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

Consolidated Financial Results for the First Half of Fiscal Year Ending March 31, 2026 (Under Japanese GAAP)

October 30, 2026

Company name: NIFCO Inc.
Listing: Tokyo Stock Exchange,Prime Market
Securities code: 7988
URL: https://www.nifco.com/
Representative: Masaharu Shibao, President & CEO
Inquiries: Minoru Narahara, Executive Officer & CFO
Telephone: +81-3-5476-4853

Scheduled date to file semi-annual securities report: November 11, 2026
Scheduled date to commence dividend payments: November 27, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the First Half of FY2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	185,950	7.4	26,810	6.7	27,597	9.4	17,214	(6.9)
September 30, 2025	173,113	(1.8)	25,134	0.0	25,219	0.3	18,486	20.1

Note: Comprehensive income For the six months ended September 30, 2026: ¥20,503 million [81.7%]
For the six months ended September 30, 2025: ¥11,283 million [(62.7)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	93.48	-
September 30, 2025	97.26	-

Note: Diluted earnings per share of First Half FY2026 and First Half FY2025 are not shown in the above table, as there are no potential common shares with dilution effect.

Note: At the Board of Directors meeting held on May 14, 2026, the Company resolved to conduct a stock split at the ratio of two shares for each common share, effective October 1, 2026. Assuming that the stock split occurred at the beginning of the previous fiscal year, semi-annual net income per share is calculated.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2026	377,996	272,726	71.5	1,577.09
March 31, 2026	393,590	299,571	75.3	1,591.70

Reference: Equity
As of September 30, 2026: ¥270,093 million
As of March 31, 2026: ¥296,456 million

Note: Net assets per share are calculated based on the assumption that the stock split occurred at the beginning of the previous fiscal year.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	40.00	-	70.00	110.00
Fiscal year ending March 31, 2027	-	56.00			
Fiscal year ending March 31, 2027 (Forecast)			-	28.00	-

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Since the effective date of the above-mentioned stock split is October 1, 2026, the year-end dividend of ¥28.00 for the fiscal year ending March 31, 2027 (forecast) is the amount of dividends per share after the stock split. Therefore, the annual dividend forecast is not displayed because it is not possible to make a simple sum. The total annual dividend per share for the fiscal year ending March 31, 2027 (forecast) without taking into account the stock split will be ¥112.00.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	367,000	4.1	50,800	5.7	50,000	(2.5)	34,000	(0.2)	198.53

Note: Revisions to the earnings forecasts most recently announced: None

***Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: – company
Excluded: – company

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

*For details, please refer to "II. Semi-annual Consolidated Financial Statements and Main Notes, (iv) Notes in Relation to the Consolidated Financial Statements -Notes on accounting treatment specific to the preparation of semi-annual consolidated financial statements" on page 11 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 issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2026	100,232,614 shares
As of March 31, 2026	100,232,614 shares

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

As of September 30, 2026	14,602,669 shares
As of March 31, 2026	7,106,925 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2026	92,069,656 shares
Six months ended September 30, 2025	95,037,141 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors. For information on the assumptions on which earnings forecasts are based and precautions for using earnings forecasts, please refer to "I. Semi-annual 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. Semi-annial Consolidated Financial Statements and Main Notes ..... - 4 -
(i) Explanation of operating results ..... - 4 -
(ii) Explanation of financial position ..... - 5 -
(iii) Information regarding consolidated earnings forecasts and other forward-looking statements ..... - 5 -
II. Semi-annual Consolidated Financial Statements and Main Notes ..... - 6 -
(i) Consolidated Balance Sheet ..... - 6 -
(ii) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income (cumulative) ..... - 8 -
(iii) Consolidated statement of cash flows ..... - 9 -
(iv) Notes in Relation to the Consolidated Financial Statements ..... - 11 -
- Notes regarding the going concern assumption ..... - 11 -
- Notes on significant changes in the amount of shareholders' equity ..... - 11 -
- Notes on accounting treatment specific to the preparation of semi-annual consolidated financial statements ..... - 11 -
- Notes to consolidated statements of balance sheet ..... - 11 -
- Notes to consolidated statements of income and comprehensive income ..... - 11 -
- Segment information, etc. ..... - 11 -
- Significant events after reporting period ..... - 12 -

