



Consolidated Financial Results **for the Six Months Ended June 30, 2026** **[IFRS]**

September 30, 2026

Company name: Nissha Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 7915
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 Scheduled date of filing semi-annual securities report: September 30, 2026
 Scheduled date of commencing dividend payments: September 1, 2026
 Availability of supplementary briefing material on financial results: Available
 Schedule of financial results briefing session: Scheduled (for institutional investors)

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended June 30, 2026 (January 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent	Total comprehensive income
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended June 30, 2026	96,033	(1.0)	(4,500)	—	(4,806)	—	(5,358)	—	(5,473)	—
Six months ended June 30, 2025	97,049	(2.6)	2,558	(40.0)	1,092	(81.8)	235	(94.6)	20	(99.5)
									(4,192)	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2026	(115.44)	—
Six months ended June 30, 2025	0.44	—

(Note) The Company finalized the provisional accounting treatment pertaining to business combination in the fiscal year ended December 31, 2025, and reflected the details of the finalization of the provisional accounting treatment on figures for the six months ended June 30, 2025.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Million yen	Million yen	Million yen	%
As of June 30, 2026	252,642	115,744	114,781	45.4
As of December 31, 2025	250,120	117,872	115,316	46.1

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2025	Yen —	Yen 25.00	Yen —	Yen 25.00	Yen 50.00
Fiscal year ending December 31, 2026	—	25.00			
Fiscal year ending December 31, 2026 (Forecast)			—	25.00	50.00

(Note) Revision of cash dividend forecast most recently announced: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Profit before tax		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	195,000	0.1	(3,300)	—	(4,400)	—	(6,200)	(130.68)

(Note) Revision of consolidated financial results forecast most recently announced: Yes

Notes:

(1) Significant changes in the scope of consolidation during the period under review: Yes

New: 1 (USM HEALTHCARE MEDICAL DEVICES FACTORY JOINT STOCK COMPANY),

Exclusion: – ()

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS: No

2) Any changes other than 1) above: No

3) Changes in accounting estimates: No

(3) Total number of issued shares (common stock)

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

As of June 30, 2026	48,016,100 shares
As of December 31, 2025	48,016,100 shares

2) Total number of treasury shares at the end of the period:

As of June 30, 2026	570,837 shares
As of December 31, 2025	629,974 shares

3) Average number of shares outstanding during the period (cumulative total):

Six months ended June 30, 2026	47,411,428 shares
Six months ended June 30, 2025	47,465,043 shares

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

* Explanation of the proper use of financial results forecast and other notes

The performance forecasts and other forward-looking statements contained in this report are based on information available to the Company on the date of this report's release and certain premises that the Company deems to be reasonable. Therefore, the Company has not prepared these descriptions with intent to commit to realize them. Actual results, etc., may differ significantly from the forecasts, however, as a consequence of various factors in the future. For details on the premises of the performance forecasts of the Company and the points to note when using the performance forecasts, please see "1. Qualitative Information on Consolidated Financial Results for the Period under Review, (3) Explanation of consolidated operating results forecast and other forecast information" on page 5 of the appendix.

We are scheduled to hold a briefing session for institutional investors on Wednesday, September 30, 2026. Reference materials to be distributed at the briefing session are scheduled to be posted on our website on that day, as well.

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1. Qualitative Information on Consolidated Financial Results for the Period under Review

During the fiscal year ended December 31, 2025, the provisional accounting treatment pertaining to Cathtek, LLC, which was acquired on October 1, 2024, as well as SHIGAKEN PHARM. IND. CO., LTD., which was acquired on January 8, 2025, was finalized. Accordingly, revised figures based on the finalization of the provisional accounting treatment have been used for the comparative analysis with figures for the six months ended June 30, 2025.

Effective from the first quarter ended March 31, 2026, the categories within our reportable segments were partially reclassified, and the financial results for the six months ended June 30, 2025 were compared and analyzed in accordance with the reclassified categories. For details, please refer to “2. Condensed Consolidated Financial Statements and Principal Notes, (5) Notes to condensed consolidated financial statements, Segment information.”

(1) Explanation of operating results

The Group’s Mission is to use the diverse capabilities of its people and core technologies as an engine for growth to create highly competitive, feature-rich products and services that realize customer value and contribute to better lives for all.

