Financial Results for FYE2026

(June 1, 2025 – May 31, 2026)

July 9, 2026

SankyoTateyama, Inc.

FYE2026 Results

- The price of aluminum ingot, the main raw material, rose far beyond expectations due to the impact of the situation in the Middle East that broke out in February 2026. In the construction materials business, which is greatly affected by the aluminum ingot price as a cost, the company recorded an impairment loss of approx. 16.2 billion JPY for the business as a whole as a strategic decision for the future.
- The dedicated line at Shinminato-Higashi Plant, a growth investment aimed at capturing demand for weight reduction in the automotive segment, began operating as planned (investment amount: approx. 10.0 billion JPY).
- Restructuring of the European subsidiary made progress as planned. The number of employees was reduced by 230. (Effect of the restructuring in FYE2027: Approx. 2.5 billion JPY)
- To streamline assets, we drove sales of domestic fixed assets and investment securities.

FYE2027 Forecast

- As compared to targets under the Medium-Term Management Plan, volumes are smaller due to a slowdown in the construction market while the assumed aluminum ingot price is far higher due to the Middle East situation. Moreover, costs are expected to increase. These negative effects cannot be offset by the positive effects of the reforms of revenue structure that we have continued in Japan and other countries. It is therefore expected that operating income for FYE2027 will be approx. 3.0 billion JPY below the Medium-Term Management Plan, with all businesses falling short of the plan.
- Operating income is expected to improve by approximately 2.4 billion compared to the fiscal year ending May 2026, driven by improved profitability both domestically and overseas.
- The Company will continue to promote asset sales aimed at improving asset efficiency.

SankyoTateyama, Inc.

In FYE2026, net sales decreased, operating income increased YoY.

- Net sales decreased by approx. 1.8 billion JPY mainly due to a delay in the recovery in sales volume in domestic and overseas markets, despite the positive effects from the revision of selling prices, exchange rates in the Global Business, and the growth in sales linked to the aluminum ingot market.
- Operating income was on par with the year-ago level, despite impacts of the decrease in sales volume, rising prices of aluminum ingots and other materials, and an increase in depreciation that was a result of investments, partially offset by the revision of selling prices and effects from cost reduction efforts in domestic and overseas markets.
- A net loss of approx. 13.4 billion JPY was recorded, mainly due to the recognition of an impairment loss of fixed assets related to the construction materials business, which was approx. 16.2 billion JPY, as an extraordinary loss.

12 months total (June 2025 - May 2026)

	FYE2026 Results	FYE2025 Results	Year-on-year Change		FYE2026 Plan	Change from Internal Plan	
				%			%
Net sales	**357.5**	359.4	-1.8	-0.5%	355.0	2.5	0.7%
Operating income	**1.5**	1.5	0.0	0.1%	1.0	0.5	54.6%
Operating margin	**0.4%**	0.4%	–	0.0p	0.3%	–	0.1%
Ordinary income	**0.8**	0.9	0.0	-6.6%	0.1	0.7	782.2%
Net loss attributable to owners of the parent	**-13.4**	-2.3	-11.1	–	2.0	-15.4	–

Note: Amounts are rounded down to the nearest 100 million JPY.

Dividend

Interim: 12.5 JPY per share
Year-end: 12.5 JPY per share (plan)

Review of Consolidated Financial Results for FYE2026: Year-on-Year Comparison

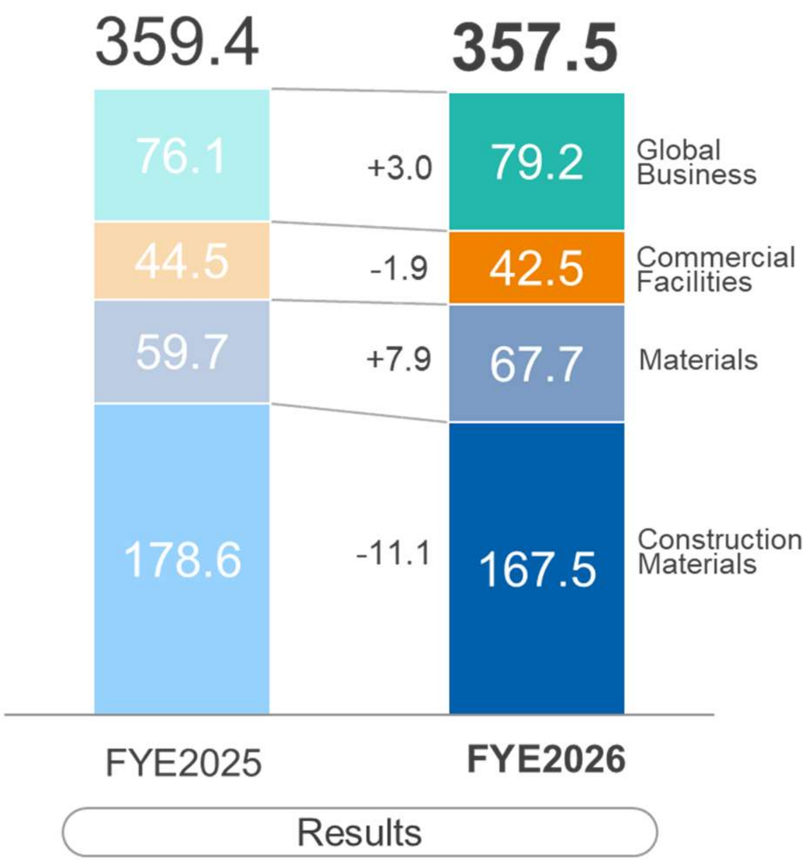
SankyoTateyama, Inc.

Net sales

357.5 billion JPY

Change YoY **-1.8 billion JPY**

(-0.5%)

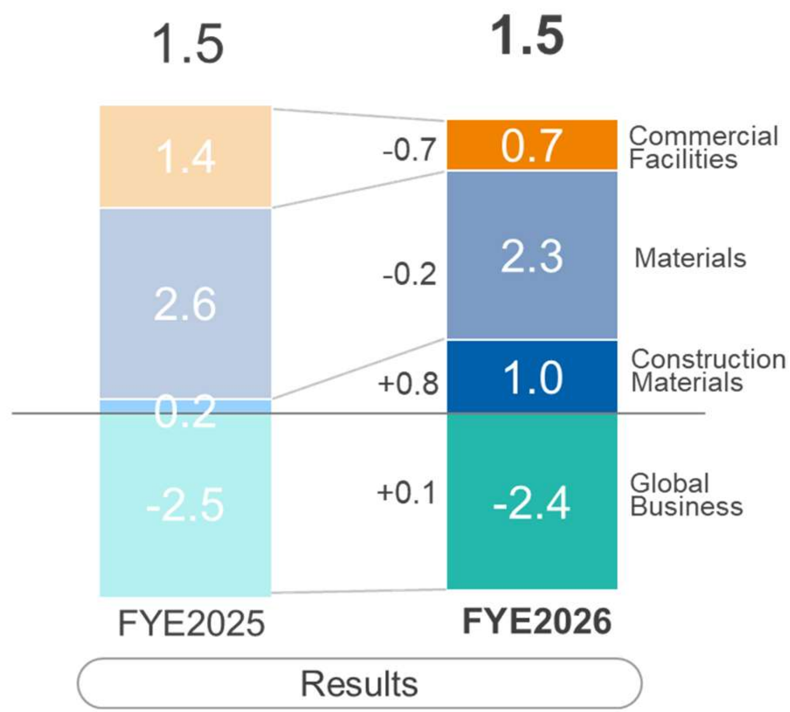


Operating income

1.5 billion JPY

Change YoY **0.0 billion JPY**

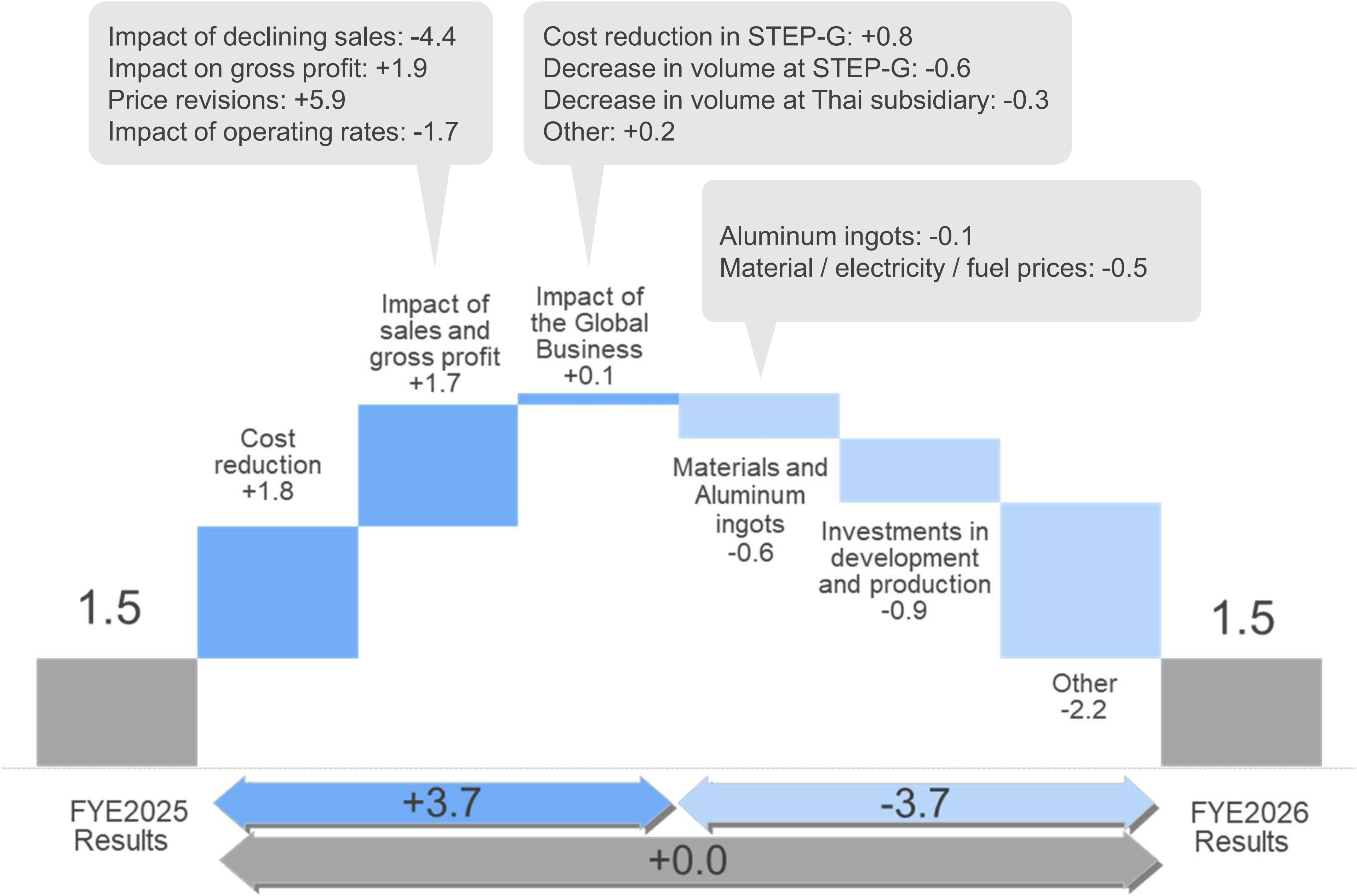
(+0.1%)



