Net Debt-to-Equity Ratio	(8.7%)	(17.8%)	(9.5%)	(0.6%)	7.1%	-	-	-	-	
ROE (12 months)	8.6%	8.5%	8.5%	8.2%	8.5%	-	-	-	-	
ROA (12 months)	3.5%	3.5%	3.5%	3.8%	4.4%	-	-	-	-	
Days for Inventory Turnover	34	35	35	34	35	-	-	-	-	
Quick Ratio	121%	124%	112%	120%	117%	-	-	-	-	
Current Ratio	157%	157%	145%	159%	158%	-	-	-	-	

Source: Company data; calculations by WRJ

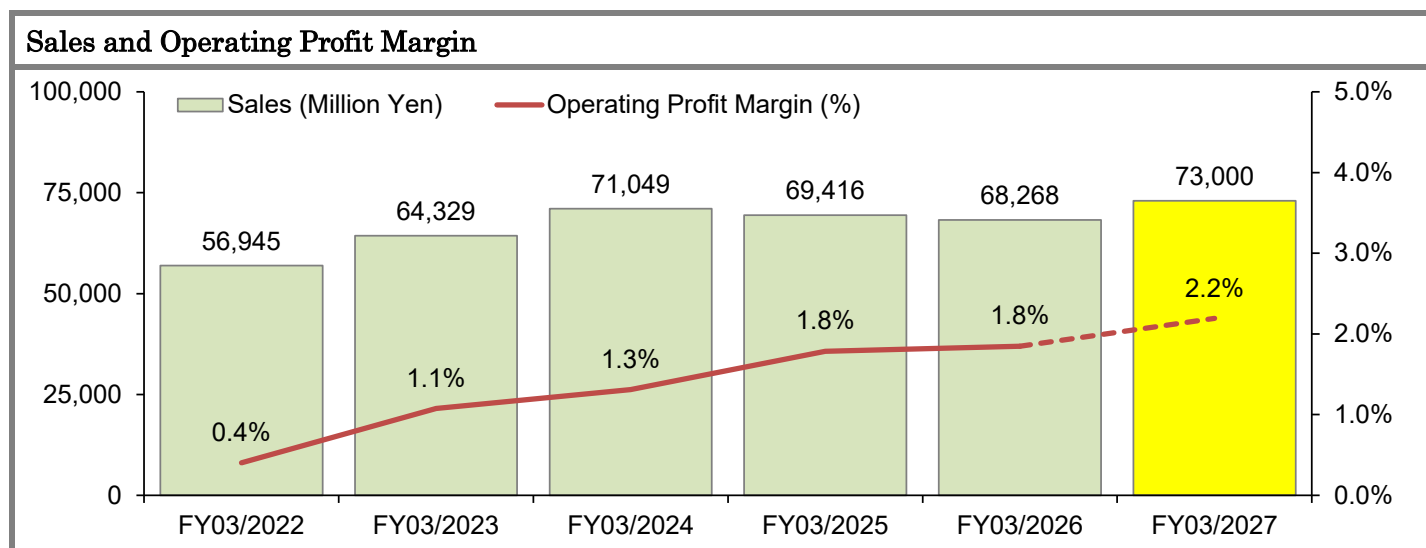
Cash Flow Statement (Cumulative)

Cash Flow Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY	
(Million Yen)	03/2026	03/2026	03/2026	03/2026	03/2027	03/2027	03/2027	03/2027	Net Chg.	
Operating Cash Flow	-	1,605	-	(1,515)	-	-	-	-	-	
Investing Cash Flow	-	(110)	-	(640)	-	-	-	-	-	
Operating CF and Investing CF	-	1,495	-	(2,155)	-	-	-	-	-	
Financing Cash Flow	-	(257)	-	(432)	-	-	-	-	-	

Source: Company data; calculations by WRJ

Company Forecast for FY03/2027

The Company forecast for FY03/2027, announced on 6 August 2026, calls for sales of ¥73,000m (up 6.9% YoY), operating profit of ¥1,600m (up 26.8%), recurring profit of ¥1,800m (up 7.1%) and profit attributable to owners of parent of ¥1,900m (up 5.7%), while the operating profit margin is projected at 2.2% (up 0.3% points). Meanwhile, the planned annual dividend for FY03/2027 is ¥55.00 per share (¥15.00 at the end of Q2 and ¥40.00 at yearend), representing a payout ratio of 29.1%.