Guided by this Mission, as our Sustainability Vision (our long-term vision), we aim to create economic and social value by contributing to solving global social issues in the priority markets of Medical, Mobility, and Sustainable Materials, with the integration and orchestration of the diverse talents of our people and our technologies. Under the current 8th Medium-term Business Plan, we aim to achieve stable growth and capital efficiency improvement. Accordingly, we are working to improve and stabilize profitability through strengthening the business portfolio we have built up to date.

During the six months ended June 30, 2026, although escalating tensions in the Middle East pushed energy prices higher, the global economy showed a gradual recovery, supported by factors such as expansion of AI-related demand. In the United States, although prices surged against the backdrop of factors such as escalating tensions in the Middle East, the economy expanded gradually, supported by robust AI-related investment and higher consumer spending. In Europe, the economy trended weaker due to factors such as surging prices driven by rising energy prices. In China, while exports remained strong, domestic demand remained sluggish amid factors such as the real estate market slump and deteriorating consumer spending, resulting in an economic slowdown. In Japan, although the situation in the Middle East had some impact, the economy recovered modestly, supported by a recovery in exports and production as well as improvements in the income environment. Under these conditions, during the six months ended June 30, 2026, product demand stayed solid in the Industrial Materials segment in the field of decorations and in the Medical segment. On the other hand, in the Devices segment, product demand for tablets declined significantly, and net sales decreased, compared to the same period of the previous year. As disclosed in the “Notice Regarding Postponement of Announcement of Financial Results for the Second Quarter (Interim Period) of the Fiscal Year Ending December 31, 2026 and Consideration of Application for Extension of the Filing Deadline for the Semi-Annual Securities Report” dated August 4, 2026, it came to light that inappropriate accounting treatments centered on circular transactions had been carried out at USM HEALTHCARE MEDICAL DEVICES FACTORY JOINT STOCK COMPANY (“USM”) prior to our acquisition of USM on May 20, 2026. Subsequently, as disclosed in the “Notice Regarding Transfer of Shares Involving a Change in Consolidated Subsidiary (Specified Subsidiary)” dated September 4, 2026, we decided to transfer its shares in USM. Furthermore, as disclosed in the “Notice of the Recording of Impairment Loss on Goodwill in Consolidated Financial Results and Loss on Valuation of Shares of Subsidiaries and Associates in Non-consolidated Financial Results” dated September 30, 2026, we recognized an impairment loss on goodwill related to USM based on the results of an impairment test conducted in accordance with International Financial Reporting Standards (IFRS) in connection with the transfer of the USM shares, and recorded an operating loss for the six months ended June 30, 2026.

As a result, regarding the financial results for the six months ended June 30, 2026, net sales were ¥96,033 million (a

decrease of 1.0% as compared to the same period of the previous year), operating loss was ¥4,500 million (operating profit of ¥2,558 million in the previous year) and loss attributable to owners of parent was ¥5,473 million (profit attributable to owners of parent of ¥20 million in the previous year).

Following is an overview by business segment.

Industrial Materials

In the Industrial Materials segment, we mainly offer proprietary technologies that enable the creation of added value on the surfaces of various materials. IMD and IML, which facilitate simultaneous in-mold decoration, design and function adding of plastic products, are extensively used in mobility components and home appliances in global markets. Also, the metallized paper, which unites the properties of metallic luster and printing friendliness, has the largest market share in the industry as sustainable materials for beverages and foods on a global basis.

During the six months ended June 30, 2026, demand for exterior functional components for mobility in the field of decorations grew and net sales increased year on year. On the other hand, operating profit decreased year on year mainly due to an increase in costs associated with the production of the said components.

As a result, segment sales for the six months ended June 30, 2026 were ¥41,147 million (an increase of 9.5% as compared to the same period of the previous year). Segment profit (operating profit) was ¥1,519 million (a decrease of 27.9% as compared to the same period of the previous year).

Devices

In the Devices segment, we produce components and module products that pursue precision and functionality. Our main products, film-based touch sensors are adopted mainly in tablets and handheld terminals (logistics related) in global markets. During the six months ended June 30, 2026, demand for tablets declined significantly, and net sales decreased year on year. In addition to this demand trend, there was an impairment loss in goodwill associated with USM, resulting in an operating loss.

As a result, segment sales for the six months ended June 30, 2026, were ¥22,868 million (a decrease of 23.1% as compared to the same period of the previous year). Segment loss (operating loss) was ¥6,050 million (segment profit (operating profit) of ¥1,097 million in the previous year).