Note: Amounts are rounded down to the nearest 100 million JPY.

Factors for Change in Operating Income for FYE2026: Year-on-Year Comparison

SankyoTateyama, Inc.



Change in profits from the Global Business is consolidated into “Impact of the Global Business”.
Note: Amounts are rounded down to the nearest 100 million JPY.

Review of Consolidated Financial Results for FYE2026: Comparison with Plan

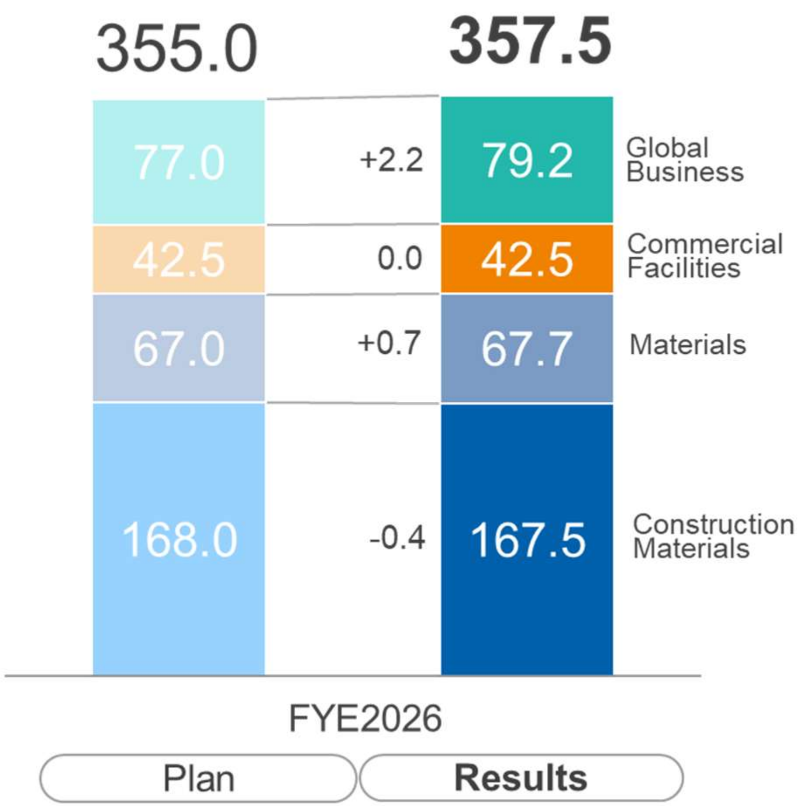
SankyoTateyama, Inc.

Net sales

357.5 billion JPY

Change from Plan **+2.5** billion JPY

(+0.7%)

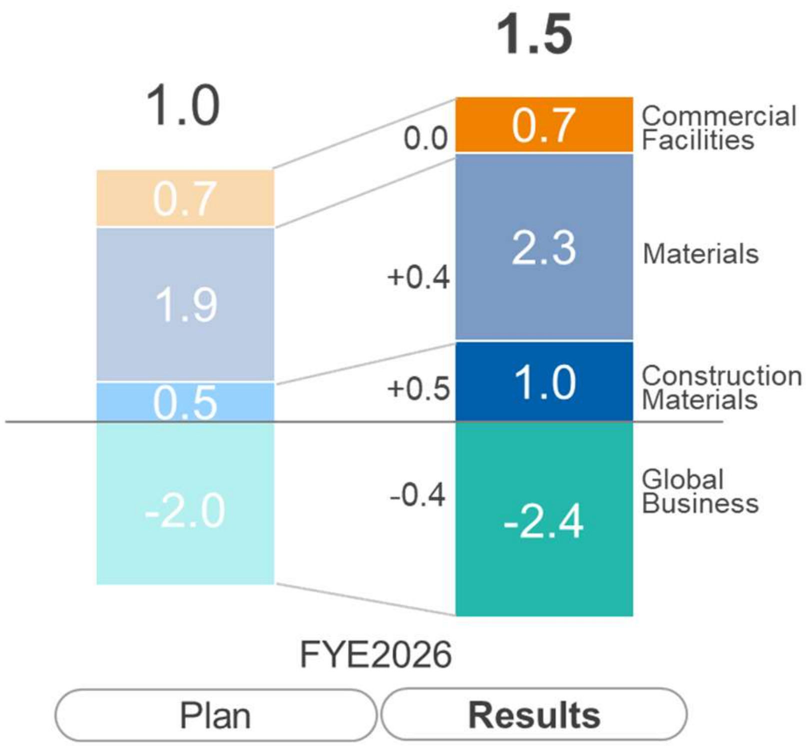


Operating income

1.5 billion JPY

Change from Plan **+0.5** billion JPY

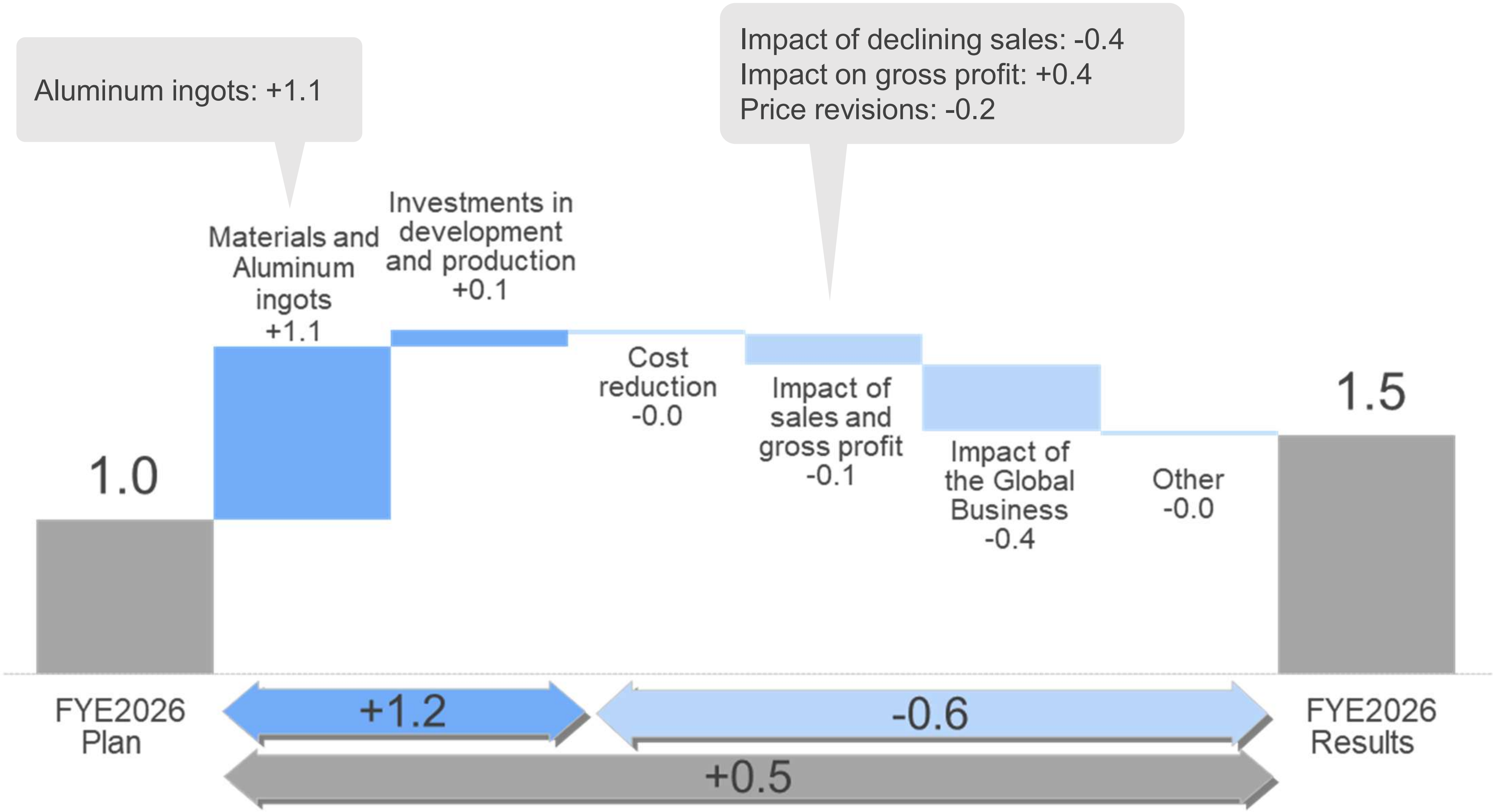
(+54.6%)



Note: Amounts are rounded down to the nearest 100 million JPY.

