

Summary of Consolidated Financial Results for FY2026, and Forecast of Consolidated Financial Results for FY2027

<Consolidated Financial >

(Millions of yen, percentage figures show year-on-year ratio.)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Dividends per Share (Yen)
	Amount	YoY Ratio	Amount	YoY Ratio	Amount	YoY Ratio	Amount	YoY Ratio	Amount
FY2026	418,425	101.8%	22,082	102.8%	24,874	102.0%	21,803	88.1%	68.00
FY2025	410,878	102.6%	21,486	105.6%	24,393	104.8%	24,757	93.9%	66.00

NIPPON CORPORATION (President and CEO: Toshiya Maezuru; Head office: Chiyoda-ku, Tokyo; hereinafter “NIPPON”) and its group companies are striving to continuously improve its corporate value based on the management philosophy of “Contributing to the realization of a sustainable society by pursuing the well-being (happiness, health, and smiles) of people.”

During the current period, as an effort to strengthen our earning capacity, we thoroughly implemented consumer-based marketing in all business areas including not only the home use food product category but also the professional use food product category, and we worked to expand our revenue by further raising our brand awareness.

In addition, as an effort to expand our growth areas, we are steadily progressing with the construction of a new plant for frozen foods of HATANAKA FOODS Co., Ltd., aiming for completion by the end of FY2027, in order to enhance our supply system in the light of growth of the demand for frozen foods. Moreover, in the Overseas business, sales have remained strong in the ASEAN region and North America, and Utah Flour Milling, LLC has commenced full-scale operations and continued stable operations, as we are working toward further business expansion.

In February 2026, the Chita Mill, which will serve to strengthen the foundation for our domestic Flour Milling business, started its operation. The Mill has achieved high productivity through lessening the workload by introducing automation technology and seeking to make the Mill smarter, in addition to reducing the raw material procurement cost with the berthing of large grain vessels. Furthermore, we intend to have the Mill contribute to stable supply and profitability increase as a sustainable, cutting-edge flour mill that can achieve resilience to natural disasters, energy saving performance, and friendliness to the environment.

In the current period, net sales increased by 1.8% year on year to ¥418,425 million due to factors such as the expansion of inbound tourism consumption, sales promotion based on the marketing strategy, as well as price revisions implemented due to various rising costs. In terms of profit, despite an increase in various costs, including personnel costs and logistics costs in each business, due to steady sales, operating income increased by 2.8% year on year to ¥22,082 million and ordinary income increased by 2.0% year on year to ¥24,874 million. On the other hand, due to extraordinary income gains from the sale of idle land last year, profit attributable to owners of parent decreased by 11.9% year on year to ¥21,803 million.

<Dividends of the Current Period>

Since our results for the current fiscal year will exceed the forecast, we will make a proposal to the general meeting of shareholders for the appropriation of surplus of ¥35 per share, ¥2 higher than the forecast previously announced, as the final dividend for the current fiscal year, in order to seek further profit return to the shareholders. As a result, the annual dividend will be ¥68 per share, including the interim dividend already paid.

As a result, a consolidated dividend payout ratio calculated by excluding special and extraordinary income/loss will be 33.5%.

<Forecast of Consolidated Financial Results for FY2027>

(Millions of yen, percentage figures show year-on-year ratio.)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Dividends per Share (Yen)
Second quarter of FY2027	214,000	102.9%	9,000	82.9%	10,000	82.4%	10,300	111.1%	34.00
FY2027	430,000	102.8%	19,500	88.3%	21,000	84.4%	21,200	97.2%	68.00

For FY2027, we forecast net sales to increase by 2.8% year on year to ¥430,000 million as selling is expected to remain strong. As for profits, although net sales will increase due to sales volume growth mainly driven by sales promotion, various costs pressures are expected to persist, including personnel, logistics, and raw material costs. In these circumstances, operating income before depreciation is expected to increase; however, depreciation expenses from newly operational mills and plants are expected to increase. As a result, we forecast operating income to decrease by 11.7% year-on-year to ¥19,500 million, ordinary income to decrease by 15.6% year-on-year to ¥21,000 million, and profit attributable to owners of parent to decrease by 2.8% year-on-year to ¥21,200 million.

With regard to dividends, the annual dividends of ¥68 per share for FY2027 is planned to be paid, the same amount as FY2026.