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(Securities Code: 6339)

Date of sending by postal mail: June 8, 2026

Start date of electronic provision of information: May 27, 2026

To our shareholders:

Atsushi Nagai
Representative Director, President
SINTOKOGIO, LTD.
3-28-12 Meieki, Nakamura-ku, Nagoya City

NOTICE OF THE 129TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 129th Ordinary General Meeting of Shareholders of SINTOKOGIO, LTD. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or in writing (postal mail). Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders, and refer to the “Instructions for Methods to Exercise Voting Rights” below by Monday, June 22, 2026, at 5:15 p.m. (JST).

- 1. Date and Time:** Tuesday, June 23, 2026, 10:00 a.m. (JST)
- 2. Venue:** Midland Hall (5th floor of Midland Square Office Tower)
4-7-1 Meieki, Nakamura-ku, Nagoya City

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 129th Term (from April 1, 2025 to March 31, 2026), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors.
2. Non-Consolidated Financial Statements for the 129th Term (from April 1, 2025 to March 31, 2026)

Items to be resolved:

- | | |
|--------------------|---|
| Proposal 1: | Amendment to the Articles of Incorporation |
| Proposal 2: | Election of eleven (11) Directors |
| Proposal 3: | Election of one (1) Auditor |
| Proposal 4: | Revision of the amount of remuneration for Auditors |

■ Points to note regarding the General Meeting of Shareholders

The Company has adopted the electronic provision of information for the assembly of this general meeting of shareholders and has posted the items subject to measures for electronic provision on the following website.

Company website: <https://www.sinto.co.jp/ir/library/meeting/>

In addition to the above, the Company has also posted the information on the following website on the Internet.

Tokyo Stock Exchange website

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Please access the above Tokyo Stock Exchange website, enter or search for our company name or securities code, and select “Basic information” and “Documents for public inspection/PR information” in that order. Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”

© If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company’s website listed above and the Tokyo Stock Exchange website.

- ⊙ At this general meeting of shareholders, regardless of whether or not a request for delivery of the document has been made, the Company will uniformly send a document stating the items subject to measures for electronic provision. Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders.
 - (i) Basic policy on internal controls and its operational status
 - (ii) Notes to Consolidated Financial Statements
 - (iii) Notes to Non-Consolidated Financial Statements(i) to (iii) are subject to auditing by the Auditors, and (ii) and (iii) are subject to auditing by the Accounting Auditor.
- ⊙ Shareholders who require a sign language interpreter or special assistance may attend the meeting accompanied by one interpreter or assistant. However, please note that interpreters and assistants are not permitted to exercise voting rights or ask questions.
- ⊙ A dedicated space will be set up for wheelchair users. A staff member will guide you upon entry, so please inquire at reception.

■ Instructions for Methods to Exercise Voting Rights

Attending the General Meeting of Shareholders

Date and Time: Tuesday, June 23, 2026 at 10:00 a.m. (JST)

Please submit the voting form to the receptionist at the meeting site.

Only shareholders may enter the meeting on the day it is held. If you attend the meeting by proxy, the proxy must also be a shareholder.

Exercise of voting rights via the Internet

Deadline: to be exercised by Monday, June 22, 2026 at 5:15 p.m. (JST).

Please access the voting website (<https://evote.tr.mufg.jp/>) and indicate whether you approve or disapprove of each proposal by the voting deadline.

For the “Instructions on Exercise of Voting Rights via the Internet,” please review the following pages.

Exercise of voting rights in writing

Deadline: to be received by Monday, June 22, 2026 at 5:15 p.m. (JST).

Please indicate on the voting form whether you approve or disapprove of each proposal, and return it by the voting deadline.

To Exercise Voting Rights:

- If you exercise your voting rights in writing (postal mail) and do not mark your approval or disapproval of any proposal on the voting form, it will be treated as an indication of “Approval.”
- If you exercise your voting rights more than once via the Internet, only the last exercise of voting rights shall be deemed valid.
- If you exercise your voting rights both via the Internet and in writing (postal mail), the vote exercised via the Internet will be treated as the valid vote, regardless of the date of arrival.

Reference Documents for the General Meeting of Shareholders

Proposals and Related Matters

Proposal 1: Amendment to the Articles of Incorporation

1. Reason for this proposal

The Company proposes to amend Article 25 of the current Articles of Incorporation to increase the number of Auditors, with the aim of further enhancing corporate governance and strengthening the audit system.

2. Details of proposed amendments

Details of the proposed amendment are as follows:

(Underlined portions are amended.)

Current Articles	Proposed Amendments
Chapter 5 Auditors and Board of Auditors Article 25 The Company shall set up a Board of Auditors consisting of <u>not more than four (4) members</u> .	Chapter 5 Auditors and Board of Auditors Article 25 The Company shall set up a Board of Auditors consisting of <u>not more than five (5) members</u> .



Proposal 2: Election of eleven (11) Directors



At the end of this Ordinary General Meeting of Shareholders, the term of office of all eleven (11) Directors will expire. Therefore, the Company proposes that eleven (11) Directors be elected.



The candidates for Directors were decided based on recommendations by the Nomination and Compensation Committee comprised of independent external officers.



The candidates for Directors are as follows:



No.	Name	Sex	Attributes	Tenure	Current role at the Company		Attendance at Board of Directors meetings
					Nomination and Compensation Committee	Role	
1	Reelection Yoshiki Ueda	Male	External Independent	10 years	Chair	Chairman of the Board	100% (16/16 times)
2	Reelection Atsushi Nagai	Male		30 years		President	100% (16/16 times)
3	Reelection Kenichi Nakamichi	Male		6 years		CASTEC COMPANY President, in charge of Accounting and Finance	100% (16/16 times)
4	Reelection Hiroyuki Takeda	Male		3 years		SURFACETEC COMPANY President, in charge of Sales, General Representative of China	100% (16/16 times)
5	Reelection Hiromitsu Uchiyama	Male		5 years		General Manager of Business Promotion Division, in charge of Human Resources	100% (16/16 times)
6	Reelection Takashi Suzuki	Male		1 year		ECOTEC COMPANY President, in charge of Technology Collaboration	100% (11/11 times)
7	Reelection Yukako Uchinaga	Female	External Independent	5 years	Committee Member		100% (16/16 times)
8	Reelection Hiroshi Kurihara	Male	External Independent	2 years	Committee Member		100% (16/16 times)
9	Reelection Masato Tsuru	Male	External Independent	1 year	Committee Member		100% (11/11 times)
10	New election Yoshihiro Gonda	Male	External Independent	–	–		–
11	New election Yuko Nakamura	Female	External Independent	–	–		–

