



Summary of Consolidated Financial Results for Nine Months of Fiscal Year Ending March 31, 2026



February 5, 2026

Corporate Name: Nifco Inc. (URL: <https://www.nifco.com/en/>)

Stock Exchange: Prime Market; Code Number: 7988

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Dividend disbursement to be started on: —

Preparation of supplementary reference materials for financial results: Yes

Holding financial results briefing: None

(These figures are rounded down to the nearest million yen.)

1. Consolidated Financial Results for Nine Months of FY2025 (April 1 to December 31, 2025)

(1) Consolidated financial results

(The percentages denote year-on-year change.)

	Net sales		Operating profit		Ordinary profit	
	Million yen	%	Million yen	%	Million yen	%
9 Months FY2025	262,332	(0.6)	37,722	(0.4)	39,426	(2.4)
9 Months FY2024	264,020	(3.6)	37,862	20.1	40,403	16.6

Note: Comprehensive income: 25,077 million yen for 9 Months FY2025 [(11.0)%], 28,164 million yen for 9 Months FY2024 [(26.6)%]

	Profit attributable to owners of parent		Basic earning per share	Diluted earning per share
	Million yen	%	Yen	Yen
9 Months FY2025	28,539	2.2	301.56	—
9 Months FY2024	27,919	19.3	286.66	—

Note: Diluted profit attributable to owners of parent per share of 9 Months FY2025 and 9 Months FY2024 are not shown in the above table, as there are no potential common share with dilution effect.

(2) Consolidated financial position

	Total assets	Net assets	Net assets ratio	Net assets per share
	Million yen	Million yen	%	Yen
Third Qtr. FY2025	372,253	286,560	76.1	3,033.91
FY2024	379,816	278,725	72.4	2,888.37

Reference: Equity capital: 283,400 million yen in Third Qtr. FY2025, 274,967 million yen in FY2024

2. Dividends

	Dividend per share				
	At end of first quarter	At end of second quarter	At end of third quarter	At end of FY	FY
	Yen	Yen	Yen	Yen	Yen
FY2024	—	35.00	—	40.00	75.00
FY2025	—	40.00	—		
FY2025 (forecast)				40.00	80.00

Note: Revision of the latest forecast of cash dividends: None

3. Forecasts for FY2025 (April 1, 2025 to March 31, 2026)

(The percentages denote year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earning per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2025	348,000	(1.4)	49,500	0.6	49,500	(5.1)	30,600	(31.6)	315.76

Note: Revision of the latest forecasts: None

4. Others

- (1) Changes in principal subsidiaries during the fiscal year (changes in specific subsidiaries, which involve changes in the scope of consolidation): None

New consolidation: –company (company name): – Exclusion: –company (company name): –

- (2) Adoption of specific accounting policies for quarterly consolidated financial statement: Yes

- (3) Changes in the principles and procedures of accounting concerning the preparation of consolidated financial statements and in the methods of presentation, etc. (stated in “Changes in Significant Accounting Policies for Preparing Consolidated Financial Statements”)

- | | |
|--|------|
| 1) Changes following the revision of accounting standards, etc.: | None |
| 2) Changes other than 1): | None |
| 3) Changes in accounting estimates: | None |
| 4) Retrospective restatement: | None |

- (4) Number of shares outstanding (common stocks)

- 1) Number of shares outstanding at end of the period (including treasury stocks)

3Q of FY2025	100,257,053	FY2024	100,257,053
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- 2) Number of treasury stocks at end of the period

3Q of FY2025	6,846,064	FY2024	5,058,850
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- 3) Average number of shares outstanding during the period

3Q of FY2025	94,638,487	3Q of FY2024	97,396,294
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*Quarterly review conducted by certificated public accountants or an audit corporation of the attached quarterly consolidated financial statements: None

* Proper use of earnings forecasts and other special matters

Forward-looking statements or projections included in this document, including earnings projections, are based on currently available information and certain premises that are judged to be rational at the time of this writing. Actual results may differ greatly from the forecast figures depending on various factors. For assumptions used for earnings forecasts and notes on the use of earnings forecasts, etc., please refer to “I. Quarterly Consolidated Financial Statements and Main Notes, (iii) Information regarding consolidated earnings forecasts and other forward-looking statements” on page 5 of the Attached Materials.