Source: Company data; calculations by WRJ

At the extraordinary profit and loss level, the forecast factors in gains on sales of investment securities associated with the reduction of strategic shareholdings. The Company has long pursued this as one of its financial strategies, recording gains on sales of investment securities of ¥966m in FY03/2025 and ¥825m in FY03/2026, and similar gains associated with the reduction of strategic shareholdings are also assumed for FY03/2027.

Based on the results for Q1 (April–June) FY03/2027, the Company revised upward its Company forecasts for Q1 to Q2 (April–September) and the full year on 6 August 2026. Compared with the initial Company forecast announced on 14 May 2026, the upward revision for Q1 to Q2 (April–September) amounted to ¥2,000m (5.9%) for sales and ¥400m (100.0%) for operating profit, while on a full-year basis the revisions amounted to ¥2,000m (2.8%) for sales and ¥350m (28.0%) for operating profit. As a result, the assumptions for H2 (October–March) were unchanged for sales, while operating profit was revised downward by ¥50m (5.9%).

According to the Company, Q1 (April–June) results came in above the assumptions underlying the initial Company forecast announced on 14 May 2026. Accordingly, the Company forecast for Q1 to Q2 (April–September) was revised upward. Meanwhile, conservative assumptions have been adopted for H2 (October–March), reflecting remaining uncertainties over the outlook, including heightened tensions in the Middle East.

Company Forecast for FY03/2027

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY03/2027CoE	14-May-26	Q4 Results	71,000	1,250	1,450	1,600
FY03/2027CoE	06-Aug-26	Q1 Results	73,000	1,600	1,800	1,900
		Amount of Gap	2,000	350	350	300
		Rate of Gap	2.8%	28.0%	24.1%	18.8%
FY03/2027CoE	14-May-26	Q4 Results	71,000	1,250	1,450	1,600
FY03/2027CoE	06-Aug-26	Q1 Results	73,000	1,600	1,800	1,900
		Amount of Gap	2,000	350	350	300
		Rate of Gap	2.8%	28.0%	24.1%	18.8%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY03/2027CoE	14-May-26	Q4 Results	34,000	400	500	350
Q1 to Q2 FY03/2027CoE	06-Aug-26	Q1 Results	36,000	800	900	750
		Amount of Gap	2,000	400	400	400
		Rate of Gap	5.9%	100.0%	80.0%	114.3%
Q1 to Q2 FY03/2027CoE	14-May-26	Q4 Results	34,000	400	500	350
Q1 to Q2 FY03/2027CoE	06-Aug-26	Q1 Results	36,000	800	900	750
		Amount of Gap	2,000	400	400	400
		Rate of Gap	5.9%	100.0%	80.0%	114.3%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY03/2027CoE	14-May-26	Q4 Results	37,000	850	950	1,250
Q3 to Q4 FY03/2027CoE	06-Aug-26	Q1 Results	37,000	800	900	1,150
		Amount of Gap	0	(50)	(50)	(100)
		Rate of Gap	0.0%	(5.9%)	(5.3%)	(8.0%)
Q3 to Q4 FY03/2027CoE	14-May-26	Q4 Results	37,000	850	950	1,250
Q3 to Q4 FY03/2027CoE	06-Aug-26	Q1 Results	37,000	800	900	1,150
		Amount of Gap	0	(50)	(50)	(100)
		Rate of Gap	0.0%	(5.9%)	(5.3%)	(8.0%)

Source: Company data; calculations by WRJ

Medium- to Long-Term Earnings Outlook

To achieve the “Establishment of the Global Brand O-WELL,” which the Company has set out as its desired future state from a medium- to long-term perspective, and to realize sustainable growth accompanied by improvements in both capital efficiency and profitability, it will be necessary to efficiently allocate funds generated through operating cash flow and the reduction of strategic shareholdings to growth investments in areas including human capital, overseas business, technology development, M&A and CVC (corporate venture capital), and to realize returns from those investments. While these growth investments have already been discussed in detail, it is important to understand the Company-specific background to its strategic shareholdings.

Regarding strategic shareholdings, the Company has been continuously reducing its holdings as one of its financial strategies and has also set out a policy of allocating funds generated through such sales to shareholder returns. In fact, the Company recorded gains on sales of investment securities of ¥966m in FY03/2025 and ¥825m in FY03/2026, while the assumptions underlying the Company forecast for FY03/2027 also factor in gains on sales of investment securities associated with the reduction of strategic shareholdings. Accordingly, the reduction of strategic shareholdings can be viewed as an initiative to improve capital efficiency by continuously monetizing assets held and reallocating the resulting funds to areas with high growth potential.

