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[Title]

MAX Posts Record Q1 Net Sales and Profits; Raises Full-Year Forecast on Steady Performance

Summary of Financial Results in the First Quarter FY 2026

- In the first Quarter, both net sales and all profits reached record highs.
- Sales of tools for concrete structures, including rebar tying tools, increased 32% YoY.
- Based on steady business performance, the Company has revised upward our full-year forecast announced in April 2026.
- The Company is currently implementing acquisition of own shares (up to 4,000,000 shares, for a total acquisition amount of up to ¥7.1 billion) for the purpose of improving capital efficiency.

[Main Text]

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Yoshihiro Kaku (hereinafter, “Kaku”): Thank you very much for attending today’s financial results briefing.

First, I would like to say a few words about the Kumamoto earthquake that occurred two days ago. We extend our deepest sympathies to everyone affected by the earthquake and sincerely hope for everyone’s safety and the earliest possible recovery.

I will now explain our results based on the financial results briefing materials distributed in advance. Let me begin with a summary of the financial results. Net sales and all profit measures reached record highs for any quarter, not just a first quarter.

Net sales of tools for concrete structures, which include rebar tying tools—our highest-priority business—increased 32% year on year to ¥13.4 billion, driven mainly by strong performance in overseas markets, particularly Europe and North America.

In light of this steady performance and our outlook, we have raised our plan for FY 2026, the final year of the current Medium-term management plan, which was announced in April 2026.

As already disclosed, we are currently conducting an acquisition of treasury stock covering up to 4,000,000 shares, for a total of up to ¥7.1 billion, with the aim of improving capital efficiency and enhancing shareholder returns.

Group-Wide Financial Results in the First Quarter of FY 2026

Group-Wide Financial Results in the First Quarter of FY 2026

■Exchange Rate (JPY)

Q1 FY2026 1USD 159.90 / 1EUR 185.49
Q1 FY2025 1USD 145.34 / 1EUR 162.60
Planned(Q1) 1USD 150.00 / 1EUR 175.00

(unit: millions of yen, %)

	Results in Q1 for FY under review	Results in Q1 of previous FY	% Increase /decrease	First-half plan*1	Rate of progress
Net sales	28,334	24,240	+16.9	52,050	54.4
Gross profit	14,559	12,305	+18.3	—	—
Margin	51.4	50.8		—	
Operating profit	5,879	4,894	+20.1	9,600	61.2
Margin	20.7	20.2		18.4	
Ordinary profit	6,015	4,968	+21.1	9,800	61.4
Margin	21.2	20.5		18.8	
Profit attributable to owners of parent	4,323	3,595	+20.2	7,300	59.2
Margin	15.3	14.8		14.0	
Basic earnings per share (yen) *2	24.14	19.57	—	40.88	—

*1 Plan announced on April 30, 2026
*2 We conducted a 4-for-1 stock split of our common shares, effective April 1, 2026.
"Basic earnings per share " has been calculated assuming that this stock split had been implemented at the beginning of the fiscal year ended March 31, 2026.

I will now discuss our results. This slide presents the group-wide results for the first quarter. Net sales were ¥28,334 million, representing double-digit growth of 16.9% year on year.

Although this breakdown is not shown in the table, the 16.9% year-on-year increase in net sales can be broken down into three factors: just under 9 percentage points from higher sales volume, just over 1 percentage point from higher selling prices, and just over 7 percentage points from exchange-rate movements.

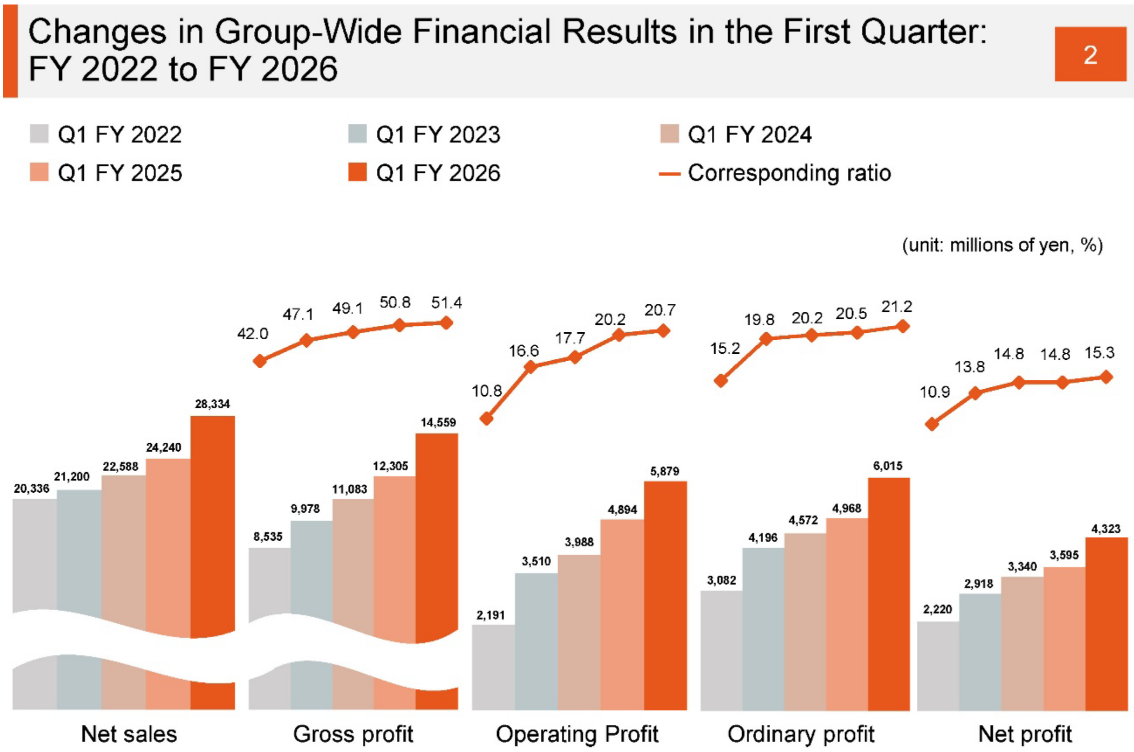
In other words, even excluding the positive impact of yen depreciation on net sales, growth in the underlying business was close to double digits.

Operating profit was ¥5,879 million, up 20.1% year on year, and the operating margin was 20.7%. Ordinary profit was ¥6,015 million, up 21.1%, while profit attributable to owners of parent was ¥4,323 million, up 20.2%.

As a result, all profit measures increased substantially, and we achieved a high level of profitability.

These results were ahead of the fiscal-year plan disclosed at the end of April across all line items.

Changes in Group-Wide Financial Results in the First Quarter: FY 2022 to FY 2026

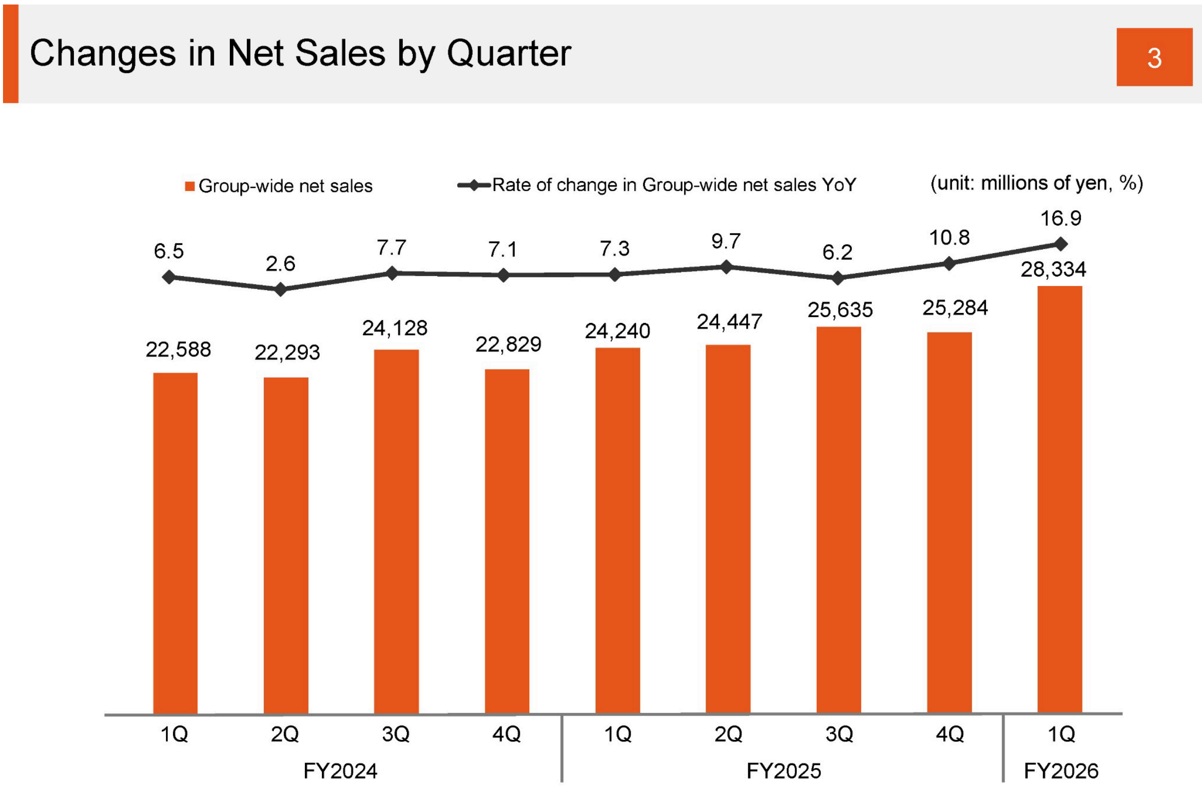


This slide shows trends in the principal profit and loss items for the first quarter over the past five fiscal years. As net sales increased, both the amount and margin of each profit measure improved. The improvement in earning power and profitability over these five periods can be divided into two phases: the first two periods and the latter three.