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I. Quarterly Consolidated Financial Statements and Main Notes

(i) Explanation of operating results

For the first nine months ended December 31, 2025, the Japanese economy saw an increase in exports, particularly in automobiles, as the impact of the U.S. tariff hikes has been gradually easing. Exports to regions other than the U.S., especially to Europe, also showed steady trends, leading to a favorable business sentiment in the manufacturing sector. Looking overseas, in the Chinese economy, there was a slowdown in personal consumption growth and a significant decrease in fixed asset investment. Amidst this continued stagnation, deflationary pressures have emerged, and signs of an economic slowdown are being observed. Regarding the European economy, while there are varying conditions among individual countries, the Eurozone as a whole is gradually recovering. In the UK, both domestic and external demand remain weak, resulting in a sluggish economy. In the U.S. economy, driven by strong demand for AI, computers and electronic products are leading the way, and current corporate economic activities are robust, with favorable business sentiment in the non-manufacturing sector as well. In this way, although the global economy is showing signs of recovery at present, there is a movement towards relatively increased national involvement, leading to restrictions on the free movement of goods, people, and capital for reasons such as the domestication of strategic materials and security. This could potentially lower the global economy's potential growth capacity, and the situation remains uncertain.

With regard to automobile manufacturers, which are the main customers of Nifco Inc. (the "Company") and its consolidated subsidiaries (collectively, the "Group"), in the Japanese market, both production volume and sales volume slightly decreased year on year in the first nine months ended December 31, 2025. In overseas markets, production volume decreased year on year, while sales volume increased in Europe. In the U.S., both production volume and sales volume decreased year on year, while both production volume and sales volume significantly increased year on year in China in the first nine months ended December 31, 2025.

As a result, the Group's net sales for the first nine months ended December 31, 2025 amounted to 262,332 million yen, down 0.6% year on year.

In terms of profits, operating profit decreased 0.4% year on year to 37,722 million yen, and ordinary profit decreased 2.4% year on year to 39,426 million yen, due to the impact of rising prices and labor costs, despite active initiatives to reduce controllable expense. Profit attributable to owners of parent increased 2.2% year on year to 28,539 million yen, contributed by gain on sale of non-current assets and other factors.

The operating results of each segment are as follows.

Net sales in each segment are to external customers.

(1) Industrial plastic parts & components

In the industrial plastic parts & components business, net sales in Japan increased due to the stabilization of the impact of U.S. tariffs, which led to a trend of increasing exports, supported by the improved business sentiment in the domestic manufacturing industry and large-scale mold sales. Overseas, net sales decreased, due to production volume and sales volume of automobiles decreased year on year in many countries, despite the increase in production volume and sales volume in China. As a result, net sales for industrial plastic parts & components decreased. In terms of profits, the impacts of rising prices and labor costs led to decreased profits, despite active initiatives to reduce controllable expenses.

As a result, net sales in the industrial plastic parts & components business for the first nine months ended December 31, 2025 decreased 0.5% year on year to 235,561 million yen. Segment profit decreased 0.2% year on year to 37,767 million yen.

(2) Bedding & furniture

Domestically, although sales to hotels and exports increased, sales to retailers struggled. On the other hand, overseas, in China, the continuation of consumption promotion measures announced by the central government in August 2024 in some regions led to strong performance in wholesale, retail and sales to hotels. However, in Hong Kong, weak wholesale and sales to hotels resulted in decreased net sales and profit.

As a result, net sales in the bedding & furniture business for the first nine months ended December 31, 2025 decreased 2.0% year on year to 26,770 million yen. Segment profit decreased 3.1% year on year to 4,126 million yen.

(ii) Explanation of financial position

Assets as of December 31, 2025 stood at 372,253 million yen, a decrease of 7,562 million yen from the end of the previous fiscal year. The main factors for the decrease were a 14,997 million yen decrease in cash and deposits, despite a 6,916 million yen increase in buildings and structures and a 1,617 million yen increase in machinery, equipment and vehicles.

Liabilities as of December 31, 2025 stood at 85,693 million yen, a decrease of 15,397 million yen from the end of the previous fiscal year. The main factors for the decrease were decreases of 10,000 million yen in bonds payable, 4,454 million yen in notes and accounts payable - trade, and 1,492 million yen in provision for bonuses.

