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MAX Co., Ltd.

Financial Results Briefing for the First Half of FY 2026

Minutes of Q&A Session

These minutes provide an overview of the questions received from participants and the answers given in a briefing for analysts and fund managers held on Thursday, October 29, 2026.

■ Industrial Equipment Segment

Q1. You explained that the slowdown in the growth rate of unit sales of rebar tying tools and consumables in Europe in the second quarter (three-month period) was due to a shift in shipments from the second quarter to the third quarter. Please elaborate on the background to this and the specific circumstances.
A1. Due to a number of factors, a portion of shipments that had originally been scheduled for September was pushed back to October. As a result, the impact of the shift in shipment timing was relatively large.

Q2. Please tell us about the recoil effect from the promotions you conducted in Europe from the fourth quarter of the fiscal year ending March 31, 2026 through the first quarter of the fiscal year ending March 31, 2027, and about your outlook going forward.
A2. In the second quarter, we implemented promotions aimed at encouraging sell-out by our distributors and dealers. Based on the situation we are seeing, we recognize that the recoil effect from the promotions carried out up through the first quarter has been almost negligible. In addition, as market conditions, particularly in infrastructure-related fields, remain stable, we expect that the market will continue to perform firmly from the third quarter onward.

■ Office Equipment Segment

Q3. What are the main reasons for the downward revision to the full-year plan for the Office Equipment Segment for the fiscal year ending March 31, 2027?
A3. In addition to higher costs due to factors such as foreign exchange, we have reflected the impact of market contraction associated with the shift to paperless operations. As sales of labeling and signage products are increasing, we intend to continue focusing on this business.

■ Overall Condition of the Company

Q4. This fiscal year is the final year of your current Medium-Term Management Plan, and you are now expecting results to significantly exceed the initial plan. What are the main factors behind the deviation from the original plan?
A4. The principal factor is that demand for rebar tying tools has exceeded our initial assumptions. The enhancement of our product lineup for rebar tying tools and the launch of related products, such as battery-operated wire mesh cutters, have aligned well with market needs. In addition, increased construction demand, particularly in infrastructure-related fields, has led to substantial growth in unit sales of both rebar tying tools and consumables. Looking ahead to the next Medium-Term Management Plan, we are working to improve the accuracy of our demand forecasts by strengthening our analysis and data collection.

Q5. Please explain the financial impact of U.S. tariff refunds and protectionist measures in Europe.
A5. We do not disclose a specific impact amount. However, of the approximately ¥1.1 billion increase in costs in the fiscal year ended March 31, 2026, about 70% was attributable to U.S. tariffs. The majority of this impact was offset in the second quarter of the current fiscal year through refunds of tariffs.
On the other hand, due to the level of inventories held locally in the United States, the increase in costs recognized in the statement of income due to U.S. tariffs began to materialize from the second quarter of the previous fiscal year. Consequently, cost increases due to U.S. tariffs also occurred in the first quarter of the current fiscal year. In addition, we are also incurring higher costs as a result of the strengthening of protectionist measures in Europe.

Q6. When do you plan to launch the autonomous mobile tying robot, and do you intend to actively utilize external technologies and know-how in the area of robotics?
A6. We are not in a position to specify a launch schedule at this time, as we are currently conducting market tests while continuing to make improvements. With respect to robotics technologies, we intend to incorporate the needs of general contractors and other external stakeholders, and we plan to acquire the necessary technologies through collaboration with external parties, including in the area of AI, and through the utilization of external platforms.

Q7. Under the current Medium-Term Management Plan, how are you thinking about the situation in which cash outflows assumed in your cash flow allocation do not materialize as planned, resulting in surplus funds?
A7. Our investments for business expansion are not limited to the establishment of the new Technology Research Center (tentative name); we are continuing to consider such investments on an ongoing basis. We also plan to make investments in research and development and in strengthening our management foundation.

Q8. Does the current revision to your earnings forecast include the impact of higher costs resulting from protectionist measures in Europe?
A8. Yes. We have factored this impact into our plan.

The forecasts of business results and other forward-looking statements in this document are based on information available as of October 29, 2026 and on certain assumptions that the Company judges to be reasonable. Actual business results and other results may differ due to various factors.