In the first two periods, the main drivers of improved profitability were price pass-through in response to rising costs at the time and exchange rates reflecting a weaker yen. In the latter three periods, in addition to those factors, higher sales volume, led by rebar tying tools, contributed to improved profitability.

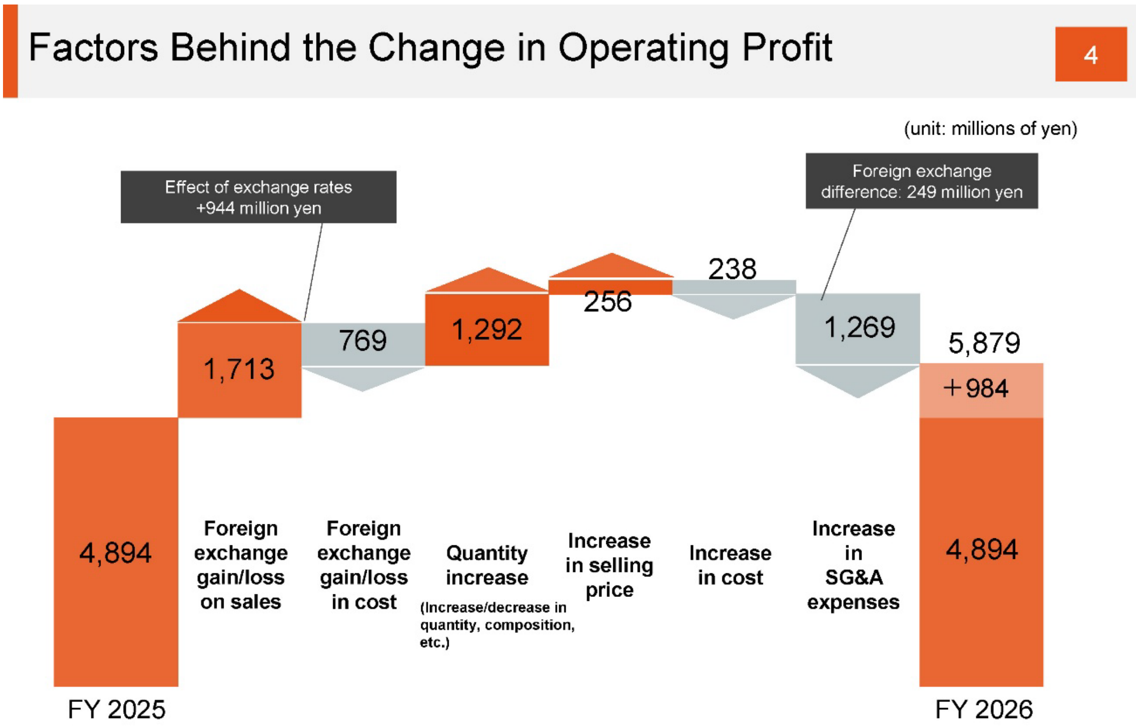
In other words, the strengthening of our earnings structure through company-wide pricing initiatives and other measures during the first two periods provided the foundation, while the expansion of business volume during the latter three periods was the main driver of the sustained improvement in profitability shown on the slide. Our overall earning power and profitability have steadily improved.

Changes in Net Sales by Quarter



This slide shows changes in net sales by quarter. First-quarter net sales reached a record high.

Factors Behind the Change in Operating Profit



This slide shows the factors behind the change in operating profit.

Starting from the left side of the slide, foreign exchange gains on sales increased operating profit by ¥1,713 million, while foreign exchange losses on costs reduced it by ¥769 million. The net positive exchange-rate impact was therefore ¥944 million.

The quantity variance, including the product-mix variance, had a positive impact of ¥1,292 million, as higher sales volume contributed to profit growth through expanded sales of priority products, including rebar tying tools.

Excluding the effects of exchange rates, the relationship between actual selling prices and actual costs was broadly balanced, with higher selling prices contributing ¥256 million and higher costs, including the impact of U.S. tariffs, reducing profit by ¥238 million.

As I will discuss on a later slide, we must assume that these costs will rise further going forward due in part to the situation in the Middle East. To achieve sustainable business expansion, we believe it is essential to prioritize the continued supply of products and the procurement of the raw materials that support it.

The revised plan that I will explain later assumes some increase in raw material, utility, and other costs.

SG&A expenses increased by ¥1,269 million. As approximately ¥249 million of this increase was attributable to foreign currency translation, the underlying increase in SG&A expenses was roughly ¥1.0 billion.

The main factors were higher expenses, primarily at overseas locations, which had already been incorporated into the plan, as well as an unplanned increase in transportation costs caused by the situation in the Middle East.

Thus, although operating profit was affected by planned investment in overseas businesses for sustainable growth and by higher transportation costs, increased sales volume and favorable exchange-rate movements more than offset these factors. Operating profit rose ¥984 million from the same period of the previous year, an increase of 20.1%.

Other Financial Information

Other Financial Information

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■ Non-Operating income/expenses and extraordinary income/losses

(unit: millions of yen)

	Results in Q1 for FY under review	Results in Q1 of previous FY	YoY
Non-Operating income/expenses	136	73	+62
Non-Operating income (excluding foreign exchange effect)	261	258	+3
Non-Operating expenses (excluding foreign exchange effect)	-38	-15	-22
Foreign exchange gain/loss	-86	-168	+81
Extraordinary income/loss	78	39	+38
Extraordinary income	286 *1	55	+230
Extraordinary losses	-207 *2	-16	-191

*1 Gain on bargain purchase *2 Loss on abandonment of non-current assets

■ Facilities investment, Depreciation, R&D expenses

(unit: millions of yen,%)

	Results in Q1 for FY under review	Results in Q1 of previous FY	FY 2026 annual plan	Rate of progress
Facilities investment	684	763	4,554	15.0
Depreciation	935	844	4,095	22.8
R&D expenses	1,235	1,127	4,801	25.7

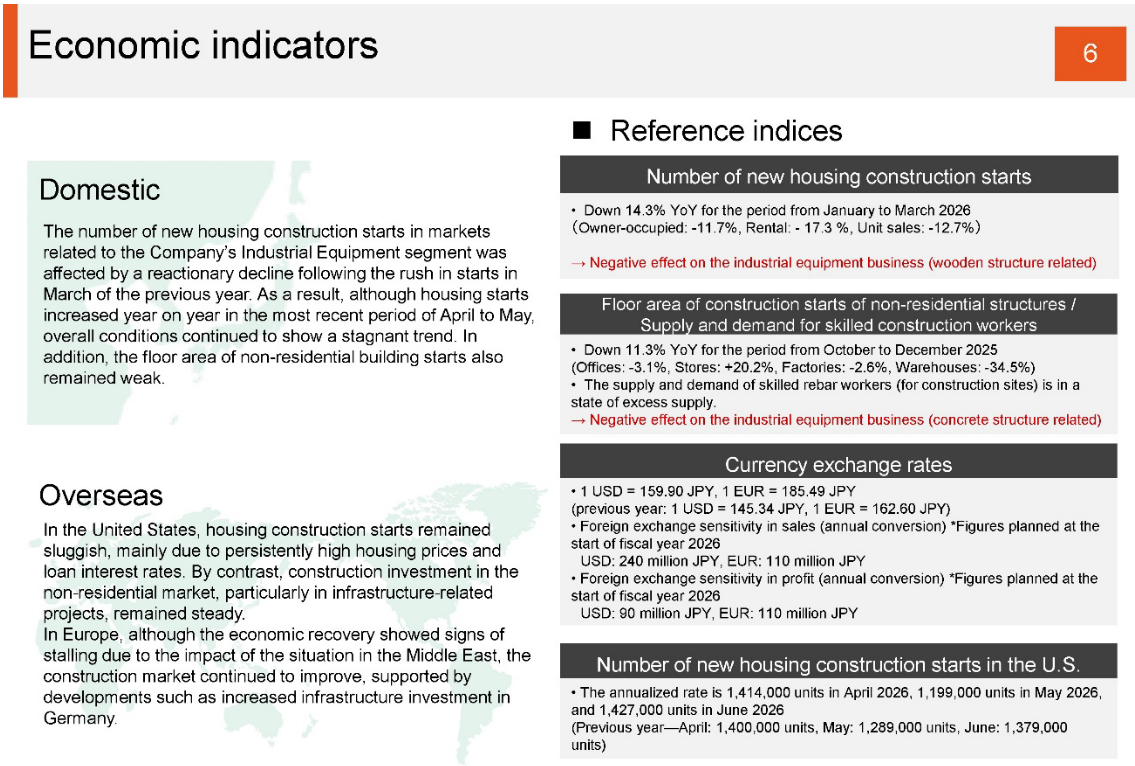
Turning to other financial information, non-operating income and expenses amounted to a net gain of ¥136 million, while extraordinary income and losses amounted to a net gain of ¥78 million.

Extraordinary income totaled ¥286 million, mainly reflecting a gain on bargain purchase arising from the acquisition of shares in a company as a growth investment.

We also recorded extraordinary losses of ¥207 million, mainly for the cost of demolishing an old distribution warehouse that became unnecessary following the completion of a new distribution warehouse in 2021.