Net assets as of December 31, 2025 stood at 286,560 million yen, an increase of 7,835 million yen from the end of the previous fiscal year. The increase in net assets was mainly due to an increase of 20,532 million yen in retained earnings, despite a decrease of 4,352 million yen in foreign currency translation adjustment resulting from yen appreciation. As a result, equity ratio was 76.1% and net assets per share was 3,033.91 yen.

(iii) Information regarding consolidated earnings forecasts and other forward-looking statements

No revisions have been made to the consolidated financial forecasts announced on May 12, 2025.

II. Quarterly Consolidated Financial Statements and Main Notes

(i) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	146,232	131,235
Notes receivable - trade	1,129	1,327
Electronically recorded monetary claims - operating	6,807	6,937
Accounts receivable - trade	52,214	51,768
Contract assets	477	463
Securities	1,349	2,405
Merchandise and finished goods	26,204	27,122
Work in process	2,983	3,391
Raw materials and supplies	10,039	10,396
Other	12,405	12,450
Allowance for doubtful accounts	(279)	(262)
Total current assets	259,565	247,236
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	45,169	52,086
Machinery, equipment and vehicles, net	18,128	19,745
Tools, furniture and fixtures, net	3,860	4,015
Molds, net	4,468	4,071
Land	20,808	21,692
Leased assets, net	38	33
Construction in progress	11,766	6,968
Other	3,445	3,709
Total property, plant and equipment	107,685	112,322
Intangible assets	2,194	2,436
Investments and other assets		
Investment securities	684	344
Deferred tax assets	3,332	3,325
Retirement benefit asset	3,470	3,384
Other	2,883	3,203
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	10,370	10,258
Total non-current assets	120,250	125,017
Total assets	379,816	372,253

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	26,284	21,829
Current portion of bonds payable	10,000	—
Short-term borrowings	199	—
Current portion of long-term borrowings	60	60
Accounts payable - other	6,053	6,372
Income taxes payable	3,439	4,948
Contract liabilities	5,035	4,071
Provision for bonuses	3,531	2,039
Other	12,620	13,506
Total current liabilities	67,223	52,828
Non-current liabilities		
Bonds payable	25,000	25,000
Long-term borrowings	225	195
Deferred tax liabilities	3,669	2,721
Retirement benefit liability	1,760	1,855
Other	3,211	3,093
Total non-current liabilities	33,867	32,864
Total liabilities	101,090	85,693
Net assets		
Shareholders' equity		
Share capital	7,290	7,290
Capital surplus	—	—
Retained earnings	253,466	273,998
Treasury shares	(18,588)	(26,550)
Total shareholders' equity	242,168	254,738
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6	5
Deferred gains or losses on hedges	(7)	(0)
Foreign currency translation adjustment	32,886	28,533
Remeasurements of defined benefit plans	(85)	122
Total accumulated other comprehensive income	32,799	28,661
Non-controlling interests	3,757	3,160
Total net assets	278,725	286,560
Total liabilities and net assets	379,816	372,253

(ii) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	264,020	262,332
Cost of sales	183,428	181,098
Gross profit	80,591	81,234
Selling, general and administrative expenses	42,729	43,511
Operating profit	37,862	37,722
Non-operating income		
Interest income	1,253	1,041
Gain on valuation of investment securities	132	—
Foreign exchange gains	908	836
Other	724	461
Total non-operating income	3,018	2,339
Non-operating expenses		
Interest expenses	194	192
Other	282	443
Total non-operating expenses	476	635
Ordinary profit	40,403	39,426
Extraordinary income		
Gain on sale of non-current assets	19	1,191
Gain on sale of investment securities	1,668	—
Total extraordinary income	1,688	1,191
Extraordinary losses		
Loss on sale and retirement of non-current assets	80	142
Loss on valuation of investment securities	10	—
Loss on sale of investment securities	—	23
Impairment losses	—	360
Provision for loss on litigation	※ 1 765	—
Total extraordinary losses	856	526
Profit before income taxes	41,236	40,090
Income taxes	12,573	10,749
Profit	28,662	29,340
Profit attributable to		
Profit attributable to owners of parent	27,919	28,539
Profit attributable to non-controlling interests	743	801
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,951)	(0)
Deferred gains or losses on hedges	13	7
Foreign currency translation adjustment	1,326	(4,478)
Remeasurements of defined benefit plans, net of tax	113	208
Total other comprehensive income	(497)	(4,263)
Comprehensive income	28,164	25,077
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	27,325	24,401
Comprehensive income attributable to non-controlling interests	839	675

(iii) Notes in Relation to the Consolidated Financial Statements

- Notes regarding the going concern assumption

Not applicable.

