

Consolidated Financial Results
for the Second Quarter of Fiscal Year Ending March 31, 2026
(Six Months Ended September 30, 2025)

[Japanese GAAP]

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Scheduled date of filing of Semi-annual Report: November 14, 2025

Scheduled date of payment of dividend: December 1, 2025

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for institutional investors and analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Second Quarter Ended September 30, 2025**(April 1, 2025 – September 30, 2025)**

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Sep. 30, 2025	22,693	0.7	2,726	(1.6)	3,231	4.1	2,299	5.8
Six months ended Sep. 30, 2024	22,540	0.5	2,771	(1.2)	3,102	(5.1)	2,173	(0.7)

Note: Comprehensive income (million yen) Six months ended Sep. 30, 2025: 1,477 (down 61.7%)

Six months ended Sep. 30, 2024: 3,855 (up 17.8%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2025	103.82	-
Six months ended Sep. 30, 2024	98.37	-

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of Sep. 30, 2025	53,402	38,226	71.4
As of Mar. 31, 2025	54,150	38,109	70.0

Reference: Owner's equity (million yen)

As of Sep. 30, 2025: 38,108

As of Mar. 31, 2025: 37,885

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2025	-	25.00	-	45.00	70.00
Fiscal year ending Mar. 31, 2026	-	35.00			
Fiscal year ending Mar. 31, 2026 (forecasts)			-	41.00	76.00

Note: Revisions to the most recently announced dividend forecasts: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	48,439	5.8	6,159	5.4	6,601	1.3	4,788	7.2	215.82

Note: Revisions to the most recently announced consolidated earnings forecasts: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 (IWP Holding Company Limited)

(2) Application of special accounting methods for presenting interim consolidated financial statements: Yes

Note: Please refer to page 8 “2. Interim Consolidated Financial Statements and Notes, (3) Notes to Interim Consolidated Financial Statements, Special Accounting Methods for Presenting Interim Consolidated Financial Statements” for details.

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Sep. 30, 2025:	22,490,910 shares	As of Mar. 31, 2025:	22,490,910 shares
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2) Number of treasury shares at the end of the period

As of Sep. 30, 2025:	307,298 shares	As of Mar. 31, 2025:	375,753 shares
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3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2025:	22,147,583 shares	Six months ended Sep. 30, 2024:	22,091,797 shares
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* The current quarterly (interim) financial report is not subject to review by certified public accountants or auditing firms.

* Cautionary statement with respect to forward-looking statements

Note concerning forward-looking statements

Forecasts of future performance in these materials are based on assumption judged to be valid and information available to Iwaki's management at the time the materials were prepared, but are not promises by Iwaki regarding future performance. Actual results may differ materially from the forecasts.

How to view supplementary materials for the financial results

Iwaki plans to hold a financial results meeting for institutional investors and analysts on November 26, 2025. Materials to be distributed at this event will be available on Iwaki's website in advance.

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1. Overview of Results of Operations, Etc.

(1) Results of Operations

During the first half of the current fiscal year, the Japanese economy showed a gradual recovery despite some impact on certain sectors from U.S. trade policies. However, continued close attention is warranted regarding developments in U.S. trade policy. In addition, persistent inflation remains a downside risk to economic activity, and the outlook for corporate earnings continues to be uncertain.

Our group has formulated the long-term vision “IWAKI Group Vision NEXT10,” which outlines the ideal direction we aim to pursue over the next ten years in line with our corporate philosophy. We have defined our vision as: “Aid daily life globally, evolving for future needs.” To achieve this, our basic policy is: “Use business activities to increase the number of IWAKI fans worldwide and to play a role in creating a sustainable society.” Guided by this framework, the Medium-Term Management Plan 2027, spanning the three fiscal years ending March 2026 through March 2028, is designed to drive sustainable growth and strengthen the foundation for future development, thereby enhancing corporate value.

In the current fiscal year, which marks the first year of the plan, we have implemented a sales strategy centered on solution-based proposals both in Japan and overseas, driving efforts to expand sales.

As a result of these activities, sales in the water treatment category increased 8.4% from one year earlier to 5,749 million yen. This was a major source of growth of consolidated sales. Despite a sign of recovery, sales in the semiconductor/liquid crystal category decreased 0.1% to 3,502 million yen.

Sales of the core metering pumps increased 4.0% from one year earlier to 4,041 million yen, with strong demand in the water treatment category.

Sales in Japan decreased 1.2% from one year earlier to 10,509 million yen, as a result of sluggish sales in the semiconductor/liquid crystal category. Overseas, sales in the United States increased 12.0% to 3,953 million yen as a result of higher sales in the core water treatment category. In Europe, sales decreased 9.5% to 2,860 million yen because of generally slow sales in all categories. In Asia, sales increased 7.2% to 1,409 million yen due to higher sales in the semiconductor/liquid crystal category in Taiwan and South Korea. Sales in China decreased 3.4% to 2,784 million yen. Signs of a recovery emerged in the semiconductor/liquid crystal and medical equipment categories, but this is not yet a full-scale recovery.

As a result, consolidated net sales in the first half increased 0.7% to 22,693 million yen.