Although these factors affected profit, the substantial increase in operating profit from business activities also drove significant increases in ordinary profit and profit attributable to owners of parent.

Economic indicators



This slide presents reference economic indicators. As shown in the exchange-rate section, our current annualized foreign exchange sensitivity is ¥240 million for the U.S. dollar and ¥110 million for the euro on net sales, and ¥90 million for the U.S. dollar and ¥110 million for the euro on profit.

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Business Results by Individual Segment in the First Quarter of FY 2026

Business Results by Individual Segment in the First Quarter of FY 2026

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(unit: millions of yen, %)

	Results in Q1 for FY under review	Results in Q1 of previous FY	% Increase /decrease	First-half plan*	Rate of progress
Industrial Equipment segment					
Net sales	21,790	18,117	+20.3	39,470	55.2
Segment profit	6,245	5,141	+21.5	10,270	60.8
Segment profit margin	28.7	28.4		26.0	
Office Equipment segment					
Net sales	5,783	5,352	+8.1	10,940	52.9
Segment profit	1,034	988	+4.6	1,880	55.0
Segment profit margin	17.9	18.5		17.2	
HCR Equipment segment					
Net sales	760	770	-1.3	1,640	46.4
Segment profit	-6	2	—	0	—
Segment profit margin	-0.8	0.3		0	
Adjustment amount	-1,394	-1,238	—	-2,550	—
Group-wide total					
Net sales	28,334	24,240	+16.9	52,050	54.4
Operating profit	5,879	4,894	+20.1	9,600	61.2
Operating margin	20.7	20.2		18.4	

*Plan announced on April 30, 2026

I will now discuss the results by segment.

In the Industrial Equipment segment, net sales were ¥21,790 million, up 20.3% year on year, and segment profit was ¥6,245 million, up 21.5%, with a segment profit margin of 28.7%. The segment thus achieved substantial increases in both net sales and profit while maintaining the same high level of profitability as in the same period of the previous year.

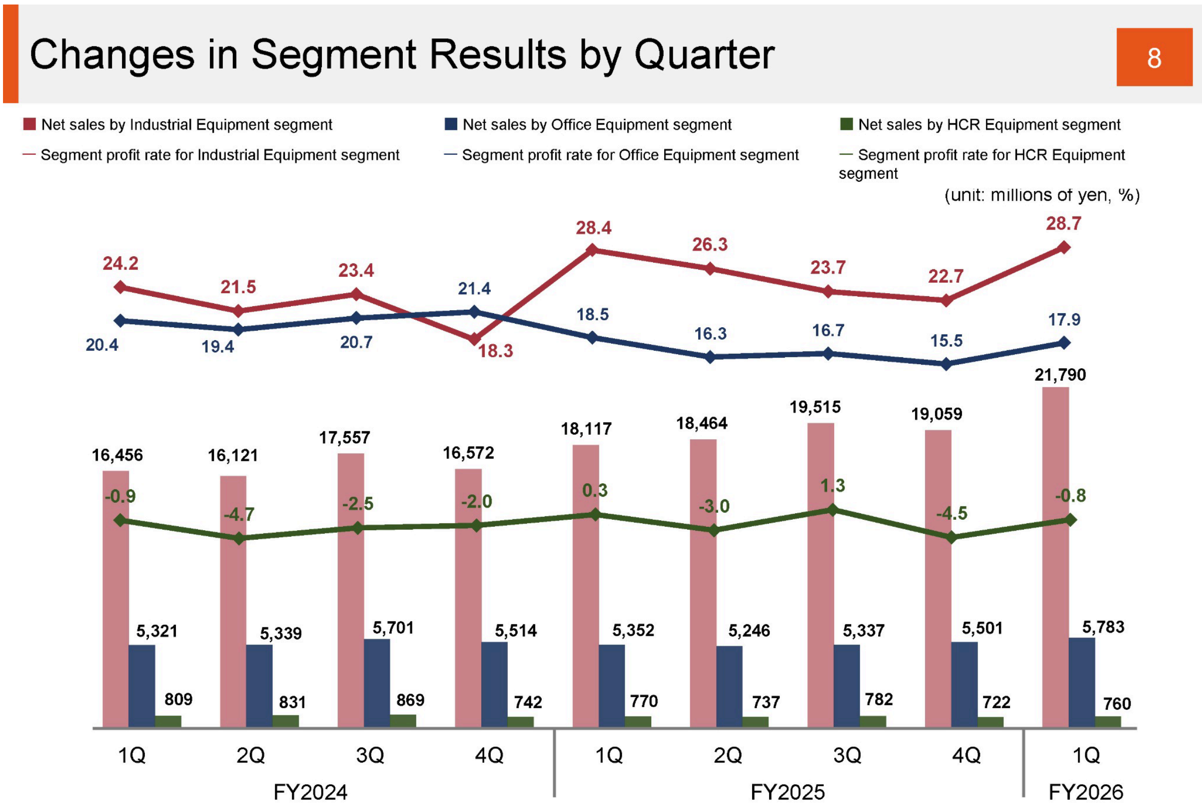
A key factor behind the increases in net sales and profit was the consistently strong performance of the rebar tying tool business, our highest-priority business, in overseas markets, particularly the United States and Europe. Exchange rates reflecting a weaker yen also had a positive impact on net sales and profit.

Meanwhile, higher procurement costs due to yen depreciation and higher raw material prices caused by the situation in the Middle East negatively affected the domestic industrial equipment business and the home environment equipment business. However, improved earnings in the overseas industrial equipment business more than offset these factors, resulting in substantial increases in net sales and profit for the segment as a whole.

In the Office Equipment segment, net sales were ¥5,783 million, up 8.1% year on year, segment profit was ¥1,034 million, up 4.6%, and the segment profit margin was 17.9%.

In the HCR Equipment segment, net sales were ¥760 million, down 1.3% year on year, and the segment recorded a loss of ¥6 million.

Changes in Segment Results by Quarter



This slide shows quarterly changes in segment results. The significant improvement in the Industrial Equipment segment’s first-quarter profit margin reflects the factors I explained earlier.

In the first quarter, after winter ends and activity at non-residential construction sites picks up, demand for rebar tying tools and their consumables tends to increase in Europe and the United States, improving the profitability of the Industrial Equipment segment. I believe this trend is also reflected in the chart on the slide.

Industrial Equipment Segment: Business Results for the First Quarter of FY 2026

Industrial Equipment Segment : Business Results for the First Quarter of FY 2026

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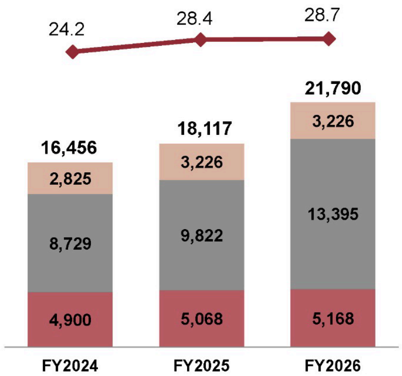
Domestic industrial equipment business | Overseas industrial equipment business
Home environment equipment business | Segment profit rate

(unit: millions of yen, %)



Rebar tying tool “TWINTIER”

New Model of High-Pressure Nailer

Domestic industrial equipment business	As the cumulative installed base of rebar tying tools increased, sales of their consumables remained steady. On the other hand, sales of tools for wooden structures decreased, due to sluggish market conditions, including a decline in new housing construction starts and construction delays caused by the situation in the Middle East.
Overseas industrial equipment business	In Europe and the United States, sales of rebar tying tools and their consumables remained strong, supported by steady conditions in the non-residential market centered on infrastructure and by increased demand for mechanization against the backdrop of labor shortages at construction sites.
Home environment equipment business	Sales of our mainstay heater-ventilator-dryer for bathrooms, DRYFAN, decreased slightly for some OEM customers. However, sales increased in the renovation and replacement market, which we are focusing on.

This slide presents the results of the Industrial Equipment segment.

