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Summary of Consolidated Financial Results for First Quarter of Fiscal Year Ending March 31, 2027

July 31, 2026

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Stock Exchange: Prime Market; Code Number: 7988
President & CEO: Masaharu Shibao
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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 Three Months of FY2026 (April 1 to June 30, 2026)

(1) Consolidated financial results

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

	Net sales		Operating profit		Ordinary profit	
	Million yen	%	Million yen	%	Million yen	%
First Qtr. FY2026	90,888	6.3	12,786	(1.6)	13,502	7.2
First Qtr. FY2025	85,541	(0.7)	12,999	9.3	12,593	(11.0)

Note: Comprehensive income: 9,059 million yen in First Qtr. FY2026 [447.4%], 1,655 million yen in First Qtr. FY2025 [(89.6)%]

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	Million yen	%	Yen	Yen
First Qtr. FY2026	8,890	(9.6)	47.73	—
First Qtr. FY2025	9,831	11.2	51.64	—

Notes:
1. Diluted earnings per share of First Qtr. FY2026 and First Qtr. FY2025 are not shown in the above table, as there are no potential common shares with dilution effect.
2. At the meeting of the Board of Directors held on May 14, 2026, the Company resolved a two-for-one stock split of its common shares, effective October 1, 2026. Basic earnings per share have been calculated as if this stock split had taken place at the beginning of the fiscal year ended March 31, 2026.

(2) Consolidated financial position

	Total assets	Net assets	Net assets ratio	Net assets per share
	Million yen	Million yen	%	Yen
First Qtr. FY2026	390,111	301,240	76.6	1,603.70
FY2025	393,590	299,571	75.3	1,591.70

Reference: Equity capital: 298,690 million yen in First Qtr. FY2026, 296,456 million yen in FY2025

Note: Net assets per share have been calculated as if this stock split had taken place at the beginning of the fiscal year ended March 31, 2026.

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
FY2025	—	40.00	—	70.00	110.00
FY2026	—				
FY2026 (forecast)		56.00	—	28.00	—

Notes:
1. Revision of the latest forecast of cash dividends: None
2. As the stock split described above will become effective on October 1, 2026, the forecast year-end dividend of 28.00 yen per share for the fiscal year ending March 31, 2027 is stated on a post-split basis. Therefore, the full-year dividend forecast is not presented since they cannot be simply aggregated. Without considering this stock split, the total annual dividend per share for FY 2026 (forecast) would be 112.00 yen.

3. Forecasts for FY2026 (April 1, 2026 to March 31, 2027)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2026	367,000	4.1	50,800	5.7	50,000	(2.5)	34,000	(0.2)	182.55

Notes:
1. Revision of the latest forecasts: None
2. The Company plans to conduct a two-for-one common stock spilt on October 1, 2026. Basic earnings per share forecast for the fiscal year ending March 31, 2027 are adjusted to reflect the impact of this stock split.

* Notes

(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
*For details, please refer to "II. Quarterly Consolidated Financial Statements and Main Notes, (iii) Notes in Notes in Relation to the Consolidated Financial Statements -Notes on specific accounting policies for quarterly consolidated financial statement" on page 9 of the Attached Materials.

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

(4) Number of shares outstanding (common stocks)

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

1Q of FY2026	100,232,614	FY2025	100,232,614

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

1Q of FY2026	7,106,925	FY2025	7,106,925

(iii) Average number of shares outstanding during the period

1Q of FY2026	93,125,689	1Q of FY2025	95,198,165

*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.

Contents of Attachment

I. Quarterly Consolidated Financial Statements and Main Notes

(i) Explanation of operating results

For the first three months ended June 30, 2026, the Japanese economy experienced a steady trend in corporate capital investment, against a backdrop of increased investments in the areas of intellectual property, such as software, and machinery. The manufacturing sector experienced a moderate recovery with production activities proving resilient, supported by semiconductor and AI-related demand, and personal consumption showing recovery. Looking overseas, the Chinese economy is experiencing an overall slowing of activity, mainly due to the ongoing sluggish real estate market and stagnation in personal consumption, despite an expansion in infrastructure investment and increased exports. The economy in Europe is being supported by the service sector but it is weak overall with lackluster performance in mining and industrial production. The UK, on the other hand, has experienced a growth in service sector activity and steady personal consumption, and it is showing a moderate economic recovery. The US economy is progressing firmly, supported by expanding capital investment against the backdrop of booming AI demand and resilient corporate activity, but personal consumption is showing weakness. In this way, while the pace of recovery varies across countries and regions, the global economy continues to face a high level of uncertainty with main concerns including geopolitical risks and the trend of resource prices, due to factors such as the situation in the Middle East and the outlook remains uncertain.

