July 7, 2026

Consolidated Financial Results for the Six Months Ended May 31, 2026 (Under Japanese GAAP)

Company name: SALA Corporation
Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
Securities code: 2734
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Scheduled date to file semi-annual securities report: July 9, 2026
Scheduled date to commence dividend payments: July 31, 2026
Preparation of supplementary material on financial results: None
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 May 31, 2026 (from December 1, 2025 to May 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2026	129,672	(1.2)	7,455	26.7	8,522	48.7	5,593	38.1
May 31, 2025	131,253	10.4	5,886	20.4	5,732	(6.4)	4,051	(5.9)

Note: Comprehensive income For the six months ended May 31, 2026: ¥6,117 million [57.0%]
For the six months ended May 31, 2025: ¥3,896 million [(24.4)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
May 31, 2026	87.42	–
May 31, 2025	63.12	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2026	222,641	97,759	43.0
November 30, 2025	218,345	93,567	42.0

Reference: Equity
As of May 31, 2026: ¥95,761 million
As of November 30, 2025: ¥91,715 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 November 30, 2025	–	16.00	–	16.00	32.00
Fiscal year ending November 30, 2026	–	16.00			
Fiscal year ending November 30, 2026 (Forecast)			–	18.00	34.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated earnings forecasts for the fiscal year ending November 30, 2026 (from December 1, 2025 to November 30, 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 November 30, 2026	260,000	3.4	7,800	5.7	9,400	(5.3)	5,900	0.5	92.85

Note: Revisions to the earnings forecasts most recently announced: Yes

* **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: None

(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 May 31, 2026	66,041,147 shares
As of November 30, 2025	66,041,147 shares

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

As of May 31, 2026	2,498,164 shares
As of November 30, 2025	1,824,217 shares

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

Six months ended May 31, 2026	63,987,178 shares
Six months ended May 31, 2025	64,189,510 shares

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

* Proper use of earnings forecasts, and other special matters
(Caution concerning forward-looking statements)
The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ significantly due to various unforeseen factors.

○Attachment Index

Index

1. Overview of operating results, etc.

(1) Overview of operating results for the period

During the first six months of the fiscal year ending November 30, 2026, the Japanese economy saw improvement in corporate earnings and followed a moderate trend of recovery, despite the ongoing impact of rising prices driven by higher raw material costs. On the other hand, the economic outlook remained uncertain because of increased geopolitical risks with the further escalation of tensions in the Middle East.

Under these conditions, the SALA Group has established the key strategies of the sixth medium-term management plan, which started from the current fiscal year: “Establish business models for ‘SALA in Life’ and ‘SALA in Business’,” “Create new value to generate business,” “Improve profitability of current businesses and transform management,” “Recruit, develop, retain, and enhance engagement of human resources, the source from which value is derived in an era of population decline (labor shortages) and wage increases,” and “Promote digital transformation to enhance productivity and create new customer value.” We will further promote initiatives to transform business models and create new value, thereby achieving sustainable growth toward establishing a trusted regional brand in customers’ lives and businesses, as we aim to achieve our 2030 Vision.

During the first six months of the current fiscal year, as part of establishing business models for “SALA in Life,” we advanced a project aimed at generating synergies by integrating the strengths of YASUE Corp. with the SALA Group’s customer base. To accelerate the growth of a stock housing business model, with a particular emphasis on renovations, we decided to restructure the existing renovation business and launch a new company, tentatively named SALA RENOVATION CO., LTD.

With regard to establishing business models for “SALA in Business,” we have established a new dedicated department within the Company and launched a project aimed at implementing comprehensive solution proposals through collaboration between the Energy & Solutions business and the Engineering & Maintenance business.

As an initiative for the “Promote digital transformation to enhance productivity and create new customer value” strategy, SALA ENERGY CO., LTD., which is the Energy & Solutions business, started the operation of the new core system in June 2026 to fundamentally reform operational processes through the use of digital technology and to provide high value-added services tailored to each individual customer.