Medical

The Medical segment is a business segment that contributes to healthy and affluent life through the contract design/development and manufacturing organization (CDMO) services for medical devices and pharmaceuticals. For medical devices, we provide CDMO services for major medical device manufacturers, especially for those in North America and Europe, with products such as surgical instruments for minimal invasive medical treatments and medical wearable sensors used for a wide range of therapeutic areas. For pharmaceuticals, primarily in Japan, we develop our CDMO business for over-the-counter (OTC) drugs such as cold medicines and analgesic antipyretics, and also manufacture and market our own prescription pharmaceuticals and quasi-drugs.

During the six months ended June 30, 2026, both net sales and operating profit increased year on year, driven mainly by steady demand for our CDMO services for medical devices, as well as firm demand for our CDMO services for pharmaceuticals.

As a result, segment sales for the six months ended June 30, 2026, were ¥29,034 million (an increase of 8.0% as compared to the same period of the previous year). Segment profit (operating profit) was ¥1,905 million (an increase of 11.1% as compared to the same period of the previous year).

(2) Explanation of financial position

1) Assets, liabilities and equity

Total assets as of June 30, 2026 increased by ¥2,522 million from the end of the previous year (the fiscal year ended December 31, 2025) to ¥252,642 million.

Current assets decreased by ¥5,397 million from the end of the previous year to ¥110,823 million. This was mainly because a ¥9,220 million decrease of cash and cash equivalents, and a ¥1,001 million decrease of trade and other receivables outweighed a ¥5,587 million increase of inventories.

Non-current assets increased by ¥7,919 million from the end of the previous year to ¥141,818 million. This was mainly because of a ¥1,995 million increase of property, plant and equipment, a ¥1,137 million increase of goodwill due to the impact of foreign exchange conversion, etc., and a ¥4,374 million increase of other financial assets due to a change in the fair value of financial assets measured at fair value through other comprehensive income.

Total liabilities as of June 30, 2026 increased by ¥4,649 million from the end of the previous year to ¥136,897 million.

Current liabilities decreased by ¥863 million from the end of the previous year to ¥80,177 million. This was mainly because a ¥3,513 million decrease of bonds and borrowings outweighed a ¥1,520 million increase of trade and other payables and a ¥805 million increase of other current liabilities.

Non-current liabilities increased by ¥5,513 million from the end of the previous year to ¥56,719 million. This was mainly because of a ¥4,282 million increase of bonds and borrowings and a ¥1,124 million increase of deferred tax liabilities.

Total equity as of June 30, 2026 decreased by ¥2,127 million from the end of the previous year to ¥115,744 million. This was mainly because a ¥5,760 million decrease of retained earnings mainly due to the recording of loss attributable to owners of parent, and a ¥1,592 million decrease of non-controlling interests due to the acquisition of additional shares in a consolidated subsidiary, resulting in the subsidiary becoming a wholly owned subsidiary outweighed a ¥4,463 million increase of other components of equity due to the impact of foreign exchange conversion, etc.

2) Cash flows

The balance of cash and cash equivalents (the “funds”) on a consolidated basis as of June 30, 2026 was ¥29,993 million, a decrease of ¥9,220 million compared to the end of the previous year.

The following describes the conditions of each cash flow and the underlying causes for the six months ended June 30, 2026.

(Net cash provided by (used in) operating activities)

The funds provided by operating activities amounted to ¥5,553 million (an increase of 80.6% as compared to the same period of the previous year). This was mainly because there were ¥4,806 million in loss before tax, ¥5,223 million in depreciation and amortization, ¥6,759 million in impairment loss, a ¥1,962 million decrease in trade and other receivables, and a ¥1,105 million increase in trade and other payables, while there was a ¥4,757 million increase in inventories.

(Net cash provided by (used in) investing activities)

The funds used in investing activities amounted to ¥11,647 million (an increase of 18.5% as compared to the same period of the previous year). This was mainly because of ¥4,629 million of purchase of property, plant and equipment and ¥5,911 million of payments for acquisition of subsidiaries.

(Net cash provided by (used in) financing activities)

The funds used in financing activities amounted to ¥4,210 million (an increase of 10.3% as compared to the same period of the previous year). This was mainly because there were ¥7,545 million in repayments of short-term borrowings, ¥1,220 million in repayments of lease liabilities, ¥1,528 million in repayments of long-term borrowings, ¥10,000 million in redemption of bonds, and ¥1,182 million in dividends paid to owners of parent while there were ¥12,209 million in proceeds from short-term borrowings, ¥5,469 million in proceeds from issuance of bonds.