I. Semi-annial Consolidated Financial Statements and Main Notes

(i) Explanation of operating results

For the first six months ended September 30, 2026, the Japanese economy maintained a gradual recovery trend, supported by steady corporate activity and personal consumption, driven by expanding demand for AI and semiconductor-related products and a solid employment and income environment. Turning our attention overseas, in the Chinese economy, exports are solid, but the economy is slowing down due to weak domestic demand stemming from sluggish personal consumption and accumulating inventories. Meanwhile, the Indian economy continues to expand, driven by increased personal consumption and a recovery in service and goods exports. In the European economy, while the recovery in manufacturing is showing weakness, private consumption and the service sector are supporting growth, resulting in a moderate growth trajectory. Furthermore, while the US economy has experienced a slowdown in growth due to a decline in external demand, domestic demand, particularly in personal consumption and capital investment, remains strong. In this way, while the Chinese economy is showing signs of slowing down, the global economy remains steady, particularly in India, Europe, and the United States, and overall, it continues to experience moderate growth. On the other hand, in addition to geopolitical risks such as the situation in the Middle East, it is also necessary to keep a close eye on trends in AI-related investments that are supporting the global economy, and the situation 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”), market conditions remained uncertain, with varying trends across regions.

Under this business environment, the Group’s net sales for the first six months ended September 30, 2026 amounted to 185,950 million yen, up 7.4% year on year.

In terms of profits, thanks to efforts to reduce controllable expenses, operating profit increased by 6.7% year on year to 26,810 million yen. Ordinary profit increased by 9.4% year on year to 27,597 million yen, mainly due to recording of foreign exchange gains resulting from yen depreciation. Meanwhile, as a result of recording income taxes of 10,429 million yen, profit attributable to owners of parent decreased by 6.9% year on year to 17,214 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 due to steady production and sales in the automotive market, as well as increased production volume and working days by major customers, such as automobile manufacturers. Overseas, despite the continued challenging business environment, net sales increased, driven by higher sales in North America and parts of Asia. As a result, net sales for industrial plastic parts & components increased. In terms of profits, although there were impacts from rising prices and increased personnel expenses, improved profitability in Japan, as well as increased revenue in North America and parts of Asia, contributed to increased profits.

As a result, net sales in the industrial plastic parts & components business for the first six months ended September 30, 2026 increased by 7.4% year on year to 167,076 million yen, and segment profit increased by 7.2% year on year to 26,966 million yen.

(2) Bedding & furniture

In the bedding & furniture business, domestically, net sales to hotels decreased compared to the same period last year, but sales to retailers remained steady, resulting in an increase in overall revenue. In terms of profits, profits decreased mainly due to the impact of rising material prices. Meanwhile, overseas, although sales in mainland China were sluggish, strong sales in the Hong Kong and Taiwan markets contributed to increased revenue and profit.

As a result, net sales in the bedding & furniture business for the first six months ended September 30, 2026 increased by 7.4% year on year to 18,874 million yen. Segment profit increased by 7.6% year on year to 2,731 million yen.

(ii) Explanation of financial position

(1) Assets, liabilities and net assets

Assets as of September 30, 2026 stood at 377,996 million yen, a decrease of 15,593 million yen from the end of the previous fiscal year. The main factors were a 20,915 million yen decrease in cash and deposits, despite increases of 1,447 million yen in accounts receivable - trade and 1,085 million yen in merchandise and finished goods.

Liabilities as of September 30, 2026 stood at 105,270 million yen, an increase of 11,251 million yen from the end of the previous fiscal year. The main factors were increases of 9,970 million yen in long-term borrowings, 722 million yen in income taxes payable, and 436 million yen in notes and accounts payable - trade.

Net assets as of September 30, 2026 stood at 272,726 million yen, a decrease of 26,845 million yen from the end of the previous fiscal year. The decrease in net assets was mainly due to a decrease of 39,929 million yen resulting from the purchase of treasury shares, despite increases of 10,677 million yen in retained earnings and 2,798 million yen in foreign currency translation adjustment resulting from yen depreciation. As a result, the equity ratio was 71.5% and net assets per share were 1,577.09 yen.

(2) Cash flows

(Cash flows from operating activities)

Net cash provided by operating activities in the first six months ended September 30, 2026 was 20,768 million yen, an increase of 3,314 million yen from 17,454 million yen provided in the same period of the previous fiscal year. This was mainly due to an increase in trade payables and an increase in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities in the first six months ended September 30, 2026 was 718 million yen, an increase of 4,274 million yen from 4,993 million yen used in the same period of the previous fiscal year. This was mainly because, in the previous fiscal year, payments for purchases of property, plant and equipment and payments into time deposits were larger than those in the current fiscal year.

(Cash flows from financing activities)

Net cash used in financing activities in the first six months ended September 30, 2026 was 38,360 million yen, a decrease of 18,952 million yen from 19,407 million yen used in the same period of the previous fiscal year. This was mainly due to an increase in payments for purchase of treasury shares, despite an increase in proceeds from long-term borrowings.