In addition to human capital, the overseas business, technology development, M&A and CVC (corporate venture capital) that the Company has identified as growth initiatives going forward will require a certain scale of upfront investment. Accordingly, funds secured through the reduction of strategic shareholdings, together with operating cash flow, will serve as important sources of funding. From a medium- to long-term perspective, key issues will therefore be the extent to which the Company can continue to reduce strategic shareholdings, how it allocates the funds thereby secured to growth investments, and the extent to which the returns on those investments can be translated into future growth in sales and profit.

The background to the Company’s relatively substantial strategic shareholdings lies in the origins of its business and its transaction structure. Since its establishment in 1943, the Company has built ongoing business relationships with suppliers such as paint manufacturers and with customers including those in automotive-related industries, starting from sales of products centered on industrial paints. In its Yuho Securities Report, investment shares held for purposes other than pure investment are defined as shares held in companies with which the Company has had or currently has business relationships, for purposes including maintaining and strengthening relationships with business partners. In fact, for major holdings including Nippon Paint Holdings and Kansai Paint, the stated purposes of ownership include establishing, maintaining and strengthening business relationships involving industrial paints and other products. These long-standing business relationships can therefore be viewed as having led to the accumulation of the Company’s strategic shareholdings.

Another Company-specific characteristic is that the scale of these holdings is not insignificant relative to the Company's asset and capital base. As of the end of March 2026, investment shares held for purposes other than pure investment totaled ¥9,553m, comprising ¥553m in unlisted shares and ¥9,000m in listed shares. Compared with total assets of ¥42,415m and net assets of ¥22,824m at the same point, this represented approximately 23% and 42%, respectively. In other words, the Company continues to hold strategic shareholdings of a meaningful scale relative to the size of its business. In addition, given that the Company is continuing to reduce strategic shareholdings as part of its financial strategy, there appears to remain scope over the medium term to continue securing funds for growth investment, shareholder returns and other purposes.

The Company has set "improving capital efficiency" as one of the key policies under its Medium-Term Management Plan "MAP24-26" (FY03/2025–FY03/2027), while positioning ROE as an important management indicator and setting a target of more than 8.0% for FY03/2027, the final year of the plan. In FY03/2026, ROE came in at 8.2%, meaning that, on the surface, the Company has already achieved a level above this target. However, it is also necessary to understand the Company-specific background in this respect.

The Company's strategic shareholdings, which remain substantial in scale, increase the denominator of ROE by raising equity through valuation differences on available-for-sale securities (¥5,082m as of the end of March 2026, after reflecting tax effects on the difference between market value and book value), while gains on sales of investment securities arising from their disposal (¥825m in FY03/2026) increase profit attributable to owners of parent and therefore the numerator of ROE. Accordingly, in assessing the Company's capital efficiency, it is necessary to consider not only the disclosed level of ROE itself, but also the impact of unrealized gains and gains on sales associated with strategic shareholdings on ROE.

Based on the above, WRJ estimates adjusted ROE for FY03/2026 at approximately 7%, with the gap from the disclosed level of 8.2% limited to approximately 1 percentage point. In other words, after adjusting for the Company-specific background described above, a level close to the target of more than 8.0% set for FY03/2027 was achieved in FY03/2026.

5.0 Financial Statements

Income Statement

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	03/2022	03/2023	03/2024	03/2025	03/2026	03/2027	Net Chg.
Sales	56,945	64,329	71,049	69,416	68,268	73,000	+4,732
Cost of Sales	49,825	56,239	62,369	60,281	59,094	-	-
Gross Profit	7,119	8,089	8,679	9,134	9,174	-	-
SG&A Expenses	6,889	7,398	7,749	7,895	7,913	-	-
Operating Profit	229	691	930	1,239	1,261	1,600	+339
Non Operating Balance	272	292	282	353	419	200	(219)
Recurring Profit	501	983	1,212	1,592	1,680	1,800	+120
Extraordinary Balance	(56)	(3)	1,005	966	867	-	-
Profit before Income Taxes	445	980	2,217	2,558	2,547	-	-
Total Income Taxes	171	311	690	770	752	-	-
NP Belonging to Non-Controlling SHs	12	18	-	8	(3)	-	-
Profit Attributable to Owners of Parent	261	650	1,526	1,779	1,798	1,900	+102
Sales YoY	+4.3%	+13.0%	+10.4%	(2.3%)	(1.7%)	+6.9%	-
Operating Profit YoY	-	+201.7%	+34.5%	+33.2%	+1.8%	+26.8%	-
Recurring Profit YoY	+321.5%	+96.1%	+23.3%	+31.3%	+5.5%	+7.1%	-
Profit Attributable to Owners of Parent YoY	(34.4%)	+149.0%	+134.7%	+16.6%	+1.0%	+5.7%	-
Gross Profit Margin	12.5%	12.6%	12.2%	13.2%	13.4%	-	-
SG&A Ratio	12.1%	11.5%	10.9%	11.4%	11.6%	-	-
Operating Profit Margin	0.4%	1.1%	1.3%	1.8%	1.8%	2.2%	+0.3%
Recurring Profit Margin	0.9%	1.5%	1.7%	2.3%	2.5%	2.5%	+0.0%
Profit Attributable to Owners of Parent Margin	0.5%	1.0%	2.1%	2.6%	2.6%	2.6%	(0.0%)
Corporate Tax Rate	38.4%	31.7%	31.1%	30.1%	29.5%	-	-