Factors for Change in Operating Income for FYE2026: Comparison with Plan

SankyoTateyama, Inc.



Change in profits from the Global Business is consolidated into "Impact of the Global Business".
Note: Amounts are rounded down to the nearest 100 million JPY.

SankyoTateyama, Inc.

FYE2027 Forecast

Net sales of 390.0 billion JPY, operating income of 4.0 billion JPY

- Net sales are expected to increase due to higher sales linked to aluminum ingot market and revision of selling prices although sales volume is expected to continue declining due to sluggish demand in the domestic construction market. Operating income is expected to increase mainly due to the effects of cost reduction and price revisions in spite of the continued impact of higher aluminum ingots.

Proceeding with transformation to a sustainable revenue base by surely linking achievements from restructuring to profits

	12 months total (June 2026 - May 2027)						
	FYE2027 Forecast	FYE2026 Results	Change	%	FYE2027 Medium-Term Management Plan	Change	%
Net sales	**390.0**	357.5	32.4	+ 9.1%	385.0	+ 5.0	+ 1.3%
Operating income	**4.0**	1.5	2.4	+ 158.7%	7.0	▲ 3.0	▲ 42.9%
Operating margin	**1.0%**	0.4%	–	+ 0.6p	1.8%	–	▲ 0.8p
Ordinary income	**1.5**	0.8	0.6	+ 70.0%	–	–	–
Net income attributable to owners of parent	**1.0**	▲ 13.4	14.4	–	–	–	–

Note: Amounts are rounded down to the nearest 100 million JPY.

Dividend

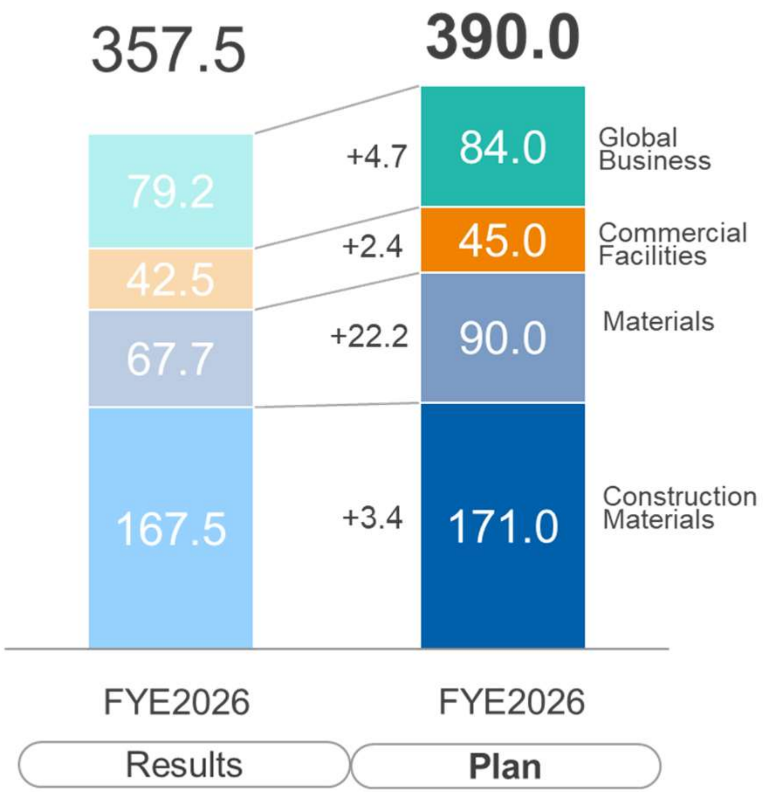
Annual dividend is expected to be 25 JPY per share
Interim: 12.5 JPY per share
Year-end: 12.5 JPY per share

Forecast for FYE2027: Comparison with FYE2026

SankyoTateyama, Inc.

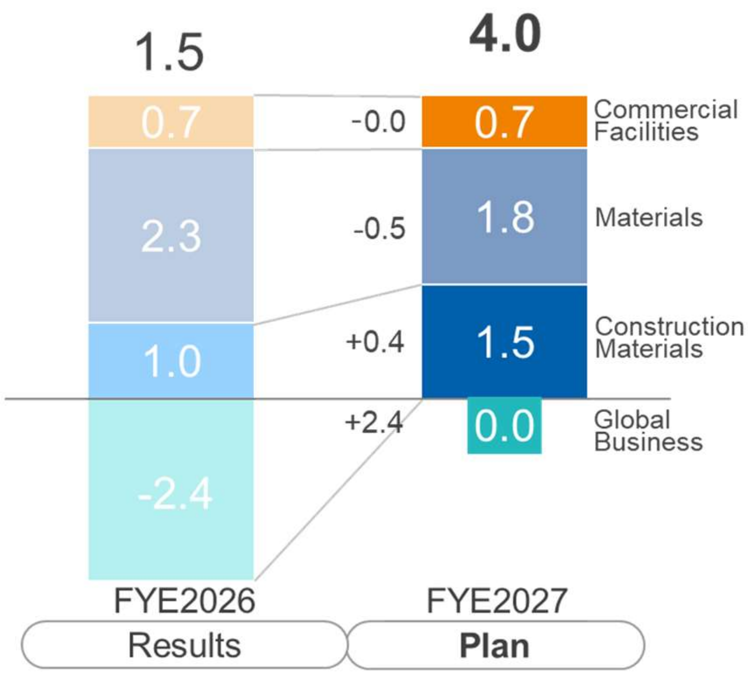
Net sales

FYE2027 Forecast	**390.0 billion JPY**
FYE2026 Results	**357.5 billion JPY**
YoY	**+32.4 billion JPY** (+9.1%)



Operating income

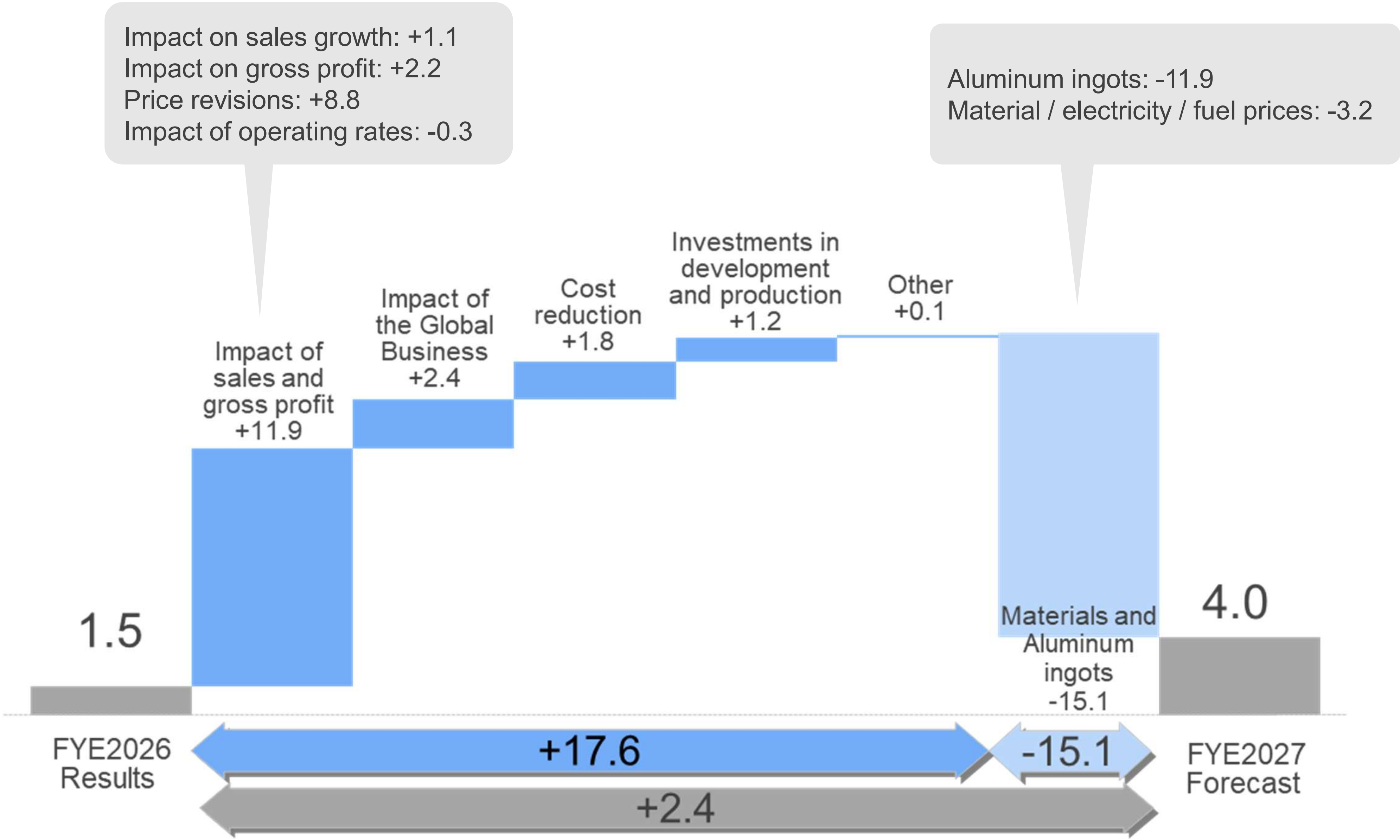
FYE2027 Forecast	**4.0 billion JPY**
FYE2026 Results	**1.5 billion JPY**
YoY	**+2.4 billion JPY** (+158.7%)



Note: Amounts are rounded down to the nearest 100 million JPY.

