

**Consolidated Financial Statements
as of March 31,2026**

NIKKI CO.,LTD.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(in thousands of yen)

Accounts	Prior Fiscal Year (As of March 31,2025)		Current Fiscal Year (As of March 31,2026)		Increase Decrease(Δ)
	Amounts	Ratio (%)	Amounts	Ratio (%)	
Assets					
Current assets					
Cash and deposits	4,102,694		4,623,611		520,916
Accounts receivable-trade	1,100,563		1,658,661		558,098
Electronically recorded monetary claims-operating	139,307		48,876		△ 90,431
Merchandise and finished goods	1,194,341		1,069,203		△ 125,137
Work in process	2,162,318		2,215,347		53,028
Raw materials and supplies	105,091		145,233		40,142
Other	621,591		389,363		△ 232,228
Allowance for doubtful accounts	△ 10,257		△ 10,055		201
Total current assets	9,415,649	40.3	10,140,242	41.7	724,592
Noncurrent assets					
Property, plant and equipment					
Buildings and structures, net	8,317,286		8,112,773		△ 204,512
Machinery, equipment and vehicles, net	1,167,678		1,082,513		△ 85,165
Land	455,382		600,223		144,840
Lease assets, net	135,779		86,483		△ 49,295
Construction in progress	178,331		99,781		△ 78,550
Other, net	202,102		160,128		△ 41,974
Total property, plant and equipment	10,456,561	44.7	10,141,903	41.7	△ 314,657
Intangible assets					
Software	28,537		362,708		334,171
Goodwill	519,150		439,281		△ 79,869
Technology related assets	175,750		166,250		△ 9,500
Software in progress	249,319		—		△ 249,319
Other	44,363		43,808		△ 555
Total intangible assets	1,017,120	4.4	1,012,048	4.2	△ 5,072
Investments and other assets					
Investment securities	1,883,543		2,160,724		277,180
Long-term Deferred tax assets	103,963		101,020		△ 2,942
Retirement benefit asset	244,920		358,193		113,272
Other	246,012		384,240		138,227
Total investments and other assets	2,478,440	10.6	3,004,177	12.4	525,737
Total noncurrent assets	13,952,122	59.7	14,158,129	58.3	206,007
Total assets	23,367,772	100.0	24,298,371	100.0	930,599

(in thousands of yen)

Accounts	Prior Fiscal Year (As of March 31,2025)		Current Fiscal Year (As of March 31,2026)		Increase Decrease(△)
	Amounts	Ratio (%)	Amounts	Ratio (%)	
Liabilities					
Current liabilities					
Notes and accounts payable-trade	278,445		426,674		148,229
Electronically recorded monetary debt-operating	189,760		42,948		△ 146,811
Short-term loans payable	4,519,188		4,834,450		315,262
Lease obligations	50,293		52,679		2,385
Accrued expenses	154,400		177,865		23,464
Income taxes payable	62,933		154,975		92,041
Provision for bonuses	150,534		155,469		4,935
Notes payable - facilities	49,090		1,760		△ 47,330
Other	218,767		131,892		△ 86,875
Total current liabilities	5,673,413	24.3	5,978,716	24.6	305,302
Noncurrent liabilities					
Long-term loans payable	3,440,178		3,151,010		△ 289,168
Lease obligations	96,478		45,265		△ 51,212
Deferred tax liabilities	499,999		614,887		114,887
Long-term lease deposited	54,930		54,930		—
Net defined benefit liability	384,556		360,283		△ 24,273
Other	154,826		134,267		△ 20,558
Total noncurrent liabilities	4,630,968	19.8	4,360,645	17.9	△ 270,323
Total liabilities	10,304,382	44.1	10,339,361	42.6	34,979
Net assets					
Shareholders' equity					
Capital stock	500,000		500,000		—
Capital surplus	53,016		56,616		3,599
Retained earnings	10,959,801		11,710,309		750,507
Treasury stock	△ 291,852		△ 276,352		15,499
Total shareholders' equity	11,220,966	48.0	11,990,573	49.3	769,607
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	1,011,726		1,186,736		175,009
Foreign currency translation adjustment	756,818		691,599		△ 65,219
Remeasurements of defined benefit plans	43,814		57,514		13,699
Total accumulated other comprehensive income	1,812,360	7.8	1,935,850	8.0	123,489
Minority Interests	30,063	0.1	32,586	0.1	2,523
Total net assets	13,063,390	55.9	13,959,010	57.4	895,620
Total liabilities and net assets	23,367,772	100.0	24,298,371	100.0	930,599

