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March 13, 2026

Consolidated Financial Results for the Three Months Ended January 31, 2026 (Under Japanese GAAP)



Company name: KUMIAI CHEMICAL INDUSTRY CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4996
 URL: <https://www.kumiai-chem.co.jp>
 Representative: Masaru Yokoyama, President and Representative Director
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended January 31, 2026 (from November 1, 2025 to January 31, 2026)

(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	%
Three months ended								
January 31, 2026	46,707	7.7	4,990	24.5	6,227	23.4	3,943	(1.5)
January 31, 2025	43,381	10.4	4,008	36.3	5,047	41.6	4,003	60.9

Note: Comprehensive income For the three months ended January 31, 2026: ¥4,882 million [(11.2)%]
 For the three months ended January 31, 2025: ¥5,499 million [46.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
January 31, 2026	32.75	–
January 31, 2025	33.26	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
January 31, 2026	260,913	154,279	56.6
October 31, 2025	248,205	151,107	58.2

Reference: Equity
 As of January 31, 2026: ¥147,645 million
 As of October 31, 2025: ¥144,485 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 October 31, 2025	–	10.00	–	14.00	24.00
Fiscal year ending October 31, 2026	–				
Fiscal year ending October 31, 2026 (Forecast)		10.00	–	14.00	24.00

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

3. Consolidated financial result forecasts for the fiscal year ending October 31, 2026 (from November 1, 2025 to October 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
Six months ending April 30, 2026	92,800	(3.5)	6,100	(35.4)	8,200	(1.1)	4,400	(29.9)	36.54
Full year	162,000	(5.0)	7,200	(31.9)	10,900	(18.4)	6,400	46.1	53.15

Note: Revisions to the financial result forecast 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 quarterly 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 January 31, 2026	133,184,612 shares
As of October 31, 2025	133,184,612 shares

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

As of January 31, 2026	12,762,240 shares
As of October 31, 2025	12,761,542 shares

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

Three months ended January 31, 2026	120,422,620 shares
Three months ended January 31, 2025	120,373,402 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

- * Proper use of earnings forecasts and other special matters

(Note on forward-looking statements, etc.)

Earnings forecasts contained in this document are based on information available to management as of the date of publication and provisional assumptions made as of such date regarding uncertain factors that may impact future earnings. Readers are advised that actual results may differ materially from the forecasts due to a variety of factors. For the conditions that form the basis for the results forecasts and precautionary information on the use of results forecasts, please see (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information under 1. Qualitative Information on Quarterly Financial Results on page 2 of the attached materials.

(How to obtain the financial results supplementary materials)

The supplementary materials for the financial results will be posted on Kumiai's official website on Friday, March 13, 2026.

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the three months ended January 31, 2026, the Japanese economy continued to recover moderately due to increases in personal consumption and corporate capital investment. Meanwhile, the outlook is expected to remain uncertain, due to intensifying geopolitical risks such as the situations in Ukraine and the Middle East, and other factors including foreign exchange fluctuations, the deterioration of Japan-China relations, and the impact of U.S. tariff policies.

Against this backdrop, the Kumiai Group formulated the Medium-Term Business Plan, “KUMI STORY 2026,” which started in the fiscal year ended October 31, 2024, and is making every effort to implement priority measures designed to increase corporate value.

In the period under review, net sales increased by ¥3,326 million (7.7%) year on year, to ¥46,707 million, as sales in the Agricultural Chemicals and Agriculture-Related Business and the Fine Chemicals Business came in higher than in the previous year, despite lower sales in the Other Business than in the previous year. Operating profit was ¥4,990 million, up ¥982 million (24.5%) year on year. Ordinary profit was ¥6,227 million, up ¥1,180 million (23.4%) year on year. Profit attributable to owners of parent amounted to ¥3,943 million, down ¥60 million (1.5%) year on year, due to the recording of tax effects on the retained profit of an affiliate accounted for by the equity method. The percentage of overseas net sales was 61.5%.

Business results by segment were as follows.