Factors in Operating Income for FYE2027 Forecast

SankyoTateyama, Inc.

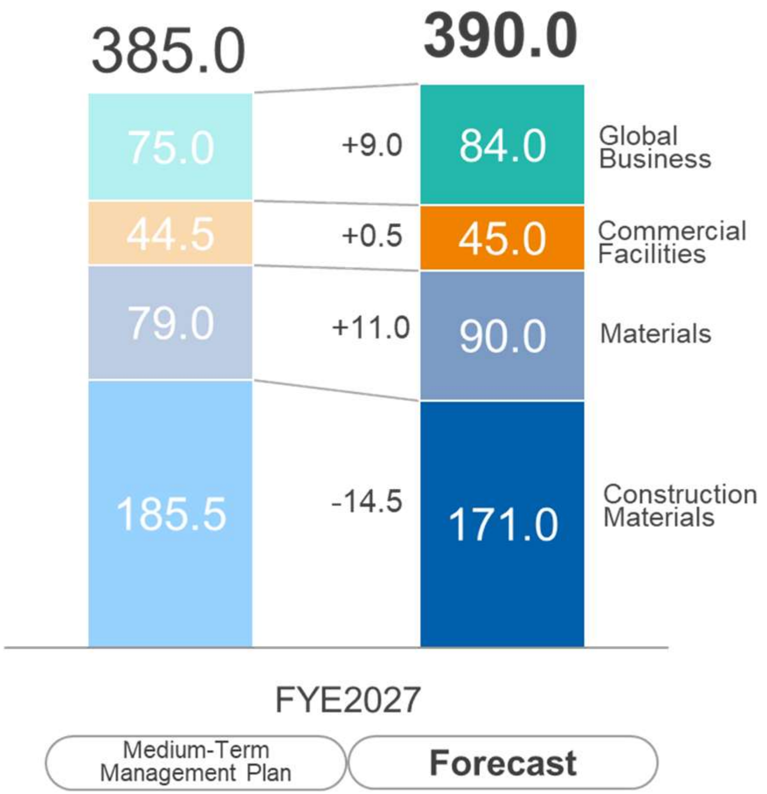


Change in profits from the Global Business is consolidated into "Impact of the Global Business".
Note: Amounts are rounded down to the nearest 100 million JPY.

SankyoTateyama, Inc.

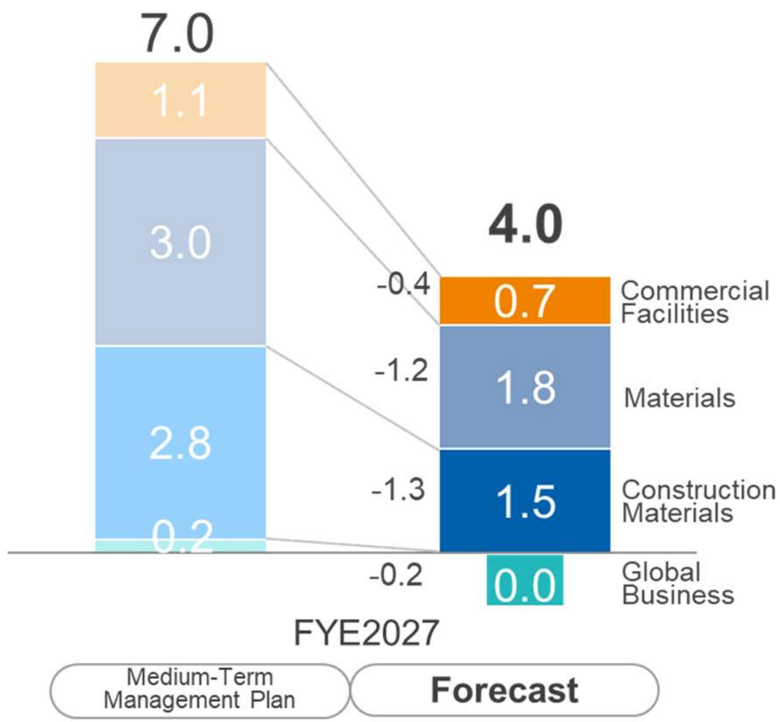
Net sales

FYE2027 Forecast	**390.0 billion JPY**
Medium-Term Management Plan	**385.0 billion JPY**
Change from Medium-Term Management Plan	**+5.0 billion JPY** (+1.3%)



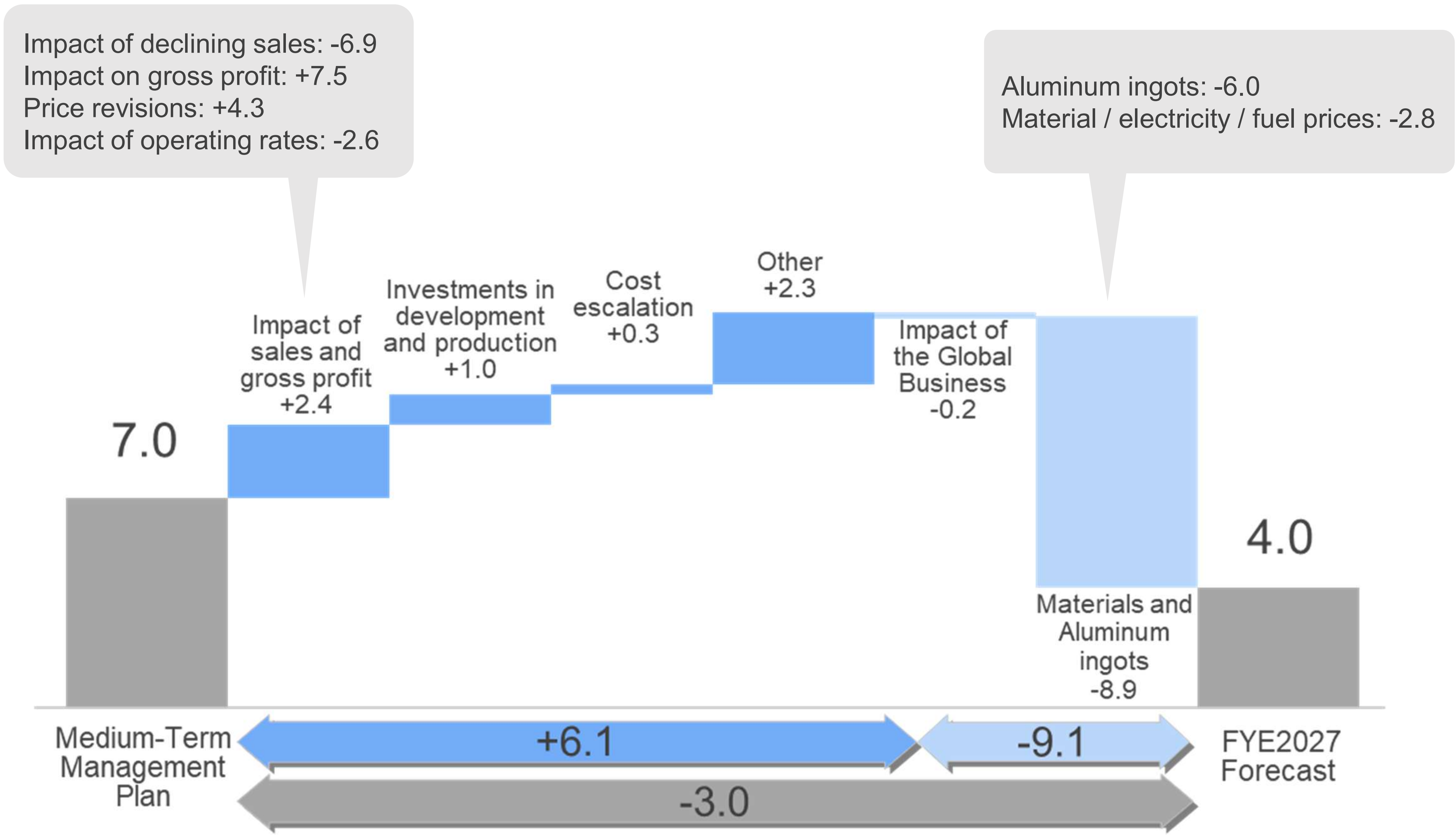
Operating income

FYE2027 Forecast	**4.0 billion JPY**
Medium-Term Management Plan	**7.0 billion JPY**
Change from Medium-Term Management Plan	**-3.0 billion JPY** (-42.9%)



Note: Amounts are rounded down to the nearest 100 million JPY.

Factors in Operating Income for FYE2027 Forecast



Change in profits from the Global Business is consolidated into “Impact of the Global Business”.
Note: Amounts are rounded down to the nearest 100 million JPY.

SankyoTateyama, Inc.

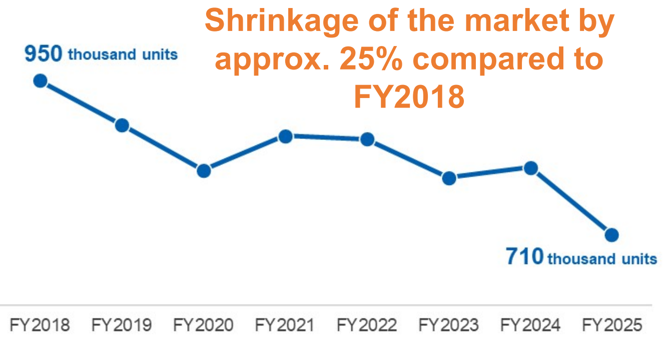
Background to the recording of an impairment loss of approx. 16.2 billion JPY in the construction materials business

- The production volume decreased due to the shrinking of the construction market in recent years. In addition, material, energy, and labor expenses, logistics costs, and other expenses continued to rise. To tackle this situation, the company has been reforming its revenue structure, including a revision of selling prices and cost reduction.
- However , the aluminum ingot price rose sharply* due to the impact of the situation in the Middle East that broke out in February 2026. Amid the concurrent progress in the shrinking of the market and the sharp rise in raw material prices, it has become impossible to fully absorb the sharp rise of the aluminum ingot price with the conventional revision of selling prices and cost reduction.