As an initiative to realize the capital allocation policy revised in January 2026, the Company conducted a secondary offering of 5,930,000 shares (9.2% of the total number of issued shares (excluding treasury shares)) in March 2026, with eight major financial institutions, who are our shareholders, acting as the sellers, with the aim of improving share liquidity and diversifying our shareholder base. Furthermore, the Company decided to acquire its own shares with a maximum limit of 2,000,000 shares (3.1% of the total number of issued shares (excluding treasury shares)) and ¥3,000 million to enhance shareholder returns and improve capital efficiency. We are currently proceeding with the acquisition. The acquired shares will partially be allocated as restricted stock for the Employee Stock Ownership Association, with the aim of providing incentives to employees.

As for operating results for the first six months of the current fiscal year, net sales decreased by 1.2% year on year to ¥129,672 million due to a decrease in revenue in the Energy & Solutions business. As for profit, operating profit increased by 26.7% year on year to ¥7,455 million due to each segment excluding Animal Health Care business posting increased profits. Ordinary profit increased by 48.7% year on year to ¥8,522 million due to the recording of gain on valuation of derivatives on forward exchange contracts in non-operating income, and profit attributable to owners of parent increased by 38.1% year on year to ¥5,593 million. Operating profit, ordinary profit, and profit attributable to owners of parent all reached record highs for the first six months of the fiscal year.

Operating results of each segment are as follows.

Energy & Solutions business

Net sales ¥64,960 million (down 4.5% year on year)

Operating profit ¥5,442 million (up 7.1% year on year)

Net sales decreased due to factors such as the decrease in sales volume of gas for home use and commercial use, as well as the downward adjustment of the selling price of city gas based on a system to adjust raw material costs. As for profit, operating profit increased due to a focus on renovation proposals in the living domain and on carbon neutrality and solutions aimed at improving productivity in the business domain. This resulted in strong sales of equipment and construction.

Engineering & Maintenance business

Net sales ¥19,526 million (up 13.5% year on year)

Operating profit ¥2,189 million (up 11.1% year on year)

Net sales increased because the net sales of completed projects increased due to the steady progress in the construction of large-scale projects in each of the equipment work, construction, and maintenance departments. As for profit, operating profit increased due to an increase in the net sales of completed projects, and an increase in the profit margin of completed projects as a result of continuous efforts to improve process management.

Housing business

Net sales ¥20,654 million (up 1.2% year on year)

Operating profit ¥123 million (operating loss of ¥56 million for the same period of the previous fiscal year)

In the housing sales department, orders for the custom-built house products SINKA series were steady, and the number of custom-built houses sold increased. In the housing components and materials processing and sales department, although there was a decline in the number of new housing starts in Shizuoka Prefecture, the sales of materials accompanied by construction services increased, resulting in overall orders being maintained at the same level as the previous fiscal year. As a result, both net sales and operating profit increased.

Car Life Support business

Net sales ¥8,263 million (down 8.3% year on year)

Operating loss ¥316 million (operating loss of ¥693 million for the same period of the previous fiscal year)

Although the number of Volkswagen used cars sold and Audi new cars sold increased, net sales decreased due to the reactionary effect of recording the inventory disposal of used cars for sale as net sales in the same period of the previous fiscal year. As for profit, operating loss narrowed because the above-mentioned impact of the inventory disposal subsided and the number of Volkswagen used cars sold increased.

Animal Health Care business

Net sales	¥12,512 million (up 1.1% year on year)
Operating loss	¥190 million (operating loss of ¥83 million for the same period of the previous fiscal year)

Net sales increased because orders were steady in the pet-related department. As for profit, operating loss was recorded because gross profit of veterinary medical products, etc. decreased due to reduced profit margin caused by intensified price competition in both the livestock farming and pet-related departments.

Properties business

Net sales	¥3,247 million (down 1.0% year on year)
Operating profit	¥285 million (operating loss of ¥3 million for the same period of the previous fiscal year)

Net sales decreased because the performance in the same period of the previous fiscal year included sales results of condominium apartments completed in the fiscal year ended November 30, 2024. As for profit, operating profit increased because the sale of company-owned assets, including parking lots, progressed, and lease revenue increased due to the acquisition of new properties such as studio rental apartments in Aichi Prefecture.

(2) Overview of financial position for the period

(i) Assets, liabilities and net assets

Assets

Assets were ¥222,641 million, up ¥4,295 million from November 30, 2025. This was mainly due to increases in “investment securities” by ¥2,802 million, “property, plant and equipment” by ¥2,242 million, “work in process” by ¥1,453 million, “other” under current assets by ¥1,105 million, and “merchandise and finished goods” by ¥1,020 million, despite decreases in “notes and accounts receivable - trade, and contract assets” by ¥2,702 million and “cash and deposits” by ¥2,134 million.