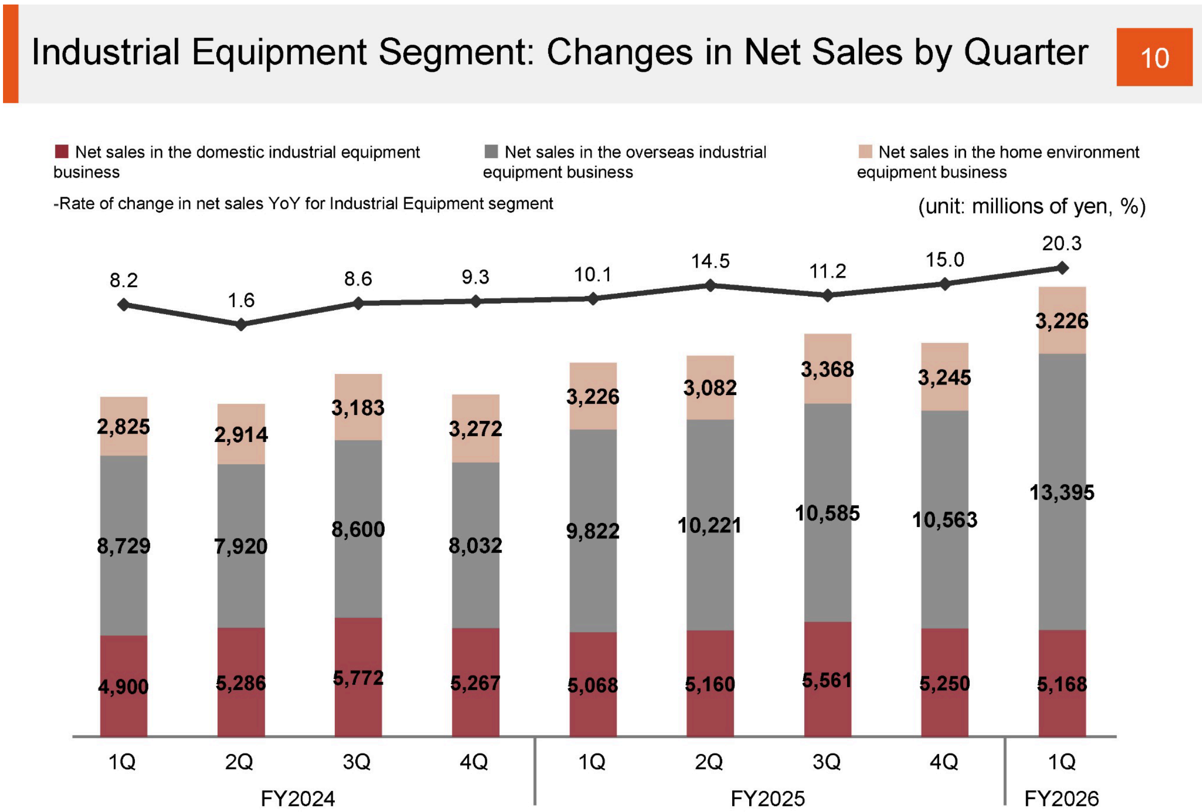
In the domestic industrial equipment business, despite an unfavorable market environment, sales of consumables for rebar tying tools, a priority business, remained steady as the cumulative installed base of tools increased.

By contrast, sales of tools for wooden structures in Japan declined slightly due to weak market conditions, including a decline in the number of new housing construction starts and construction delays caused by the situation in the Middle East. Overall, the domestic industrial equipment business posted a slight increase in net sales.

In the overseas industrial equipment business, sales of rebar tying tools and their consumables were strong in Europe and the United States, resulting in a substantial increase in net sales. This reflected steady conditions in the non-residential market, particularly infrastructure, as well as marketing activities that captured growing demand for mechanization against the backdrop of labor shortages at construction sites. I will discuss this further on the slide providing an overview of the rebar tying tool business.

In the home environment equipment business, sales of our mainstay DRYFAN heater-ventilator-dryer for bathrooms declined slightly to some OEM customers for new construction projects. However, higher sales in the renovation and replacement market, on which we are focusing, enabled the business as a whole to deliver results on a par with the previous year.

Industrial Equipment Segment: Changes in Net Sales by Quarter



This slide shows quarterly changes in net sales for the Industrial Equipment segment. Please review it later.

Office Equipment Segment: Business Results for the First Quarter of FY 2026

Office Equipment Segment:
Business Results for the First Quarter of FY 2026

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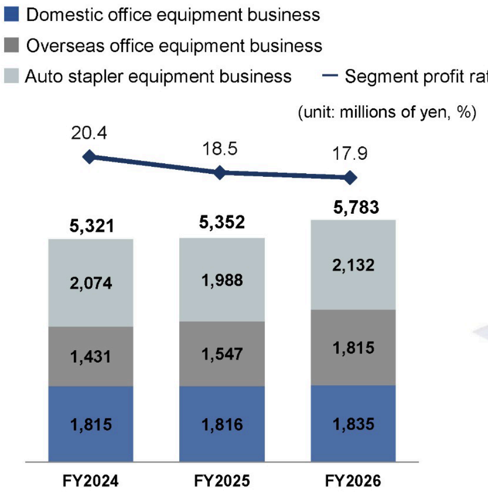


BEPOP
Sign & label printing machines

Tube Marker “LETATWIN” Series

Domestic office equipment business	▶	Sales of stationery-related products remained steady. In addition, sales of consumables for labeling and signage products increased.
Overseas office equipment business	▶	Sales of labeling and signage products increased, driven by strengthened sales activities focusing on new products in the LETATWIN tube marker series. In addition, sales of stationery-related products remained steady.
Auto stapler equipment business	▶	Although sales of machines decreased, sales of consumables remained steady.

This slide presents the results of the Office Equipment segment.

In the domestic office equipment business, both stationery-related products and labeling and signage products performed steadily, resulting in a slight increase in net sales for the business as a whole.

The overseas office equipment business recorded higher net sales, as stationery-related products performed steadily in ASEAN, the main market for these products, while sales of labeling and signage products increased, particularly in Europe.

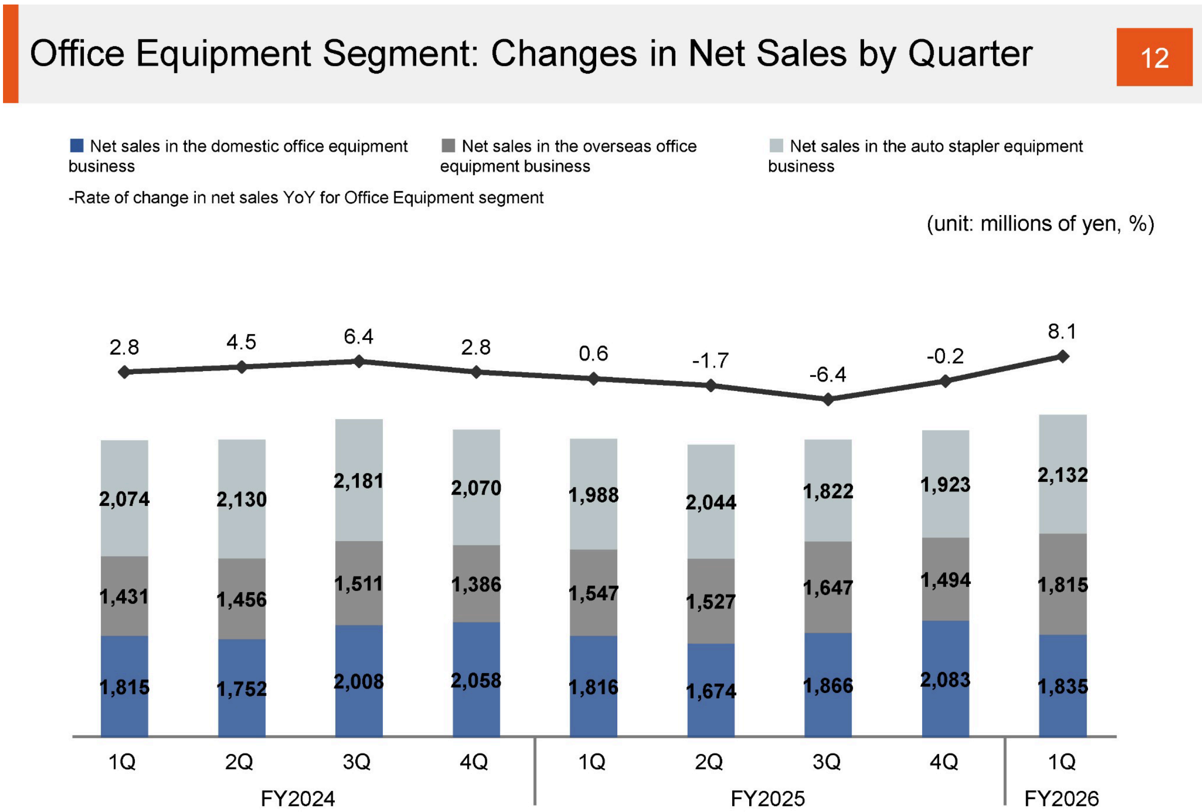
I would now like to highlight an important topic for both the domestic and overseas office equipment businesses.

The black machine pictured on the right side of the slide is a printer used to identify and label wires in control panels. The LM-3000PRO, a new product in the LETATWIN series, was launched in Japan and began rolling out to overseas markets this spring.

This is a strategic product for the Office Equipment segment, with Europe as its main market and sales also expected in North America. Like rebar tying tools in the Industrial Equipment segment, it has a business model in which sales of the machine lead to sales of consumables. We intend to accelerate the product’s market rollout and further expand its contribution to our results.

In the auto stapler equipment business, unit sales of machines declined slightly, while sales of consumables increased. The business as a whole recorded higher net sales, partly due to exchange-rate movements.

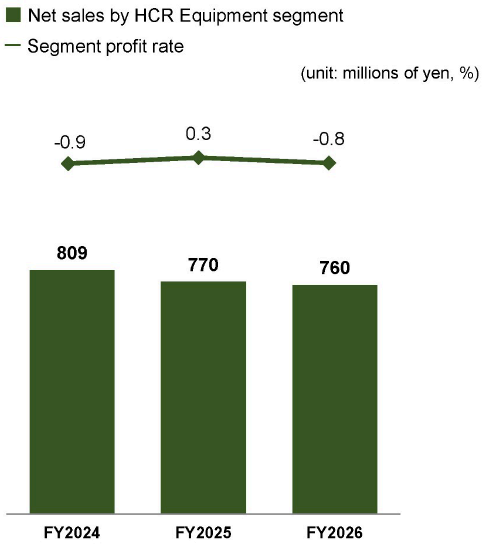
Office Equipment Segment: Changes in Net Sales by Quarter



This slide shows quarterly changes in net sales for the Office Equipment segment. Please review it later.