In response, the company reviewed its future profitability conservatively and made a strategic decision to post the impairment loss.

Revenue gap expanded due to changes in the business environment

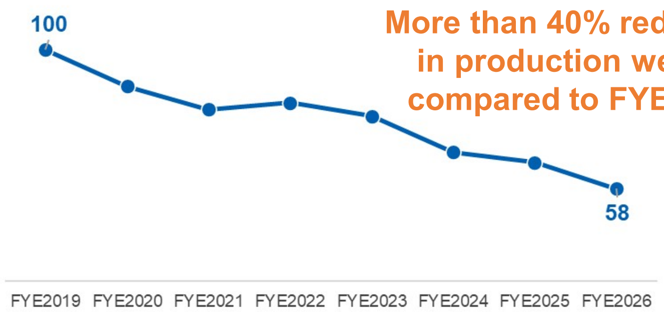
(1) Number of new housing starts (Aggregation period: April to March)



Source: Report of Statistical Survey of Construction Starts by the Ministry of Land, Infrastructure, transport and Tourism

(2) Trends in production volume in the construction materials business (Aggregation period: June to May)

*Index with value for FYE2021 set as 100



(3) Aluminum ingot price [Nikkei average] (Monthly)

Source: The Nikkei

Policy: Early transformation into a profitability-oriented business structure

<Measure to be continued from the previous fiscal year: Reforms of revenue structure>

Surely reaping the benefits from effects of the reforms of revenue structure
<To be reaped over multiple years starting this fiscal year>

- Eliminating and consolidating products
- Consolidating plants ahead of schedule (7 plants ⇒ 5 plants)
- Revising selling prices to offset the cost rise

+

<New measures to take this fiscal year in response to the impairment loss>

(1): Shifting to functional organizations this fiscal year <Developing an organizational infrastructure for restructuring the business>

(2): Starting restructuring of the overall construction materials business <Details to be set under the next Medium-Term Management Plan>

- Re-evaluating each business in terms of the market, growth potential, competitors, business model, and others
- Shifting non-focus sectors to the phase of gradual downsizing/revision
- Reviewing the portfolio of the overall construction materials business

(3): Reducing manufacturing cost, etc. based on business scale

- Optimizing manufacturing cost in light of market trends, trends in production volume, and other factors

*The new measures are not incorporated into the plan for this fiscal year because the company is scrutinizing when to take them and what effects are expected.

Details of the business portfolio revision under the medium- to long-term plan, which has already been disclosed, are planned to be disclosed together with details of the ongoing restructuring of the construction materials business, in the next Medium-Term Management Plan starting next fiscal year.

Details of measures	Results
Stop internal machining and welding operations for rail components at the Bonn Plant	Internal machining and welding operations for rail components were stopped as planned at the Bonn Plant.
Sale of land and building, which has become idle after the stop	Transfer of a part of buildings and land of the Bonn Plant was completed by the end of March 2026. Gains on the sale were approx. **1.9** billion JPY. They were recorded in the full-year result for FYE2026
Reduce approx. 150 employees	The number of employees was reduced by **230**. (Reduction of additional 107 employees from the number disclosed on January 8, 2026) Approx. **28** billion JPY was recorded as expenses for business structural reforms in the full-year result for FYE2026.

Approx. 2.5 billion JPY is expected in FYE2027 as a revenue improvement effect of the business structural reforms.

SankyoTateyama, Inc.

Initiatives to increase the rate of recycling of aluminum accelerated, with introduction of a dedicated scrap melting furnaces.

Expansion of the North Casting Plant of the Nago Plant completed

Expansion of the North Casting Plant of the Nago Plant of SankyoMaterial-Company has been completed. The plant was expanded for the purpose of accelerating initiatives to increase the rate of recycling of aluminum, with introduction of a dedicated scrap melting furnaces.

Plant name	Sankyo Tateyama, Inc. Sankyo Material Company Nago Plant
Location	8-3 Nagonoe, Imizu, Toyama Japan
Total investment amount	Approx. 2.0 billion JPY
Building area	Expansion area: 963 ㎡ (entire plant: 36,117 ㎡)
Structure and scale	Steel construction, 2 floors above ground
Start of construction	March 10, 2025
Construction completion	February 27, 2026
Design and supervision	Kajima Corporation
Construction	Kajima Corporation
Features of the melting furnace	(1) Installed for the process before removal of impurities (2) Introduction of immersion melting that realizes efficient melting
Start of operation	June 18, 2026


Exterior view of the expansion building


Dedicated scrap melting furnaces

Going forward, the company will use this equipment to further accelerate our initiatives to achieve the rate of recycling of aluminum for construction materials at 80%, an FYE2031 target set under the Sustainability Vision 2050.

● News Release (Japanese) ➡ https://www.st-grp.co.jp/news/2026news/st20260618.html

SankyoTateyama, Inc.

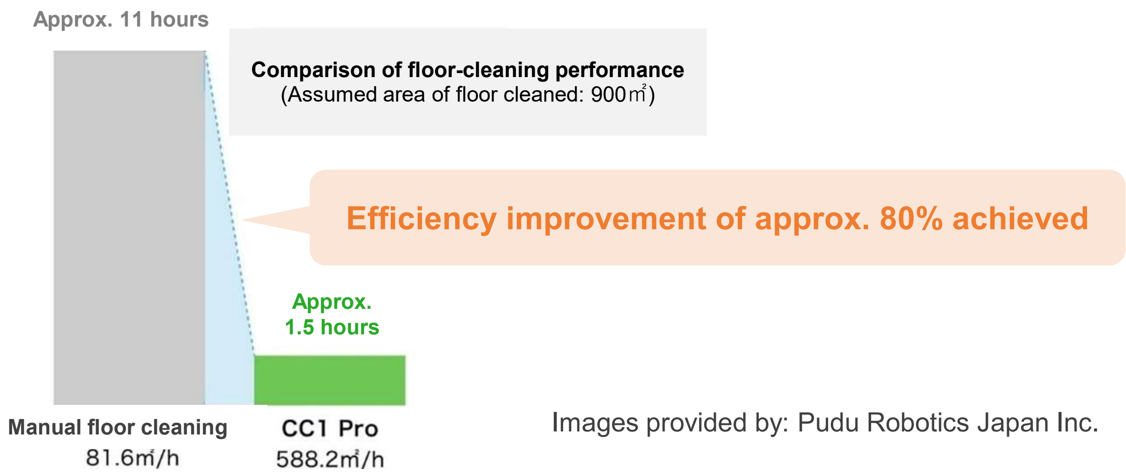
Store solutions enhanced by signing a dealership agreement with a world-class robot manufacturer

Provision of robots for professional use started

TateyamaAdvance-Company has begun to provide robots for professional use by signing a dealership agreement with Pudu Robotics Japan Inc., a leading company in the service robotics market.

◆Background and outline

Providing end-to-end support from sales and leasing through after-sales services, by leveraging customer network and knowledge on stores cultivated through many years of experience in the business for retailers, amid the growing seriousness of labor shortage due to the population decline



"PUDU CC1," a multi-functional robot complete with sweeping, mopping, vacuuming, and scrubbing functions .

"PUDU MT1," a high-performance, AI-powered sweeper that was developed for use in large-scale facilities

Images provided by: Pudu Robotics Japan Inc.

Going forward, the company will expand gradually to items such as delivery robots and catering robots. The company will help drive DX of stores by providing new solutions, aiming to reduce the load of store operations and contribute to sustainable growth of stores.

●News Release (Japanese) ➡ https://advance.st-grp.co.jp/news/news260625.html

Topic: Construction materials business

SankyoTateyama, Inc.

Helping improve the thermal insulation performance of the entire building by simultaneously obtaining the certification for the main opening products.

Certification obtained under 2025 “MOEJ LD-Tech” program

Three products from SankyoAlumi-Company -- “STINA” highly heat-insulating slim frame window system, “PRONOVA2” highly heat-insulating entrance door, and DI (Dynamic Insulation) Window -- obtained the certification under the 2025 “MOEJ LD-Tech,” a program hosted by the Ministry of the Environment that certifies most effective products for reducing CO2 emissions.

◆ MOEJ LD-Tech Program

A program that supports the most effective equipment, instruments, etc. for reducing CO2 emissions that was started in FYE2022. This program specifies standards on CO2 reduction performance of equipment, instruments, etc. in various sectors and certifies and publishes products that meet the highest standard. Further, information about products certified under the MOEJ LD-Tech Program is delivered proactively to support the development of decarbonization technologies and spread of the products.

● Website page of Ministry of the Environment ➡ https://www.env.go.jp/earth/post_93_00001.html

Highly heat-insulating slim frame window “STINA”

Highly heat-insulating entrance door “PRONOVA2”

DI (Dynamic Insulation) Window

Toward building a carbon-neutral society, importance is attached in particular to the performance of openings where heat comes in and goes out frequently, such as windows and entrance..