In addition to the above, the effect of exchange rate change on cash and cash equivalents resulted in cash and cash equivalents at the end of the first six months ended September 30, 2026 decreasing 16,537 million yen from the end of the previous fiscal year to 125,122 million 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 14, 2026.

II. Semi-annual Consolidated Financial Statements and Main Notes

(i) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	148,622	127,707
Notes receivable - trade	1,458	1,169
Electronically recorded monetary claims - operating	6,806	7,816
Accounts receivable - trade	51,750	53,198
Contract assets	482	457
Securities	1,343	298
Merchandise and finished goods	28,011	29,097
Work in process	3,444	3,481
Raw materials and supplies	11,276	11,495
Other	13,138	13,323
Allowance for doubtful accounts	(283)	(255)
Total current assets	266,051	247,790
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	52,505	52,531
Machinery, equipment and vehicles, net	20,777	21,119
Tools, furniture and fixtures, net	4,358	4,409
Molds, net	4,503	4,879
Land	22,130	21,938
Leased assets, net	47	51
Construction in progress	6,484	6,982
Other	4,694	5,770
Total property, plant and equipment	115,503	117,683
Intangible assets	2,024	2,177
Investments and other assets		
Investment securities	426	269
Deferred tax assets	2,099	2,206
Retirement benefit asset	3,992	4,053
Other	3,491	3,815
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	10,011	10,344
Total non-current assets	127,538	130,206
Total assets	393,590	377,996

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,926	22,363
Current portion of long-term borrowings	60	60
Accounts payable - other	6,469	6,376
Income taxes payable	6,560	7,282
Contract liabilities	5,704	5,979
Provision for bonuses	3,766	3,069
Other	12,634	12,178
Total current liabilities	57,122	57,309
Non-current liabilities		
Bonds payable	25,000	25,000
Long-term borrowings	165	10,135
Deferred tax liabilities	6,202	6,192
Retirement benefit liability	1,767	2,115
Other	3,761	4,517
Total non-current liabilities	36,895	47,960
Total liabilities	94,018	105,270
Net assets		
Shareholders' equity		
Share capital	7,290	7,290
Capital surplus	—	103
Retained earnings	279,460	290,137
Treasury shares	(27,888)	(67,818)
Total shareholders' equity	258,861	229,712
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	62	62
Foreign currency translation adjustment	36,874	39,673
Remeasurements of defined benefit plans	658	645
Total accumulated other comprehensive income	37,595	40,380
Non-controlling interests	3,115	2,633
Total net assets	299,571	272,726
Total liabilities and net assets	393,590	377,996

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

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	173,113	185,950
Cost of sales	119,447	128,498
Gross profit	53,666	57,452
Selling, general and administrative expenses	28,531	30,642
Operating profit	25,134	26,810
Non-operating income		
Interest income	783	691
Foreign exchange gains	—	301
Other	367	235
Total non-operating income	1,150	1,228
Non-operating expenses		
Interest expenses	134	150
Foreign exchange losses	673	—
Other	257	291
Total non-operating expenses	1,066	442
Ordinary profit	25,219	27,597
Extraordinary income		
Gain on sale of non-current assets	1,178	662
Total extraordinary income	1,178	662
Extraordinary losses		
Loss on sale and retirement of non-current assets	121	28
Loss on valuation of investment securities	—	159
Total extraordinary losses	121	187
Profit before income taxes	26,276	28,072
Income taxes	7,249	10,429
Profit	19,026	17,642
Profit attributable to		
Profit attributable to owners of parent	18,486	17,214
Profit attributable to non-controlling interests	539	428
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	(0)
Deferred gains or losses on hedges	5	—
Foreign currency translation adjustment	(7,887)	2,874
Remeasurements of defined benefit plans, net of tax	139	(13)
Total other comprehensive income	(7,742)	2,861
Comprehensive income	11,283	20,503
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,973	19,999
Comprehensive income attributable to non-controlling interests	310	504