HCR Equipment Segment: Business Results for the First Quarter of FY 2026

HCR Equipment Segment: Business Results for the First Quarter of FY 2026



New Lightweight Wheelchair “Fuwaris G (Gram)”

Multifunctional Wheelchairs “Modern Series”

HCR Equipment segment ▶ In the domestic market, sales of wheelchairs remained firm, due in part to the effects of price revisions. However, sales of wheelchairs for the rental market in China decreased, resulting in lower overall revenue for the segment.

This slide presents the results of the HCR Equipment segment. Domestic sales remained firm, supported in part by the price revisions implemented to date. However, sales of wheelchairs for the rental market in China declined, resulting in lower net sales for the segment as a whole.

In terms of profit, the price revisions and other measures are producing a tangible improvement in underlying earnings. Nevertheless, higher costs resulting from further year-on-year yen depreciation led to a small loss. We will continue working to improve profitability, including through additional measures.

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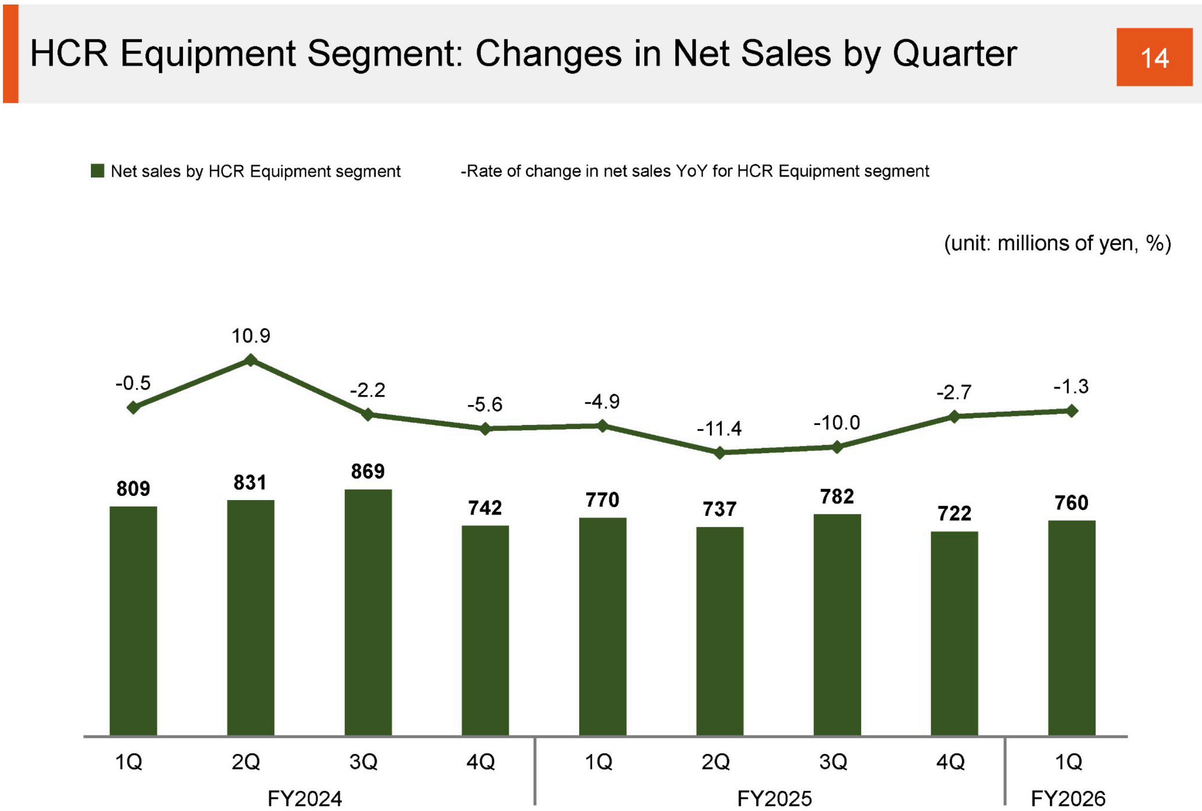
HCR Equipment Segment: Changes in Net Sales by Quarter



This slide shows quarterly changes in net sales for the HCR Equipment segment. Please review it later.

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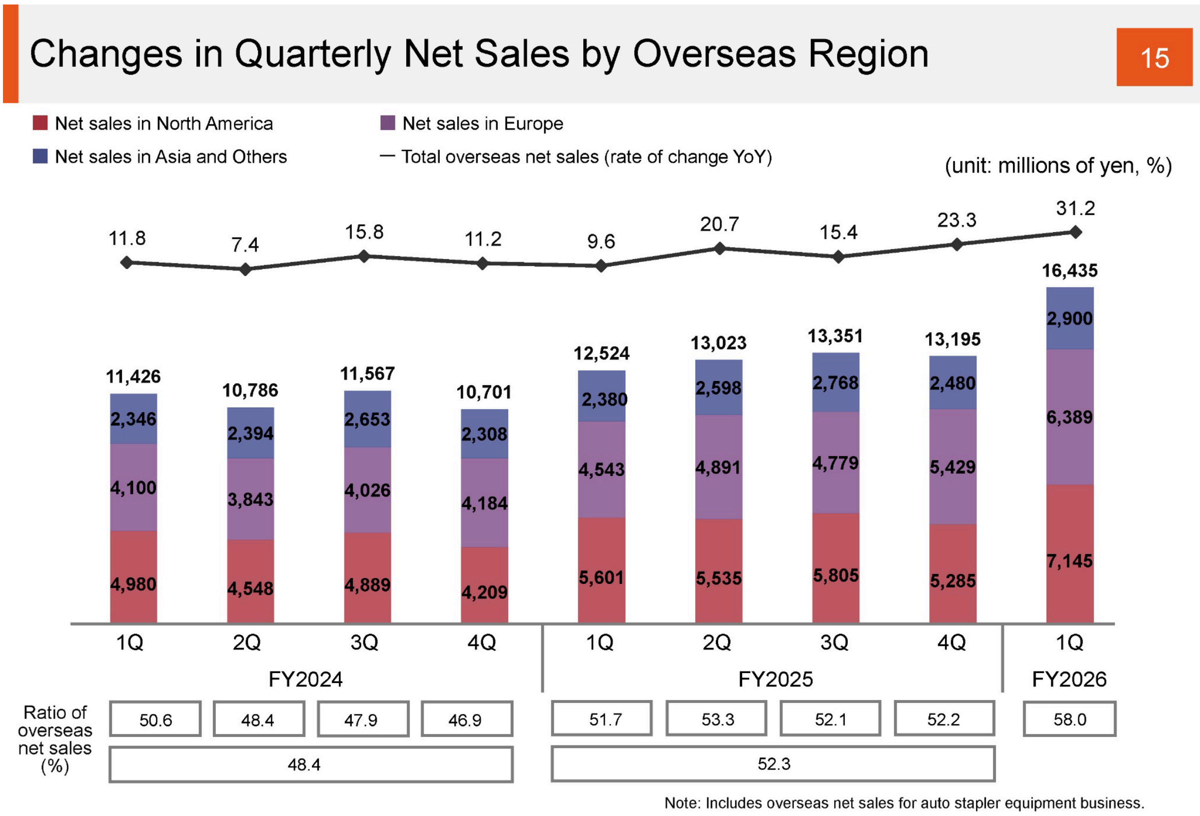
Changes in Quarterly Net Sales by Overseas Region



This slide shows changes in overseas net sales. Our sales expansion efforts for rebar tying tools, particularly in Europe and the United States, delivered results, and exchange rates reflecting a weaker yen also had a positive impact. As a result, overseas net sales rose to ¥16,435 million, accounting for 58.0% of group-wide net sales.

Going forward, we will make overseas businesses and markets a driver of growth by continuing to expand the rebar tying tool business in Europe and the United States while advancing activities in other regions where results are beginning to emerge.

Priority Business: Overview of Rebar Tying Tool Business

Priority Business: Overview of Rebar Tying Tool Business

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Strong sales of tools for concrete structures with a focus on the rebar tying tool business

· Sales of tools for concrete structures: **¥13.4 billion** (¥1.5 billion in Japan, ¥11.9 billion overseas)

Growth of **32%** over the previous year / The progress rate against the annual plan is **29%**

In Europe and the United States, non-residential building starts, particularly in infrastructure-related projects, remained steady, and labor shortages continued.

Overseas

North America

- Unit sales of tools increased, mainly driven by installations to new users in key regions with high rebar consumption and by repeat purchases and replacements by existing users.
- Demand for consumables increased, as large-scale projects such as infrastructure and data centers progressed.

Europe

- Sales of tools and consumables continued to grow, thanks to demand for labor-saving solutions driven by labor shortages and promotional activities across European countries.
- Steady infrastructure investment and a bottoming out of housing starts in Germany, progress in acquiring new users in France and Eastern Europe, and replacement demand for tools among rental dealers in Sweden, among other factors, contributed to our strong results.

Japan

- The market environment remained weak, with a decline in the floor area of non-residential building starts, project delays, and signs of excess labor, including the impact of the situation in the Middle East.
- Sales of tools declined due to the rebound from new product launches in the first quarter of the previous fiscal year and the weak market environment. However, as the cumulative installed base of tools increased, sales of consumables remained steady.

This slide provides an overview of the rebar tying tool business that supports our growth.

Sales remained strong and were ahead of plan. Net sales of tools for concrete structures, centered on the rebar tying tool business, were ¥13.4 billion, up 32% year on year. Progress toward the annual plan of ¥47.0 billion set at the beginning of the fiscal year was 29%.

In terms of the market environment, conditions in the non-residential market, particularly the infrastructure sector, remained steady in our main markets of Europe and the United States, while labor shortages also continued.