●News Release (Japanese) ➡ https://alumi.st-grp.co.jp/news/2026news/sa20260327.html

Sustainability News List in the 4Q of FYE2026 (from March 1, 2026 to May 31, 2026)

March 2026

- Acceptance of "Certification of CO2 Absorption and Fixation Volumes by Toyama Forestation"

April 2026

- "Twin Leaf Forest Development Activity" (24th)

May 2026

- Sankyo Tateyama Group's "groupwide simultaneous cleanup activities"

"Twin Leaf Forest Development Activity" (24th)

Company-wide cleaning campaign

Products released in the 4Q of FYE2026 (from March 1, 2026 to May 31, 2026)

March 2026

Construction materials Launched "Flamuscommon," a delivery box for residential complex

May 2026

Construction materials Launched "Flowa," a seamless floor

"Flowa," a seamless floor
Color: Natural

- Sustainability News (Japanese) ➡ https://www.st-grp.co.jp/sustainability/news/2026news.html
- News Release (Construction materials/Sankyo Alumi Company) (Japanese) ➡ https://alumi.st-grp.co.jp/news/2026news/news2026.html

(Reference) Business Environment

SankyoTateyama, Inc.

	Target period	2023	2024	2025
[Construction materials business (housing) index] The number of new housing starts	Apr.-Mar.	800 thousand units (-7.0%)	816 thousand units (+2.0%)	**711 thousand units (-12.8%)**
The number of new housing starts [Owner-occupied houses]	Apr.-Mar.	220 thousand units (-11.5%)	223 thousand units (+1.6%)	**195 thousand units (-12.5%)**
The number of new housing starts [House for rent]	Apr.-Mar.	340 thousand units (-2.0%)	357 thousand units (+4.8%)	**309 thousand units (-13.4%)**
[Construction materials business (Building) index] Floor area of non-wooden structure starts	Apr.-Mar.	63.4 million ㎡ (-9.3%)	59.2 million ㎡ (-6.7%)	**52.3 million ㎡ (-11.6%)**
[Materials business index] Aluminum extrusion weight [Excluding sashes and doors]	Jun.-May	353 thousand tons (+13.5%)	350 thousand tons (-0.9%)	**342 thousand tons (-2.2%)**
[Commercial facilities business index] The number of new building starts [Stores]	Apr.-Mar.	5,212 buildings (-9.1%)	5,760 buildings (+10.5%)	**6,589 buildings (+14.4%)**
[Global business index] Vehicle production Germany	Apr.-Mar.	4004 thousand units (+6.6%)	4170 thousand units (+4.2%)	**4136 thousand units (-0.8%)**
Vehicle production Thailand	Apr.-Mar.	1748 thousand units (-9.0%)	1407 thousand units (-19.5%)	**1474 thousand units (+4.8%)**
[Aluminum ingot Average value (The Nikkei)]	Jun.-May	404.0 JPY/kg	464.5 JPY/kg	**546.3 JPY/kg**

There have been changes to the categories used in the figures published by the Japan Aluminium Association. It is estimated that the value increased approximately 4% year on year under the same conditions as in the previous year.

( ): Year-on-year comparison

- Construction Materials Business -

SankyoTateyama, Inc.

Net sales

Note: Amounts are rounded down to the nearest 100 million JPY.

	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	43.9	**41.4**	-2.5	-5.7%				
2Q	47.7	**45.1**	-2.5	-5.4%	91.6	**86.5**	-5.1	-5.6%
3Q	43.5	**40.2**	-3.2	-7.6%	135.1	**126.7**	-8.3	-6.2%
4Q	43.4	**40.7**	-2.7	-6.3%	178.6	**167.5**	-1.1	-6.2%

Operating income

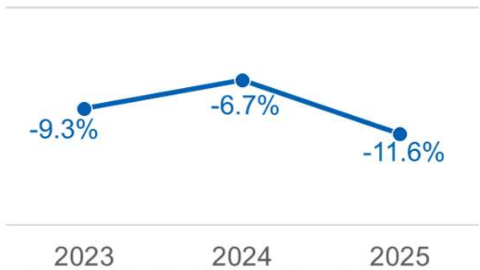
	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	-0.4	**-1.3**	-0.9	-				
2Q	1.2	**1.1**	-0.0	-6.8%	0.7	**-0.2**	-1.0	-
3Q	-0.0	**0.4**	+0.5	-	0.7	**0.2**	-0.4	-65.5%
4Q	-0.4	**0.8**	+1.3	-	0.2	**1.0**	+0.8	+352.2%

In the Construction Materials Business, although we focused on expanding sales of "STINA," our new flagship high-insulation slim window, and capturing steady demand for home renovations, the construction market was affected by a post-rush decline following the revision of the Building Standards Act and delays in construction starts due to soaring material costs. As a result, net sales decreased year-on-year. On the other hand, operating profit increased as a result of cost reductions achieved through revenue structure reform and efforts to optimize sales prices, including price revisions.

Business environment

Number of new housing starts (YoY)

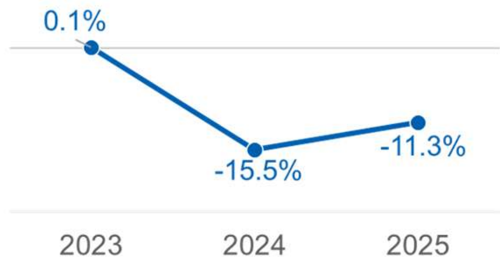
Floor area of non-wooden structure starts (YoY)



Source: Report of Statistical Survey of Construction Starts by the Ministry of Land, Infrastructure, transport and Tourism

Sales weight of aluminum sash for buildings (YoY)

Cumulative total from Apr. to Mar.



Source: Current Survey of Production by the Ministry of Economy, Trade and Industry

Aluminum ingot price (Source: The Nikkei)

- Materials Business -

SankyoTateyama, Inc.

Note: Amounts are rounded down to the nearest 100 million JPY.

Net sales

	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	13.8	**15.1**	+1.3	+9.4%				
2Q	14.9	**16.4**	+1.5	+10.4%	28.8	**31.6**	+2.8	+9.9%
3Q	15.1	**16.8**	+1.6	+10.6%	43.9	**48.4**	+4.4	+10.2%
4Q	15.7	**19.2**	+3.4	+22.0%	59.7	**67.7**	+7.9	+13.3%

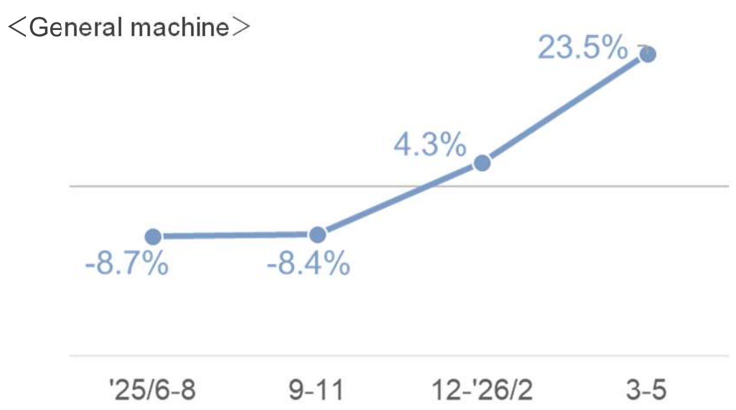
Operating income

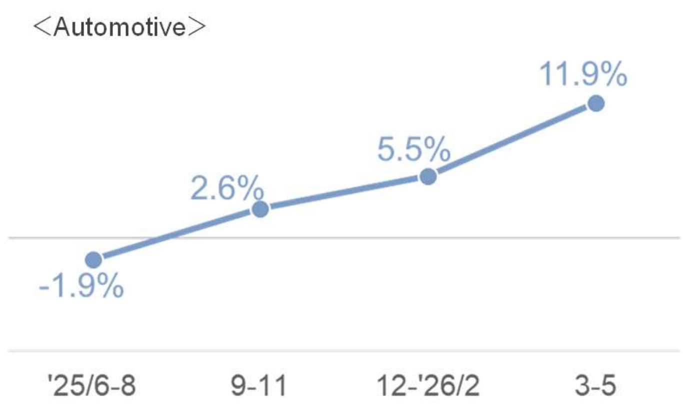
	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	0.6	**0.1**	-0.4	-73.3%				
2Q	0.9	**1.0**	+0.0	+8.1%	1.5	**1.1**	-0.3	-24.4%
3Q	0.5	**0.5**	-0.0	-5.9%	2.1	**1.7**	-0.4	-19.5%
4Q	0.4	**0.6**	+0.1	+35.0%	2.6	**2.3**	-0.2	-9.6%

In the Material Business, to meet long-term growth and demand, including the growing demand for automotive lightweight solutions, we have added a new extrusion line for large-sized profiles at the Shinminato Higashi Plant. At the same time, we are working to optimize our profile extrusion lines in line with production volumes. Net sales increased year-on-year. This was driven by higher sales volumes in the transportation sector, especially in the automotive sector, one of our key focus areas, as well as higher selling prices linked to aluminum ingot prices. However, operating profit decreased due to sharp increases in aluminum ingot prices and other material costs resulting from the escalating tensions in the Middle East.

Business environment

Domestic aluminum extrusion weight (YoY)





Source: Statistics by Japan Aluminum Association

- Commercial Facilities Business -

SankyoTateyama, Inc.

Net sales

Note: Amounts are rounded down to the nearest 100 million JPY.