(Millions of yen, except percentages)

Segment	Three months ended January 31, 2025			Three months ended January 31, 2026			YoY	
	Net sales	Composition ratio	Operating profit	Net sales	Composition ratio	Operating profit	Net sales [% change]	Operating profit [% change]
Agricultural Chemicals and Agriculture-Related Business	¥34,628	79.8%	¥3,604	¥37,791	80.9%	¥4,604	¥3,163 [9.1]	¥1,000 [27.7]
Fine Chemicals Business	5,941	13.7	558	6,660	14.3	672	718 [12.1]	114 [20.5]
Other Business	2,812	6.5	262	2,256	4.8	197	(556) [(19.8)]	(65) [(24.9)]
Total	43,381	100.0	4,008	46,707	100.0	4,990	3,326 [7.7]	982 [24.5]

- Notes:
1. Consolidated segment operating profit for the three months ended January 31, 2025 includes ¥ 416 million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).
 2. Consolidated segment operating profit for the three months ended January 31, 2026 includes ¥ 482 million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).

1) Agricultural Chemicals and Agriculture-Related Business segment

In the Japanese market, sales of products for nursery boxes of rice containing fungicide DISARTA and products for paddy rice containing herbicide EFFEEDA remained strong, and total sales in this segment exceeded those in the same period of the previous fiscal year.

In markets outside Japan, while sales of herbicide AXEEV to Australia declined, sales to the U.S. increased as a result of enhanced support for sales promotion in anticipation of generic products entering the market.

As a result of the factors above, net sales in the Agricultural Chemicals and Agriculture-Related Business segment came to ¥37,791 million, up by ¥3,163 million (9.1%) compared with the same period of the previous fiscal year. Operating profit increased by ¥1,000 million (27.7%) year on year to ¥4,604 million.

2) Fine Chemicals Business segment

Sales volume of bismaleimides largely increased due to strong demand in the field of electronic materials for generative AI servers.

As a result of the above, net sales in the Fine Chemicals Business segment came to ¥6,660 million, up by ¥718 million (12.1%) compared with the same period of the previous fiscal year. Operating profit increased by ¥114 million (20.5%) year on year to ¥672 million.

3) Other Business segment

Net sales in the Other Business segment amounted to ¥2,256 million, down ¥556 million (19.8%) compared with the same period of the previous fiscal year, influenced by factors including the completion of several large-scale projects in the construction business in the same period of the previous fiscal year. Operating profit decreased by ¥65 million (24.9%) year on year to ¥197 million.

(2) Explanation of Financial Position

Total assets on a consolidated basis as of January 31, 2026 stood at ¥260,913 million, up by ¥12,708 million from the end of the previous fiscal year. The main factors were increases in cash and deposits and notes and accounts receivable - trade, and contract assets.

Liabilities increased by ¥9,535 million compared with the end of the previous fiscal year to ¥106,633 million. The main factors were increases in short-term borrowings and notes and accounts payable - trade.

Total net assets amounted to ¥154,279 million, an increase of ¥3,172 million compared with the end of the previous fiscal year. The increase in total net assets was mainly due to increases in retained earnings and foreign currency translation adjustment.

The equity ratio stood at 56.6%, and net assets per share were ¥1,226.06.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The financial results forecast for the six months ending April 30, 2026 and the full-year results forecast for the fiscal year ending October 31, 2026 have not been changed from the forecast announced on December 12, 2025 with the financial results for the fiscal year ended October 31, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2025	As of January 31, 2026
Assets		
Current assets		
Cash and deposits	21,982	30,001
Notes and accounts receivable - trade, and contract assets	38,965	46,215
Merchandise and finished goods	59,769	58,066
Work in process	18,803	17,486
Raw materials and supplies	10,294	10,183
Other	4,374	2,587
Allowance for doubtful accounts	(11)	(10)
Total current assets	154,176	164,528
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,358	23,789
Machinery, equipment and vehicles, net	10,498	10,609
Land	12,342	12,357
Construction in progress	1,804	1,322
Other, net	1,901	1,859
Total property, plant and equipment	49,903	49,935
Intangible assets		
Goodwill	1,432	1,267
Other	1,070	1,111
Total intangible assets	2,502	2,378
Investments and other assets		
Investment securities	38,640	40,937
Long-term loans receivable	588	588
Deferred tax assets	1,083	1,105
Retirement benefit asset	12	8
Other	1,702	1,833
Allowance for doubtful accounts	(402)	(400)
Total investments and other assets	41,623	44,071
Total non-current assets	94,028	96,385
Total assets	248,205	260,913

(Millions of yen)