Liabilities

Liabilities were ¥124,881 million, up ¥103 million from November 30, 2025. This was mainly due to increases in “long-term borrowings (including current portion)” by ¥4,043 million and “short-term borrowings” by ¥3,768 million, despite decreases in “other” under current liabilities by ¥4,340 million, “notes and accounts payable - trade” by ¥1,764 million and “provision for bonuses” by ¥1,619 million.

Net assets

Net assets were ¥97,759 million, up ¥4,191 million from November 30, 2025. This was mainly due to an increase in “retained earnings” by ¥4,510 million (increased by ¥5,593 million due to recording of profit attributable to owners of parent, decreased by ¥1,056 million due to payment of dividends and decreased by ¥26 million in “other”).

(ii) Cash flows

Cash and cash equivalents (hereinafter referred to as “cash”) in the six months ended May 31, 2026 decreased by ¥2,135 million in total, resulting from net cash provided by operating activities of ¥531 million, net cash used in investing activities of ¥8,579 million, and net cash provided by financing activities of ¥5,913 million. As a result, cash and cash equivalents at the end of the six months ended May 31, 2026 were ¥29,375 million.

Cash flows from operating activities

Net cash provided by operating activities was ¥531 million (¥6,507 million provided in the same period of the previous fiscal year). This was mainly due to increase factors including “profit before income taxes” of ¥8,309 million and “depreciation” of ¥3,265 million, and decrease factors such as “increase in inventories” of ¥2,678 million, “other, net” under cash flows from operating activities of ¥2,500 million, and “income taxes paid” of ¥1,989 million.

Cash flows from investing activities

Net cash used in investing activities was ¥8,579 million (¥7,499 million used in the same period of the previous fiscal year). This was mainly due to “purchase of property, plant and equipment” of ¥6,899 million, “purchase of investment securities” of ¥1,328 million, and “purchase of intangible assets” of ¥501 million.

Cash flows from financing activities

Net cash provided by financing activities was ¥5,913 million (¥4,458 million provided in the same period of the previous fiscal year). This was mainly due to increase factors including “proceeds from long-term borrowings” of ¥8,450 million and “net increase in short-term borrowings” of ¥3,938 million, and decrease factors such as “repayments of long-term borrowings” of ¥4,407 million, “dividends paid” of ¥1,056 million, and “purchase of treasury shares” of ¥1,033 million.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

In the full-year consolidated earnings forecast announced on January 13, 2026, operating profit was revised from ¥7,500 million to ¥7,800 million, ordinary profit was revised from ¥8,400 million to ¥9,400 million, and profit attributable to owners of parent was revised from ¥5,200 million to ¥5,900 million.

For details, please refer to “Notice Concerning Differences Between the Consolidated Earnings Forecasts for the Six Months Ended May 31, 2026 and Actual Results and Revisions to the Consolidated Earnings Forecasts for the Fiscal Year Ending November 30, 2026 and Dividend Forecasts (Increase)” announced today (July 7, 2026).

2. Semi-annual consolidated financial statements and significant notes thereto

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of November 30, 2025	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	31,881	29,746
Notes and accounts receivable - trade, and contract assets	35,069	32,366
Electronically recorded monetary claims - operating	1,982	2,296
Merchandise and finished goods	14,685	15,705
Work in process	5,283	6,737
Raw materials and supplies	354	491
Other	6,050	7,156
Allowance for doubtful accounts	(196)	(196)
Total current assets	95,110	94,305
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,811	23,259
Machinery, equipment and vehicles, net	6,647	9,149
Gas pipe, net	13,236	12,659
Land	34,262	37,201
Construction in progress	5,129	1,032
Other, net	1,606	1,633
Total property, plant and equipment	82,694	84,936
Intangible assets		
Goodwill	1,114	1,004
Other	5,815	6,107
Total intangible assets	6,930	7,112
Investments and other assets		
Investment securities	12,463	15,266
Long-term loans receivable	823	422
Retirement benefit asset	9,783	9,705
Deferred tax assets	918	605
Other	10,015	10,714
Allowance for doubtful accounts	(393)	(427)
Total investments and other assets	33,610	36,287
Total non-current assets	123,235	128,336
Total assets	218,345	222,641