(3) Explanation of consolidated operating results forecast and other forecast information

For the consolidated financial forecasts for the fiscal year ending December 31, 2026, the operating results forecast announced on May 12, 2026 has been revised.

For details, please see the “Notice of Difference between Business Forecast and Actual Results for the First Half of FY2026 and Revision to the Business Forecast for FY2026” announced today (on September 30, 2026).

2. Condensed Consolidated Financial Statements and Principal Notes

(1) Condensed consolidated statements of financial position

(Million yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	39,213	29,993
Trade and other receivables	39,427	38,425
Inventories	31,892	37,479
Other financial assets	525	552
Other current assets	5,162	4,372
Total current assets	116,221	110,823
Non-current assets		
Property, plant and equipment	49,279	51,275
Goodwill	33,277	34,415
Intangible assets	23,144	22,924
Right-of-use assets	10,176	9,787
Investments accounted for using equity method	5,542	6,548
Other financial assets	11,075	15,449
Retirement benefit asset	80	80
Deferred tax assets	938	948
Other non-current assets	382	388
Total non-current assets	133,898	141,818
Total assets	250,120	252,642

(Million yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	32,719	34,240
Bonds and borrowings	38,781	35,267
Other financial liabilities	1,131	1,120
Lease liabilities	2,228	2,331
Income taxes payable, etc.	551	549
Provisions	181	415
Other current liabilities	5,447	6,252
Total current liabilities	81,041	80,177
Non-current liabilities		
Bonds and borrowings	23,711	27,993
Other financial liabilities	4,319	4,521
Lease liabilities	9,077	8,677
Retirement benefit liability	5,214	5,371
Provisions	164	387
Deferred tax liabilities	8,213	9,337
Other non-current liabilities	505	431
Total non-current liabilities	51,206	56,719
Total liabilities	132,247	136,897
Equity		
Share capital	12,119	12,119
Capital surplus	8,583	9,243
Retained earnings	71,541	65,781
Treasury shares	(1,171)	(1,068)
Other components of equity	24,242	28,706
Total equity attributable to owners of parent	115,316	114,781
Non-controlling interests	2,555	962
Total equity	117,872	115,744
Total liabilities and equity	250,120	252,642

(2) Condensed consolidated statements of profit or loss and comprehensive income

Condensed consolidated statements of profit or loss

(Million yen)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026
Net sales	97,049	96,033
Cost of sales	(74,454)	(73,122)
Gross profit	22,594	22,910
Selling, general and administrative expenses	(19,316)	(20,410)
Other income	233	602
Other expenses	(789)	(7,374)
Share of profit (loss) of investments accounted for using equity method	(164)	(228)
Operating profit (loss)	2,558	(4,500)
Finance income	290	663
Finance costs	(1,755)	(969)
Profit (loss) before tax	1,092	(4,806)
Income tax expense	(857)	(552)
Profit (loss)	235	(5,358)
Profit (loss) attributable to:		
Owners of parent	20	(5,473)
Non-controlling interests	214	114
Profit (loss)	235	(5,358)
Earnings (loss) per share attributable to owners of parent		
Basic earnings (loss) per share (Yen)	0.44	(115.44)
Diluted earnings (loss) per share (Yen)	—	—

Condensed consolidated statements of comprehensive income

(Million yen)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026
Profit (loss)	235	(5,358)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	315	3,029
Remeasurements of defined benefit plans	—	(7)
Total of items that will not be reclassified to profit or loss	315	3,021
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(4,578)	1,316
Share of other comprehensive income of investments accounted for using equity method	(165)	1,059
Total of items that may be reclassified to profit or loss	(4,743)	2,376
Total other comprehensive income	(4,427)	5,397
Total comprehensive income	(4,192)	38
Comprehensive income attributable to:		
Owners of parent	(4,269)	(112)
Non-controlling interests	77	151
Total comprehensive income	(4,192)	38

(3) Condensed consolidated statements of changes in equity

(Million yen)