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 Yoshiki Ueda (March 10, 1953)	Apr. 1976 Joined Mitsubishi Corporation Apr. 2008 Senior Vice President (“Riji”) of Mitsubishi Corporation June 2010 President and CEO of Mitsubishi Corporation Technos June 2016 External Director of the Company June 2017 Chairman of the Company (present position) (Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of THK CO., LTD.	—
<p>[The reason for nominating as a candidate for External Director] As Yoshiki Ueda has extensive business experience and knowledge as a senior executive of a general trading company and a manager of a specialized trading company, the Company believes that he can supervise the management properly. Therefore, the Company is convinced that he is capable of properly performing his duties as an External Director to enhance supervisory functions of the Board of Directors and contribute to the business of the Company, and it asks shareholders to elect him continuously as an External Director.</p> <p>Ueda has been in the position of External Director of the Company for ten (10) years.</p>			
2	 Atsushi Nagai (September 30, 1960)	June 2002 Senior Managing Director of the Company June 2006 President of the Company Apr. 2021 Representative Director, President of the Company (present position) (Significant concurrent positions outside the Company) Representative Director of Heinrich Wagner Sinto Maschinenfabrik GmbH Director of Sinto America, Inc.	699,208
<p>[The reason for nominating as a candidate for Director] Atsushi Nagai has been taking responsibility as President since 2006. Nagai has extensive knowledge of global business as well as the ability to apply his knowledge of the whole business of the Company, and he has directed and supervised the management properly as President. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
3	 Kenichi Nakamichi (August 8, 1965)	Apr. 1989 Joined SINTOBRATOR, LTD. Apr. 2012 General Manager of Blast Division of the Company July 2014 Executive Officer, General Manager of Blast Division of the Company July 2015 Managing Executive Officer, General Manager of Blast Division of the Company June 2020 Director, General Manager of Overseas Business Division of the Company Apr. 2022 Director, Senior Executive Officer, CASTEC COMPANY President of the Company Apr. 2024 Director, Managing Executive Officer, CASTEC COMPANY President, in charge of Accounting and Finance of the Company Apr. 2026 Director, Senior Managing Executive Officer, CASTEC COMPANY President, in charge of Accounting and Finance of the Company (present position)	31,007
<p>[The reason for nominating as a candidate for Director]</p> <p>While engaged in management as a Director since 2020, Kenichi Nakamichi has performed his role and responsibility effectively as CASTEC COMPANY President and a supervisor of accounting and finance of the Company. Nakamichi is able to apply his extensive experience and high level of knowledge in overseas business and the surface treatment business. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			
4	 Hiroyuki Takeda (December 30, 1969)	Sep. 1992 Joined SINTOBRATOR, LTD. Mar. 2016 Qingdao Sinto Machinery Co., Ltd., China, Managing Director Apr. 2020 Executive Officer of the Company Mar. 2021 Chairman and General Representative of China, Qingdao Sinto Machinery Co., Ltd., China Apr. 2023 Executive Officer, General Manager of Sales Headquarters of the Company June 2023 Director, Managing Executive Officer, General Manager of Sales Headquarters of the Company Apr. 2024 Director, Managing Executive Officer, SURFACETEC COMPANY President, General Representative of China of the Company Apr. 2026 Director, Senior Managing Executive Officer, SURFACETEC COMPANY President, in charge of Sales, General Representative of China of the Company (present position)	16,090
<p>[The reason for nominating as a candidate for Director]</p> <p>While engaged in management as a Director since 2023, Hiroyuki Takeda has performed his role and responsibility effectively as SURFACETEC COMPANY President and a supervisor of sales. Takeda is able to apply his extensive experience and high level of knowledge in sales and global business. Therefore, the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
5	 <p>Hiromitsu Uchiyama (April 26, 1960)</p>	<p>Apr. 1983 Joined Toyota Motor Corporation</p> <p>Jan. 2011 General Manager of Battery and FC Production Engineering Department of Toyota Motor Corporation</p> <p>May 2020 Advisor of the Company</p> <p>July 2020 Managing Executive Officer, General Manager of Development Division of the Company</p> <p>June 2021 Director, Senior Executive Officer in charge of Business Development and General Manager of Development Division of the Company</p> <p>Apr. 2024 Director, Managing Executive Officer, General Manager of Business Promotion Division, in charge of Human Resources of the Company (present position)</p>	18,838
<p>[The reason for nominating as a candidate for Director]</p> <p>While engaged in management as a Director since 2021, Hiromitsu Uchiyama has performed his role and responsibility effectively as General Manager of the Business Promotion Division and a supervisor of human resources. Uchiyama is able to apply his extensive practical experience and knowledge cultivated in the development of products, such as batteries, at an automobile manufacturer. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			
6	 <p>Takashi Suzuki (November 10, 1965)</p>	<p>Apr. 1988 Joined the Company</p> <p>Apr. 2019 ECOTEC COMPANY Deputy President of the Company</p> <p>July 2022 ECOTEC COMPANY Deputy President, General Manager of Environment Division, General Manager of Koda Works of the Company</p> <p>Apr. 2023 Executive Officer, ECOTEC COMPANY President, General Manager of Environment Division, General Manager of Koda Works of the Company</p> <p>Apr. 2024 Managing Executive Officer, ECOTEC COMPANY President, General Manager of Environment Division, General Manager of Koda Works of the Company</p> <p>June 2025 Director, Managing Executive Officer, ECOTEC COMPANY President, in charge of Technology Collaboration of the Company (present position)</p>	9,784
<p>[The reason for nominating as a candidate for Director]</p> <p>While engaged in management as a Director since 2025, Takashi Suzuki has performed his role and responsibility effectively as ECOTEC COMPANY President and a supervisor of technology collaboration of the Company. Suzuki is able to apply his extensive experience and high level of knowledge in technology development within the environment business. Therefore, the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
7	 <p data-bbox="347 678 525 736">Yukako Uchinaga (July 5, 1946)</p>	<p data-bbox="611 266 1238 875"> June 1971 Joined IBM Japan, Ltd. Apr. 1995 Director of IBM Japan, Ltd. Apr. 2004 Director, Senior Executive Officer in charge of Development and Manufacturing of IBM Japan, Ltd. Apr. 2007 Board Chair of Japan Women's Innovative Network (J-Win) Apr. 2008 Director, Vice Chairman of Benesse Corporation Representative Director, Chairman of the Board, President & CEO of Berlitz Corporation June 2021 External Director of the Company (present position) (Significant concurrent positions outside the Company) Outside Member of the Board of NTT, Inc. Representative Director and President of Globalization Research Institute Founder and Honorary Chairperson of Japan Women's Innovative Network (J-Win) </p>	-
<p data-bbox="276 887 903 913">[The reason for nominating as a candidate for External Director]</p> <p data-bbox="276 916 1449 1070">As Yukako Uchinaga has extensive management experience as she has served as Director and Senior Executive Officer of IBM Japan, Ltd. and Director and Vice Chairman of Benesse Corporation, extensive knowledge in the information technology (IT) field and a deep understanding of diversity, the Company is convinced that she is capable of properly performing her duties as an External Director to contribute to the business of the Company and asks shareholders to elect her continuously as an External Director.</p> <p data-bbox="276 1081 1142 1108">Uchinaga has been in the position of External Director of the Company for five (5) years.</p>			
8	 <p data-bbox="331 1585 544 1644">Hiroshi Kurihara (September 12, 1953)</p>	<p data-bbox="611 1126 1238 1832"> Apr. 1978 Joined Fuji Xerox Co., Ltd. (Current FUJIFILM Business Innovation Corp.) Oct. 2004 Executive Officer, General Manager of Production Service Division of Fuji Xerox Co., Ltd. June 2009 Director, Managing Executive Officer, General Manager of Domestic Sales Division of Fuji Xerox Co., Ltd. June 2013 Director, Senior Managing Executive Officer of Fuji Xerox Co., Ltd. June 2015 Representative Director and President of Fuji Xerox Co., Ltd. June 2018 Special Advisor of Fuji Xerox Co., Ltd. June 2024 External Director of the Company (present position) (Significant concurrent positions outside the Company) Advisor of Japan Telemarketing Association Outside Director of GiG Works Inc. Outside Director of HUMAN LIFE Co., Ltd. Outside Director of Cyber Security Cloud, Inc. Outside Director (Auditor) of ASTI CORPORATION Outside Director of Startia Holdings, Inc. </p>	-
<p data-bbox="276 1843 903 1870">[The reason for nominating as a candidate for External Director]</p> <p data-bbox="276 1872 1449 2027">As Hiroshi Kurihara has extensive experience in managing international organizations as he has previously served as the President and CEO of Fuji Xerox Co., Ltd. (currently FUJIFILM Business Innovation Corp.) and as the Chair of Japan Telemarketing Association, the Company is convinced that he is capable of properly performing his duties as an External Director to contribute to the business of the Company and asks shareholders to reelect him as an External Director.</p> <p data-bbox="276 2038 1134 2065">Kurihara has been in the position of External Director of the Company for two (2) years.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
9	 <p data-bbox="347 613 528 674">Masato Tsuru (January 11, 1948)</p>	<p data-bbox="611 264 1238 743"> Apr. 1970 Joined Sumitomo Bank Mar. 1973 Joined Nihon Oil Seal Industry Co., Ltd. (current NOK CORPORATION) June 1985 Representative Director and President of Nihon Oil Seal Industry Co., Ltd. May 2006 Chairman of Japan Auto Parts Industries Association (JAPIA) Apr. 2018 Representative Director and Chairman of the Board of NOK CORPORATION June 2024 Advisor of NOK CORPORATION (present position) June 2025 External Director of the Company (present position) (Significant concurrent positions outside the Company) Advisor of NOK CORPORATION </p>	-
<p data-bbox="277 759 1449 981"> [The reason for nominating as a candidate for External Director] As Masato Tsuru has extensive management experience as he has previously served as President and Representative Director as well as Representative Director and Chairman of the Board of NOK CORPORATION, and Chairman of the Japan Auto Parts Industries Association, the Company is convinced that he is capable of properly performing his duties as an External Director to contribute to the business of the Company and asks shareholders to reelect him as an External Director. Tsuru has been in the position of External Director of the Company for one (1) year. </p>			
10	<p data-bbox="277 1010 293 1032">*</p>  <p data-bbox="357 1361 520 1422">Yoshihiro Gonda (July 24, 1960)</p>	<p data-bbox="611 996 1206 1442"> Apr. 1984 Joined FANUC CORPORATION June 2001 Director of FANUC CORPORATION June 2007 Senior Managing Director of FANUC CORPORATION Oct. 2013 Representative Director, Vice President, General Manager of Corporate Management Headquarters of FANUC CORPORATION June 2016 Representative Director, Vice President, Executive Officer and CFO of FANUC CORPORATION June 2023 Senior Managing Executive Officer, General Manager of General Affairs, Legal & Procurement Division of FANUC CORPORATION (present position) </p>	-
<p data-bbox="277 1458 1449 1610"> [The reason for nominating as a candidate for External Director] As Yoshihiro Gonda has extensive management experience as he has previously served as Representative Director, Vice President and CFO as well as General Manager of General Affairs, Legal & Procurement Division of FANUC CORPORATION, the Company is convinced that he is capable of properly performing his duties as an External Director to contribute to the business of the Company and asks shareholders to elect him as a new External Director. </p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
11	<p>*</p>  <p>Yuko Nakamura (September 25, 1966)</p>	<p>Apr. 1989 Joined IBM Japan, Ltd.</p> <p>Aug. 2011 General Manager of Chubu Delivery Department, Global Business Services of IBM Japan, Ltd.</p> <p>Jan. 2014 Administrative Officer, Lead Client Partner in charge of Chubu Region Automotive Group, Consulting Business Division of IBM Japan, Ltd.</p> <p>Jan. 2022 Executive Officer, General Manager of Automotive Service Business Department, Consulting Business Division of IBM Japan, Ltd.</p> <p>Jan. 2026 Deputy General Manager of Automotive Service Business Department, Consulting Business Division of IBM Japan, Ltd.</p>	-
<p>[The reason for nominating as a candidate for External Director]</p> <p>As Yuko Nakamura has extensive project management experience as she previously served as the person in charge of large-scale projects related to the building of operational systems for manufacturing industry at IBM Japan, Ltd., the Company is convinced that she is capable of properly performing her duties as an External Director to contribute to the business of the Company and asks shareholders to elect her as a new External Director.</p>			

- Notes:
1. New Candidates for Directors are marked with (*).
 2. There is no special interest between the candidates and the Company.
 3. Yoshiki Ueda, Yukako Uchinaga, Hiroshi Kurihara, Masato Tsuru, Yoshihiro Gonda, and Yuko Nakamura are candidates for External Directors.
 - Yoshiki Ueda served as Advisor to Mitsubishi Corporation Technos until June 2016. The amount of transactions between the Company and Mitsubishi Corporation Technos accounts for less than 1% of the consolidated net sales. Therefore, this business relationship does not require special mention because it will not influence Ueda's execution of duties as External Director.
 - Yukako Uchinaga served as Advisor to IBM Japan, Ltd. until 2007. There are no transactions between the Company and IBM Japan, Ltd. She currently serves as Representative Director and President of Globalization Research Institute. The amount of transactions between the Company and Globalization Research Institute accounts for less than 0.1% of the consolidated net sales. Therefore, this business relationship does not require special mention because it will not influence Uchinaga's execution of duties as External Director.
 - Hiroshi Kurihara served as Advisor to Fuji Xerox Co., Ltd. (currently FUJIFILM Business Innovation Corp.) until June 2019. The amount of transactions between the Company and Fuji Xerox Co., Ltd. accounts for less than 0.1% of the consolidated net sales. Therefore, this business relationship does not require special mention because it will not influence Kurihara's execution of duties as External Director.
 - Masato Tsuru served as Representative Director and Chairman of the Board of NOK CORPORATION until June 2024 and currently serves as an advisor to the company. The amount of transactions between the Company and NOK CORPORATION accounts for less than 0.1% of the consolidated net sales. Therefore, this business relationship does not require special mention because it will not influence Tsuru's execution of duties as External Director.
 - Yoshihiro Gonda currently serves as Senior Managing Executive Officer of FANUC CORPORATION. The amount of transactions between the Company and FANUC CORPORATION accounts for less than 0.1% of the consolidated net sales. Therefore, this business relationship does not require special mention because it will not influence Gonda's execution of duties as External Director.
 - Yuko Nakamura currently serves as Deputy General Manager at IBM Japan, Ltd. There are no transactions between the Company and IBM Japan, Ltd.
 4. The Company has entered into limited liability agreements pursuant to Article 427, paragraph 1 of the Companies Act with Yoshiki Ueda, Yukako Uchinaga, Hiroshi Kurihara, and Masato Tsuru. Under the terms of the limited liability agreement, their liability will be limited to a minimum amount stipulated by applicable laws and regulations. If the reelections of them are approved, the Company intends to continue the aforesaid agreements with them. If the election of Yoshihiro Gonda and Yuko Nakamura is approved, the Company intends to enter into the same limited liability agreement with them.

