

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2025

[Japanese Standards] (Consolidated)

November 7, 2025

Company name: OKAMOTO INDUSTRIES, INC.
 Stock exchange listing: Tokyo
 Stock code: 5122 URL <https://www.okamoto-inc.jp/>
 Representative: Kunihiko Okamoto, President
 Inquiries: Hisao Hosoya, Executive Officer (Accounting Dept.)
 Scheduled date to file Securities Report: November 14, 2025
 Scheduled date to commence dividend payments: December 1, 2025
 Supplemental material on quarterly results: No
 Presentation on quarterly results: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2025

(from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results(cumulative) (% represents changes over the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	52,899	△ 2.9	2,503	△ 49.1	3,384	△ 32.5	1,943	△ 34.8
Six months ended September 30, 2024	54,489	6.9	4,919	3.2	5,015	△ 16.5	2,980	△ 34.9

(Note) Comprehensive income: Six months ended September 30, 2025 : 6,620 million yen 105.5 %
 Six months ended September 30, 2024 : 3,221 million yen △ 64.9 %

	Net income per share	Diluted net income per share
	yen	yen
Six months ended September 30, 2025	112.83	-
Six months ended September 30, 2024	170.70	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	151,151	98,796	65.3
As of March 31, 2025	146,134	94,464	64.6

(Reference) Own capital: As of September 30, 2025 : 98,695 million yen
 As of March 31, 2025 : 94,356 million yen

2. Dividends

	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	yen	yen	yen	yen	yen
FY Ended March 31, 2025	-	60.00	-	60.00	120.00
FY Ended March 31, 2026	-	60.00	-	-	-
FY Ended March 31, 2026 (forecast)	-	-	-	60.00	120.00

(Note) Revision of the latest dividend forecast announced: No

3. Forecasts of consolidated financial results for the year ending March 31, 2026

(from April 1, 2025 to March 31, 2026)

(% represents changes over the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to		Net income
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	109,000	△ 0.1	5,700	△ 34.5	7,000	△ 28.3	4,300	△ 35.6	246.95

(Note) Revision of the latest consolidated results forecast announced: No

*Notes

(1) Changes in status of significant subsidiaries during the six months ended September 30, 2025
 (changes in status of specified subsidiaries accompanying changes in consolidated) No
 Newly consolidated subsidiaries: — Subsidiaries excluded: —

(2) Application of accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting principles, changes in accounting estimates, and retrospective restatements

① Changes in accounting principles due to revisions to accounting standards: No
 ② Changes other than ①: No
 ③ Changes in accounting estimates: No
 ④ Retrospective restatements: No

(4) Number of outstanding shares(common stock)

① Number of outstanding shares at period-end(including treasury stock)
 ② Number of treasury stocks at period-end
 ③ Average number of shares during the period(cumulative total for quarterly period)

①	Six months ended September 30, 2025	17,699,367	FY Ended March 31, 2025	17,899,367
②	Six months ended September 30, 2025	607,036	FY Ended March 31, 2025	563,250
③	Six months ended September 30, 2025	17,228,932	Six months ended September 30, 2024	17,460,630

*The current quarterly financial results are not subject to quarterly review procedures by certified public accountant or by auditing firm.

*Explanation relating to the appropriate use of forecasts of business results and other items of note.

The forecasts included in this document are based on the current available information and certain assumptions that we believe reasonable. Actual results, etc. may differ from projections due to a variety of reasons.

(Overview of Operating Results)

During the six-month consolidated accounting period under review, the Japanese economy remained generally flat. Although personal consumption was partially supported by progress in wage increases, consumers continued to show a strong tendency toward saving due to heightened awareness of household budget protection amid rising prices. In the corporate sector, capital investment remained firm; however, uncertainty regarding the future outlook increased owing to the slowdown in overseas economies and the impact of U.S. trade policies. Overall, while the economy was on a moderate recovery trend, conditions remained unstable and susceptible to changes in the external environment.

Under such circumstances, the Group continued to implement its business strategies in each segment and endeavored to strengthen its competitiveness. In the Sales Division, efforts were made to minimize the impact of changes in customer demand by reinforcing relationships with existing customers, developing new clients, and implementing flexible sales strategies in line with market trends. In the Production and Management Divisions, the Group sought to further improve the efficiency of raw material procurement, production control, and inventory management through the utilization of a new core system introduced in the current fiscal year, while also promoting investments in factory automation to address labor shortages.

As a result, consolidated net sales for the period amounted to ¥52,899 million (a 2.9% decrease year-on-year). Operating income was ¥2,503 million (a 49.1% decrease), ordinary income was ¥3,384 million (a 32.5% decrease), and profit attributable to owners of parent was ¥1,943 million (a 34.8% decrease). The decrease in profit was mainly attributable to (1) the appreciation of the yen, which had an impact equivalent to approximately ¥8 per U.S. dollar, (2) continued price hikes for flame retardants (antimony) due to China's rare metal regulations, and (3) the economic slowdown in China.

(1) Industrial Products

Sales of general-purpose films increased due to gains from competitors, despite the overall contraction of the market.