	Equity attributable to owners of parent										
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity				Total equity attributable to owners of parent	Non-controlling interests	Total equity
					Net change in fair value of financial assets measured through other comprehensive income	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Total other components of equity			
Balance at January 1, 2025	12,119	10,653	76,820	(5,553)	3,067	—	17,188	20,256	114,297	1,486	115,783
Profit (loss)	—	—	20	—	—	—	—	—	20	214	235
Other comprehensive income	—	—	—	—	315	—	(4,606)	(4,290)	(4,290)	(136)	(4,427)
Total comprehensive income	—	—	20	—	315	—	(4,606)	(4,290)	(4,269)	77	(4,192)
Purchase of treasury shares	—	—	—	(655)	—	—	—	—	(655)	—	(655)
Disposal of treasury shares	—	(14)	—	51	—	—	—	—	36	—	36
Dividends of surplus	—	—	(1,193)	—	—	—	—	—	(1,193)	(81)	(1,274)
Share-based payment transactions	—	31	—	—	—	—	—	—	31	—	31
Changes in ownership interest	—	721	—	—	—	—	—	—	721	250	972
Increase (decrease) by business combination	—	—	—	—	—	—	—	—	—	1,024	1,024
Transfer from other components of equity to retained earnings	—	—	3	—	(3)	—	—	(3)	—	—	—
Total transactions with owners, etc.	—	738	(1,189)	(603)	(3)	—	—	(3)	(1,059)	1,194	134
Balance at June 30, 2025	12,119	11,392	75,651	(6,157)	3,380	—	12,582	15,962	108,968	2,757	111,726
Balance at January 1, 2026	12,119	8,583	71,541	(1,171)	5,228	—	19,013	24,242	115,316	2,555	117,872
Profit (loss)	—	—	(5,473)	—	—	—	—	—	(5,473)	114	(5,358)
Other comprehensive income	—	—	—	—	3,029	(7)	2,339	5,360	5,360	37	5,397
Total comprehensive income	—	—	(5,473)	—	3,029	(7)	2,339	5,360	(112)	151	38
Purchase of treasury shares	—	—	—	(0)	—	—	—	—	(0)	—	(0)
Disposal of treasury shares	—	(20)	—	102	—	—	—	—	82	—	82
Dividends of surplus	—	—	(1,184)	—	—	—	—	—	(1,184)	(81)	(1,266)
Share-based payment transactions	—	22	—	—	—	—	—	—	22	—	22
Changes in ownership interest	—	657	—	—	—	—	—	—	657	(1,109)	(451)
Increase (decrease) by business combination	—	—	—	—	—	—	—	—	—	(553)	(553)
Transfer from other components of equity to retained earnings	—	—	897	—	(905)	7	—	(897)	—	—	—
Total transactions with owners, etc.	—	659	(287)	102	(905)	7	—	(897)	(422)	(1,744)	(2,166)
Balance at June 30, 2026	12,119	9,243	65,781	(1,068)	7,353	—	21,353	28,706	114,781	962	115,744

(4) Condensed consolidated statements of cash flows

(Million yen)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026
Cash flows from operating activities		
Profit (loss) before tax	1,092	(4,806)
Depreciation and amortization	4,971	5,223
Impairment loss	—	6,759
Loss (gain) on sale and retirement of fixed assets	(21)	(264)
Share of loss (profit) of investments accounted for using equity method	164	228
Finance income	(290)	(663)
Finance costs	1,755	969
Decrease (increase) in trade and other receivables	1,066	1,962
Decrease (increase) in inventories	2,228	(4,757)
Increase (decrease) in trade and other payables	(2,090)	1,105
Increase (decrease) in provisions	(34)	112
Increase (decrease) in retirement benefit asset or liability	(1,248)	128
Other	(1,243)	444
Subtotal	6,350	6,441
Interest received	201	102
Dividends received	96	144
Interest paid	(829)	(909)
Income taxes paid	(2,771)	(1,220)
Income taxes refund	28	995
Net cash provided by (used in) operating activities	3,075	5,553
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,191)	(4,629)
Payments for retirement of property, plant and equipment	(22)	(36)
Proceeds from sale of property, plant and equipment	97	462
Purchase of intangible assets	(750)	(322)
Purchase of investment securities	(318)	(0)
Proceeds from sale of investment securities	51	104
Payments for acquisition of subsidiaries	(5,001)	(5,911)
Purchase of shares of affiliates	(291)	(1,475)
Other	(405)	161
Net cash provided by (used in) investing activities	(9,831)	(11,647)

(Million yen)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026
Cash flows from financing activities		
Proceeds from short-term borrowings	1,518	12,209
Repayments of short-term borrowings	(1,088)	(7,545)
Repayments of lease liabilities	(1,043)	(1,220)
Repayments of long-term borrowings	(1,314)	(1,528)
Proceeds from issuance of bonds	—	5,469
Redemption of bonds	—	(10,000)
Payments for acquisition of non-controlling interests	—	(451)
Purchase of treasury shares	(655)	(0)
Proceeds from sale of treasury shares	37	81
Dividends paid to owners of parent	(1,191)	(1,182)
Dividends paid to non-controlling shareholders	(81)	(81)
Other	—	39
Net cash provided by (used in) financing activities	(3,818)	(4,210)
Effect of exchange rate changes on cash and cash equivalents	(2,548)	1,083
Net increase (decrease) in cash and cash equivalents	(13,122)	(9,220)
Cash and cash equivalents at beginning of period	50,970	39,213
Cash and cash equivalents at end of period	37,847	29,993

(5) Notes to condensed consolidated financial statements

(Notes to going concern assumptions)

Not applicable

(Segment information)

1. Description of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the board of directors is being performed in order to decide the allocation of management resources and to review business results.