5. The Company has registered Yoshiki Ueda, Yukako Uchinaga, Hiroshi Kurihara, and Masato Tsuru as Independent Officers qualified under the regulations of the Tokyo Stock Exchange and Nagoya Stock Exchange. As Yoshihiro Gonda and Yuko Nakamura satisfy the requirements for Independent Officer qualified under the regulations of the Tokyo Stock Exchange and Nagoya Stock Exchange, the Company intends to register them as Independent Officers.
6. The Company has entered into a directors and officers liability insurance contract as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. This insurance policy covers damages, litigation expenses, etc. to be borne by the insured. The candidates are included as the insured in this insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.
7. The number of shares held by Atsushi Nagai, Representative Director, President, includes shares held by Ken Bridge Partners LLC, his asset management company.

Proposal 3: Election of one (1) Auditor

Subject to the approval and adoption of Proposal 1, “Amendment to the Articles of Incorporation,” as originally proposed, the Company proposes to add one (1) Auditor with the aim of further enhancing corporate governance and strengthening the audit system, and hereby requests the election of one (1) Auditor.

The candidate for Auditor was decided based on recommendations by the Nomination and Compensation Committee comprised of independent external officers. The Board of Auditors has given its consent to this proposal.

The candidate for Auditor is as follows:

	Name	Sex	Attributes	Tenure	Nomination and Compensation Committee	Attendance at Board of Directors meetings	Attendance at Board of Auditors meetings
New election	Mikio Nakane	Male	–	–	–	–	–

Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company’s shares owned
 <p>Mikio Nakane (November 2, 1960)</p>	Apr. 1985 July 2015	Joined the Company General Manager of Environment Division of the Company
	July 2016	Executive Officer and General Manager of Environment Division of the Company
	Apr. 2018	Managing Executive Officer, ECOTEC COMPANY President of the Company
	June 2022	Director, Senior Executive Officer, ECOTEC COMPANY President of the Company
	Apr. 2024	Director, Managing Executive Officer, General Manager of Production Division, Environment Control, in charge of System and Engineering of the Company
	Apr. 2026	Director, Managing Executive Officer, General Manager of Manufacturing Platform Division, Environment Control, in charge of System and Engineering of the Company (present position)
		26,913

[The reason for nominating as a candidate for Auditor]

While engaged in management as a Director since 2022, Mikio Nakane currently performs his role and responsibility effectively as General Manager of the Manufacturing Platform Division and Environment Control. As the Company is convinced that Mikio Nakane is capable of contributing his extensive experience and high level of knowledge in environment business and manufacturing to objectively supervise the execution of duties by Directors, the Company asks shareholders to elect him as a new Auditor.

- Notes:
1. There is no special interest between the candidate and the Company.
 2. The Company has entered into a directors and officers liability insurance contract as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. This insurance policy covers damages, litigation expenses, etc. to be borne by the insured. The candidate is included as the insured in this insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal 4: Revision of the amount of remuneration for Auditors

The current amount of remuneration for Auditors was resolved at the 109th Ordinary General Meeting of Shareholders held on June 28, 2006, to be not more than ¥4,500 thousand per month, and this has remained in effect to this day. This is equivalent to not more than ¥54,000 thousand per year, and the number of Auditors subject to this resolution is four (4).

The Company now proposes to revise the amount of remuneration for Auditors to be not more than ¥80,000 thousand per year, with the aim of further enhancing the corporate governance system and strengthening the audit system, and enabling Auditors to properly fulfill their responsibilities.

If Proposal 3 is approved and adopted as originally proposed, the number of Auditors will be five (5).

(Reference) Management structure after agenda is approved (Expertise and experience possessed by Directors and Auditors)

Persons with abundant experience, a high level of insight, and a high degree of expertise are appointed as Directors while ensuring there is a diversity suited to the Company's management plan and strategy. Within the Board of Directors, they conduct appropriate decision-making and management supervision. For Internal Directors, persons who are familiar with sales, development, technology, production, management, etc. are appointed, while taking into account the balance of knowledge, experience and abilities. Independent External Directors have experience as Representative Directors of listed companies and track records within corporate management, and provide advice and recommendations based on a variety of backgrounds related to sales, technology, manufacturing, information, and sustainability.

- Notes:
- The purpose of this table is not to show all expertise and experience but rather to show the expertise and experience considered particularly important in deliberation and decision-making at the Board of Directors, as indicated with the ◎ symbol, and expertise and experience considered important, as indicated with the ○ symbol.
 - The criteria include current job title and experience based on past job titles.
 - Fourteen (14) males and two (2) females (female comprising 12.5% of Directors and Auditors, and 18.2% of Directors)

Name	Job Title	Attributes	Expertise and experience possessed by Directors of the Company									
			Corporate Management (such as experience as a Representative Director at a listed company)	Industry Knowledge	Internationality/ Global Business	Environment/ Sustainability	Sales & Marketing	Development/ Technology/ Manufacturing	Organizational Management/ Human Capital/ Planning/ Finance	Digital/ Information Security	Governance/ Risk Management	
Yoshiki Ueda	External Director, Chairman	External Independent	◎	○ (Trading Company)	○		○		○			◎
Atsushi Nagai	Representative Director, President		◎	○	◎				○			◎
Kenichi Nakamichi	Director, Senior Managing Executive Officer			○	○				○			○
Hiroyuki Takeda	Director, Senior Managing Executive Officer			○	○			○				○
Hiromitsu Uchiyama	Director, Managing Executive Officer			○					○	○		○
Takashi Suzuki	Director, Managing Executive Officer			○			○		○			○
Yukako Uchinaga	External Director	External Independent	◎	○ (Information / Communications)	○				○	○	○	◎
Hiroshi Kurihara	External Director	External Independent	◎	○ (Precision Equipment)	○			○		○		◎
Masato Tsuru	External Director	External Independent	◎	○ (Automotive Electronic Parts)	○			○		○		◎
Yoshihiro Gonda	External Director	External Independent	◎	○ (Factory Automation)						○	○	◎
Yuko Nakamura	External Director	External Independent		○ (Information / Communications)					○		◎	○

Name	Job Title	Attributes	Expertise and experience possessed by Auditors of the Company									
			Corporate Management (such as Representative Director at a listed company)	Industry Knowledge	Internationality/Global Business	Environment/Sustainability	Sales & Marketing	Development/Technology/Manufacturing	Organizational Management/Human Capital/Planning/Finance	Digital/Information Security	Governance/Risk Management	
Tsuyoshi Goto	Full Time Auditor			○					◎			○
Mikio Nakane	Full Time Auditor			○			○		○		○	○
Takami Onodera	External Auditor	External Independent		○ (Banking)	○					○		◎*
Ken Ito	External Auditor	External Independent		○ (Information System)	○						○	◎
Ichiro Kanomata	External Auditor	External Independent		○ (Electrical Industry)						○		◎

*: Possessing a wealth of business experience involving financial related operations, etc.

Definition by sector

Corporate Management	At least 3 years of experience as a manager of a listed company, etc. striving to increase corporate value
Industry Knowledge	At least 3 years of experience in execution of business or supervision in the relevant industry, with a high degree of insight
Internationality/Global Business	At least 3 years of experience in overseas assignment or business operations with an international company, with a high degree of insight
Environment/Sustainability	At least 3 years of experience in environmental business or environmental support operations, with a high degree of insight
Sales & Marketing	At least 3 years of experience in sales operations in a trading company or sales department, with a high degree of insight
Development/Technology/Manufacturing	At least 3 years of experience in R&D, technology, or production, with a high degree of insight
Organizational Management/Human Capital/Planning/Finance	At least 3 years of experience in a business, human resources, planning, or accounting/finance department, with a high degree of insight
Digital/Information Security	At least 3 years of experience in an IT company or IT-related department, with a high degree of insight
Governance/Risk Management	Able to make appropriate responses and decisions based on a high degree of insight and expertise in the relevant industry

Business Report

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

1. Current status of the corporate group

(1) Business progress and achievement

During the fiscal year ended March 31, 2026, the global economy was subjected to heightened geopolitical risks, driven by the ongoing situation in Palestine with no clear resolution in sight, Russia's prolonged invasion of Ukraine, and the attack on Iran by the U.S. and Israel. While the expansion of AI-related investments, including data centers driven by the proliferation of AI, is supporting global market momentum, the economic environment is becoming increasingly uncertain due to the impact of the Trump administration's tariff policies and the escalating tensions in the Middle East.

In Europe, economic growth remains subdued due to rising energy and labor costs, political instability, and reduced exports stemming from U.S. tariff policies. Although signs of recovery had begun to emerge, supported by fiscal investment in Germany's defense, renewable energy, and infrastructure sectors aimed at strengthening industrial competitiveness, the situation in Iran is again causing economic instability. Meanwhile, in the United States, although the risk of domestic economic stagnation is increasing due to tariff policies and escalating tensions in the Middle East, strong demand for AI is expected to continue growing, supporting a firm economic outlook. In China, a more cautious stance has been adopted following the dissipation of the initial effects of policy measures; however, demand for EVs, general machinery, and infrastructure investment remains firm, leading to mixed business sentiment across industries.

In Japan, although demand for capital investment remains strong for growth areas such as digitalization, decarbonization, supply chain resilience, and labor shortage mitigation, the economic environment is becoming increasingly uncertain due to persistently high prices, rising crude oil costs driven by escalating tensions in the Middle East, higher material costs associated with naphtha shortages, and supply chain stagnation.

As for the business environment of our Group, the automobile industry, our primary customer sector, is undergoing accelerated restructuring driven by the rapid adoption of EVs and smart technologies, alongside intensifying cross-industry competition as electronics and IT companies enter the market in addition to traditional automotive manufacturers. Furthermore, concerns over rising prices and material shortages stemming from the Middle East crisis have created an uncertain outlook for the manufacturing sector. However, the semiconductor market remains robust, supported by strong AI-related demand, and sales of equipment, parts, and consumables remained solid, particularly for the electronics industry.