(2) Consolidated Statement of Income

(in thousands of yen)

Accounts	Prior Fiscal Year From April 1, 2024 To March 31,2025		Current Fiscal Year From April 1, 2025 To March 31,2026		Increase Decrease(Δ)
		Ratio (%)		Ratio (%)	
Net Sales	8,360,204	100.0	9,269,079	100.0	908,875
Cost of Sales	5,645,979	67.5	6,301,092	68.0	655,113
Gross Profit	2,714,224	32.5	2,967,987	32.0	253,762
Selling,general administrative expenses	1,828,919	21.9	1,862,442	20.1	33,523
Operating Income	885,305	10.6	1,105,544	11.9	220,239
Non-operating income					
Interest income	46,309		60,217		13,908
Dividends income	59,697		71,824		12,127
Rental income	20,014		22,369		2,354
Exchange gain	—		21,204		21,204
Other	32,304		22,648		Δ 9,655
Total non-operating income	158,326	1.9	198,264	2.1	39,938
Non-operating expenses					
Interest expenses	92,954		113,380		20,426
Exchange loss	301,547		—		Δ 301,547
Depreciation	—		13,328		13,328
Other	14		0		Δ 14
Total non-operating expenses	394,516	4.7	126,708	1.4	Δ 267,807
Ordinary income	649,115	7.8	1,177,100	12.7	527,985
Extraordinary income					
Gain on sales of noncurrent assets	345		3,104		2,758
Gain on sales of investment securities	200,497		40,212		Δ 160,284
Subsidy income	37,292		37,292		—
Insurance claim income	18,192		—		Δ 18,192
Gain on bargain purchase	—		15,359		15,359
Total extraordinary income	256,327	3.1	95,967	1.0	Δ 160,359
Extraordinary loss					
Loss on sales and retirement of noncurrent assets	5,103		5,963		859
Loss on disaster	11,627		—		Δ 11,627
Total extraordinary loss	16,730	0.2	5,963	0.1	Δ 10,767
Income before income taxes	888,712	10.6	1,267,105	13.7	378,393
Income taxes-current	282,559		365,766		83,207
Income taxes deferred	Δ 24,333		Δ 54,161		Δ 29,828
Total income taxes-current	258,225		311,604		53,378
Income before minority interests	630,486	7.5	955,500	10.3	325,014
Minority interests in income	Δ 62		319		382
Net income	630,548	7.5	955,180	10.3	324,631

(3) Consolidated Statement of Comprehensive Income

(in thousands of yen)

	Prior Fiscal Year From April 1, 2024 To March 31,2025	Current Fiscal Year From April 1, 2025 To March 31,2026	Increase Decrease(△)
Accounts			
Income before minority interests	630,486	955,500	325,014
Other comprehensive income			
Valuation difference on available-for-sale securities	37,205	175,009	137,803
Foreign currency translation adjustment	216,089	△ 63,015	△ 279,105
Remeasurements of defined benefit plans	△ 32,121	13,699	45,821
Total Other comprehensive income	221,173	125,693	△ 95,480
Comprehensive income	851,660	1,081,193	229,533
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of the parent	848,345	1,078,670	230,325
Comprehensive income attributable to minority interests	3,314	2,523	△ 791

(4) Consolidated Statement of Changes in Shareholders' Equity

Current fiscal year (April 1, 2025 to March 31, 2026)

(in thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	500,000	53,016	10,959,801	△ 291,852	11,220,966
Changes of items during the period					
Dividends paid			△ 204,673		△ 204,673
Net income			955,180		955,180
Purchase of treasury shares					
Disposal of treasury shares		3,599		15,499	19,099
Change in treasury shares of parent arising from transactions with non-controlling shareholders					
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	3,599	750,507	15,499	769,607
Balance at end of current period	500,000	56,616	11,710,309	△ 276,352	11,990,573

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
Balance at beginning of current period	1,011,726	756,818	43,814	1,812,360	30,063	13,063,390
Changes of items during the period						
Dividends paid						△ 204,673
Net income						955,180
Purchase of treasury shares						
Disposal of treasury shares						19,099
Change in treasury shares of parent arising from transactions with non-controlling shareholders						
Net changes of items other than shareholders' equity	175,009	△ 65,219	13,699	123,489	2,523	126,013
Total changes of items during the period	175,009	△ 65,219	13,699	123,489	2,523	895,620
Balance at end of current period	1,186,736	691,599	57,514	1,935,850	32,586	13,959,010

