

January 13, 2026

Consolidated Financial Results for the Six Months Ended November 30, 2025 (Under Japanese GAAP)

Company name: Sanko Gosei Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7888
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 Scheduled date to file semi-annual securities report: January 14, 2026
 Scheduled date to commence dividend payments: February 3, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes for institutional investors and analysts

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

1. Consolidated financial results for the six months ended November 30, 2025 (from June 1, 2025 to November 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended November 30, 2025	48,914	6.9	3,356	13.6	2,947	11.4	2,072	7.6
November 30, 2024	45,777	(0.3)	2,953	44.7	2,646	33.8	1,927	44.7

Note: Comprehensive income For the six months ended November 30, 2025: ¥3,931 million [182.1%]
 For the six months ended November 30, 2024: ¥1,393 million [(39.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended November 30, 2025	67.98	-
November 30, 2024	63.21	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2025	84,033	36,269	42.4	1,168.23
May 31, 2025	76,052	32,779	42.3	1,056.06

Reference: Equity
 As of November 30, 2025: ¥35,612 million
 As of May 31, 2025: ¥32,192 million

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 May 31, 2025	-	10.00	-	14.00	24.00
Fiscal year ending May 31, 2026	-	14.00			
Fiscal year ending May 31, 2026 (Forecast)				14.00	28.00

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

3. Forecast of consolidated financial results for the fiscal year ending May 31, 2026 (from June 1, 2025 to May 31, 2026)

(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 May 31, 2026	94,000	3.2	6,100	7.8	5,500	5.9	4,000	3.7	131.21

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

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes
- (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 November 30, 2025	30,688,569 shares
As of May 31, 2025	30,688,569 shares

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

As of November 30, 2025	204,806 shares
As of May 31, 2025	204,806 shares

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

Six months ended November 30, 2025	30,483,763 shares
Six months ended November 30, 2024	30,483,783 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 currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of May 31, 2025	As of November 30, 2025
Assets		
Current assets		
Cash and deposits	12,029	14,185
Notes receivable - trade	1	-
Electronically recorded monetary claims - operating	1,347	1,338
Accounts receivable - trade	15,734	19,082
Merchandise and finished goods	1,771	1,598
Work in process	4,044	3,063
Raw materials and supplies	2,066	2,354
Other	3,101	3,386
Total current assets	40,097	45,008
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,793	12,668
Machinery, equipment and vehicles, net	11,722	12,250
Tools, furniture and fixtures, net	2,378	2,441
Land	6,445	6,897
Construction in progress	2,750	2,950
Total property, plant and equipment	34,090	37,208
Intangible assets		
Other	414	469
Total intangible assets	414	469
Investments and other assets		
Investment securities	22	4
Deferred tax assets	238	216
Retirement benefit asset	785	849
Other	404	276
Total investments and other assets	1,450	1,347
Total non-current assets	35,954	39,025
Total assets	76,052	84,033

	As of May 31, 2025	As of November 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,842	8,652
Electronically recorded obligations - operating	3,348	3,263
Short-term borrowings	3,045	525
Current portion of long-term borrowings	3,405	3,652
Lease liabilities	1,584	1,614
Income taxes payable	597	699
Provision for bonuses	228	233
Provision for bonuses for directors (and other officers)	92	-
Other	6,035	7,064
Total current liabilities	26,180	25,704
Non-current liabilities		
Long-term borrowings	12,325	17,050
Lease liabilities	3,840	3,701
Deferred tax liabilities	189	215
Provision for retirement benefits for directors (and other officers)	16	16
Retirement benefit liability	370	418
Other	347	656
Total non-current liabilities	17,092	22,060
Total liabilities	43,272	47,764
Net assets		
Shareholders' equity		
Share capital	4,008	4,008
Capital surplus	4,072	4,072
Retained earnings	21,680	23,326
Treasury shares	(43)	(43)
Total shareholders' equity	29,718	31,364
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	(2)
Foreign currency translation adjustment	2,013	3,789
Remeasurements of defined benefit plans	459	460
Total accumulated other comprehensive income	2,473	4,247
Non-controlling interests	586	656
Total net assets	32,779	36,269
Total liabilities and net assets	76,052	84,033