Amid such an environment, orders received during the fiscal year under review totaled ¥159,160 million, an increase of ¥3,132 million compared with the previous fiscal year (up 2.0% year on year). Meanwhile, net sales amounted to ¥176,178 million, an increase of ¥25,953 million (up 17.3% year on year), and backlog of orders amounted to ¥49,378 million, a decrease of ¥17,018 million (down 25.6% year on year). As to earnings, operating profit amounted to ¥3,831 million, an increase of ¥826 million (up 27.5% year on year), ordinary profit amounted to ¥3,364 million, an increase of ¥138 million (up 4.3% year on year), and profit (loss) attributable to owners of parent amounted to a loss of ¥16,262 million, a decrease of ¥19,020 million (compared with a profit of ¥2,757 million in the previous fiscal year).

Note: All monetary values in this report have been rounded down to the nearest unit, and ratios and per-unit values have been rounded to the nearest unit.

The Group's products are sold across various businesses, and the following description and table show the details and results of net sales and operating profit by business segment for the fiscal year under review.

Net sales by business segment are the figures prior to intersegment eliminations.

Surface Treatment Business

In the surface treatment business, overseas net sales increased due to the inclusion of Elastikos (France) S.A.S.'s full-year sales from the fiscal year under review. In Japan, although net sales of consumables declined and operating profit decreased due to higher scrap prices, strong sales of large machinery and equipment to the construction machinery industry contributed, bringing net sales to ¥96,493 million, an increase of ¥18,718

million (up 24.1% year on year). Operating profit increased ¥914 million to ¥1,098 million (up 494.9% year on year) due to higher sales of machinery and equipment.

While activity in the construction machinery industry slowed, sales of parts and consumables for delivered equipment remained strong, and orders received increased ¥15,026 million to ¥95,228 million (up 18.7% year on year), while the backlog of orders decreased by ¥1,263 million to ¥9,927 million (down 11.3% year on year).

Foundry Business

In the foundry business, net sales increased ¥9,252 million to ¥51,665 million (up 21.8% year on year), driven by steady progress in production and on-site construction for large-scale plant projects in Japan, as well as increased demand for molding equipment overseas, among other factors. Operating profit increased ¥288 million to ¥1,932 million (up 17.5% year on year) despite persistently high raw material costs and freight charges, as cost reduction initiatives yielded results.

Orders received decreased ¥9,430 million to ¥37,027 million (down 20.3% year on year) and the backlog of orders also decreased ¥13,979 million to ¥26,173 million (down 34.8% year on year). This was despite securing large orders for foundry facilities in Japan, as demand for replacement of aging equipment has run its course and capital investment overseas has been postponed due to factors such as Russia's invasion of Ukraine in Europe, U.S. tariff issues, and the economic slowdown in China.

Environment Business

In the environment business, net sales increased ¥1,249 million to ¥13,453 million (up 10.2% year on year), driven by a continued high level of large-scale dust collector orders and increased sales of general-purpose fire prevention dust collectors. Operating profit increased ¥106 million to ¥1,749 million (up 6.5% year on year) supported by factors such as reductions in manufacturing and SG&A expenses achieved through securing sufficient volume.

Furthermore, orders received increased ¥698 million to ¥13,672 million (up 5.4% year on year), driven by a steady stream of orders for large-scale dust collectors, sales of general-purpose dust collection systems, and value-added product offerings that include peripheral equipment and other related items. Backlog of orders also increased ¥476 million to ¥7,455 million (up 6.8% year on year).

Material Handling Business

In the material handling business, demand for lifts and conveyors remained strong in the logistics industry and warehousing sector, with increased demand from truck yards and food set manufacturers. However, net sales decreased ¥1,053 million to ¥8,185 million (down 11.4% year on year) due to a slump in demand for machine tools from the automobile industry and for the Chinese market. Operating profit decreased ¥14 million to ¥894 million (down 1.6% year on year).

Orders received decreased ¥1,809 million to ¥6,706 million (down 21.2% year on year) despite demand for replacement and upgrades of large lifts, due to factors such as reduced production in the automobile industry, the impact of U.S. tariffs, and sluggish machine tool sales in China. Backlog of orders also decreased ¥1,373 million to ¥2,461 million (down 35.8% year on year).

Special Equipment Business

In the special equipment business, net sales decreased ¥2,295 million to ¥7,270 million (down 24.0% year on year) due to lower sales of roll presses and servo cylinders for secondary batteries, reflecting the continued slowdown in the EV market. Operating loss widened by ¥572 million to ¥995 million (compared with a loss of ¥422 million in the previous fiscal year), due to a higher cost ratio resulting from decreased volume.

Orders received decreased ¥1,395 million to ¥6,266 million (down 18.2% year on year) due to the slowdown in the EV market and a decline in sales of products and parts for secondary batteries. Backlog of orders also decreased ¥857 million to ¥3,330 million (down 20.5% year on year).

Status of net sales by business segment of the corporate group

Fiscal Year Classification	129th Term (Fiscal year under review) April 1, 2025 to March 31, 2026		128th Term (Previous fiscal year) April 1, 2024 to March 31, 2025		Year-on-year changes
	Millions of yen	%	Millions of yen	%	
Surface Treatment Business	96,491	54.8	77,775	51.8	24.1
Foundry Business	51,007	29.0	41,714	27.8	22.3
Environment Business	13,196	7.5	11,988	8.0	10.1
Material Handling Business	8,080	4.6	9,224	6.1	(12.4)
Special Equipment Business	7,123	4.0	9,354	6.2	(24.0)
Other Business	279	0.1	167	0.1	67.1
Total	176,178	100.0	150,224	100.0	17.3
Overseas sales	101,426	57.6	84,059	56.0	20.7

Note: The above amounts are the figures after intersegment eliminations.

(2) Status of capital investments

In the fiscal year under review, the total amount of capital investments made by the Group was ¥8,806 million, and the main components thereof are as follows.

Surface Treatment Business	<ul style="list-style-type: none">• Construction of technology building at the Ichinomiya Works• Maintenance of manufacturing equipment at Elastikos (France) S.A.S.
Foundry Business	<ul style="list-style-type: none">• Related to 3D printers• Acquisition of new plant by Omega

(3) Issues to be addressed

Impairment of Elastikos: Management reflections and decisions

First of all, we would like to express our sincere apologies to our shareholders, investors and other stakeholders for the concern caused by the one-time impairment loss of goodwill and fixed assets in Elastikos (France), which was acquired in FY2024.

We acquired Elastikos for two main reasons. The first was to create synergies through the expansion of the surface treatment business. By combining Elastikos's business with our existing business, we aimed to make new proposals to a wider range of customers, and at the same time deepen our reach in the global market, ultimately expanding the scale of our business and improving profitability. In reality, however, our business performance did not reach the level of the original plan, affected by economic stagnation and intensified competition. Our second aim was to build a capital structure that utilized debt with an eye to reducing the cost of capital, while simultaneously investing in growth to maximize our corporate value. However, with the changes in the business environment and our earnings situation, we decided at this time to record an impairment loss in order to firmly move forward with our future growth strategy and to promptly address future burdens.

This decision was made to put an end to our sluggish earnings in recent years, and to swiftly proceed with starting a new growth strategy. The next step will be to proactively roll out all of our initiatives to support this growth on a global scale. As Sinto, we consider this decision to be an important turning point for the Company, and we will link it to an aggressive turnaround for a new chapter of our business.

Responding to changes in the business environment in an "era with no right answer"

Currently, the external environment surrounding our company has entered a so-called, "era with no right answer," in which past success stories and ever-increasing growth models no longer apply. In addition to soaring resource and transportation costs caused by geopolitical risks, such as Russia's unpredictable invasion of Ukraine and the situation in the Middle East, prices are rising due to tariff policies in each country, and tensions over economic turmoil are higher than ever before.

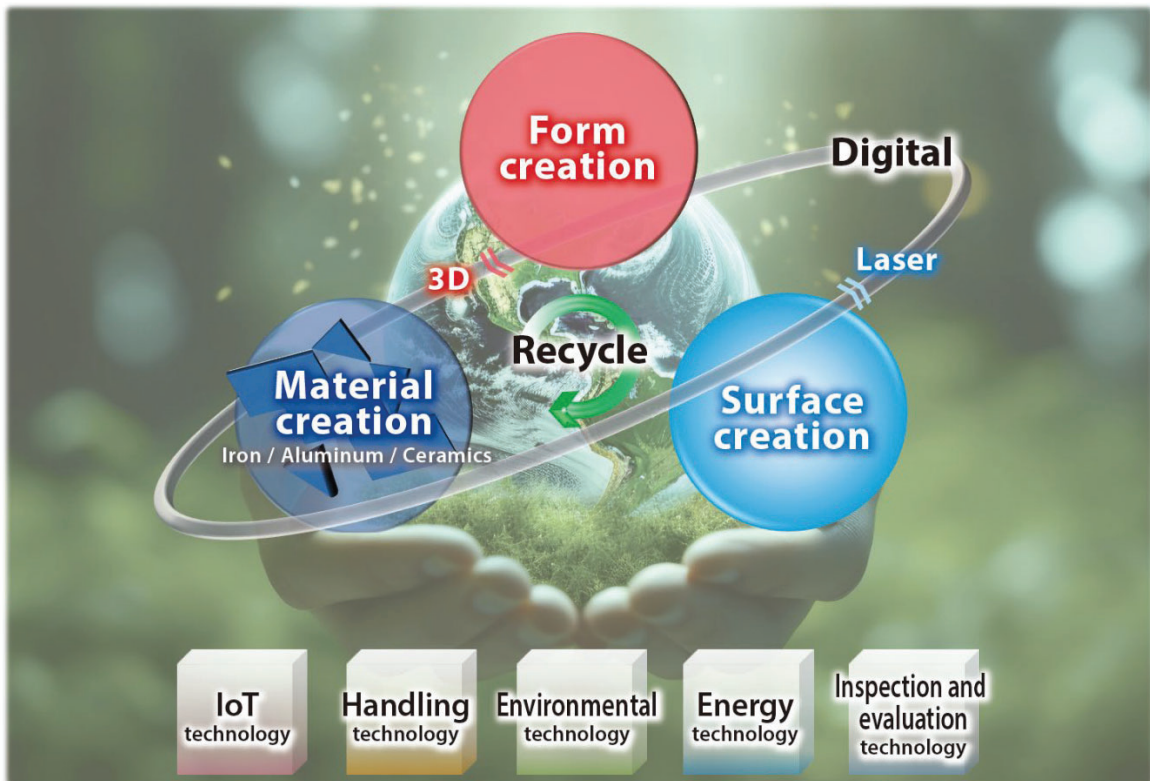
Turning to the automotive industry, a major customer base, the shift to EVs and smart technology accelerated a major reorganization that intensified competition across industry boundaries, including the entry of IT companies, but with the rebound to hybrid vehicles, conventional manufacturers are also regaining footing in the industry. In the midst of such a major swell in the market, a close look at our business performance reveals the stark fact that we have been experiencing sluggish growth for several years. In these rapidly changing times, remaining an extension of the status quo represents a substantial setback.