Sales of industrial films increased, driven by steady demand for dicing and media-related films.

Sales of Decorative plastic films rose, mainly for flooring materials.

Sales of multilayer films increased, supported by firm demand for export food packaging and industrial materials.

Sales of wall coverings declined due to sluggish sales of single-family houses.

Sales of agricultural films increased due to pre-shipment demand ahead of price revisions.

Sales of automotive interior materials slightly increased in China due to vehicle price adjustments, but overall sales decreased as a result of inventory adjustments at North American subsidiaries following delayed model changes and foreign exchange effects.

Sales of flexible containers increased due to the withdrawal of competitors and the effects of price revisions.

Sales of adhesive tapes decreased in both packaging and industrial applications due to weak demand.

Sales of industrial tapes slightly decreased, with higher sales for industrial use offset by lower sales of electronic component applications.

Within food hygiene products, sales of food wrapping films increased for both commercial and small-roll types due to new customer acquisitions.

Sales of food-use gloves declined due to downward pressure on unit prices.

Sales of "PICHIT" water-absorption and dehydration sheets increased owing to higher demand from seafood processing and steady demand for meat applications.

Sales of abrasive cloth and paper, etc. decreased overall, as firm sales of abrasive cloth and paper were offset by lower sales of OA-related components.

As a result, net sales in this segment totaled ¥37,035 million (a 0.3% decrease year-on-year), and the segment loss was ¥339 million (compared with a profit of ¥870 million in the same period of the previous year).

(2) Consumer Products

Sales of condoms decreased. Although domestic demand remained firm, sales declined due to inventory adjustments by certain major customers. Overseas sales also decreased due to the slowdown in the Chinese economy and the impact of foreign exchange rates.

Sales of enemas increased, supported by new product listings at major retail chains and strong overseas demand.

Sales of dehumidifiers decreased, reflecting lower precipitation following an earlier end to the rainy season.

Sales of disposable body warmers increased due to earlier shelf introduction at retail stores.

Sales of household gloves decreased due to reduced transactions with major customers.

Sales of medical gloves declined amid intensified price competition.

Sales of industrial gloves increased, reflecting new adoptions despite weaker demand for semiconductor-related products.

Among medical products, sales of sterilizers increased as demand recovered.

Sales of boots decreased due to a reduction in product items following price revisions.

Sales of shoes declined as demand for leather footwear weakened amid unusually hot weather.

As a result, net sales in this segment amounted to ¥15,723 million (an 8.6% decrease year-on-year), and segment profit was ¥3,770 million (a 23.8% decrease).

(3) Other Businesses

This segment comprises the logistics outsourcing and solar power generation businesses.

Net sales (including internal sales and transfers between segments) totaled ¥1,542 million (a 1.0% decrease year-on-year), and segment profit was ¥187 million (a 24.3% decrease).

Consolidated Quarterly Financial Statements and Notes
Consolidated Quarterly Balance Sheets

(millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	41,337	37,088
Notes receivable-trade	1,167	817
Accounts receivable-trade	16,952	16,938
Electronically recorded monetary claims-operating	8,270	8,155
Merchandise and finished goods	11,349	10,997
Work in process	2,929	3,220
Raw materials and supplies	4,723	4,492
Other	2,674	1,936
Allowance for doubtful accounts	△ 55	△ 53
Total current assets	89,348	83,592
Non-current assets		
Property, plant and equipment	21,818	21,802
Intangible assets	2,569	2,421
Investments and other assets		
Long-term time deposits	800	-
Investment securities	30,979	42,786
Deferred tax assets	180	158
Other	439	392
Allowance for doubtful accounts	△ 1	△ 1
Total investments and other assets	32,397	43,335
Total non-current assets	56,785	67,559
Total assets	146,134	151,151

(millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable–trade	23,888	22,103
Electronically recorded obligations–operating	3,288	3,990
Short–term loans payable	2,324	2,224
Income taxes payable	1,502	358
Provision for bonuses	1,059	1,117
Other	4,881	4,837
Total current liabilities	36,945	34,632
Non–current liabilities		
Long–term loans payable	1,014	1,102
Deferred tax liabilities	6,548	9,631
Net defined benefit liability	6,466	6,353
Other	695	635
Total non–current liabilities	14,724	17,722
Total liabilities	51,669	52,355
Net assets		
Shareholders' equity		
Capital stock	13,047	13,047
Capital surplus	1,269	1,269
Retained earnings	58,855	58,893
Treasury stock	△ 2,652	△ 3,022
Total shareholders' equity	70,519	70,188
Accumulated other comprehensive income		
Valuation difference on available–for–sale securities	17,254	23,477
Deferred gains or losses on hedges	2	△ 1
Foreign currency translation adjustment	5,892	4,415
Remeasurements of defined benefit plans	688	615
Total accumulated other comprehensive income	23,837	28,506
Non–controlling interests	107	101
Total net assets	94,464	98,796
Total liabilities and net assets	146,134	151,151

Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income
Consolidated Quarterly Statements of Income
Six months ended September 30, 2025