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended November 30, 2024	Six months ended November 30, 2025
Net sales	45,777	48,914
Cost of sales	38,113	40,787
Gross profit	7,664	8,126
Selling, general and administrative expenses	4,710	4,770
Operating profit	2,953	3,356
Non-operating income		
Interest income	31	26
Dividend income	1	1
Foreign exchange gains	-	17
Rental income	33	33
Gain on sale of scraps	28	36
Other	128	28
Total non-operating income	223	142
Non-operating expenses		
Interest expenses	272	220
Foreign exchange losses	199	-
Loss on valuation of derivatives	19	296
Other	40	33
Total non-operating expenses	530	551
Ordinary profit	2,646	2,947
Extraordinary income		
Gain on sale of non-current assets	0	2
Gain on sale of investment securities	-	6
Total extraordinary income	0	9
Extraordinary losses		
Loss on retirement of non-current assets	24	29
Loss on sale of non-current assets	2	4
Extra retirement payments	30	-
Total extraordinary losses	57	34
Profit before income taxes	2,588	2,922
Income taxes	641	811
Profit	1,947	2,110
Profit attributable to non-controlling interests	20	38
Profit attributable to owners of parent	1,927	2,072

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended November 30, 2024	Six months ended November 30, 2025
Profit	1,947	2,110
Other comprehensive income		
Valuation difference on available-for-sale securities	(4)	(2)
Foreign currency translation adjustment	(544)	1,822
Remeasurements of defined benefit plans, net of tax	(4)	0
Total other comprehensive income	(553)	1,820
Comprehensive income	1,393	3,931
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,386	3,846
Comprehensive income attributable to non-controlling interests	6	85

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended November 30, 2024	Six months ended November 30, 2025
Cash flows from operating activities		
Profit before income taxes	2,588	2,922
Depreciation	2,076	2,246
Amortization of goodwill	22	-
Decrease (increase) in retirement benefit asset	(55)	(64)
Increase (decrease) in retirement benefit liability	(3)	15
Interest and dividend income	(33)	(28)
Interest expenses	272	220
Loss (gain) on sale of investment securities	-	(6)
Loss (gain) on sale of property, plant and equipment	2	2
Loss on retirement of property, plant and equipment	24	29
Loss (gain) on valuation of derivatives	19	296
Extra retirement payments	30	-
Decrease (increase) in trade receivables	(1,195)	(2,476)
Decrease (increase) in inventories	(82)	1,135
Decrease (increase) in other asset	176	50
Increase (decrease) in trade payables	1,346	(162)
Increase (decrease) in other liability	(585)	572
Other, net	3	33
Subtotal	4,608	4,788
Interest and dividends received	33	28
Interest paid	(268)	(198)
Extra retirement payments	(30)	-
Income taxes paid	(633)	(668)
Net cash provided by (used in) operating activities	3,709	3,949
Cash flows from investing activities		
Purchase of investment securities	(0)	(0)
Proceeds from sale of investment securities	-	20
Purchase of property, plant and equipment	(2,490)	(3,236)
Proceeds from sale of property, plant and equipment	3	10
Other, net	(39)	(99)
Net cash provided by (used in) investing activities	(2,527)	(3,305)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(118)	(2,530)
Proceeds from long-term loan payable	2,500	6,540
Repayments of long-term borrowings	(1,325)	(1,814)
Repayments of lease liabilities	(918)	(898)
Dividends paid	(304)	(426)
Dividends paid to non-controlling interests	(5)	(12)
Net cash provided by (used in) financing activities	(173)	858
Effect of exchange rate change on cash and cash equivalents	(109)	653
Net increase (decrease) in cash and cash equivalents	898	2,155
Cash and cash equivalents at beginning of period	9,958	12,029
Cash and cash equivalents at end of period	10,857	14,185

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (June 1, 2024 to November 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments					Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	Japan	Europe	Asia	North America	Total		
Sales							
Revenues from external customers	14,874	6,018	15,263	9,622	45,777	-	45,777
Transactions with other segments	2,991	0	267	6	3,266	(3,266)	-
Total	17,865	6,018	15,530	9,629	49,044	(3,266)	45,777
Segment profit (loss)	2,124	198	439	513	3,276	(322)	2,953

Note: 1. Adjustments for segment profits or losses shall be allocated to 22 million yen in inter-segment transactions and to each reporting segment.

The company-wide cost is not (345) million yen.

2. Segment profit or loss is adjusted for operating income in the interim consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

Not applicable.

II. Interim Consolidated Accounting Period (June 1, 2025 to November 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments					Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	Japan	Europe	Asia	North America	Total		
Sales							
Revenues from external customers	15,827	5,644	16,487	10,954	48,914	-	48,914
Transactions with other segments	2,452	-	132	4	2,589	(2,589)	-
Total	18,280	5,644	16,620	10,958	51,503	(2,589)	48,914
Segment profit (loss)	2,281	42	605	764	3,693	(337)	3,356

Note: 1. Adjustments for segment profits or losses shall be allocated to 65 million yen in inter-segment transactions and to each reporting segment.

The company-wide cost is (403) million yen.

2. Segment profit or loss is adjusted for operating income in the interim consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

Not applicable.