(iii) Consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	26,276	28,072
Depreciation	6,224	6,688
Increase (decrease) in allowance for doubtful accounts	(42)	(30)
Increase (decrease) in provision for bonuses	(551)	(710)
Increase (decrease) in retirement benefit liability	257	350
Decrease (increase) in retirement benefit asset	34	(60)
Interest and dividend income	(785)	(693)
Interest expenses	134	150
Foreign exchange losses (gains)	255	(723)
Loss (gain) on sale of non-current assets	(1,153)	(656)
Loss (gain) on disposal of non-current assets	96	22
Loss (gain) on valuation of investment securities	—	159
Decrease (increase) in trade receivables	(618)	(1,416)
Decrease (increase) in inventories	(1,473)	(1,582)
Decrease (increase) in other assets	(1,691)	(1,155)
Increase (decrease) in trade payables	(4,399)	(27)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	285	(539)
Increase (decrease) in other liabilities	(1,045)	105
Other, net	257	557
Subtotal	22,061	28,508
Interest and dividends received	826	726
Interest paid	(137)	(140)
Income taxes refund (paid)	(5,294)	(8,325)
Net cash provided by (used in) operating activities	17,454	20,768
Cash flows from investing activities		
Payments into time deposits	(3,979)	(1,967)
Proceeds from withdrawal of time deposits	7,588	7,154
Purchase of securities	(1,502)	—
Proceeds from sale and redemption of securities	—	93
Purchase of non-current assets	(8,904)	(6,677)
Proceeds from sale of non-current assets	2,261	986
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	0	—
Other, net	(456)	(305)
Net cash provided by (used in) investing activities	(4,993)	(718)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from financing activities		
Repayments of short-term borrowings	(192)	—
Repayments of lease liabilities	(875)	(954)
Proceeds from long-term borrowings	—	10,000
Repayments of long-term borrowings	(30)	(30)
Redemption of bonds	(10,000)	—
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(400)	—
Proceeds from sale of treasury shares	357	404
Purchase of treasury shares	(3,384)	(40,395)
Purchase of treasury shares of subsidiaries	(363)	—
Dividends paid	(3,820)	(6,529)
Dividends paid to non-controlling interests	(699)	(854)
Net cash provided by (used in) financing activities	(19,407)	(38,360)
Effect of exchange rate change on cash and cash equivalents	(3,646)	1,773
Net increase (decrease) in cash and cash equivalents	(10,593)	(16,537)
Cash and cash equivalents at beginning of period	141,097	141,659
Cash and cash equivalents at end of period	130,504	125,122

(iv) 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

The Company repurchased 7,547,500 treasury shares in accordance with a resolution of the Board of Directors meeting held on August 31, 2026. As a result, treasury shares increased by 39,999 million yen during the six months ended September 30, 2026, resulting in treasury shares of 67,818 million yen at the end of the semi-annual consolidated period.

Also, the repurchase of treasury shares in accordance with the aforementioned resolution was completed on September 2, 2026 (on a trade date basis).

- Notes on accounting treatment specific to the preparation of semi-annual consolidated financial statements

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

- Notes to consolidated statements of balance sheet

Not applicable.

- Notes to consolidated statements of income and comprehensive income

Not applicable.

- Segment information, etc.

[Business segment information]

- For the First Half of FY2025 (April 1 to September 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	155,543	17,569	173,113	-	173,113
(2) Intersegment sales or transfers	-	-	-	-	-
Total	155,543	17,569	173,113	-	173,113
Segment profit (loss)	25,152	2,537	27,689	(2,555)	25,134

(Notes) 1. Adjustment of segment profit (loss) of (2,555) 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 Half of FY2026 (April 1 to September 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	167,076	18,874	185,950	-	185,950
(2) Intersegment sales or transfers	-	-	-	-	-
Total	167,076	18,874	185,950	-	185,950
Segment profit (loss)	26,966	2,731	29,697	(2,886)	26,810

(Notes) 1. Adjustment of segment profit (loss) of (2,886) 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

(Cancellation of treasury shares)

At the Board of Directors meeting held on September 29, 2026, the Company resolved to cancel treasury shares in accordance with Article 178 of the Companies Act. The cancellation was completed on October 7, 2026.

Details of the Share Cancellation

(1)	Type of shares to be cancelled:	Common shares of the Company
(2)	Number of shares to be cancelled (Note 1):	19,609,228 shares (9.78% of the total number of issued shares before cancellation)
(3)	Total number of issued shares after cancellation (Note 2):	180,856,000 shares
(4)	Date of cancellation:	October 7, 2026

Note 1: As announced in the “Notice Regarding Stock Split and Partial Amendment to the Articles of Incorporation” dated May 14, 2026, the Company resolved to conduct and implemented a two-for-one stock split of its common shares, effective for shareholders recorded in the final shareholder register as of the record date of September 30, 2026, whereby each share of common stock held will be split into two shares.

The number of shares to be cancelled in “(2) Number of shares to be cancelled” is presented on a post-stock-split basis. The number of shares to be cancelled before taking the stock split into account is 9,804,614 shares.

Note 2: “(3) Total number of issued shares after cancellation” also reflects the number of shares after taking the share split into consideration. For reference, the total number of issued shares after the cancellation, before giving effect to the stock split, would be 90,428,000 shares.