	As of October 31, 2025	As of January 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,039	26,137
Short-term borrowings	36,782	50,247
Accounts payable - other	8,651	2,845
Income taxes payable	2,012	930
Provision for bonuses	1,865	568
Other	1,669	2,502
Total current liabilities	74,017	83,230
Non-current liabilities		
Long-term borrowings	14,324	13,058
Deferred tax liabilities	3,940	5,613
Provision for retirement benefits for directors (and other officers)	464	403
Retirement benefit liability	3,469	3,484
Asset retirement obligations	44	45
Other	840	801
Total non-current liabilities	23,081	23,404
Total liabilities	97,098	106,633
Net assets		
Shareholders' equity		
Share capital	4,534	4,534
Capital surplus	37,502	37,502
Retained earnings	110,394	112,652
Treasury shares	(9,184)	(9,184)
Total shareholders' equity	143,247	145,504
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,243	2,619
Foreign currency translation adjustment	(1,651)	(1,114)
Remeasurements of defined benefit plans	645	635
Total accumulated other comprehensive income	1,238	2,141
Non-controlling interests	6,622	6,634
Total net assets	151,107	154,279
Total liabilities and net assets	248,205	260,913

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three months ended January 31

(Millions of yen)

	For the three months ended January 31, 2025	For the three months ended January 31, 2026
Net sales	43,381	46,707
Cost of sales	33,823	36,265
Gross profit	9,558	10,443
Selling, general and administrative expenses	5,550	5,452
Operating profit	4,008	4,990
Non-operating income		
Interest income	32	16
Dividend income	93	99
Reversal of allowance for doubtful accounts	–	3
Share of profit of entities accounted for using equity method	886	1,373
Foreign exchange gains	125	–
Other	100	51
Total non-operating income	1,236	1,543
Non-operating expenses		
Interest expenses	153	162
Provision of allowance for doubtful accounts	29	–
Foreign exchange losses	–	127
Other	16	17
Total non-operating expenses	197	307
Ordinary profit	5,047	6,227
Extraordinary income		
Gain on disposal of non-current assets	5	1
Subsidy income	1	–
Insurance claim income	8	–
Total extraordinary income	13	1
Extraordinary losses		
Loss on disposal of non-current assets	21	12
Total extraordinary losses	21	12
Profit before income taxes	5,039	6,216
Income taxes	943	2,250
Profit	4,096	3,965
Profit attributable to non-controlling interests	92	22
Profit attributable to owners of parent	4,003	3,943

Quarterly Consolidated Statements of Comprehensive Income

Three months ended January 31

(Millions of yen)

	For the three months ended January 31, 2025	For the three months ended January 31, 2026
Profit	4,096	3,965
Other comprehensive income		
Valuation difference on available-for-sale securities	66	389
Foreign currency translation adjustment	(19)	(55)
Remeasurements of defined benefit plans, net of tax	(1)	(10)
Share of other comprehensive income of entities accounted for using equity method	1,359	593
Total other comprehensive income	1,404	916
Comprehensive income	5,499	4,882
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,423	4,846
Comprehensive income attributable to non-controlling interests	77	35

(3) Notes to Quarterly Consolidated Financial Statements

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Total income taxes)

Total income taxes were calculated by rationally estimating the effective tax rate after application of tax effect accounting on the profit before income taxes of the consolidated fiscal year, including the consolidated first quarter under review, and multiplying the pretax quarterly profit by this estimated effective tax rate.

Income taxes - deferred are included within income taxes.

(Notes on segment information, etc.)

For the three months ended January 31, 2025 (from November 1, 2024 to January 31, 2025)

1. Information on net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture- Related Business	Fine Chemicals Business	Total				
Net sales							
Net sales to outside customers	34,628	5,941	40,569	2,812	43,381	–	43,381
Inter-segment net sales or transfers	1	14	15	1,006	1,021	(1,021)	–
Total	34,629	5,956	40,585	3,818	44,403	(1,021)	43,381
Segment income	3,604	558	4,162	262	4,424	(416)	4,008

(Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, and staffing business.

2. The segment income adjustment of ¥(416) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.

3. Segment income was reconciled to operating profit in the quarterly consolidated statements of income.

For the three months ended January 31, 2026 (from November 1, 2025 to January 31, 2026)

1. Information on net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture- Related Business	Fine Chemicals Business	Total				
Net sales							
Net sales to outside customers	37,791	6,660	44,451	2,256	46,707	–	46,707
Inter-segment net sales or transfers	1	13	14	934	949	(949)	–
Total	37,792	6,673	44,465	3,191	47,656	(949)	46,707
Segment income	4,604	672	5,276	197	5,473	(482)	4,990

(Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, and staffing business.