Creating the social infrastructure of the future by expanding our business domain

After these changes in the business environment and the recent impairment decision, we have renewed our strong determination to further improve our business performance and position ourselves for future growth.

Our company's original business was in casting production, but since our founding we have redefined our business by evolving and developing into a company involved in the iron-based market.

Going forward, we will respond to the changing times by strengthening our ability to deal with new materials as well as those related to iron.



Our “three creations” (material creation, form creation, and surface creation) that we are developing in our business domain of “giving form and life to process materials” are now in the midst of a major evolution. Our business in the iron-based market is a foundation of manufacturing, an industry with a large market and stable demand. At the same time, we will expand our business beyond iron to include new materials such as ceramics and glass, as well as waste materials, utilizing the technologies we have cultivated through our “three creations.” In doing so, we will realize the creation of new value through by becoming Nakama with our partners.

In the form creation, through the use of 3D printing technology, we are expanding the range of materials that can be used and increasing the degree of freedom in shape, working to develop our business for new applications in new markets. Gaining wide attention is the ceramics business, where demand is expected to grow in the future. In November 2025, we acquired a division of Bosch (Germany) to strengthen our parts business, mainly in the fields of medicine and semiconductor/electronic components. Furthermore, in 2026, we have unified our ceramics business in Japan, Europe, and the U.S. under the name “Sinto Advanced Ceramics,” and we are preparing a new business location to strengthen our global coordination for this business. By bringing together the forming, additive manufacturing, and design technologies from each company, we will promote our global technological cooperation and increase our competitiveness worldwide.

In addition, our surface treatment business, stemming from the removal of sand from castings, has expanded to a variety of techniques, evolving into our surface creation that gives surfaces new functions and added value. Our existing peening technology, which is used for surface conditioning, is applied to increase the strength and durability of products, and it contributes to the extended life of parts used in aerospace industries where safety and reliability are strictly required. In the future, we will expand the range of use of these technologies and accelerate the deployment globally, and then further develop them as technologies that dramatically improve the performance and value of the material itself. For example, joining technology combines aluminum and resin without the use of adhesives, contributing to a dramatic reduction in the number of parts and total weight. This is an innovative solution to extend the life of parts and reduce environmental impact, and we are expanding its use in the automotive sector.

Furthermore, we are focusing on laser processing technology as a new pillar of our surface creation. This environmentally-friendly technology, which does not use consumables such as chemicals or abrasives and generates no waste, will be rapidly deployed in high-growth fields such as medical care and semiconductors by strengthening cooperation with LASERAX (Canada), a company with strengths in high-power, high-speed processing.

In this way, we will expand the scope of our business from just iron in its existing framework to new materials, and strive to realize value creation that delivers surprise and excitement to customers around the world.

Restructuring of our financial base and the pursuit of capital efficiency

In Q4, with the one-time impairment loss of goodwill and fixed assets in Elastikos, we will put an end to our sluggish earnings and shift toward increased capital efficiency, accelerating a new growth strategy that focuses on both growth and returns.

By the end of FY2029, the final year of the next mid-term management plan, we aim to achieve consolidated operating income of ¥15 billion, and through increased capital efficiency, ROE of 8% or more. To achieve this, we will enhance productivity through cost reduction, digitalize our after-sales services, create synergy through improving the collaborative structure with Elastikos, and secure profits by developing in new business sectors.

With the cashflow generated from these efforts, we will efficiently utilize this capital for investment and shareholder returns. Investment will include improvement investments for depreciated existing businesses, and growth investments for M&A.

For shareholder returns, along with maintaining our policy for stable dividends, we will work on further capital cost reduction. At the same time, while maintaining financial soundness and flexibility with a capital adequacy ratio around 50%, we will strengthen capital efficiency by appropriately managing and utilizing interest-bearing debt. The cash from these sales will be used for further growth investment.

In FY2025, the net asset ratio of cross-shareholdings was 21.3%. We will reexamine the purpose of these cross-shareholdings to achieve net asset ratio of 15% or less by the end of FY2029. The cash generated from this reduction will be used for growth investment.

As part of this initiative, in May 2026, we announced the construction of a mass production plant for metal and ceramic parts using 3D printers, and plans to produce high-value-added products for data centers and semiconductor industries. We expect that the total investment for this project will come to approximately ¥10.0 billion.

Through these efforts, we aim to enhance our corporate value and achieve a PBR of 1 or higher by balancing sustainable growth investments through increased profits with shareholder returns.

Creating an organization in which diverse individuals can shine

It is by no means the equipment itself that truly supports the development of our business in the iron-based market and taking on new challenges in new fields. It is the people who master the skills and transform them into value that are the driving force behind sustainable growth. That is why at the core of our management is the “Motivation, Effort, and Growth Acceleration (MEGA)” principle, which makes the most of our employees’ strengths.

To realize this philosophy, we are working to create an organization in which diverse individuals can shine. In addition to revising our personnel system for senior staff, we are also promoting active female participation. In FY2024, the BIP Promotion Group* was established at each business site. In addition to promoting methods of improving operations through the use of information technology that originates on the front line, the BIP Promotion Group aims to improve the IT literacy of individuals, and to make further use of AI in the future. Additionally, in FY2025, the Diversity, Equity, and Inclusion (DEI) Promotion Program was launched, focusing on female employees. Along with providing career support and encouraging reformed awareness, the program respects a diversity of values and personalities, aiming to create a work environment in which each member can fully demonstrate their abilities in the way that suits them best, continuing to take on challenges. As a result of this activity, the Company was recognized by Aichi Prefecture for our efforts to promote active female participation, receiving certification in April 2026 as an Aichi Women’s Brilliance Company.

*BIP = Business Improvement Project

Continuing to contribute to society and industry as a manufacturing company

Our greatest passion today is passing on the spirit of manufacturing. Our televised mini-program “Mirai e Tsudzuke! Tech” (“Tech that continues into the future”) introduces young workers who are taking on the challenge of the WorldSkills competition. Their earnest eyes as they continue to hone their skills with exact precision embody our very idea at Sinto: our desire to cherish the spirit of manufacturing and contribute to society.

Strengthening corporate governance (addressing evaluations of the effectiveness of the Board of Directors)

The Company implemented an evaluation of the effectiveness of the Board of Directors for the purpose of verifying that the Board of Directors is functioning appropriately, identifying issues, and implementing continuous improvements.

The Board of Directors of the Company was rated highly for the appointment of External Directors with experience as representative directors of listed companies, etc., and who possess wide-ranging industry knowledge, and for lively discussions incorporating the appropriate expression of opinions and advice. Moreover, the following points were recognized as issues, and the Board of Directors determined policies to address them based on each issue.

- Aim to make the business foundation more robust by resolving issues on the frontline, and strengthen risk management
- Enhance secretariat functions in order to further improve and evolve the quality of discussions during the operation of Board of Directors meetings
- Strengthen communications with the objective of increasing the corporate value of the Sinto Group, enhance the executive officer structure for the overseas business, and improve direct dialogue with the Board of Directors

Pioneering an unknown path driven by technology and human resources

In the second year of our mid-term management plan, “Co-creation for New Value,” we achieved EBITDA of ¥13.2 billion, and 7.5% against the final-year target of 8% or more of net sales, showing a steady increase in earning power as we work toward achieving our targets.

As we enter our final year of this plan, we must make this year not merely a worthy close to this chapter, but the starting point for our next leap forward. As we move toward our 100th anniversary in 2034, we desire to prove that our trials with impairment and the challenge of breaking out of this stalemate were but “birth pains” that we could not avoid in order to evolve into a stronger and more profitable company.

We have world-class technology (heart) and the best people (human resources) to support it. We promise to continue to work together with you to realize a future in which everyone can experience prosperity through co-creation.

(4) Trends in assets and profit and loss

Classification \ Fiscal Year	126th Term April 1, 2022 to March 31, 2023	127th Term April 1, 2023 to March 31, 2024	128th Term April 1, 2024 to March 31, 2025	129th Term (Fiscal year under review) April 1, 2025 to March 31, 2026
Net sales	Millions of yen 106,381	Millions of yen 115,495	Millions of yen 150,224	Millions of yen 176,178
Profit attributable to owners of parent	Millions of yen 6,187	Millions of yen 8,706	Millions of yen 2,757	Millions of yen (16,262)
Basic earnings per share	Yen 117.93	Yen 166.23	Yen 52.59	Yen (309.80)
Total assets	Millions of yen 171,367	Millions of yen 187,963	Millions of yen 236,764	Millions of yen 227,360
Net assets	Millions of yen 111,755	Millions of yen 127,140	Millions of yen 127,125	Millions of yen 118,830

(5) Status of principal subsidiaries

Company name	Share capital	Equity ownership of the Company	Principal lines of business
MEIKIKOU Corporation	Millions of yen 200	% 83.7	Manufacture and sale of transportation machines, material handling machines and robots
Elastikos (France) S.A.S.	Thousands of euro 146,597	100.0	Provision of surface-processing services including abrasives
Sinto Europe GmbH	Thousands of euro 49,645	100.0	Management of foundry subsidiaries in Europe
Heinrich Wagner Sinto Maschinenfabrik GmbH	Thousands of euro 2,200	0.0 (100.0)	Manufacture and sales of facilities and machines for foundries in Germany
Sinto America, Inc.	Thousands of U.S. dollars 60	100.0	Management of subsidiaries in the U.S.
Roberts Sinto Corporation	Thousands of U.S. dollars 2,077	0.0 (100.0)	Manufacture and sales of foundry equipment, material handling equipment and sand coating facilities in the U.S.
Qingdao Sinto Machinery Co., Ltd.	Millions of yuan 129	95.0	Manufacture and sales of foundry equipment, surface treatment equipment and abrasives in China
Sinto Brasil Produtos Limitada	Millions of Brazilian reais 42	99.0	Manufacture and sales of foundry equipment, surface treatment equipment and abrasives in Brazil
Sinto Bharat Manufacturing Private Limited	Millions of Indian rupees 670	55.0	Manufacture and sales of foundry equipment and surface treatment equipment in India

Note: The numbers in parentheses indicate the ownership ratio through indirect holdings.