In North America, new installations continued among users that had not yet adopted our products, particularly in regions with high rebar consumption such as Texas, while replacement and additional purchases increased among existing users. Demand for consumables also increased as large projects, including infrastructure and data centers, progressed.

By leveraging the sales activities of the dealers we have developed and supported over time, we were able to convert these market opportunities into firm orders, resulting in strong performance across North America.

In Europe, sales of tools and consumables continued to grow, supported by labor-saving needs arising from labor shortages, as in North America, and by promotional activities in each country. In addition to the recovery and growth of sales in Western and Northern Europe, our established core markets, sales also increased in Eastern and Southern Europe, where there remains significant scope for new market development. As a result, sales expanded across Europe.

In Japan, the market environment cannot be described as favorable, as the floor area of construction starts for concrete structures has declined, partly due to the situation in the Middle East. Even under these conditions, however, sales of consumables remained steady as the cumulative number of tools sold increased, enabling the domestic rebar tying tool business as a whole to maintain growth.

We will continue to position the rebar tying tool business as our highest-priority business and advance our marketing activities.

Status of the Two Companies Acquired through M&A

Status of the Two Companies Acquired through M&A

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The Company has acquired all shares of FUJI WORKS, Ltd. and Bo Fastening AB for further growth of the rebar tying tool business.
Both of them have commenced their business activities as part of the MAX Group.

FUJI WORKS, Ltd.

- Production activities at FUJI WORKS started as a member of the MAX Group on April 1, 2026.
- MAX has dispatched the President (Representative Director) to FUJI WORKS.
- FUJI WORKS is increasing production as a manufacturing plant for key parts in response to growing demand for rebar tying tools.
- FUJI WORKS will continue production activities while executing post-merger integration (PMI) and working to improve its cost reduction.

Bo Fastening AB（MAX Scandinavia AB）

- Sales activities at Bo fastening AB started as a member of the MAX Group on May 1, 2026.
- Bo Fastening AB changed its company name to MAX Scandinavia AB.
- Results in the first quarter got off to a good start, with double-digit year-on-year growth.
- MAX Scandinavia AB will continue to execute PMI while fostering its growth and will engage in marketing activities throughout the Nordic region.

I will now discuss the two recent acquisitions undertaken to support further growth of the rebar tying tool business.

First, FUJI WORKS, Ltd. Since April 1, MAX has dispatched a Representative Director to the company, which has begun production activities as a member of the MAX Group. FUJI WORKS originally processed key components for rebar tying tools and has already established a structure to increase production in response to growing market demand. Going forward, it will continue production activities while also working to reduce costs.

In the Nordic region, Bo Fastening AB changed its name to MAX Scandinavia AB on May 1 and began sales activities. Although it has been operating for only two months, it made a good start in the first quarter. Going forward, as the MAX Group’s base for the Nordic region, it will conduct sales and marketing activities from a position closer to the market.

While advancing PMI at these two companies, we intend to continue actively considering and executing investments for further growth, both organically and through inorganic initiatives such as these acquisitions.

This concludes my explanation of our results and business activities for the first quarter of FY 2026.

Group-Wide Plan for the First Half of FY 2026

Group-Wide Plan for the First Half of FY 2026

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■Forecasted exchange rates(Q2)
1 USD = 155.00 JPY
1 EUR = 180.00 JPY

(unit: millions of yen, %)

	Current plan (July 30,2026)	Previous plan (Apr.30,2026)	Difference	Results in H1 of previous FY	% increase/ decrease
Net sales	55,100	52,050	3,050	48,688	+13.2
Operating profit	10,500	9,600	900	9,467	+10.9
Margin	19.1	18.4		19.4	
Ordinary profit	10,400	9,800	600	9,755	+6.6
Margin	18.9	18.8		20.0	
Profit attributable to owners of parent	8,000	7,300	700	7,288	+9.8
Margin	14.5	14.0		15.0	
Basic earnings per share *	45.08	40.88	—	39.83	

The Company now predicts that it will surpass the forecast of operating results announced on April 30, 2026 thanks to factors such as strong performance in the first quarter. Therefore, the Company has revised the business forecast for the first half (semi-annual) and full year for the fiscal year ending March 31, 2027.

* We conducted a 4-for-1 stock split of our common shares, effective April 1, 2026.
"Basic earnings per share " has been calculated assuming that this stock split had been implemented at the beginning of the fiscal year ended March 31, 2026.

I will now discuss the outlook for the first half and the full year. In light of steady performance and our outlook, we have revised our first-half and full-year plans upward.

For the first half, we now plan net sales of ¥55.1 billion, an upward revision of ¥3.05 billion from the previous plan.

We have revised operating profit upward by ¥900 million from the previous plan to ¥10.5 billion, ordinary profit upward by ¥600 million to ¥10.4 billion, and profit attributable to owners of parent upward by ¥700 million to ¥8.0 billion.

For the second quarter onward, we have revised the assumed exchange rates by ¥5 toward a weaker yen for both currencies, from the initial assumptions to ¥155 per U.S. dollar and ¥180 per euro.

Segment Plan for the First Half of FY 2026

Segment Plan for the First Half of FY 2026

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(unit: millions of yen, %)

	Current plan (July 30,2026)	Previous plan (Apr.30,2026)	Difference	Results in H1 of previous FY	% increase/ decrease
Industrial Equipment Segment					
Net sales	42,380	39,470	2,910	36,581	+15.9
Segment profit	11,260	10,270	990	9,996	+12.6
Segment profit margin	26.6	26.0		27.3	
Office Equipment Segment					
Net sales	11,190	10,940	250	10,599	+5.6
Segment profit	1,950	1,880	70	1,845	+5.6
Segment profit margin	17.4	17.2		17.4	
HCR Equipment Segment					
Net sales	1,530	1,640	-110	1,507	+1.5
Segment profit	-10	0	-10	-19	–
Segment profit margin	-0.7	0.0		-1.3	
Adjustment amount	-2,700	-2,550	-150	-2,355	–
Group-Wide Total					
Net sales	55,100	52,050	3,050	48,688	+13.2
Operating profit	10,500	9,600	900	9,467	+10.9
Operating margin	19.1	18.4		19.4	

Turning to the segment plan for the first half, we revised the plans for the Industrial Equipment and Office Equipment segments upward and the plan for the HCR Equipment segment slightly downward, taking into account progress in each business, the impact of the revised forecasted exchange rates, and the outlook.

Group-Wide Plan for FY 2026

Group-Wide Plan for FY 2026

■Forecasted exchange rates (from Q2)
1 USD = 155.00 JPY
1 EUR = 180.00 JPY

(unit: millions of yen, %)

	Current plan (July 30,2026)	Previous plan (Apr.30,2026)	Difference	Results of the previous FY	% increase/ decrease
Net sales	109,900	105,500	4,400	99,607	＋10.3
Operating profit	19,900	18,800	1,100	17,571	＋13.3
Margin	18.1	17.8		17.6	
Ordinary profit	19,900	19,100	800	18,382	＋8.3
Margin	18.1	18.1		18.5	
Profit attributable to owners of parent	15,050	14,200	850	13,891	＋8.3
Margin	13.7	13.5		13.9	
Basic earnings per share *	85.36	80.07	–	76.55	
ROE	13.0	12.3	0.7P	12.6	

* We conducted a 4-for-1 stock split of our common shares, effective April 1, 2026.
"Basic earnings per share " has been calculated assuming that this stock split had been implemented at the beginning of the fiscal year ended March 31, 2026.

Turning to the full-year plan, the second-half outlook in the revised plan is based on the plan formulated at the beginning of the fiscal year and incorporates the impact of the revised exchange-rate assumptions, cost increases caused by the situation in the Middle East, and planned price pass-through measures, primarily in domestic businesses, in response to those increases.

We have revised the net sales forecast upward by ¥4.4 billion from the previous plan to ¥109.9 billion, representing a 10.3% increase from the previous fiscal year. We have also revised the operating profit forecast upward by ¥1.1 billion to ¥19.9 billion, an increase of 13.3% year on year.

The ordinary profit forecast is also ¥19.9 billion, an upward revision of ¥800 million and an increase of 8.3% year on year. We have revised the forecast for profit attributable to owners of parent upward by ¥850 million to ¥15.05 billion, also an increase of 8.3% year on year.

ROE is expected to rise 0.4 percentage points from the previous fiscal year to 13.0%, reflecting both the revised plan and the effect of the acquisition of own shares currently under way.

The revised outlook exceeds or approaches each of the targets set for our FY 2030 vision when the current Medium-term management plan was formulated: net sales of ¥110.0 billion, operating profit of ¥20.0 billion, ROE of 12%, a P/B ratio of 2.0x, and an overseas net sales ratio of 55%.

In that sense, we believe improvements in business profitability, return on capital, and corporate value have progressed four years ahead of schedule. Going forward, we will implement initiatives from the second quarter onward based on this revised plan, aiming to deliver further business growth and higher profitability in our actual results.

Segment Plan for FY 2026

Segment Plan for FY 2026

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(unit: millions of yen, %)

	Current plan (July 30,2026)	Previous plan (Apr.30,2026)	Difference	Results of the previous FY	% increase/ decrease
Industrial Equipment segment					
Net sales	84,350	80,350	4,000	75,156	+12.2
Segment profit	21,350	20,230	1,120	18,955	+12.6
Segment profit margin	25.3	25.2		25.2	
Office Equipment segment					
Net sales	22,360	21,850	510	21,438	+4.3
Segment profit	3,780	3,630	150	3,587	+5.4
Segment profit margin	16.9	16.6		16.7	
HCR Equipment segment					
Net sales	3,190	3,300	-110	3,012	+5.9
Segment profit	0	10	-10	-42	–
Segment profit margin	0.0	0.3		-1.4	
Adjustment amount	-5,230	-5,070	-160	-4,929	–
Group-Wide Total					
Net sales	109,900	105,500	4,400	99,607	+10.3
Operating profit	19,900	18,800	1,100	17,571	+13.3
Operating margin	18.1	17.8		17.6	

I will now discuss the full-year segment plan and subsegment plan.