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	54,489	52,899
Cost of sales	42,068	42,755
Gross profit	12,421	10,144
Selling, general and administrative expenses		
Freightage and packing expenses	1,829	1,631
Other selling expenses	1,498	1,557
Salaries and bonuses	1,706	1,711
Provision for bonuses	380	382
Retirement benefit expenses	61	61
Other general and administrative expenses	2,026	2,295
Total selling, general and administrative expenses	7,502	7,640
Operating profit	4,919	2,503
Non-operating income		
Interest income	37	70
Dividends income	570	677
Real estate rent	327	327
Other income	108	68
Total non-operating income	1,043	1,143
Non-operating expenses		
Interest expenses	14	31
Rent expenses on real estates	67	63
Equity in losses of affiliates	3	-
Foreign exchange losses	633	78
Tender offer related expenses	122	-
Other expenses	105	89
Total non-operating expenses	947	262
Ordinary income	5,015	3,384
Extraordinary income		
Gain on sales of noncurrent assets	0	-
Gain on sales of investment securities	186	77
Total extraordinary gain	187	77
Extraordinary loss		
Loss on retirement of noncurrent assets	19	3
Impairment loss	620	452
Loss on sales of investment securities	189	-
Loss on disaster	-	66
Other loss	4	-
Total extraordinary loss	834	522
Profit before income taxes	4,368	2,939
Income taxes-current	1,254	685
Income taxes-deferred	156	296
Total income taxes	1,410	981
Net income	2,958	1,957
Profit attributable to non-controlling interests	△ 22	14
Profit attributable to owners of parent	2,980	1,943

Consolidated Quarterly Statements of Comprehensive Income
Six months ended September 30, 2025

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net income	2,958	1,957
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 1,550	6,223
Deferred gains or losses on hedges	4	△ 3
Foreign currency translation adjustment	1,820	△ 1,484
Remeasurements of defined benefit plans, net of tax	△ 11	△ 72
Total accumulated other comprehensive income	263	4,662
Comprehensive income	3,221	6,620
(comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	3,163	6,613
Comprehensive income attributable to non-controlling interests	57	6

Information about net sales, profit or loss, assets, liabilities and other items by reportable segment

Six months ended September 30, 2024

(Millions of yen)

	Reportable segment			(*)Other	Total	(**)Adjustment	(***)Amount recorded on the consolidated quarterly statements
	Industrial Products	Household Products	Total				
Net sales							
Japan	22,906	8,258	31,164	131	31,296	–	31,296
North America	11,501	1,189	12,690	–	12,690	–	12,690
Asia	2,738	7,589	10,327	–	10,327	–	10,327
Others	–	175	175	–	175	–	175
Revenue from Contracts with Customers	37,145	17,211	54,357	131	54,489	–	54,489
Other income	–	–	–	–	–	–	–
Sales to external customers	37,145	17,211	54,357	131	54,489	–	54,489
Intersegment sales or transfers	56	293	349	1,674	2,023	△ 2,023	–
Total	37,201	17,505	54,707	1,805	56,512	△ 2,023	54,489
Segment profit (loss)	870	4,948	5,818	248	6,066	△ 1,147	4,919

* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business.

** Adjustment is as follows:

(1) The adjustment to segment profit represents 22 million yen in intersegment eliminations and company-wide expenses negative 1,169 million yen. The company-wide expenses mainly include general and administrative expenses that are not attributable to the reported segments.

*** Segment profit is coordinated with the operating income in the consolidated statements.

※ In the Industrial Products business segment, impairment loss on fixed assets was recorded at 620 million yen.

Six months ended September 30, 2025

(Millions of yen)

	Reportable segment			(*)Other	Total	(**)Adjustment	(***)Amount recorded on the consolidated quarterly statements
	Industrial Products	Household Products	Total				
Net sales							
Japan	23,862	8,146	32,008	140	32,149	–	32,149
North America	10,385	1,207	11,593	–	11,593	–	11,593
Asia	2,788	6,185	8,973	–	8,973	–	8,973
Others	–	183	183	–	183	–	183
Revenue from Contracts with Customers	37,035	15,723	52,759	140	52,899	–	52,899
Other income	–	–	–	–	–	–	–
Sales to external customers	37,035	15,723	52,759	140	52,899	–	52,899
Intersegment sales or transfers	47	293	341	1,590	1,931	△ 1,931	–
Total	37,083	16,017	53,100	1,730	54,831	△ 1,931	52,899
Segment profit (loss)	△ 339	3,770	3,431	187	3,619	△ 1,115	2,503

* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business.

** Adjustment is as follows:

(1) The adjustment to segment profit represents 22 million yen in intersegment eliminations and company-wide expenses negative 1,138 million yen. The company-wide expenses mainly include general and administrative expenses that are not attributable to the reported segments.

*** Segment profit(loss) is coordinated with the operating income in the consolidated statements.

※ In the Industrial Products business and the Household Products business segment, impairment loss on fixed assets was recorded at 452 million yen. The impairment loss was recorded at 448 million yen in the Industrial Products business and 3 million yen in the Household Products business for the second quarter of the fiscal year ending March 31, 2026.