(Millions of yen)

	As of November 30, 2025	As of May 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,799	21,034
Electronically recorded obligations - operating	5,898	5,764
Short-term borrowings	4,356	8,125
Current portion of long-term borrowings	8,972	9,875
Income taxes payable	2,324	2,118
Provision for bonuses	3,132	1,513
Provision for bonuses for directors (and other officers)	5	3
Provision for warranties for completed construction	88	90
Provision for loss on construction contracts	85	143
Provision for point card certificates	241	236
Other	17,545	13,205
Total current liabilities	65,449	62,110
Non-current liabilities		
Long-term borrowings	46,949	50,090
Deferred tax liabilities	312	779
Provision for retirement benefits for directors (and other officers)	167	169
Provision for share-based payments	768	666
Provision for repairs	87	72
Retirement benefit liability	7,991	8,037
Other	3,051	2,955
Total non-current liabilities	59,328	62,771
Total liabilities	124,777	124,881
Net assets		
Shareholders’ equity		
Share capital	8,025	8,025
Capital surplus	25,322	25,356
Retained earnings	49,488	53,999
Treasury shares	(1,206)	(2,063)
Total shareholders’ equity	81,630	85,317
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,417	3,366
Deferred gains or losses on hedges	543	315
Remeasurements of defined benefit plans	7,124	6,762
Total accumulated other comprehensive income	10,085	10,444
Non-controlling interests	1,852	1,997
Total net assets	93,567	97,759
Total liabilities and net assets	218,345	222,641

(2) Semi-annual consolidated statement of income and semi-annual consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Net sales	131,253	129,672
Cost of sales	98,397	95,750
Gross profit	32,856	33,922
Selling, general and administrative expenses	26,969	26,467
Operating profit	5,886	7,455
Non-operating income		
Interest income	26	82
Dividend income	44	70
Gain on valuation of derivatives	–	793
Share of profit of entities accounted for using equity method	203	282
Other	258	219
Total non-operating income	533	1,448
Non-operating expenses		
Interest expenses	169	302
Loss on valuation of derivatives	430	–
Other	86	78
Total non-operating expenses	687	381
Ordinary profit	5,732	8,522
Extraordinary income		
Gain on sale of non-current assets	22	55
Gain on reversal of share acquisition rights	71	–
Gain on sale of investment securities	3	23
Other	–	37
Total extraordinary income	96	116
Extraordinary losses		
Loss on sale and retirement of non-current assets	102	287
Loss on sale of investment securities	7	–
Impairment losses	–	12
Other	–	29
Total extraordinary losses	109	329
Profit before income taxes	5,720	8,309
Income taxes - current	1,436	1,879
Income taxes - deferred	165	670
Total income taxes	1,602	2,549
Profit	4,117	5,759
Profit attributable to non-controlling interests	66	165
Profit attributable to owners of parent	4,051	5,593

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Profit	4,117	5,759
Other comprehensive income		
Valuation difference on available-for-sale securities	201	951
Deferred gains or losses on hedges	(250)	(227)
Remeasurements of defined benefit plans, net of tax	(172)	(365)
Total other comprehensive income	(221)	358
Comprehensive income	3,896	6,117
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,830	5,952
Comprehensive income attributable to non-controlling interests	66	165

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Cash flows from operating activities		
Profit before income taxes	5,720	8,309
Depreciation	3,199	3,265
Impairment losses	–	12
Amortization of goodwill	130	125
Increase (decrease) in allowance for doubtful accounts	(101)	33
Increase (decrease) in provision for bonuses	(1,217)	(1,609)
Increase (decrease) in provision for bonuses for directors (and other officers)	(2)	(2)
Increase (decrease) in provision for warranties for completed construction	2	2
Increase (decrease) in provision for loss on construction contracts	19	57
Increase (decrease) in provision for point card certificates	(4)	(4)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(5)	1
Increase (decrease) in provision for share-based payments	64	(102)
Increase (decrease) in provision for repairs	10	(13)
Increase (decrease) in retirement benefit liability	62	99
Decrease (increase) in retirement benefit asset	(23)	(11)
Interest and dividend income	(71)	(153)
Interest expenses	167	302
Share of loss (profit) of entities accounted for using equity method	(203)	(282)
Loss (gain) on valuation of derivatives	430	(793)
Loss (gain) on sale and retirement of non-current assets	6	(45)
Loss (gain) on sale of investment securities	3	(23)
Gain on reversal of share acquisition rights	(71)	–
Decrease (increase) in trade receivables	3,320	616
Decrease (increase) in inventories	(145)	(2,678)
Increase (decrease) in trade payables	(3,992)	(1,914)
Increase (decrease) in long-term accounts payable - other	(2)	(29)
Other, net	726	(2,500)
Subtotal	8,022	2,659
Interest and dividends received	73	155
Interest paid	(157)	(294)
Income taxes paid	(1,431)	(1,989)
Net cash provided by (used in) operating activities	6,507	531