(5) Consolidated Statements of Cash Flows

(in thousands of yen)

	Prior Fiscal Year From April 1, 2024 To March 31, 2025	Current Fiscal Year From April 1, 2025 To March 31, 2026	Increase Decrease(Δ)
Net cash provided by (used in) operating activities			
Income before income taxes	888,712	1,267,105	378,393
Depreciation and amortization	843,227	782,222	Δ 61,005
Amortization of goodwill	79,869	79,869	—
Increase (decrease) in allowance for doubtful accounts	6,193	Δ 181	Δ 6,375
Increase (decrease) in provision for bonuses	1,393	Δ 500	Δ 1,893
Increase (decrease) in net defined benefit assets	Δ 67,795	Δ 113,272	Δ 45,477
Increase (decrease) in net defined benefit liability	352	Δ 36,098	Δ 36,451
Interest and dividends income	Δ 106,006	Δ 132,042	Δ 26,035
Interest expenses	92,954	113,380	20,426
Subsidy income	Δ 37,292	Δ 37,292	—
Gain on sales of investment securities	Δ 200,497	Δ 40,212	160,284
Loss (gain) on sales and retirement of noncurrent assets	4,757	2,859	Δ 1,898
Gain on bargain purchase	—	Δ 15,359	Δ 15,359
Exchange gain(loss)	6,629	Δ 13,918	Δ 20,547
Decrease (increase) in notes and accounts receivable-trade	632,512	Δ 477,317	Δ 1,109,830
Decrease (increase) in inventories	Δ 523,064	95,623	618,687
Decrease (increase) in long-term loans payable	3,173	Δ 13,459	Δ 16,633
Decrease (increase) in other current assets	Δ 3,456	Δ 24,502	Δ 21,046
Increase (decrease) in notes and accounts payable-trade	Δ 708,595	Δ 7,923	700,671
Increase (decrease) in other current liabilities	Δ 97,074	36,876	133,951
Other	Δ 1,550	Δ 20,558	Δ 19,007
subtotal	814,444	1,445,296	630,852
Interest and dividends income received	106,006	132,042	26,035
Subsidies received	37,292	37,292	—
Interest expenses paid	Δ 96,764	Δ 115,380	Δ 18,615
Income taxes paid	Δ 1,302,320	Δ 256,933	1,045,386
Refund income taxes	—	278,420	278,420
Net cash provided by (used in) operating activities	Δ 441,341	1,520,737	1,962,079

(in thousands of yen)

	Prior Fiscal Year From April 1, 2024 To March 31,2025	Current Fiscal Year From April 1, 2025 To March 31,2026	Increase Decrease(Δ)
Net cash provided by (used in) investing activities			
Payments into time deposits	△ 333,147	△ 346,582	△ 13,435
Proceeds from withdrawal of time deposits	286,711	328,875	42,164
Purchase of investment securities	△ 663	△ 672	△ 8
Proceeds from sales of investment securities	220,945	49,788	△ 171,157
Purchase of property, plant and equipment	△ 257,528	△ 307,408	△ 49,880
Proceeds from sales of property, plant and equipment	15,784	4,092	△ 11,691
Purchase of intangible assets	△ 245,118	△ 140,161	104,956
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	△ 327,761	△ 327,761
Other investment payment	△ 11,237	△ 9,969	1,268
Other investment income	29,020	750	△ 28,269
Net cash provided by (used in) investing activities	△ 295,233	△ 749,049	△ 453,815
Net cash provided by (used in) financing activities			
Repayments of lease obligations	△ 47,219	△ 49,836	△ 2,617
Net increase (decrease) in short-term borrowings	1,000,000	200,000	△ 800,000
Repayment of long-term loans payable	△ 209,188	△ 217,330	△ 8,142
Dividend payment	△ 203,837	△ 204,673	△ 836
Net cash provided by (used in) financing activities	539,755	△ 271,839	△ 811,595
Effect of exchange rate change on cash and cash equivalents	57,093	△ 13,250	△ 70,344
Increase and decrease in cash and cash equivalents	△ 139,726	486,597	626,324
Cash and cash equivalents at the start of the period	3,831,815	3,692,089	△ 139,726
Increase in cash and cash equivalents resulting from change of scope of consolidation			
Cash and cash equivalents at the end of the period	3,692,089	4,178,687	486,597