- Notes on significant changes in the amount of shareholders' equity

Not applicable.

- Notes on specific accounting policies for quarterly consolidated financial statement

Calculation of tax expenses

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the current fiscal year, including the first nine months ended December 31, 2025, and multiplying profit before income taxes by the estimated effective tax rate.

- Consolidated statements of balance sheet

Not applicable.

- Consolidated statements of income and comprehensive income

※1 Provision for loss on litigation

As for a lawsuit which was pending in the first nine months ended December 31, 2024, the estimated amount of losses based on the status of the progress, etc. was recorded as provision for loss on litigation, following the interlocutory judgment in the first trial delivered on October 4, 2024.

- Notes in relation to the quarterly consolidated statement of cash flows

The Company has not prepared the quarterly consolidated statement of cash flows for the first nine months ended December 31, 2025. Depreciation (including amortization related to intangible assets) for the first nine months ended December 31, 2025. is as follows.

(Unit: Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	9,750	9,561

- Segment Information, etc.

[Business segment information]

- For the Nine Months of FY2024 (April 1 to December 31, 2024)

(Unit: Millions of yen)

	Reportable segments			Adjustment	Amount reported in consolidated financial statements
	Industrial plastic parts & components	Bedding & furniture	Total		
Net sales and segment profit (loss)					
Net sales					
(1) Net sales to external customers	236,704	27,315	264,020	-	264,020
(2) Intersegment sales or transfers	-	-	-	-	-
Total	236,704	27,315	264,020	-	264,020
Segment profit (loss)	37,839	4,257	42,097	(4,235)	37,862

- (Notes) 1. Adjustment of segment profit (loss) of (4,235) million yen represents corporate expenses. Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.
2. Segment profit (loss) is adjusted for operating profit in the consolidated statement of income and statement of comprehensive income.

- For the Nine Months of FY2025 (April 1 to December 31, 2025)

(Unit: Millions of yen)

	Reportable segments			Adjustment	Amount reported in consolidated financial statements
	Industrial plastic parts & components	Bedding & furniture	Total		
Net sales and segment profit (loss)					
Net sales					
(1) Net sales to external customers	235,561	26,770	262,332	-	262,332
(2) Intersegment sales or transfers	-	-	-	-	-
Total	235,561	26,770	262,332	-	262,332
Segment profit (loss)	37,767	4,126	41,893	(4,171)	37,722

- (Notes) 1. Adjustment of segment profit (loss) of (4,171) million yen represents corporate expenses. Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.
2. Segment profit (loss) is adjusted for operating profit in the consolidated statement of income and statement of comprehensive income.

- Notes Significant Events After Reporting Period Consolidated Financial Statements

(Purchase of treasury shares)

The Company hereby announces that the acquisition of its own shares, as resolved at the meeting of the Board of Directors held on October 31, 2025, has been completed. Treasury shares acquired after the financial closing date were as follows:

- Reason for the acquisition of treasury shares
To enhance fund efficiency and enable a flexible financial policy in response to changes in the business environment.
- Status of acquisition of treasury shares
 - Class of shares for acquisition Common stock of the Company
 - Total number of shares purchased 285,300
 - Total share acquisition price 1,417,808,500 yen
 - Acquisition period January 5, 2026, to January 28, 2026
 - Acquisition method Market purchase on the Tokyo Stock Exchange

(Reference)

1. Contents of the resolution at the meeting of the Board of Directors held on October 31, 2025

- | | | |
|-----|---|--|
| (1) | Class of shares for acquisition | Common stock of the Company |
| (2) | Total number of shares authorized for acquisition | 1,250,000 (maximum)
[Percentage of total number of issued shares (excluding treasury shares):1.32%] |
| (3) | Total share acquisition price | 5,000,000,000 yen (maximum) |
| (4) | Acquisition period | November 4, 2025, to January 28, 2026 |
| (5) | Acquisition method | Market purchase on the Tokyo Stock Exchange |