Source: Company data; calculations by WRJ

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Segment Information

Segment Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	03/2022	03/2023	03/2024	03/2025	03/2026	03/2027	Net Chg.
Coating Related Business	41,931	46,393	49,701	48,972	47,861	-	-
Electronics Related Business	15,013	17,935	21,348	20,443	20,407	-	-
Sales	56,945	64,329	71,049	69,416	68,268	73,000	+4,732
Coating Related Business	+1.8%	+10.6%	+7.1%	(1.5%)	(2.3%)	-	-
Electronics Related Business	+11.6%	+19.5%	+19.0%	(4.2%)	(0.2%)	-	-
Sales (YoY)	+4.3%	+13.0%	+10.4%	(2.3%)	(1.7%)	+6.9%	-
Coating Related Business	73.6%	72.1%	70.0%	70.5%	70.1%	-	-
Electronics Related Business	26.4%	27.9%	30.0%	29.5%	29.9%	-	-
Sales (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-
Coating Related Business	1,633	1,917	2,442	2,482	2,253	-	-
Electronics Related Business	230	517	451	574	761	-	-
Total	1,863	2,435	2,893	3,056	3,015	-	-
Adjustments	(1,634)	(1,743)	(1,963)	(1,817)	(1,754)	-	-
Operating Profit	229	691	930	1,239	1,261	1,600	+339
Coating Related Business	+16.3%	+17.4%	+27.4%	+1.6%	(9.2%)	-	-
Electronics Related Business	+85.5%	+124.8%	(12.7%)	+27.1%	+32.7%	-	-
Segment profit (YoY)	+21.8%	+30.7%	+18.8%	+5.6%	(1.3%)	-	-
Coating Related Business	87.7%	78.7%	84.4%	81.2%	74.7%	-	-
Electronics Related Business	12.3%	21.2%	15.6%	18.8%	25.2%	-	-
Segment profit (Composition)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-
Coating Related Business	3.9%	4.1%	4.9%	5.1%	4.7%	-	-
Electronics Related Business	1.5%	2.9%	2.1%	2.8%	3.7%	-	-
Adjustments	(2.9%)	(2.7%)	(2.8%)	(2.6%)	(2.6%)	-	-
Operating Profit Margin	0.4%	1.1%	1.3%	1.8%	1.8%	2.2%	+0.3%