	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	10.3	**9.9**	-0.4	-4.1%				
2Q	12.7	**12.3**	-0.3	-3.1%	23.0	**22.2**	-0.8	-3.5%
3Q	8.9	**8.6**	-0.3	-3.9%	32.0	**30.8**	-1.1	-3.6%
4Q	12.4	**11.7**	-0.7	-6.1%	44.5	**42.5**	-1.9	-4.3%

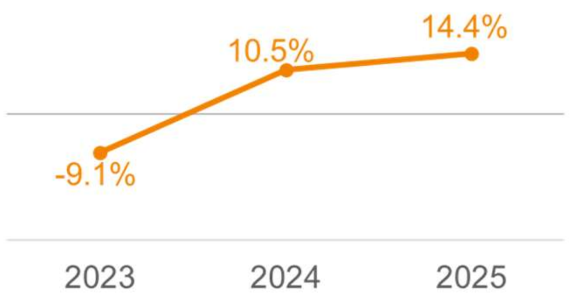
Operating income

	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	0.2	**-0.0**	-0.3	-				
2Q	0.8	**0.7**	-0.0	-6.6%	1.0	**0.7**	-0.3	-34.0%
3Q	-0.0	**-0.3**	-0.2	-	1.0	**0.4**	-0.6	-61.7%
4Q	0.3	**0.3**	0.0	-21.7%	1.4	**0.7**	-0.7	-50.8%

In the Commercial Facilities Business, retailers are actively investing to accelerate digital transformation through labor- and resource-saving measures and to respond to diversifying consumer needs. In this environment, we focused on securing demand for new store openings and store renovations. However, due to factors such as the postponement, cancellation, or downsizing of projects for major clients, which were affected by industry consolidation and soaring material and construction costs, net sales decreased year-on-year compared to the previous consolidated fiscal year. Furthermore, although we implemented measures to revenue improvement, such as price adjustments, controlling procurement costs, and reducing selling, general, and administrative expenses, operating profit decreased year-on-year compared to the previous consolidated fiscal year due to a decline in sales volume and increases in logistics costs.

Business environment

Number of new building starts (Stores) (YoY)



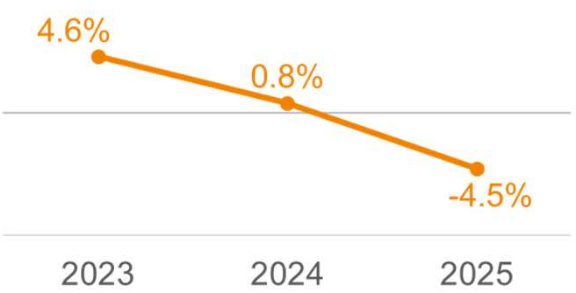
Source: Report of Statistical Survey of Construction Starts by the Ministry of land, Infrastructure, Transport and Tourism

Floor area of non-residential structure starts (Stores) (YoY)

Source: Report of Statistical Survey of Construction Starts by the Ministry of land, Infrastructure, Transport and Tourism

Retail sales amount (YoY)

Cumulative total from Apr. to Mar.



Source: Report of Current Survey of Commerce by the Ministry of Economy, Trade and Industry

- Global Business -

SankyoTateyama, Inc.

Net sales

Note: Amounts are rounded down to the nearest 100 million JPY.

	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	20.2	**19.1**	-1.0	-5.4%				
2Q	18.2	**18.7**	+0.4	+2.4%	38.5	**37.8**	-0.6	-1.7%
3Q	17.3	**18.5**	+1.2	+7.0%	55.8	**56.4**	+0.5	+1.0%
4Q	20.2	**22.7**	+2.5	+12.3%	76.1	**79.2**	+3.0	+4.0%

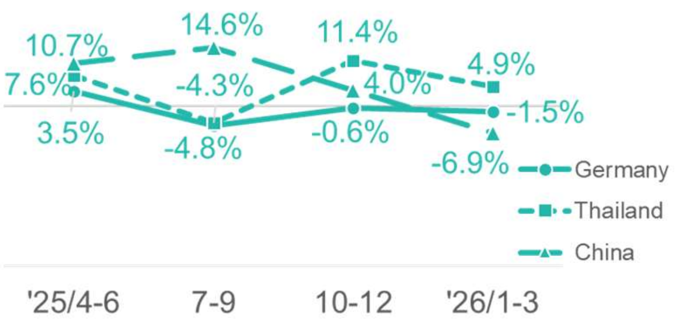
Operating income

	Quarterly				Total			
	FYE2025	**FYE2026**	Change YoY		FYE2025	**FYE2026**	Change YoY	
1Q	0.1	**0.0**	-0.0	-18.2%				
2Q	-1.6	**-1.4**	+0.2	-	-1.5	**-1.3**	+0.2	-
3Q	-0.1	**-0.8**	-0.6	-	-1.7	**-2.1**	-0.4	-
4Q	-0.8	**-0.2**	+0.5	-	-2.5	**-2.4**	+0.1	-

In Global Business, net sales increased year-on-year despite a market characterized by continued slow growth, driven by our efforts to secure volume and expand sales of value-added products, as well as higher selling prices resulting from foreign exchange effects and fluctuations in metal prices. However, although we pushed forward with cost reductions, such as in manufacturing expenses, the operating loss remained at the previous year's level due to the change in sales composition resulting from a decline in volume in the transportation sector, including automotive, rail, and aerospace, at our European subsidiary.
Furthermore, the revenue structure reform for our European subsidiary, which has been experiencing continued business performance shortfalls, is proceeding as planned, and we expect it to begin contributing to earnings in the fiscal year ending May 31, 2027.

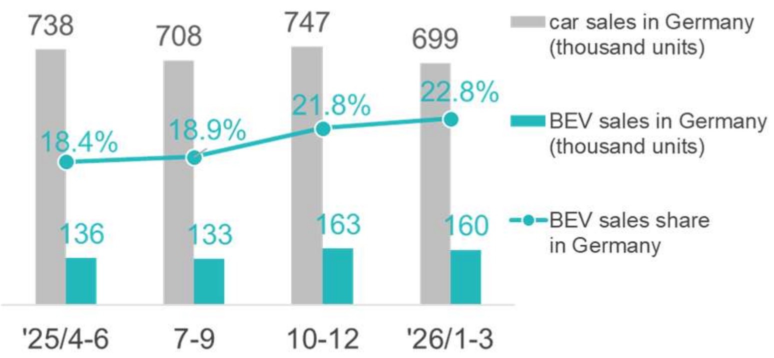
Business environment

Car production (YoY)



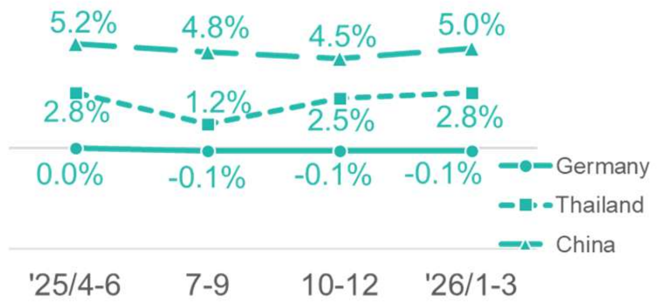
Source: VDA, MARKLINES

Car sales and EV car sales and their share in Germany



Source: KBA (Kraftfahrt-Bundesamt)

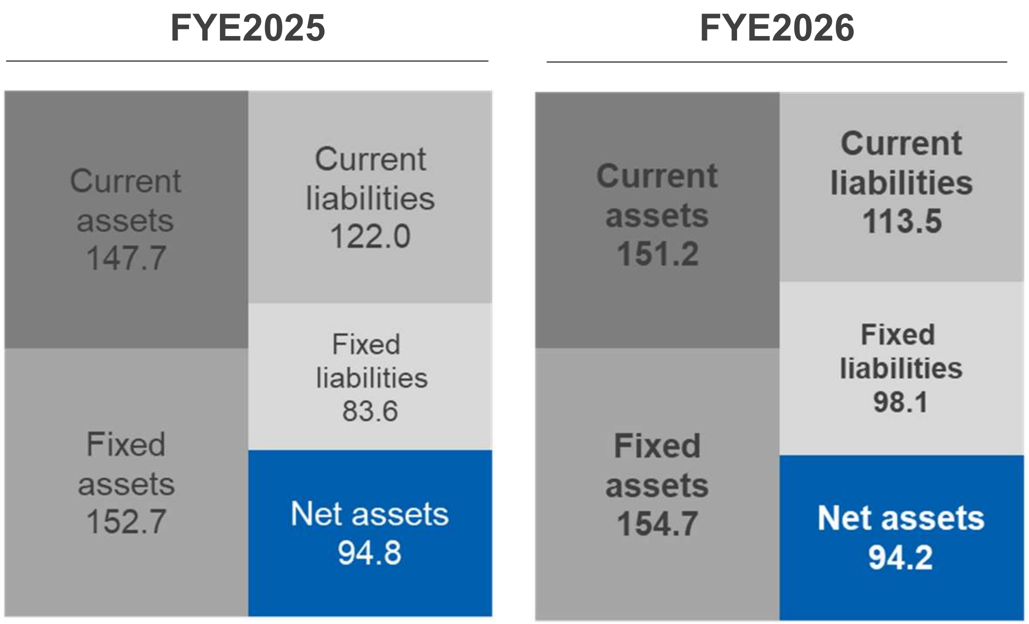
GDP (YoY)



Source: EUROSTAT, NESDC, CEIC

Balance Sheet

Note: Amounts are rounded down to the nearest 100 million JPY.



	FYE2025 (May 31, 2025)	**FYE2026 (May 31, 2026)**	Change
Total assets	300.4	**305.9**	5.5
Equity	91.2	**90.4**	-0.7
Capital adequacy ratio	30.4%	**29.6%**	-0.8p
Interest-bearing dept	87.2	**97.3**	10.1
Interest-bearing dept ratio	95.6%	**107.6%**	12.0p

*Equity: net assets – non-controlling interests
Capital adequacy ratio: equity / total assets
Interest-bearing: short-term loans + long-term loans + corporate bonds
Interest-bearing ratio: total amount of interest-bearing- debt / equity

Major factors for the changes

[Assets]
- Total assets increased 5.5 billion JPY from the end of the previous fiscal year due to the sale of assets and the recording of an impairment loss, in spite of growth investments.