Sub Segment Plan for FY 2026

Sub Segment Plan for FY 2026

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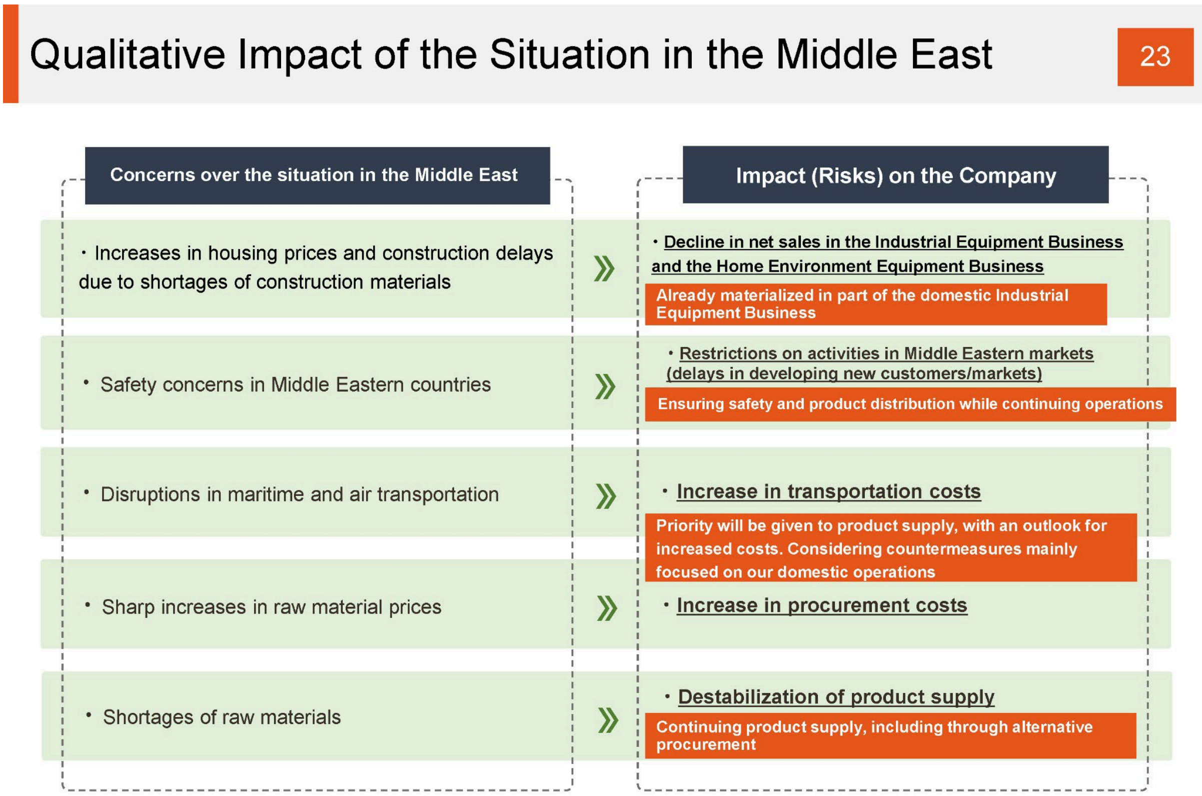
(unit: millions of yen, %)

	Current plan (July 30,2026)	Previous plan (Apr.30,2026)	Difference	Results of the previous FY	% increase/ decrease
Industrial Equipment Segment					
Net sales	84,350	80,350	4,000	75,156	+12.2
Domestic industrial equipment business	21,930	21,990	-60	21,041	+4.2
Overseas industrial equipment business	49,070	45,140	3,930	41,192	+19.1
Home environment equipment business	13,350	13,220	130	12,922	+3.3
Segment profit	21,350	20,230	1,120	18,955	+12.6
Segment profit margin	25.3	25.2		25.2	
Office Equipment Segment					
Net sales	22,360	21,850	510	21,438	+4.3
Domestic office equipment business	7,670	7,590	80	7,441	+3.1
Overseas office equipment business	6,940	6,710	230	6,217	+11.6
Auto stapler equipment business	7,750	7,550	200	7,778	-0.4
Segment profit	3,780	3,630	150	3,587	+5.4
Segment profit margin	16.9	16.6		16.7	

As with the first-half plan, we have made revisions based on progress in each business and the outlook.

Qualitative Impact of the Situation in the Middle East



I would now like to briefly update you on the current situation and our response concerning the qualitative impact of developments in the Middle East, which we discussed at the previous financial results briefing at the end of April.

Regarding the business impact of higher housing prices and construction delays caused by shortages of construction materials, no impact has materialized in the home environment equipment business, while some impact has emerged in the domestic industrial equipment business.

With respect to restrictions on activities and delays in new market development arising from security concerns in Middle Eastern countries, direct visits to the region are currently difficult. However, we are continuing our activities through online communication while ensuring the safe distribution of our products.

Regarding the impact of various cost increases caused by the situation in the Middle East, we are giving top priority to product manufacturing and supply, and some cost increases appear unavoidable. The revised plan incorporates these cost increases together with price pass-through measures, primarily in domestic businesses.

Regarding the risk of shortages of naphtha and other raw materials, our procurement division is stepping up efforts to secure materials and source alternatives. At present, we are able to continue supplying products. We will continue to monitor the situation closely and respond appropriately.

Capital Policy Implementation (Acquisition of Own Shares)

Capital policy implementation (Acquisition of Own Shares) 24

As part of our capital policy, the Company is proceeding with the acquisition of own shares as follows.

Acquisition of Own Shares

Reason for acquisition	:	To enhance shareholder returns and improve capital efficiency
Total Number of Shares to be Acquired	:	4,000,000 shares (maximum) (Proportion to the total number of shares issued excluding treasury shares : 2.22%)
Total amount of share acquisition costs	:	¥7,100,000,000 (maximum)
Acquisition period	:	From May 1, 2026 to December 31, 2026
Method of acquisition	:	Market Purchase of Own Shares including Off-Auction Own Share Repurchase Trading System (ToSTNeT-3)

Status of Capital Policy Implementation During the Medium-Term Management Plan Period (FY2024-FY2026)

November 2024	:	**Public offering of shares (1,437,200 shares*, including over-allotment)**
December 2024	:	**Cancellation of own shares (1,000,000 shares*)**
January to April 2025	:	**Acquisition of own shares (589,100 shares*, approximately ¥2.4 billion)**
August to November 2025	:	**Acquisition of own shares (996,300 shares*, approximately ¥5.5 billion)**
April 2026	:	**Implementation of stock split (4-for-1 stock split of our common stock)**

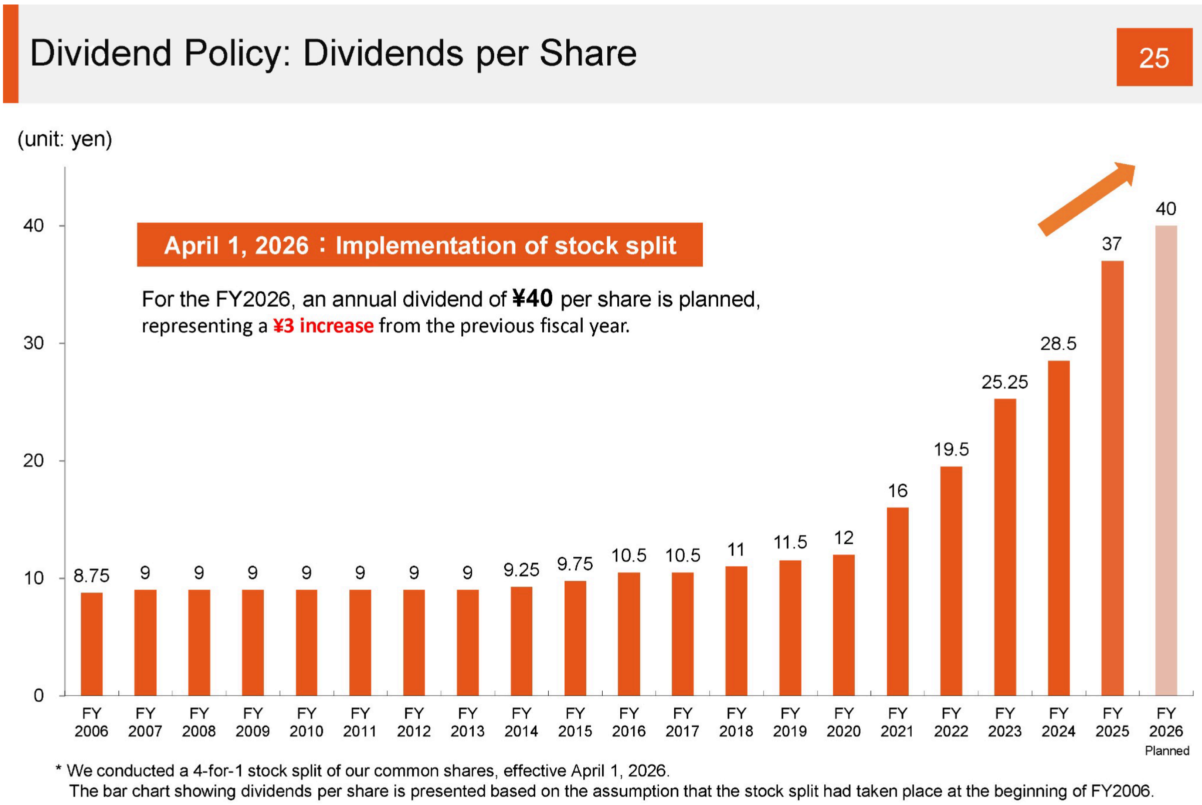
*Stated based on the number of shares before the stock split.