The Group sets up divisions by product or service. Each division draws up a plan for comprehensive strategies in Japan and overseas for the products and services it handles, and thereupon develops its business activities.

Accordingly, the Group consists of segments by product and service based on divisions. The three reportable segments are the Industrial Materials segment, the Devices segment, and the Medical segment.

The Industrial Materials segment manufactures and sells decorative films, decorative molded parts, metallized papers, sustainable molded products, and others. The Devices segment manufactures and sells film-based touch sensors, gas sensors, and others. The Medical segment provides the contract design/development and manufacturing organization (CDMO) services for medical devices and pharmaceuticals. For medical devices, it provides CDMO services for major medical device manufacturers, especially for those in North America and Europe, with products such as surgical instruments for minimal invasive medical treatments and medical wearable sensors. For pharmaceuticals, it develops CDMO business for over-the-counter (OTC) drugs such as cold medicines and analgesic antipyretics, and also manufactures and markets its own prescription pharmaceuticals and quasi-drugs.

(Note on changes in reportable segments)

Effective from the first quarter ended March 31, 2026, the Company partially revised its reportable segments in line with changes in the Group's performance management structure. As part of this revision, the Medical Technologies segment and the pharmaceutical manufacturing business of the Company and certain consolidated subsidiaries have been integrated into the Medical segment. The pharmaceutical manufacturing business had previously been included in the Other category. Therefore, segment information for the six months ended June 30, 2025 is stated according to the category following the change.

2. Methods of measurement for the amounts of sales and profit (loss) for each reportable segment

The accounting methods for the reportable segments are the same as those used in preparing the consolidated financial statements. Segment profit is based on operating profit, and inter-segment transactions are based on current market prices.

3. Information about sales and profit (loss) by reportable segment

Six months ended June 30, 2025 (January 1, 2025 to June 30, 2025)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical	Sub-total				
Sales from external customers	37,570	29,752	26,886	94,209	2,839	97,049	–	97,049
Inter-segment sales	52	9	–	61	543	605	(605)	–
Total	37,622	29,761	26,886	94,270	3,383	97,654	(605)	97,049
Segment profit (loss)	2,107	1,097	1,715	4,920	(400)	4,520	(1,961)	2,558
Finance income	–	–	–	–	–	–	–	290
Finance costs	–	–	–	–	–	–	–	(1,755)
Profit (loss) before tax	–	–	–	–	–	–	–	1,092

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the Information and Communication, etc.

2. The negative ¥1,961 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses and foreign exchange loss or gain not attributable to any reportable segment.
3. Segment profit (loss) is reconciled with operating profit (loss) recorded in the condensed consolidated statements of profit or loss.
4. In the six months ended June 30, 2025, the Company finalized the provisional accounting treatment for business combination. Accordingly, the figures for the six months ended June 30, 2025 have been retroactively adjusted to reflect the finalization of the provisional accounting treatment.

Six months ended June 30, 2026 (January 1, 2026 to June 30, 2026)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical	Sub-total				
Sales from external customers	41,147	22,868	29,034	93,050	2,982	96,033	–	96,033
Inter-segment sales	63	5	–	68	560	629	(629)	–
Total	41,210	22,874	29,034	93,119	3,542	96,662	(629)	96,033
Segment profit (loss)	1,519	(6,050)	1,905	(2,625)	(12)	(2,637)	(1,862)	(4,500)
Finance income	–	–	–	–	–	–	–	663
Finance costs	–	–	–	–	–	–	–	(969)
Profit (loss) before tax	–	–	–	–	–	–	–	(4,806)

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the Information and Communication, etc.

2. The negative ¥1,862 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses and foreign exchange loss or gain not attributable to any reportable segment.
3. Segment profit (loss) is reconciled with operating profit (loss) recorded in the condensed consolidated statements of profit or loss.