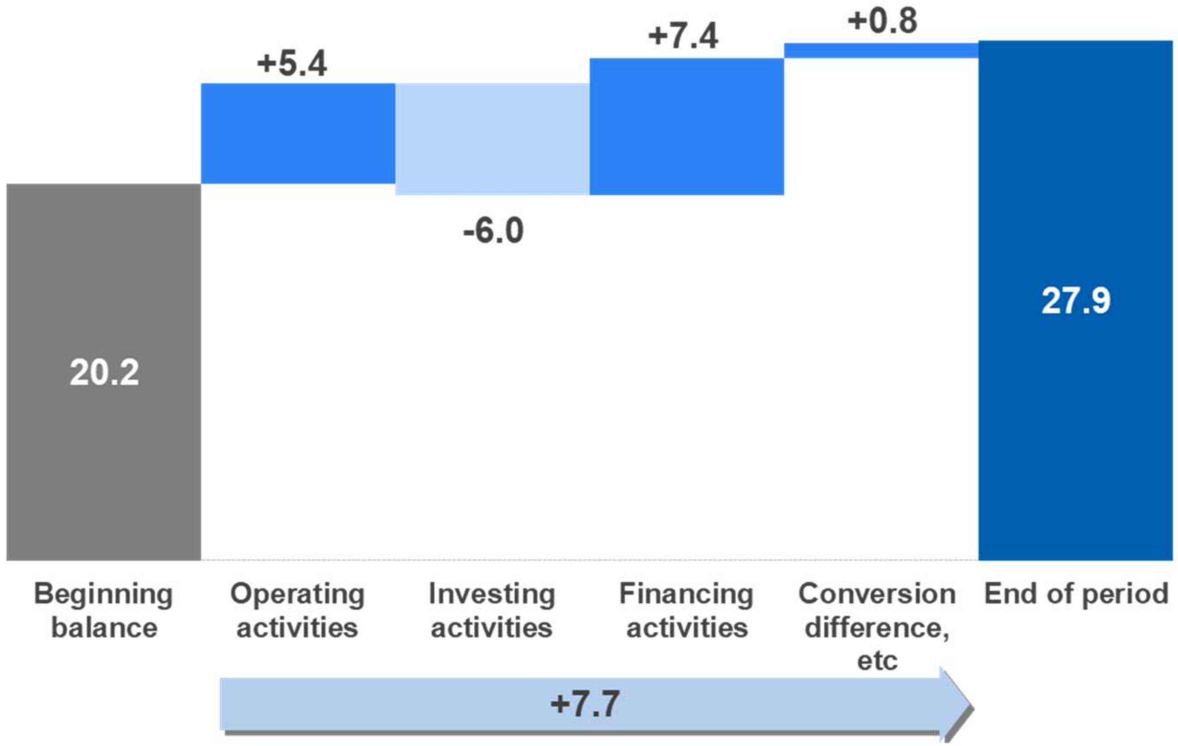
[Liabilities]
- Interest-bearing liabilities increased due to funding for growth investments.

Policy

Drive the improvement of asset efficiency and strengthening of financial structure.

Cash Flows

SankyoTateyama, Inc.



Cash flows from operating activities	5.4	Cash flows from investing activities	-6.0	Cash flows from financing activities	7.4
Profit (loss) before income taxes	-11.1	Purchase of tangible fixed assets	-16.2	Net increase (decrease) in short-term loans	-2.2
Depreciation	9.3	Proceeds from sale of tangible fixed assets	9.6	Proceeds from long-term borrowings	33.4
Impairment loss	16.7	Proceeds from sale of investment s	1.8	Repayments of long-term borrowings	-22.1
Other, net	-9.5	Other, net	-1.2	Dividends paid	-0.7
				Other, net	-0.8

Major factors for the changes

[Cash flows from operating activities: +5.4 billion JPY]
- An (non-cash) impairment loss of 16.0 billion JPY recorded in the construction materials business
- Depreciation: Approx. 9.3 billion JPY (non-cash)

[Cash flows from investing activities: - 6.0 billion JPY]
- Transfer of the Company's building in Nihonbashi-hamacho
- Sales of a part of buildings and land of the Bonn Plant
- Continuation of capital investments
Promotion of sales of cross-shareholdings

[Cash flows from financing activities: +7.4 billion JPY]
- Continuation of procurement and repayment of long-term loans
- Payment of dividends (25 JPY/share)

Policy

Drive the improvement of asset efficiency and strengthening of financial structure.

Note: Amounts are rounded down to the nearest 100 million JPY.

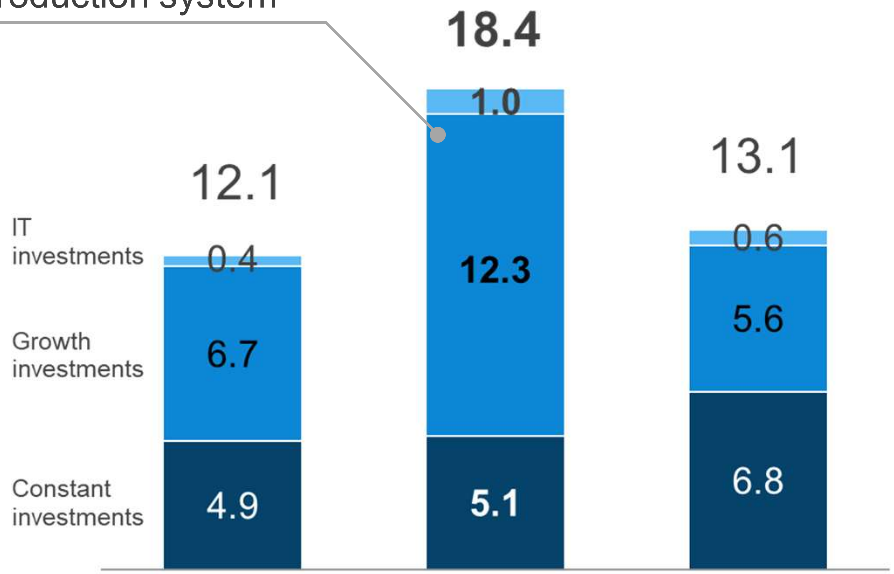
Capital investment

SankyoTateyama, Inc.

Main investment

Note: Amounts are rounded down to the nearest 100 million JPY.
Note: Amounts are recorded as assets.

- Expansion of Shinminato-higashi Plant
- Establishment of new sash production system



	FYE2025 Result	**FYE2026 Result**	FYE2027 Plan
Constant investments	4.9	**5.1**	6.8
Growth investments	6.7	**12.3**	5.6
IT investments	0.4	**1.0**	0.6
Total	12.1	**18.4**	13.1
(overseas subsidies)	5.0	**2.8**	2.9
Depreciation expense	8.2	**9.3**	7.7

SankyoTateyama, Inc.

Scope of consolidation and equity method

	FYE2025 (May 31, 2025)	FYE2026 (May 31, 2026)	Change
Consolidated subsidiaries	45	**45**	–
Equity method-applied companies	6	**7**	＋1
Total	51	**52**	＋1

Status of personnel (Regular employees)

	FYE2025 (May 31, 2025)	FYE2026 (May 31, 2026)	Change
Sankyo Tateyama, Inc.	4,686	**4,472**	-214
Consolidated subsidiaries	5,326	**5,070**	-256
Total	10,012	**9,542**	-470

Aluminum Ingot Price and Exchange Rates

		Average	FYE2025 Results	FYE2026 Plan	FYE2026 Results	FY2027 Plan
Aluminum ingot price (Nikkei Aluminum average)		Jun.-May	464.5 JPY/kg	455.0 JPY/kg	**546.3 JPY/kg**	635.0 JPY/kg
Exchange rates	USD	Apr.-Mar.	152.6 JPY	145.0 JPY	**150.7 JPY**	160.0 JPY
	EUR	Apr.-Mar.	163.9 JPY	160.0 JPY	**174.6 JPY**	175.0 JPY
	THB	Apr.-Mar.	4.4 JPY	4.0 JPY	**4.7 JPY**	4.5 JPY
	CNY	Apr.-Mar.	21.1 JPY	21.0 JPY	**21.2 JPY**	23.0 JPY

Sustainability Vision 2050

Life with Green Technology

Achieving carbon neutrality

We aim to carbon neutral by striking a balance between reducing greenhouse gas emissions resulting from our business activities and reducing the greenhouse gas emissions of the products and services that we create with environmental technologies.

Reusing resources

To help bring about a recycling-oriented society, we will encourage recycling of major materials and promote the reuse of waste.

Connecting personnel and the future

By promoting personnel training that values diversity and human rights, we will foster a dynamic corporate culture, which is how we connect the personnel—who are the driving force behind our efforts to make lives richer—with the future.

FYE2031 Targets

Greenhouse gas emissions

Scope 1 + 2 **50% reduction**
(Compared to the FYE2018 level)

Scope 3 **25% reduction**
(Compared to the FYE2023 level)

Rate of recycling of aluminum for construction materials **80%**

Aim to achieve 100% by addressing issues

Percentage of woman in management positions:

10%

Scope1: Direct emissions from in-house fuel use,
Scope2: Indirect emissions from the use of heat and electricity purchased the company
Scope 3: Emissions from processes upstream and downstream of your business activities

*1: Not the index for individual products
*2: The subject facilities are manufacturing facilities in Japan.
*3: Scrap materials generated in the internal manufacturing process are included.

Notes regarding these documents

Forward-looking statements included in this document, including earnings projections, are based on information currently available to the Company and certain assumptions that management believes to be reasonable, but do not constitute a guarantee of future results. Actual results may differ materially based on various factors, including changes in economic conditions domestically and internationally and exchange rate movements. The Company will make timely disclosure in the event of any material change in the situation.