2. The segment income adjustment of ¥(482) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.

3. Segment income was reconciled to operating profit in the quarterly consolidated statements of income.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes on quarterly consolidated statements of cash flows)

No quarterly consolidated statements of cash flows have been prepared for the three months ended January 31, 2026. Depreciation and amortization (including amortization of intangible assets except goodwill) and amortization of goodwill for the three months ended January 31 are as shown below.

	(Millions of yen)	
	For the three months ended January 31, 2025	For the three months ended January 31, 2026
Depreciation and amortization	1,246	1,342
Amortization of goodwill	166	166

(Significant subsequent events)

(Disposal of treasury shares as restricted stock remuneration)

The Company has resolved at the meeting of the Board of Directors held on February 20, 2026 (hereinafter, “Date of Resolution on Allocation”), to dispose of treasury shares (hereinafter, the “Treasury Share Disposal” or the “Disposal”) as follows.

1. Overview of the Disposal

(1) Date of disposal	March 19, 2026
(2) Type and number of shares to be disposed of	50,500 common shares of the Company
(3) Disposal price	¥720 per share
(4) Total disposal amount	¥36,360,000
(5) Allottees, number thereof, and number of shares to be disposed of	6 Directors of the Company (excluding Outside Directors): 32,500 shares 8 Executive Officers who do not concurrently serve as Directors: 18,000 shares

2. Purposes and reason for the Disposal

At the meeting of the Board of Directors held on December 14, 2020, the Company resolved to introduce a restricted stock remuneration plan (hereinafter, the “Plan”) as a new remuneration scheme for Directors of the Company, excluding Outside Directors (hereinafter, the “Eligible Directors”) for the purpose of giving Eligible Directors long-term incentives and promoting shared value with shareholders. In addition, at the 72nd Annual General Meeting of Shareholders held on January 28, 2021, the Company was approved to grant monetary claims of up to ¥100 million per year to the Eligible Directors as monetary reward to be used as the property contributed to acquiring the shares with restrictions on transfer based on the Plan (hereinafter, “Restricted Stock Remuneration”) and set a period of 30 years from the payment date or the disposal date as the transfer restriction period for such shares under the Plan.

Furthermore, at the meeting of the Board of Directors held on February 19, 2021, the Company resolved to introduce a plan, that is similar to the Plan designed for the Eligible Directors, for Executive Officers who do not concurrently serve as Directors of the Company (collectively with the Eligible Directors, the “Eligible Directors, etc.”). The following is an overview of the Plan.

(Overview of the Plan)

Eligible Directors, etc. shall pay in all monetary claims granted by the Company based on the Plan, in the form of property contributed in kind and shall receive common shares of the Company through issuance or disposal. The total number of common shares of the Company to be issued or disposed of by the Company to Eligible Directors, etc. under the Plan shall not exceed 150,000 shares per year. The subscription price per common share of the Company shall be determined by the Board of Directors, within a scope in which the amount is not particularly favorable to the Eligible Directors, etc. who accept such common shares. Such amount shall be based on the closing price of common shares of the Company on the Tokyo Stock Exchange on the business day immediately preceding each date of the resolution of the Board of Directors (or, if there was no trade on such day, the closing price on the immediately preceding day on which there was any trade).

In addition, when the Company’s common shares are issued or disposed of based on the Plan, a restricted stock allotment agreement shall be concluded between the Company and the Eligible Directors, etc. Such agreement shall include provisions such as the following: (i) the Eligible Directors, etc. shall not transfer, create a security interest or otherwise dispose of the Company’s common shares, the allotment of which they received based on the restricted stock allotment agreement, for a certain period of time; and (ii) if certain circumstances have arisen, the Company shall acquire the common shares without consideration.

Following consultation with the Nomination and Remuneration Committee, which is mainly composed of Outside Directors, and taking into consideration the purposes of the Plan, the business performance of the Company, the scope of work responsibilities of each of the Eligible Directors, etc. and a variety of circumstances, the Company has decided to grant monetary claims totaling ¥36,360,000 (hereinafter the “Monetary Claims”) and to allot 50,500 common shares through the payment of monetary remuneration claims, for the purpose of further increasing the motivation of the Eligible Directors, etc. and to promote the further sharing of value with shareholders. To achieve the purpose of the Plan, which is to provide long-term incentives and promote shared value with shareholders, the transfer restriction period is set at 30 years.

In the Treasury Share Disposal, the 14 Eligible Directors, etc. who are the scheduled recipients of the allotment shall pay in all the Monetary Claims to the Company as property contributed in kind and receive the disposal of the Company’s common shares (hereinafter the “Allotted Shares”) based on the Plan. The overview of the restricted stock allotment agreement to be concluded between the Company and the Eligible Directors, etc. in the Treasury Share Disposal (hereinafter the “Allotment Agreement”) is as described in 3. below.