Source: Company data; calculations by WRJ

Balance Sheet

Balance Sheet	Cons.Act FY	Cons.Act FY	Cons.Act FY	Cons.Act FY	Cons.Act FY	Cons.CoE FY	YoY
(Million Yen)	03/2022	03/2023	03/2024	03/2025	03/2026	03/2027	Net Chg.
Cash and Deposits	4,416	4,360	6,393	6,545	3,970	-	-
Notes Receivable	1,267	1,217	916	520	194	-	-
Accounts Receivable – Trade	11,491	13,162	13,220	12,090	11,560	-	-
Electronically Recorded Receivables	3,727	3,943	4,557	4,034	3,442	-	-
Inventories	5,345	6,179	6,021	6,183	5,627	-	-
Other	705	796	423	573	499	-	-
Current Assets	26,951	29,657	31,530	29,945	25,292	-	-
Property, Plant and Equipment	3,437	3,696	3,650	3,628	3,586	-	-
Intangible Assets	603	478	395	294	202	-	-
Total Investments and Other Assets	10,654	11,637	12,848	11,951	13,333	-	-
Non-current Assets	14,695	15,812	16,895	15,874	17,123	-	-
Total Assets	41,646	45,470	48,425	45,820	42,415	-	-
Notes and Accounts Payable – Trade	14,286	15,668	14,084	13,211	10,647	-	-
Electronically Recorded Payables	-	847	2,772	1,697	367	-	-
Short-Term Borrowings	2,092	2,014	2,976	2,109	2,239	-	-
Current Portion of Long-Term Borrowings	50	1,200	200	50	900	-	-
Other	2,044	2,249	2,758	2,643	1,754	-	-
Current Liabilities	18,472	21,978	22,790	19,710	15,907	-	-
Long-Term Borrowings	2,300	1,150	1,450	1,600	700	-	-
Other	2,782	3,023	3,181	2,969	2,983	-	-
Non-current Liabilities	5,082	4,173	4,631	4,569	3,683	-	-
Total Liabilities	23,554	26,151	27,422	24,280	19,591	-	-
Shareholders' Equity	12,737	13,211	14,448	15,617	16,978	-	-
Other	5,354	6,107	6,554	5,922	5,846	-	-
Net Assets	18,091	19,318	21,002	21,539	22,824	-	-
Total Liabilities and Net Assets	41,646	45,470	48,425	45,820	42,415	-	-
Equity Capital	17,961	19,164	20,847	21,368	22,652	-	-
Interest-Bearing Debt	4,442	4,364	4,626	3,759	3,839	-	-
Net Debt	26	4	(1,767)	(2,786)	(131)	-	-
Equity Ratio	43.1%	42.1%	43.1%	46.6%	53.4%	-	-
Net Debt-to-Equity Ratio	0.1%	0.0%	(8.5%)	(13.0%)	(0.6%)	-	-
ROE (12 months)	1.4%	3.5%	7.6%	8.4%	8.2%	-	-
ROA (12 months)	1.2%	2.3%	2.6%	3.4%	3.8%	-	-
Days for Inventory Turnover	39	40	35	37	35	-	-
Quick Ratio	113%	103%	110%	118%	120%	-	-
Current Ratio	146%	135%	138%	152%	159%	-	-

Source: Company data; calculations by WRJ

Cash Flow Statement

Cash Flow Statement	Cons.Act FY	Cons.Act FY	Cons.Act FY	Cons.Act FY	Cons.Act FY	Cons.CoE FY	YoY
(Million Yen)	03/2022	03/2023	03/2024	03/2025	03/2026	03/2027	Net Chg.
Operating Cash Flow	(1,176)	563	1,919	624	(1,515)	-	-
Investing Cash Flow	(338)	(319)	178	1,042	(640)	-	-
Operating CF and Investing CF	(1,514)	244	2,097	1,666	(2,155)	-	-
Financing Cash Flow	(205)	(332)	(121)	(1,572)	(432)	-	-

Source: Company data; calculations by WRJ

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act FY 03/2022	Cons.Act FY 03/2023	Cons.Act FY 03/2024	Cons.Act FY 03/2025	Cons.Act FY 03/2026	Cons.CoE FY 03/2027	YoY Net Chg.
No. of Shares FY End (thousand shares)	10,500	10,500	10,500	10,500	10,500	-	-
Earnings/ EPS (thousand shares)	10,328	10,190	10,216	10,225	10,053	-	-
Treasury Shares FY End (thousand shares)	326	293	272	456	440	-	-
Earnings per Share	25.27	63.79	149.37	173.98	178.85	188.86	-
Earnings per Share (fully diluted)	-	-	-	-	-	-	-
Book Value per Share	1,765.44	1,877.62	2,038.33	2,127.34	2,251.67	-	-
Dividend per Share	17.00	27.00	42.00	45.00	45.00	55.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act FY 03/2022	Cons.Act FY 03/2023	Cons.Act FY 03/2024	Cons.Act FY 03/2025	Cons.Act FY 03/2026	Cons.CoE FY 03/2027	YoY Net Chg.
Share Split Factor	1	1	1	1	1	1	-
Earnings per Share	25.27	63.79	149.37	173.98	178.85	188.86	-
Book Value per Share	1,765.44	1,877.62	2,038.33	2,127.34	2,251.67	-	-
Dividend per Share	17.00	27.00	42.00	45.00	45.00	55.00	-
Payout Ratio	67.3%	42.3%	28.1%	25.9%	25.2%	29.1%	-

Source: Company data; calculations by WRJ

Disclaimer

The information presented herein has been compiled in report format by Walden Research Japan, which has summarized the “IR information” disclosed by the subject company from a neutral and professional standpoint. “IR information” refers specifically to: (1) the content of one-on-one interviews conducted with the Company by us, (2) briefings for institutional investors, (3) timely disclosure materials and (4) information published on the Company’s website.

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