(6) Principal lines of business

Category of business	Details of main products
Surface Treatment Business	Shot blasting machines, air blasting machines, shot peening machines, barrel polishing equipment, precision brushing equipment, ultra-precision microprocessing equipment, surface evaluation equipment, surface treatment contract processing, surface treatment-related parts, abrasives, polishing media, etc.
Foundry Business	Casting production equipment, V-process molding equipment, core molding equipment, casting sand treatment equipment, automated pouring equipment, sand coating facilities, casting-related parts, powder & granule treatment equipment, wear-resistant castings, etc.
Environment Business	Dust collectors, deodorization equipment, wastewater treatment equipment, volatile organic compounds (VOC) gas purifier, environment-related parts, etc.
Material Handling Business	Lifting devices, steplifts, gravity conveyors, material handling systems, etc.
Special Equipment Business	Organic electroluminescent panel assembly equipment, automated line processes thereof (including supply and material handling equipment), material handling robots, servo cylinders, inspection and measurement equipment, precision measuring instruments, precision press processing equipment, disperizers, battery material supply equipment, 3D printers, ceramic products, forming machines, automotive door assembly equipment, magnetic metal powder, sterile isolator for sterile conditioning, special equipment-related parts, nursing care and welfare tools, etc.
Other Business	Machinery design, welfare businesses, etc.

(7) Major offices and factories

(i) The Company

Head Office	Head Office (Nagoya City)
Branches	Tokyo Branch (Kawaguchi City, Saitama) Chubu Branch (Oharu-cho, Ama-gun, Aichi) Osaka Branch (Osaka City)
Offices	Toyokawa Works (Toyokawa City, Aichi) Ichinomiya Works (Toyokawa City, Aichi) Osaki Works (Toyokawa City, Aichi) Shinshiro Works (Shinshiro City, Aichi) Koda Works (Kota-cho, Nukata-gun, Aichi) Oharu Works (Oharu-cho, Ama-gun, Aichi) Kyushu Works (Kurate-cho, Kurate-gun, Fukuoka) Atsugi Works (Atsugi City, Kanagawa)

(ii) Subsidiaries

Domestic	MEIKIKOU Corporation (Aichi)
Overseas	Elastikos (France) S.A.S. Heinrich Wagner Sinto Maschinenfabrik GmbH (Germany) Roberts Sinto Corporation (U.S.A.) Qingdao Sinto Machinery Co., Ltd. (China) Sinto Brasil Produtos Limitada (Brazil) Sinto Bharat Manufacturing Private Limited (India)

(8) Employees

Category	Domestic	Overseas	Total
Number of employees	2,112	2,648	4,760

Note: The number of employees of the Company is 1,662.

(9) Major creditors

Creditor	Balance of borrowings
MUFG Bank, Ltd.	¥18,466 million
Resona Bank, Limited	¥10,400 million
Mizuho Bank, Ltd.	¥8,979 million
Syndicated loan	¥7,125 million

Note: Syndicated loan is a joint-financing instrument with MUFG Bank, Ltd. as a lead bank.

2. Matters relating to the Company's shares

- (1) Total number of authorized shares: 230,476,000
- (2) Total number of issued shares: 54,580,928 (including 1,899,286 treasury shares)
- (3) Number of shareholders: 64,509
- (4) Top ten shareholders

Name	Number of shares held	Shareholding ratio
The Master Trust Bank of Japan, Ltd. (trust account)	Thousands of shares 4,962	% 9.41
Meiji Yasuda Life Insurance Company	2,276	4.32
MUFG Bank, Ltd.	1,989	3.77
Resona Bank, Limited	1,668	3.16
STATE STREET BANK AND TRUST COMPANY 505103	1,635	3.10
The NAGAI Foundation for Science & Technology	1,505	2.85
Custody Bank of Japan, Ltd. (trust account)	1,432	2.71
Sinto Employee Stock Ownership	1,275	2.42
Sinto Manufacturing Stock Ownership	1,258	2.38
Mitsubishi UFJ Trust and Banking Corporation	722	1.37

- Notes: 1. Although the Company holds 1,899,286 treasury shares, it is excluded from the list of top ten shareholders.
2. The shareholding ratio was calculated based on the total number of issued shares less treasury shares and was rounded down to the nearest unit.

- (5) Shares issued to the Company's directors (and other officers) during the fiscal year under review as compensation for the execution of their duties

	Number of shares	Number of directors (and other officers) to whom shares were granted
	(Thousands of shares)	(People)
Directors (excluding External Directors)	28	6

3. Matters relating to the Company officers

(1) Name, etc. of Directors and Auditors

Position	Name	Responsibility and significant concurrent positions outside the Company
Chairman	Yoshiki Ueda	(Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of THK CO., LTD.
Representative Director, President	Atsushi Nagai	(Significant concurrent positions outside the Company) Representative Director of Heinrich Wagner Sinto Maschinenfabrik GmbH Director of Sinto America, Inc.
Director, Managing Executive Officer	Kenichi Nakamichi	CASTEC COMPANY President, in charge of Accounting and Finance
Director, Managing Executive Officer	Hikomitsu Uchiyama	General Manager of Business Promotion Division, in charge of Human Resources
Director, Managing Executive Officer	Mikio Nakane	General Manager of Production Division, General Manager of Toyokawa Works, Environment Control, in charge of System and Engineering
Director, Managing Executive Officer	Hiroyuki Takeda	SURFACETEC COMPANY President, in charge of Sales, General Representative of China
Director, Managing Executive Officer	Takashi Suzuki	ECOTEC COMPANY President, in charge of Technology Collaboration
External Director	Yasuhito Yamauchi	
External Director	Yukako Uchinaga	(Significant concurrent positions outside the Company) Outside Member of the Board of NTT, Inc. Representative Director and President of Globalization Research Institute Founder and Honorary Chairperson of Japan Women's Innovative Network (J-Win)
External Director	Hiroshi Kurihara	(Significant concurrent positions outside the Company) Advisor of Japan Telework Association Outside Director of GiG Works Inc. Outside Director of HUMAN LIFE Co., Ltd. Outside Director of Cyber Security Cloud, Inc. Outside Director (Auditor) of ASTI CORPORATION Outside Director of Startia Holdings, Inc.
External Director	Masato Tsuru	(Significant concurrent positions outside the Company) Advisor of NOK CORPORATION
Auditor (Full Time)	Tsuyoshi Goto	
External Auditor	Takami Onodera	(Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of The Takigami Steel Construction Co., Ltd. Special Advisor of Mitsubishi UFJ NICOS Co., Ltd.
External Auditor	Ken Ito	(Significant concurrent positions outside the Company) Visiting Professor of Industry-Academia-Government Collaboration at Japan Advanced Institute of Science and Technology Director and Advisor of the Aspen Institute Japan
External Auditor	Ichiro Kanomata	

- Notes:
1. At the 128th Ordinary General Meeting of Shareholders held on June 24, 2025, Takashi Suzuki was elected as Director and assumed office.
 2. At the 128th Ordinary General Meeting of Shareholders held on June 24, 2025, Masato Tsuru was elected as External Director and assumed office.
 3. At the end of the 128th Ordinary General Meeting of Shareholders held on June 24, 2025, Toshikazu Morishita and Hidemi Yamauchi retired from their positions as Director.
 4. Directors Yoshiki Ueda, Yasuhito Yamauchi, Yukako Uchinaga, Hiroshi Kurihara, and Masato Tsuru are External Directors.
 5. Auditors Takami Onodera, Ken Ito, and Ichiro Kanomata are External Auditors.
 6. External Directors Yoshiki Ueda, Yasuhito Yamauchi, Yukako Uchinaga, Hiroshi Kurihara, and Masato Tsuru, and External Auditors Takami Onodera, Ken Ito, and Ichiro Kanomata are Independent Officers, which are required to be put in place by the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. for the protection of general shareholders.

(2) Amount of remuneration, etc. for Directors and Auditors

(i) Policy on determining the remuneration, etc. for Directors

- The Company has established the Nomination and Compensation Committee, which is composed of all External Directors and attended by External Auditors, for the purpose of enhancing transparency with regard to remuneration, etc. for Directors. The Committee deliberates and determines from an objective and fair perspective upon the structure and level of remuneration, etc., and the evaluation, etc. of each Director.
- While remuneration for Directors is based on job title and position, performance-linked remuneration, etc., has been introduced with a view to further improving corporate performance and sharing value with shareholders.
- Based on data from surveys conducted by outside professional organizations, the Company will set remuneration levels that are appropriate to the size of the Company and the duties and responsibilities that officers should fulfill.

a. Structure of remuneration

- It consists of a basic remuneration according to the job title and position (a fixed portion and variable valuation portion), restricted stock compensation, Directors' bonuses, and medium- to long-term incentive remuneration (share-based remuneration). Composition ratios of performance-linked compensation (restricted stock compensation, Directors' bonuses and medium- to long-term incentive remuneration) with respect to total remuneration increase as Directors rise in rank.

b. Performance-linked remuneration

- Restricted stock compensation is a partial transfer of basic compensation to stock compensation, and is intended to provide incentives to increase corporate value and further share value with shareholders.
- Under the concept of profit sharing, the amount of bonuses for Directors are determined by taking into account the amount paid in the past and other various factors, based on the amount of operating profit, which indicates the Company's earnings, and other indicators.
- Medium- to long-term incentive remuneration (share-based remuneration) is a system under which the Company's shares are provided in proportion to the degree to which performance targets (indicator: consolidated ordinary profit margin) are exceeded and the degree to which capital efficiency (indicator: consolidated return on equity) is improved for the period of the medium-term business plan, according to the position. Both indicators are adopted as significant factors that lead to enhancement of corporate and shareholder value. While this system was introduced in 2015, no payment has been made as the set targets have not been achieved.

c. Remuneration determination process

- The Company has established the voluntary Nomination and Compensation Committee, which deliberates and determines on the election of candidates for Directors and Auditors, the remuneration system for Directors, the evaluation of each Director, the amount of bonuses for Directors and so forth.
- Decisions on the amount of bonus for Directors reflect results of evaluations performed by the Nomination and Compensation Committee taking into account the standard amount specified for each position and based on the amount resolved at the Board of Directors meeting and the General Meeting of Shareholders.
- Decisions on the amount of basic remuneration reflect results of the evaluation of Directors performed by the Nomination and Compensation Committee and other factors, based on the standard amount specified for each position.