With regard to the automotive-related market, which is the main business area of Nifco Inc. (the "Company") and its consolidated subsidiaries (collectively, the "Group"), in the Japanese market, production volume increased year on year in the first three months ended June 30, 2026. In overseas markets, production volume decreased year on year in the US and Chinese markets but rose in the European and Indian markets.

Under this business environment, the Group's net sales for the first three months ended June 30, 2026 amounted to 90,888 million yen, up 6.3% year on year.

In terms of profits, operating profit decreased 1.6% year on year to 12,786 million yen, due to the impact of rising prices and labor costs, despite promoting reduction of controllable expense and other various initiatives. Ordinary profit increased 7.2% year on year to 13,502 million yen, mainly due to recording of foreign exchange gains resulting from yen depreciation. Additionally, as a result of recording income taxes of 4,832 million yen, profit attributable to owners of parent decreased 9.6% year on year to 8,890 million yen.

Results by 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 as both production volume and sales volume in the automotive market have been strong, driving overall sales growth. In overseas markets, automobile production trends varied by region, but net sales grew overall, partly owing to the effect of yen depreciation on foreign exchange rates. As a result, net sales for industrial plastic parts & components increased. In terms of profits, despite ongoing activities to reduce controllable expenses, profits decreased mainly due to the impact of rising prices and labor costs.

As a result, net sales in the industrial plastic parts & components business for the first three months ended June 30, 2026 increased 6.3% year on year to 81,584 million yen. Segment profit decreased 1.5% year on year to 12,831 million yen.

(2) Bedding & furniture

In the bedding & furniture business, domestically, although sales to retailers were firm, sales to hotels decreased year on year, resulting in generally flat sales overall. In terms of profits, profits decreased mainly due to the impact of rising material prices. In overseas markets, meanwhile, although net sales rose in Chinese mainland, mainly due to sales to hotels, profit decreased due to increased expenses such as advertising and promotion expenses. However both net sales and profit increased in the Hong Kong and Taiwan markets as a result of increased sales.

As a result, net sales in the bedding & furniture business for the first three months ended June 30, 2026 increased 5.8% year on year to 9,304 million yen. Segment profit increased 5.7% year on year to 1,438 million yen, driven by profit growth in the Hong Kong and Taiwan markets.

(ii) Explanation of financial position

Assets as of June 30, 2026 stood at 390,111 million yen, a decrease of 3,479 million yen from the end of the previous fiscal year. The main factors for the decrease were decreases of 3,925 million yen in cash and deposits and 1,240 million yen in securities.

Liabilities as of June 30, 2026 stood at 88,870 million yen, a decrease of 5,147 million yen from the end of the previous fiscal year. The main factors for the decrease were a 1,613 million yen decrease in income taxes payable and a 2,234 million yen decrease in provision for bonuses and a 487 million yen decrease in deferred tax liabilities.

Net assets as of June 30, 2026 stood at 301,240 million yen, an increase of 1,668 million yen from the end of the previous fiscal year. The increase in net assets was mainly due to an increase of 2,353 million yen in retained earnings.

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

No revisions have been made to the consolidated financial forecasts announced on May 14, 2026.

II. Quarterly Consolidated Financial Statements and Main Notes

(i) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	148,622	144,697
Notes receivable - trade	1,458	1,398
Electronically recorded monetary claims - operating	6,806	7,939
Accounts receivable - trade	51,750	52,464
Contract assets	482	459
Securities	1,343	102
Merchandise and finished goods	28,011	27,381
Work in process	3,444	3,347
Raw materials and supplies	11,276	10,749
Other	13,138	14,400
Allowance for doubtful accounts	(283)	(254)
Total current assets	266,051	262,688
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	52,505	52,523
Machinery, equipment and vehicles, net	20,777	21,067
Tools, furniture and fixtures, net	4,358	4,393
Molds, net	4,503	4,630
Land	22,130	21,823
Leased assets, net	47	55
Construction in progress	6,484	6,166
Other	4,694	4,444
Total property, plant and equipment	115,503	115,103
Intangible assets	2,024	2,079
Investments and other assets		
Investment securities	426	268
Deferred tax assets	2,099	2,149
Retirement benefit asset	3,992	4,054
Other	3,491	3,767
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	10,011	10,240
Total non-current assets	127,538	127,422
Total assets	393,590	390,111