This slide presents the previously disclosed plan for the acquisition of own shares. As part of our capital policy, we are proceeding with the acquisition to improve capital efficiency and enhance shareholder returns. As noted at the outset, the plan provides for the acquisition of up to 4,000,000 shares, for a total of up to ¥7.1 billion.

As we announced and disclosed at 4:45 p.m. just before this briefing, under this plan we had acquired 428,700 shares as treasury stock for ¥737 million as of yesterday. At the same time, we disclosed that we would conduct an acquisition of own shares through ToSTNeT-3 tomorrow, covering up to 3,000,000 shares for a total of up to ¥5.127 billion.

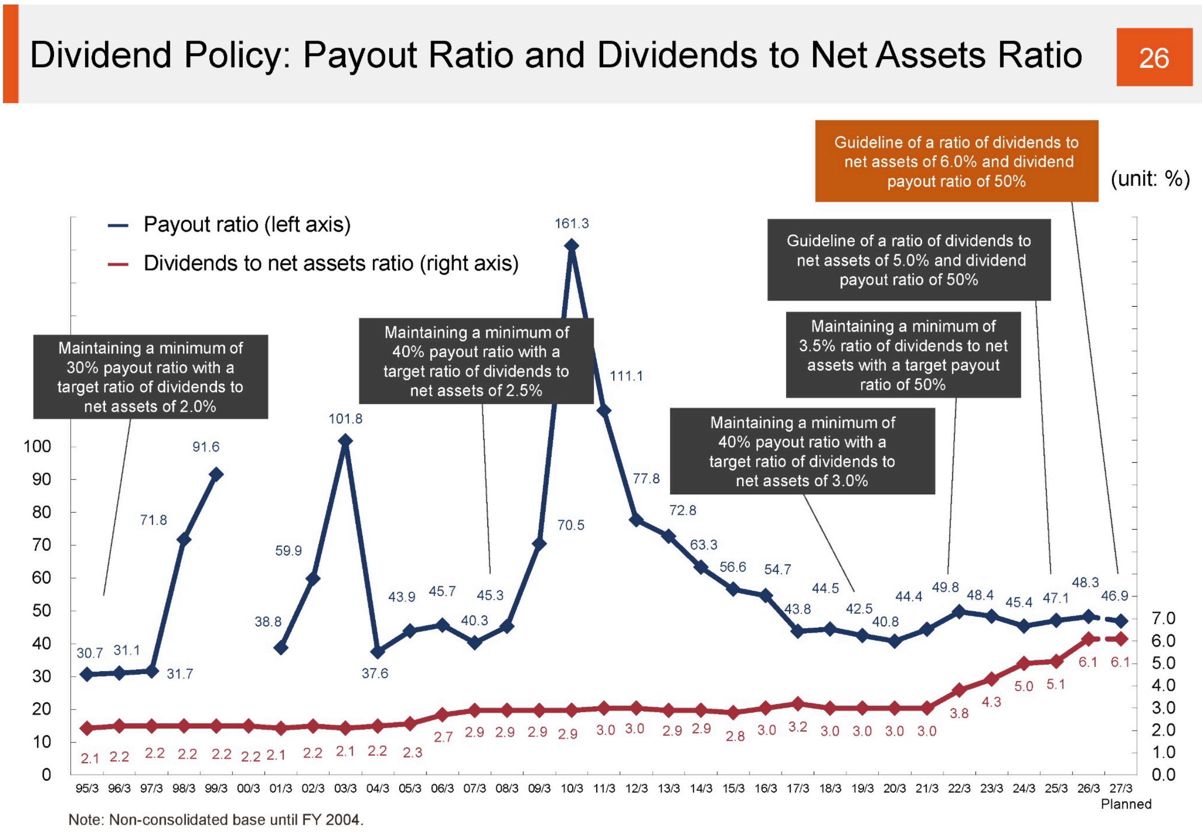
As shown at the bottom of the slide, during the current Medium-term Management Plan period, we have implemented capital policy measures through a stock offering, a stock split, and acquisitions of own shares. We will continue to advance our capital policy alongside our business activities.

Dividend Policy: Dividends per Share



Regarding dividends per share, we currently plan an annual dividend of ¥40 per share, as set at the beginning of the fiscal year. Under the enhanced dividend policy adopted this time, we ultimately intend to pay dividends in line with performance, using a dividends to net assets ratio of 6.0% and a payout ratio of 50% as guidelines.

Dividend Policy: Payout Ratio and Dividends to Net Assets Ratio



This slide shows the dividend policy and changes in the payout ratio and dividends to net assets ratio. Slides 27 onward are reference materials, so please review them later.

This concludes my report on our business activities, outlook, and capital policy. As explained, first-quarter results exceeded the initial plan, and we believe the earning power of our businesses has steadily improved.

Going forward, we will continue expanding sales of priority products, including rebar tying tools, in our overseas businesses. At the same time, we will transform the earnings structure of our domestic businesses, which face a challenging operating environment due to the situation in the Middle East and exchange-rate movements, with the aim of further strengthening business profitability.

In terms of capital policy, we intend to actively pursue both growth investment and shareholder returns, including investment to support the next stage of growth, returns to shareholders through dividends, and improved capital efficiency through acquisitions of own shares.

Through these initiatives, we aim to enhance business profitability and return on capital and increase corporate value by earning recognition from the market for those results. Thank you. This concludes my presentation.

Q&A: Outlook for the Industrial Equipment Segment

Questioner: The Industrial Equipment segment is performing extremely well, particularly overseas, and Europe appears especially strong on a unit basis. Could you discuss the outlook for the sustainability of this performance?

Kaku: As I mentioned earlier, market conditions are broadly similar in Europe and the United States. The residential market is not particularly strong, but we expect conditions in the non-residential market, where our rebar tying tools are used, to remain steady in both regions.

In the United States, we have made steady progress in developing a network of concrete dealers and strengthening their capabilities. We have therefore established channels capable of meeting demand, and we believe this performance can continue.

In Europe, Eastern and Southern Europe, which we developed during a difficult market environment, are now providing incremental growth. In addition, market conditions are currently favorable, and sales continue to grow in Northern and Western Europe, our original core markets. Although the precise rate of future growth is uncertain, we expect the current strength to be sustained to some extent.

As an aside, the Japanese executive who heads MAX USA CORP., our sales subsidiary in North America, and serves as its local president is temporarily back in Japan. I had an opportunity to meet with him earlier, and he commented that the business is also showing strong momentum on the ground.

Q&A: Trends in Replacement Demand from European Construction Equipment Rental Companies

Questioner: At the previous briefing, you mentioned that replacement demand from construction equipment rental companies in Europe was beginning to emerge. Is it correct to understand that this is also providing an additional boost to demand?

Kaku: Yes, that is correct. The Nordic countries, in particular, have long had an established rental market with meaningful demand. Sales fell significantly when market conditions deteriorated, but have been recovering steadily for about six months, making this a major driver of the recovery.

Q&A: Replacement Demand in the North American Market

Questioner: Is replacement demand also likely to emerge in North America, or has it already begun to emerge?

Kaku: Rather than rental demand, the main sources of demand are likely to be replacement and additional purchases. The first product in the TWINTIER series was launched in 2017, so approximately nine years have now passed. Replacement purchases, additional purchases, and demand from new users are already emerging, and this is one of the positive factors.

Q&A: Potential Refund of U.S. Tariffs

Questioner: What is the likelihood that the Company will receive a refund of U.S. tariffs?

Kaku: Our local sales subsidiary is currently addressing this matter in consultation with the U.S. authorities. Our basic view is that we will be eligible for a refund. However, we have not incorporated the refund into the current plan.

Questioner: Is the amount likely to be fairly significant?

Kaku: I will refrain from commenting on the amount, but because the tariffs already paid would be refunded, we expect the refund to be of a meaningful size.

Q&A: Factors Behind the Expected Decline in the Second-Quarter Profit Margin

Questioner: Under the revised plan, the profit margin for the second quarter is expected to be lower than in the first quarter. What are the reasons for this? Is the exchange rate a factor?

Kaku: One factor is exactly as you suggested. We revised the forecasted exchange rates by ¥5 toward a weaker yen, but the revised rates still reflect a yen about ¥5 stronger than both current market rates and the actual first-quarter rates. This difference therefore has a negative impact on profit.

In addition, as incorporated into the plan, we currently expect SG&A expenses to be slightly higher than in the first quarter, which is another reason for the planned decline in the margin.

Exchange rates also explain why ordinary profit is planned at a somewhat lower level. The plan assumes that the exchange rates at the end of September will be the same as the current assumed rates. Under this assumption, our simulation results in a non-operating foreign exchange loss from the revaluation of foreign-currency-denominated items between the beginning and end of the period, and this result has been incorporated into the plan.

Accordingly, actual results could differ from the plan depending on exchange-rate movements.