3. Overview of the Allotment Agreement

(1) Transfer restriction period: March 19, 2026 to March 19, 2056

(2) Conditions for lifting the transfer restrictions

The restrictions on transfer shall be lifted for all the Allotted Shares at the time when the transfer restriction period expires on the condition that the Eligible Directors, etc. hold either the position of Director, Executive Officer who does not concurrently serve as a Director, Audit & Supervisory Board Member, employee, Director, Corporate Adviser, or Executive Advisor of the Company or any position equivalent to these on a continuing basis during the transfer restriction period.

(3) Handling in cases where the Eligible Directors, etc. resign or retire during the transfer restriction period due to the expiration of their term of office, mandatory retirement age or any other justifiable reason

(i) Time when transfer restrictions are lifted

The restrictions on transfer shall be lifted at the time immediately following the resignation or retirement of the Eligible Directors, etc. in the event that Eligible Directors, etc. resign or retire from either the position of Director, Executive Officer who does not concurrently serve as a Director, Audit & Supervisory Board Member, employee, consultant, or advisor of the Company or any position equivalent to these, due to the expiration of the term of office, mandatory retirement age or any other justifiable reason (including resignation or retirement due to death).

(ii) Number of shares subject to the lifting of transfer restrictions

Number of shares obtained by multiplying the number of the Allotted Shares owned by the Eligible Directors, etc. at the time when they resign or retire as set forth in (i), by the number obtained by dividing the period of service (in months) from the month in which the Date of Resolution on Allocation falls to the month in which the date of resignation or retirement of the Eligible Directors, etc. falls by 12 (if the result of the division exceeds 1, it will be 1) (however, if a fraction less than one share unit arises as a result of calculation, this will be rounded off).

(4) Acquisition of the Allotted Shares by the Company without consideration

The Company shall automatically acquire the Allotted Shares for which the restriction on transfer is not lifted at the time when the transfer restriction period expires or when the restriction on transfer is lifted as specified in (3) above without consideration.

(5) Management of shares

The Allotted Shares are managed in a dedicated account opened by the Eligible Directors, etc. at Nomura Securities Co., Ltd. during the transfer restriction period so that the Eligible Directors, etc. are unable to execute a transfer, create a security interest or otherwise dispose of them during the transfer restriction period. The Company has entered into a contract with Nomura Securities Co., Ltd. for the management of the account of the Allotted Shares owned by the Eligible Directors, etc. to ensure the effectiveness of the restriction on transfer, etc. of the Allotted Shares. The Eligible Directors, etc. shall agree on the content of the management of the

account.

(6) Measures to be taken in relation to reorganization, etc.

If, during the transfer restriction period, a merger agreement in which the Company will become the disappearing company, a share exchange agreement or a share transfer plan in which the Company will become a wholly owned subsidiary, or any other matter concerning organizational restructuring is approved at a general meeting of shareholders of the Company (or the Board of Directors of the Company if approval at a general meeting of shareholders of the Company is not needed), the restriction on transfer will be lifted by the resolution of the Board of Directors immediately before the business day preceding the day on which the organizational restructuring takes effect for the number of shares obtained by multiplying the number of Allotted Shares owned by the Eligible Directors, etc. at that point in time by the number obtained by dividing the number of months from the month in which the Date of Resolution on Allocation falls to the month in which the date of approval of reorganization, etc. falls by 12 (if the result of the division exceeds 1, it will be 1) (however, if a fraction of less than one share unit arises as a result of calculation, this will be rounded off). In addition, the Company shall automatically acquire all the Allotted Shares, for which the restriction on transfer is not lifted, immediately after the lifting of transfer restrictions without consideration.

4. Calculation basis of payment amounts and relevant details

The Treasury Share Disposal to the scheduled recipients is conducted by using the monetary claims granted as Restricted Stock Remuneration for the 78th fiscal year of the Company based on the Plan as the property contributed. The disposal price is set at ¥720, which is the closing price of the Company's common shares in the Prime Market of the Tokyo Stock Exchange on February 19, 2026 (business day preceding the date of resolution of the Board of Directors), to make the disposal price a price that eliminates arbitrariness. This is the market share price immediately before the date of resolution of the Board of Directors, and the Company believes that it is reasonable and does not fall under a price that is particularly favorable.