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,926	22,316
Current portion of long-term borrowings	60	60
Accounts payable - other	6,469	6,454
Income taxes payable	6,560	4,947
Contract liabilities	5,704	5,529
Provision for bonuses	3,766	1,531
Other	12,634	11,733
Total current liabilities	57,122	52,573
Non-current liabilities		
Bonds payable	25,000	25,000
Long-term borrowings	165	150
Deferred tax liabilities	6,202	5,714
Retirement benefit liability	1,767	1,882
Other	3,761	3,550
Total non-current liabilities	36,895	36,297
Total liabilities	94,018	88,870
Net assets		
Shareholders' equity		
Share capital	7,290	7,290
Capital surplus	—	—
Retained earnings	279,460	281,813
Treasury shares	(27,888)	(27,888)
Total shareholders' equity	258,861	261,215
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	62	63
Foreign currency translation adjustment	36,874	36,679
Remeasurements of defined benefit plans	658	732
Total accumulated other comprehensive income	37,595	37,475
Non-controlling interests	3,115	2,549
Total net assets	299,571	301,240
Total liabilities and net assets	393,590	390,111

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

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	85,541	90,888
Cost of sales	58,290	62,862
Gross profit	27,251	28,026
Selling, general and administrative expenses	14,252	15,240
Operating profit	12,999	12,786
Non-operating income		
Interest income	293	269
Foreign exchange gains	—	485
Other	221	154
Total non-operating income	515	908
Non-operating expenses		
Interest expenses	72	51
Foreign exchange losses	714	—
Other	134	140
Total non-operating expenses	921	192
Ordinary profit	12,593	13,502
Extraordinary income		
Gain on sale of non-current assets	1,143	660
Total extraordinary income	1,143	660
Extraordinary losses		
Loss on sale and retirement of non-current assets	56	9
Loss on valuation of investment securities	—	159
Total extraordinary losses	56	168
Profit before income taxes	13,680	13,994
Income taxes	3,576	4,832
Profit	10,103	9,162
Profit attributable to		
Profit attributable to owners of parent	9,831	8,890
Profit attributable to non-controlling interests	271	271
Other comprehensive income		
Valuation difference on available-for-sale securities	1	0
Deferred gains or losses on hedges	2	—
Foreign currency translation adjustment	(8,548)	(177)
Remeasurements of defined benefit plans, net of tax	96	74
Total other comprehensive income	(8,448)	(102)
Comprehensive income	1,655	9,059
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,559	8,770
Comprehensive income attributable to non-controlling interests	95	288

(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 three months ended June 30, 2026, and multiplying profit before income taxes by the estimated effective tax rate.

- Additional information

Not applicable.

- Notes to consolidated statements of balance sheet

Not applicable.

- Notes to consolidated statements of income and comprehensive income

Not applicable.

- 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 three months ended June 30, 2026. Depreciation (including amortization related to intangible assets) for the first three months ended June 30, 2026 is as follows.

(Unit: Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	3,130	3,376

- Segment information, etc.

[Business segment information]

- For the First Quarter of FY2025 (April 1 to June 30, 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	76,748	8,792	85,541	-	85,541
(2) Intersegment sales or transfers	-	-	-	-	-
Total	76,748	8,792	85,541	-	85,541
Segment profit (loss)	13,032	1,360	14,393	(1,394)	12,999

(Notes) 1. Adjustment of segment profit (loss) of (1,394) million yen represents corporate expenses. Corporate expenses are 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 First Quarter of FY2026 (April 1 to June 30, 2026) (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	81,584	9,304	90,888	-	90,888
(2) Intersegment sales or transfers	-	-	-	-	-
Total	81,584	9,304	90,888	-	90,888
Segment profit (loss)	12,831	1,438	14,269	(1,483)	12,786

(Notes) 1. Adjustment of segment profit (loss) of (1,483) million yen represents corporate expenses. Corporate expenses are 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.

- Significant events after reporting period

Not applicable.