(Millions of yen)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,225)	(6,899)
Proceeds from sale of property, plant and equipment	137	144
Purchase of intangible assets	(1,114)	(501)
Purchase of investment securities	(44)	(1,328)
Proceeds from sale of investment securities	34	110
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,670)	–
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	–	(87)
Loan advances	(10)	(20)
Proceeds from collection of loans receivable	471	406
Other, net	(77)	(403)
Net cash provided by (used in) investing activities	(7,499)	(8,579)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(367)	3,938
Proceeds from long-term borrowings	10,400	8,450
Repayments of long-term borrowings	(4,340)	(4,407)
Purchase of treasury shares	(0)	(1,033)
Proceeds from sale of treasury shares	26	175
Dividends paid	(1,117)	(1,056)
Dividends paid to non-controlling interests	(6)	(6)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(5)	(2)
Repayments of finance lease liabilities	(130)	(145)
Net cash provided by (used in) financing activities	4,458	5,913
Net increase (decrease) in cash and cash equivalents	3,466	(2,135)
Cash and cash equivalents at beginning of period	26,024	31,511
Cash and cash equivalents at end of period	29,490	29,375

(4) Notes to semi-annual consolidated financial statements

Notes on segment information, etc.

I For the six months ended May 31, 2025

1. Disclosure of sales and profit (loss) for each reportable segment and disaggregation of revenue

(Millions of yen)

	Reportable segments				
	Energy & Solutions business	Engineering & Maintenance business	Housing business	Car Life Support business	Animal Health Care business
Net sales					
City gas	25,099	–	–	–	–
LP gas	18,312	–	–	–	–
Electric power	7,854	–	–	–	–
Civil engineering work, construction work, equipment work	–	17,210	–	–	–
Housing, construction materials	–	–	16,017	–	–
Automotive sales and maintenance	–	–	–	9,006	–
Veterinary medical products	–	–	–	–	12,376
Lease, sale and purchase, and brokerage of real estate, hotel	–	–	–	–	–
Other	16,743	–	4,399	–	–
Revenue from contracts with customers	68,010	17,210	20,417	9,006	12,376
Other revenue (Note 4)	–	–	–	–	–
Sales to external customers	68,010	17,210	20,417	9,006	12,376
Intersegment sales or transfers	1,302	2,120	10	4	2
Total	69,312	19,331	20,428	9,010	12,379
Segment profit (loss)	5,080	1,971	(56)	(693)	(83)

	Reportable segments		Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Properties business	Total				
Net sales						
City gas	–	25,099	–	25,099	–	25,099
LP gas	–	18,312	–	18,312	–	18,312
Electric power	–	7,854	–	7,854	–	7,854
Civil engineering work, construction work, equipment work	–	17,210	–	17,210	–	17,210
Housing, construction materials	–	16,017	–	16,017	–	16,017
Automotive sales and maintenance	–	9,006	–	9,006	–	9,006
Veterinary medical products	–	12,376	–	12,376	–	12,376
Lease, sale and purchase, and brokerage of real estate, hotel	3,279	3,279	–	3,279	–	3,279
Other	–	21,143	722	21,865	89	21,954
Revenue from contracts with customers	3,279	130,300	722	131,023	89	131,112
Other revenue (Note 4)	–	–	141	141	–	141
Sales to external customers	3,279	130,300	863	131,164	89	131,253
Intersegment sales or transfers	260	3,701	936	4,637	(4,637)	–
Total	3,540	134,001	1,800	135,802	(4,548)	131,253
Segment profit (loss)	(3)	6,214	43	6,257	(371)	5,886

(Notes) 1. The “other” category represents operating segments that are not included in reportable segments, and includes manufacturing auto parts, installment sale and lease.