(ii) Total amount of remuneration, etc. by officer category, total amount of remuneration, etc. by type of remuneration, etc., and number of eligible officers

Classification	Number of eligible officers (Person)	Amount of remuneration, etc. by type (Thousands of yen)			Amount of remuneration, etc. (Thousands of yen)
		Basic remuneration	Performance-linked remuneration		
			Bonuses	Share-based remuneration	
Director	13	126,948	–	26,338	153,286
Auditor	4	45,675	–	–	45,675
Total	17	172,623	–	26,338	198,961

- Notes: 1. The amount of remuneration, etc. paid to five (5) External Directors and three (3) External Auditors is ¥90,075 thousand and is included in the aforementioned amount of remuneration, etc.
2. The maximum amount of remuneration for Directors was resolved at the 125th Ordinary General Meeting of Shareholders held on June 21, 2022 to be ¥444,000 thousand per year (excluding the employee salary portion). The number of eligible Directors was eleven (11), according to the resolution.
3. The maximum amount of remuneration for Auditors was resolved at the 109th Ordinary General Meeting of Shareholders held on June 28, 2006 to be ¥4,500 thousand on a monthly basis. The number of eligible Auditors was four (4), according to the resolution.
4. The amount of remuneration, etc. includes the amount paid during the term of office of two Directors who retired at the end of the 128th Ordinary General Meeting of Shareholders held on June 24, 2025.

(3) Overview of the content of directors and officers liability insurance policy

(i) Scope of the insured

All Directors, Auditors, Executive Officers, and managerial employees of the Company

(ii) Summary of the insurance policy

This insurance policy covers damages, litigation expenses, etc. to be borne by the insured in the event of claims arising from actions taken (or inaction) in their role as an officer, etc. of the company, listed in (i). However, measures are taken so that the appropriateness of the execution of duties by an officer, etc. is not impaired by excluding the damages, etc. of officers themselves who engaged in bribery or other criminal acts or intentionally committed illegal acts from the scope of coverage. The insurance premiums are all paid by the Company.

(4) External Officers

(i) Significant concurrent positions at other organizations and relationships between the Company and such other organizations

- Director Yoshiki Ueda serves concurrently as Outside Director (Audit and Supervisory Committee Member) of THK CO., LTD. There are no special relationships between the Company and THK CO., LTD.
- Director Yukako Uchinaga serves concurrently as Outside Member of the Board of NTT, Inc., Representative Director and President of Globalization Research Institute, and Founder and Honorary Chairperson of the NPO J-Win. There are no special relationships between the Company and each company where a concurrent position is held.
- Director Hiroshi Kurihara serves concurrently as Advisor of Japan Telemarketing Association, Outside Director of GiG Works Inc., Outside Director of HUMAN LIFE Co., Ltd., and Outside Director of Cyber Security Cloud, Inc., Outside Director (Auditor) of ASTI CORPORATION, and Outside Director of Startia Holdings, Inc. There are no special relationships between the Company and each company where a concurrent position is held.
- Director Masato Tsuru serves concurrently as Advisor of NOK CORPORATION. There are no special relationships between the Company and NOK CORPORATION.

- Auditor Takami Onodera serves concurrently as Outside Director (Audit and Supervisory Committee Member) of The Takigami Steel Construction Co., Ltd. and Special Advisor of Mitsubishi UFJ NICOS Co., Ltd. There are no special relationships between the Company and each company where a concurrent position is held.
- Auditor Ken Ito concurrently serves as Visiting Professor of Industry-Academia-Government Collaboration at Japan Advanced Institute of Science and Technology and Director and Advisor of the Aspen Institute Japan. There are no special relationships between the Company and each company where a concurrent position is held.

(ii) Major activities during the fiscal year

a) Attendance at Board of Directors meetings and Board of Auditors meetings

Classification	Name	Attendance at Board of Directors meetings	Attendance at Board of Auditors meetings
Director	Yoshiki Ueda	16/16	—
Director	Yasuhito Yamauchi	16/16	—
Director	Yukako Uchinaga	16/16	—
Director	Hiroshi Kurihara	16/16	—
Director	Masato Tsuru	11/11	—
Auditor	Takami Onodera	16/16	15/16
Auditor	Ken Ito	16/16	16/16
Auditor	Ichiro Kanomata	16/16	16/16

b) Statements at the meeting and summary of duties performed pertaining to the role expected as External Director

- Director Yoshiki Ueda provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with his extensive practical experience and knowledge as a senior executive of a general trading company and a manager of a specialized trading company.
- Director Yasuhito Yamauchi provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with his extensive business experience and knowledge of manufacturing as a manager of automobile manufacturers and automobile parts manufacturers.
- Director Yukako Uchinaga provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with her extensive practical experience in the management of business involving telecommunications, education, and manufacturing, in addition to her extensive knowledge in the information technology field and deep understanding of diversity.
- Director Hiroshi Kurihara provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with his extensive experience running an international organization as the manager of a precision equipment manufacturer.
- Director Masato Tsuru provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with his extensive management experience as manager of automotive and electronic components manufacturers.
- Auditor Takami Onodera makes statements from an objective perspective to ensure the appropriateness of the decisions made by the Board of Directors with his extensive practical experience in the

management of listed companies in addition to his broad knowledge gained in financial-related operations. In addition, he makes statements at the Board of Auditors meetings as deemed necessary.

- Auditor Ken Ito makes statements from an objective perspective to ensure the appropriateness of the decisions made by the Board of Directors with his extensive experience and deep insight in the field of information systems. In addition, he makes statements at the Board of Auditors meetings as deemed necessary.
- Auditor Ichiro Kanomata makes statements from an objective perspective to ensure the appropriateness of the decisions made by the Board of Directors with his extensive expertise in finance and accounting cultivated at a manufacturer of general electrical equipment. In addition, he makes statements at the Board of Auditors meetings as deemed necessary.

(iii) Summary of details of limited liability agreement

The Company has entered into a limited liability agreement pursuant to Article 427, paragraph 1 of the Companies Act with each External Director and External Auditor. Under the terms of the limited liability agreement, their liability will be limited to a minimum amount stipulated by applicable laws and regulations.

4. Accounting Auditor

(1) Name of the Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Amount of remuneration for the Accounting Auditor for the fiscal year

- (i) Amount of remuneration for the Accounting Auditor for the fiscal year ¥85,900 thousand
- (ii) Total amount of money and other economic benefits to be paid by the Company and its subsidiaries to the Accounting Auditor ¥85,900 thousand

Notes: 1. In the audit contract between the Company and its Accounting Auditor, amount of remuneration paid for audits by an Accounting Auditor under the Companies Act and amount of remuneration paid for audits by an Accounting Auditor under the Financial Instruments and Exchange Act are not clearly distinguished or practically separable. Therefore, the total amount of these payments is shown in (i) Amount of remuneration listed above.

2. The Board of Auditors verified and reviewed the validity of the results of audit, the contents of audit plan, the performance status of duties of the Accounting Auditor, the basis for the calculation of the estimated amount of remuneration, and other factors in the previous fiscal year using the “Practical Guidelines for Cooperation with Accounting Auditors” released by the Japan Audit & Supervisory Board Members Association as a guide. As a result, the Board of Auditors has provided its consent regarding the amount of remuneration for the Accounting Auditor, pursuant to Article 399, paragraph 1 of the Companies Act.

(3) Policy on decisions of dismissal or non-reappointment of Accounting Auditor

In the event that an Accounting Auditor is found to fall under any of the items of Article 340, paragraph 1 of the Companies Act, the Board of Auditors shall dismiss the Accounting Auditor with the unanimous consent of the Auditors. In this case, the Auditor selected by the Board of Auditors shall report such dismissal and the reason for such dismissal to the first General Meeting of Shareholders convened after the dismissal.

In addition to the above, the Board of Auditors shall propose not to reappoint the Accounting Auditor to the General Meeting of Shareholders in the event that the Accounting Auditor is deemed to be unable to carry out its duties appropriately due to the occurrence of an event that impairs its qualifications or independence.

5. Corporate structure and policies

- Policy on decisions on dividends and other appropriation of surplus

The Company strives to increase corporate value by addressing social issues, and prioritizes strategic investments necessary for sustainable growth, including research and development, capital investment, and mergers and acquisitions. In addition, our basic financial strategy is to continue to provide a stable return of profits to shareholders. Cash flow generated by our business activities will be used for active investment in growth areas, as well as for shareholder returns, etc.

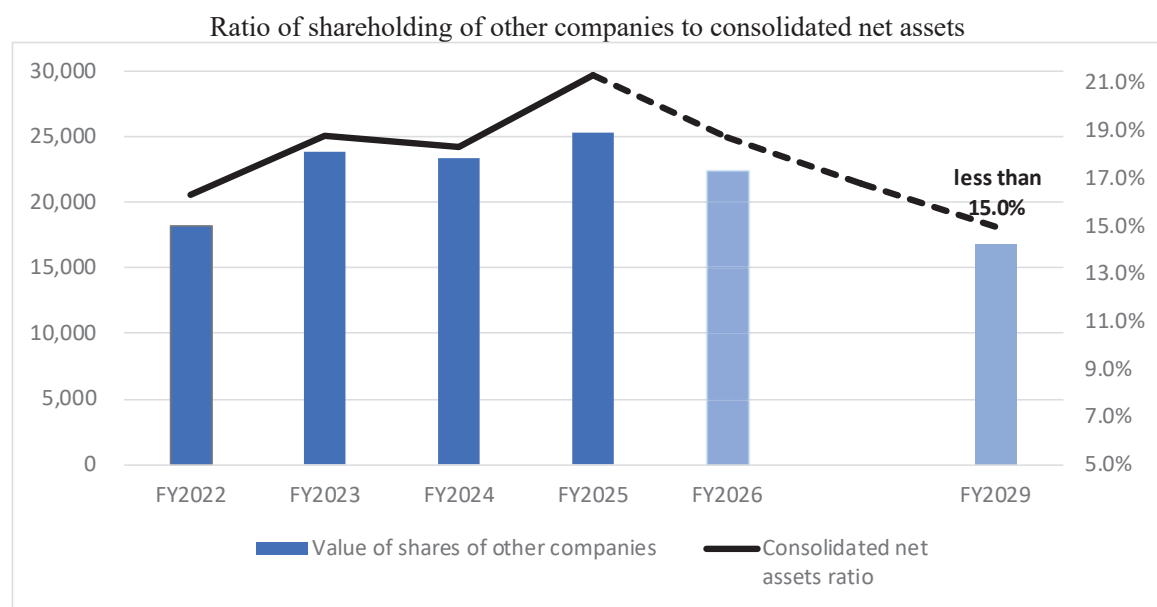
With the recognition that distribution of profit to shareholders is one of our important management issues, continuation of stable profit distribution is the basis of our financial strategy, together with strategic investments. We will strive to maintain stable and continuous dividend payments at a certain level and expand them by comprehensively taking into account our financial position and profit level, while considering strengthening our financial structure and management base from a medium- to long-term perspective.

With regard to the appropriation of surplus for the fiscal year under review, a year-end dividend will be ¥22 per share (date of commencement of payment: June 9, 2026) as resolved at the Board of Directors meeting held on May 21, 2026. As a result, the amount of annual dividend, including the interim dividend of ¥22 per share (date of commencement of payment: December 8, 2025), will be ¥44 per share (dividend ratio of –%), unchanged from the previous fiscal year.

- Policy on reduction of shareholding of other companies

We are addressing the issue of cross-shareholdings on a step-by-step basis, taking a comprehensive view based on business strategy and relationships with business partners, while recognizing that disposal is also an option from the standpoint of capital efficiency. Once a year, the Board of Directors also confirms the appropriateness of share ownership across its entire portfolio of cross-shareholdings held by the Company, which involves comparing benefits of ownership (operating revenue, dividends, capital gains, etc.) against the risks of reducing ownership, including the cost of capital.

Going forward we will further cut cross-shareholdings, and seek to improve capital efficiency by reducing it to less than 15% of consolidated net assets by the end of FY2029. The funds obtained from such sales will be utilized strategically for growth investments.



	FY2021	FY2022	FY2023	FY2024	FY2025	...	FY2029
Consolidated net assets ratio	23.6%	16.3%	18.8%	18.3%	21.3%	...	Less than 15%

Consolidated Balance Sheet

(As of March 31, 2026)

(Millions of yen with fractional amounts discarded)

Account	Amount	Account	Amount
Assets		Liabilities	
Current assets	119,905	Current liabilities	50,806
Cash and deposits	41,323	Notes and accounts payable - trade	14,032
Notes receivable - trade	11,077	Short-term borrowings	7,932
Accounts receivable - trade	23,856	Lease liabilities	813
Contract assets	12,689	Income taxes payable	2,470
Securities	300	Provision for bonuses	2,746
Finished goods	9,107	Provision for bonuses for directors (and other officers)	269
Work in process	6,896	Provision for product warranties	439
Raw materials and supplies	8,780	Provision for loss on orders received	362
Other	6,470	Contract liabilities	12,475
Allowance for doubtful accounts	(596)	Other	9,265
Non-current assets	107,454	Non-current liabilities	57,722
Property, plant and equipment	56,629	Long-term borrowings	40,776
Buildings and structures	20,711	Lease liabilities	1,516
Machinery, equipment and vehicles	18,816	Deferred tax liabilities	12,683
Land	10,020	Provision for retirement benefits for directors (and other officers)	303
Leased assets	2,426	Retirement benefit liability	1,738
Construction in progress	3,157	Asset retirement obligations	64
Other	1,496	Long-term income taxes payable	14
Intangible assets	3,683	Other	625
Goodwill	440	Total liabilities	108,529
Leased assets	11	Net assets	
Other	3,231	Shareholders' equity	81,233
Investments and other assets	47,141	Share capital	5,752
Investment securities	34,983	Capital surplus	6,184
Deferred tax assets	614	Retained earnings	71,229
Retirement benefit asset	8,093	Treasury shares	(1,932)
Other	4,122	Accumulated other comprehensive income	29,842
Allowance for doubtful accounts	(672)	Valuation difference on available-for-sale securities	13,890
		Foreign currency translation adjustment	12,441
		Remeasurements of defined benefit plans	3,510
		Non-controlling interests	7,753
		Total net assets	118,830
Total assets	227,360	Total liabilities and net assets	227,360

Consolidated Statement of Income

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

(Millions of yen with fractional amounts discarded)

Account	Amount	
Net sales		176,178
Cost of sales		125,329
Gross profit		50,849
Selling, general and administrative expenses		47,017
Operating profit		3,831
Non-operating income		
Interest income	582	
Dividend income	831	
Share of profit of entities accounted for using equity method	122	
Other	555	2,092
Non-operating expenses		
Interest expenses	1,262	
Foreign exchange losses	674	
Commission expenses	258	
Donations	37	
Other	325	2,558
Ordinary profit		3,364
Extraordinary income		
Gain on sale of non-current assets	259	
Gain on sale of investment securities	4,427	
Gain on liquidation of subsidiaries and associates	123	4,810
Extraordinary losses		
Loss on sale of non-current assets	8	
Loss on disposal of non-current assets	307	
Impairment losses	20,910	
Loss on sale of investment securities	46	
Loss on valuation of investment securities	837	
Loss on liquidation of business	394	22,504
Loss before income taxes		14,329
Income taxes - current	3,726	
Income taxes - deferred	(2,282)	1,444
Loss		15,773
Profit attributable to non-controlling interests		489
Loss attributable to owners of parent		16,262

Consolidated Statement of Changes in Equity

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

(Millions of yen with fractional amounts discarded)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,752	6,192	89,808	(1,990)	99,763
Changes during period					
Dividends of surplus			(2,316)		(2,316)
Loss attributable to owners of parent			(16,262)		(16,262)
Change in ownership interest of parent due to transactions with non-controlling interests		(3)			(3)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(4)		59	54
Net changes in items other than shareholders' equity					
Total changes during period	–	(7)	(18,579)	58	(18,529)
Balance at end of period	5,752	6,184	71,229	(1,932)	81,233

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,364	0	7,129	1,361	19,856	7,506	127,125
Changes during period							
Dividends of surplus							(2,316)
Loss attributable to owners of parent							(16,262)
Change in ownership interest of parent due to transactions with non-controlling interests							(3)
Purchase of treasury shares							(0)
Disposal of treasury shares							54
Net changes in items other than shareholders' equity	2,525	(0)	5,311	2,149	9,986	247	10,234
Total changes during period	2,525	(0)	5,311	2,149	9,986	247	(8,294)
Balance at end of period	13,890	–	12,441	3,510	29,842	7,753	118,830

Non-consolidated Balance Sheet

(As of March 31, 2026)

(Millions of yen with fractional amounts discarded)

Account	Amount	Account	Amount
Assets		Liabilities	
Current assets	45,609	Current liabilities	19,327
Cash and deposits	9,485	Notes payable - trade	24
Notes receivable - trade	375	Electronically recorded obligations - operating	1,354
Electronically recorded monetary claims - operating	8,231	Accounts payable - trade	3,657
Accounts receivable - trade	10,357	Short-term borrowings	1,428
Contract assets	7,814	Lease liabilities	46
Securities	300	Accounts payable - other	347
Finished goods	1,709	Accrued expenses	1,685
Work in process	1,577	Income taxes payable	1,833
Raw materials and supplies	1,950	Contract liabilities	5,365
Other	3,916	Provision for bonuses	1,468
Allowance for doubtful accounts	(108)	Provision for product warranties	214
		Provision for loss on orders received	63
		Provision for loss on guarantees	1,740
		Other	99
Non-current assets	64,493	Non-current liabilities	33,068
Property, plant and equipment	18,863	Long-term borrowings	26,771
Buildings	8,005	Lease liabilities	95
Structures	777	Deferred tax liabilities	5,801
Machinery and equipment	3,576	Asset retirement obligations	64
Vehicles	11	Other	335
Tools, furniture and fixtures	459		
Land	3,895	Total liabilities	52,396
Leased assets	126		
Construction in progress	2,011	Net assets	
Intangible assets	303	Shareholders' equity	44,168
Software	260	Share capital	5,752
Other	43	Capital surplus	6,212
		Legal capital surplus	6,195
		Other capital surplus	16
		Retained earnings	34,136
Investments and other assets	45,325	Legal retained earnings	1,438
Investment securities	29,351	Other retained earnings	32,698
Shares of subsidiaries and associates	12,230	Reserve for tax purpose reduction entry of non-current assets	205
Long-term loans receivable	1,100	Reserve for cancellation of shares	1,600
Prepaid pension costs	2,311	General reserve	36,500
Other	1,224	Retained earnings brought forward	(5,607)
Allowance for doubtful accounts	(892)	Treasury shares	(1,932)
		Valuation and translation adjustments	13,538
		Valuation difference on available-for-sale securities	13,538
		Total net assets	57,706
Total assets	110,102	Total liabilities and net assets	110,102

Non-consolidated Statement of Income

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

(Millions of yen with fractional amounts discarded)

Account	Amount	
Net sales		66,531
Cost of sales		47,280
Gross profit		19,250
Selling, general and administrative expenses		16,268
Operating profit		2,981
Non-operating income		
Interest income	100	
Dividend income	1,424	
Rental income	137	
Other	170	1,833
Non-operating expenses		
Interest expenses	263	
Provision of allowance for doubtful accounts	218	
Rental costs	58	
Provision for loss on guarantees	222	
Commission expenses	51	
Donations	21	
Other	76	912
Ordinary profit		3,902
Extraordinary income		
Gain on sale of non-current assets	3	
Gain on sale of investment securities	4,427	4,431
Extraordinary losses		
Loss on disposal of non-current assets	5	
Loss on sale of investment securities	46	
Loss on valuation of investment securities	837	
Loss on valuation of shares of subsidiaries and associates	32,071	32,960
Loss before income taxes		24,627
Income taxes - current	1,941	
Income taxes - deferred	(77)	1,863
Loss		26,491

Non-consolidated Statement of Changes in Equity

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

(Millions of yen with fractional amounts discarded)

	Shareholders' equity									
	Share capital	Capital surplus			Legal retained earnings	Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings				Total retained earnings
					Reserve for tax purpose reduction entry of non-current assets	Reserve for cancellation of shares	General reserve	Retained earnings brought forward		
Balance at beginning of period	5,752	6,195	21	6,216	1,438	208	1,600	36,500	23,196	62,943
Changes during period										
Reversal of reserve for tax purpose reduction entry of non-current assets						(3)			3	–
Dividends of surplus									(2,316)	(2,316)
Loss									(26,491)	(26,491)
Purchase of treasury shares										
Disposal of treasury shares			(4)	(4)						
Net changes in items other than shareholders' equity										
Total changes during period	–	–	(4)	(4)	–	(3)	–	–	(28,804)	(28,807)
Balance at end of period	5,752	6,195	16	6,212	1,438	205	1,600	36,500	(5,607)	34,136

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(1,990)	72,921	11,044	0	11,045	83,967
Changes during period						
Reversal of reserve for tax purpose reduction entry of non-current assets		–				–
Dividends of surplus		(2,316)				(2,316)
Loss		(26,491)				(26,491)
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares	59	54				54
Net changes in items other than shareholders' equity			2,493	(0)	2,493	2,493
Total changes during period	58	(28,753)	2,493	(0)	2,493	(26,260)
Balance at end of period	(1,932)	44,168	13,538	–	13,538	57,706