2. Adjustment to segment profit (loss) of ¥(371) million includes intersegment eliminations of ¥575 million and corporate expenses of ¥(946) million. Corporate expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

3. Segment profit (loss) was adjusted with operating profit in the semi-annual consolidated statement of income.

4. “Other revenue” includes revenue on lease, etc.

2. Disclosure of impairment losses on non-current assets or goodwill for each reportable segment

(Significant changes in the amount of goodwill)

In the Housing business, goodwill increased by ¥918 million since the Company acquired shares of YASUE Corp. and made it a consolidated subsidiary of the Company.

II For the six months ended May 31, 2026

1. Disclosure of sales and profit (loss) for each reportable segment and disaggregation of revenue

(Millions of yen)

	Reportable segments				
	Energy & Solutions business	Engineering & Maintenance business	Housing business	Car Life Support business	Animal Health Care business
Net sales					
City gas	23,086	–	–	–	–
LP gas	16,329	–	–	–	–
Electric power	7,433	–	–	–	–
Civil engineering work, construction work, equipment work	–	19,526	–	–	–
Housing, construction materials	–	–	16,403	–	–
Automotive sales and maintenance	–	–	–	8,263	–
Veterinary medical products	–	–	–	–	12,512
Sale and purchase, and brokerage of real estate, hotel	–	–	–	–	–
Other	18,111	–	4,250	–	–
Revenue from contracts with customers	64,960	19,526	20,654	8,263	12,512
Other revenue (Note 4)	–	–	–	–	–
Sales to external customers	64,960	19,526	20,654	8,263	12,512
Intersegment sales or transfers	1,736	2,661	15	4	0
Total	66,697	22,188	20,669	8,267	12,512
Segment profit (loss)	5,442	2,189	123	(316)	(190)

	Reportable segments		Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Properties business	Total				
Net sales						
City gas	–	23,086	–	23,086	–	23,086
LP gas	–	16,329	–	16,329	–	16,329
Electric power	–	7,433	–	7,433	–	7,433
Civil engineering work, construction work, equipment work	–	19,526	–	19,526	–	19,526
Housing, construction materials	–	16,403	–	16,403	–	16,403
Automotive sales and maintenance	–	8,263	–	8,263	–	8,263
Veterinary medical products	–	12,512	–	12,512	–	12,512
Sale and purchase, and brokerage of real estate, hotel	2,444	2,444	–	2,444	–	2,444
Other	–	22,362	199	22,561	94	22,655
Revenue from contracts with customers	2,444	128,362	199	128,561	94	128,655
Other revenue (Note 4)	802	802	213	1,016	–	1,016
Sales to external customers	3,247	129,164	413	129,578	94	129,672
Intersegment sales or transfers	249	4,668	1,017	5,685	(5,685)	–
Total	3,496	133,833	1,430	135,263	(5,591)	129,672
Segment profit (loss)	285	7,533	62	7,596	(141)	7,455

(Notes) 1. The "other" category represents operating segments that are not included in reportable segments, and includes installment sale and lease.

2. Adjustment to segment profit (loss) of ¥(141) million includes intersegment eliminations of ¥733 million and corporate expenses of ¥(874) million. Corporate expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

3. Segment profit (loss) was adjusted with operating profit in the semi-annual consolidated statement of income.

4. "Other revenue" includes lease of real estate and revenue on lease, etc.

2. Disclosure of impairment losses on non-current assets or goodwill for each reportable segment

(Significant impairment losses on non-current assets)

Impairment losses on assets for business use were recorded in the Energy & Solutions business.

The recorded amount of such impairment losses was ¥12 million in the first six months of the current fiscal year.

Notes on significant changes in the amount of shareholders' equity

In the first six months of the current fiscal year, the Company acquired 939,800 shares of its own shares based on a resolution of the Board of Directors. Accordingly, treasury shares have increased by ¥1,033 million. Additionally, treasury shares decreased by ¥175 million due to the disposal of treasury shares for the share-based payments trust for executives. As a result, at the end of the six months ended May 31, 2026, treasury shares amounted to ¥2,063 million, showing a significant change compared to the end of the previous fiscal year.

Notes on uncertainties of entity's ability to continue as going concern

Not applicable.

Notes on significant events after reporting period

Not applicable.