The increase in the cost of sales ratio was driven by production adjustments due to inventory reductions. Operating profit decreased 1.6% from one year earlier to 2,726 million yen, ordinary profit was up 4.1% to 3,231 million yen due to an increase in equity method income and foreign exchange gains, and profit attributable to owners of parent increased 5.8% to 2,299 million yen.

There is no business segment information because chemical pumps are the only business of the Iwaki Group.

(2) Financial Position

Assets

Current assets at the end of the second quarter of the current fiscal year were 35,903 million yen, down 1,501 million yen from the end of the previous fiscal year. This was mainly due to decreases of 378 million yen in notes and accounts receivable-trade, and contract assets and 1,002 million yen in merchandise and finished goods. Non-current assets were 17,498 million yen at the end of the second quarter, up 752 million yen from the end of the previous fiscal year. This was mainly because of an increase of 779 million yen in property, plant and equipment due to the construction of a new plant.

As a result, total assets decreased 748 million yen from the end of the previous fiscal year to 53,402 million yen.

Liabilities

Current liabilities at the end of the second quarter were 10,118 million yen, down 1,987 million yen from the end of the previous fiscal year. This was mainly due to decreases of 451 million yen in electronically recorded obligations-operating, 249 million yen in income taxes payable and 1,150 million yen in other current liabilities

primarily resulting from payment for new plant construction expenses. Non-current liabilities were 5,057 million yen at the end of the second quarter, up 1,122 million yen from the end of the previous fiscal year. This was mainly due to an increase of 1,376 million yen in long-term borrowings.

As a result, total liabilities decreased 864 million yen from the end of the previous fiscal year to 15,175 million yen.

Net assets

Net assets at the end of the second quarter were 38,226 million yen, up 116 million yen from the end of the previous fiscal year. There was an increase of 1,309 million yen in retained earnings, while there were decreases of 295 million yen in capital surplus, 804 million yen in foreign currency translation adjustment, and 106 million yen in non-controlling interests.

Consequently, the capital adequacy ratio was 71.4% (70.0% at the end of the previous fiscal year).

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

We maintain the full-year consolidated earnings forecasts that were disclosed in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” dated May 14, 2025.

2. Interim Consolidated Financial Statements and Notes

(1) Interim Consolidated Balance Sheet

	(Thousands of yen)	
	FY3/25 (As of Mar. 31, 2025)	Second quarter of FY3/26 (As of Sep. 30, 2025)
Assets		
Current assets		
Cash and deposits	8,801,530	9,029,461
Notes and accounts receivable-trade, and contract assets	8,058,338	7,680,329
Electronically recorded monetary claims-operating	4,939,418	4,740,340
Securities	80,933	-
Merchandise and finished goods	7,329,562	6,326,898
Work in process	2,768,505	2,738,796
Raw materials and supplies	4,376,093	4,316,631
Other	1,107,158	1,128,568
Allowance for doubtful accounts	(56,213)	(57,220)
Total current assets	37,405,328	35,903,807
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,433,707	8,546,021
Accumulated depreciation and impairment	(4,691,101)	(4,837,343)
Buildings and structures, net	3,742,606	3,708,677
Machinery, equipment and vehicles	4,121,846	4,233,467
Accumulated depreciation and impairment	(3,514,321)	(3,606,807)
Machinery, equipment and vehicles, net	607,525	626,660
Tools, furniture and fixtures	2,639,813	2,697,062
Accumulated depreciation and impairment	(2,156,010)	(2,227,205)
Tools, furniture and fixtures, net	483,803	469,856
Land	1,060,990	1,063,395
Leased assets	480,645	476,637
Accumulated depreciation	(203,215)	(230,347)
Leased assets, net	277,430	246,289
Construction in progress	899,248	1,924,532
Other	1,836,513	1,705,459
Accumulated depreciation	(244,737)	(302,020)
Other, net	1,591,776	1,403,439
Total property, plant and equipment	8,663,380	9,442,851
Intangible assets		
Goodwill	2,147,567	1,878,912
Other	719,384	696,267
Total intangible assets	2,866,952	2,575,179
Investments and other assets		
Investment securities	2,161,607	2,307,276
Deferred tax assets	555,582	608,369
Retirement benefit asset	1,803,602	1,806,491
Other	694,365	758,083
Total investments and other assets	5,215,156	5,480,220
Total non-current assets	16,745,489	17,498,252
Total assets	54,150,817	53,402,059

	(Thousands of yen)	
	FY3/25 (As of Mar. 31, 2025)	Second quarter of FY3/26 (As of Sep. 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	1,765,957	1,769,378
Electronically recorded obligations-operating	2,963,987	2,512,762
Short-term borrowings	1,087,960	1,079,547
Current portion of long-term borrowings	155,000	321,200
Lease liabilities	151,513	146,739
Income taxes payable	1,015,132	765,423
Contract liabilities	388,255	445,706
Provision for bonuses	1,318,346	1,003,929
Provision for bonuses for directors (and other officers)	242,559	209,587
Provision for product warranties	83,680	81,646
Other	2,933,348	1,782,422
Total current liabilities	12,105,740	10,118,343
Non-current liabilities		
Long-term borrowings	857,500	2,234,130
Lease liabilities	505,038	447,266
Deferred tax liabilities	1,726	-
Retirement benefit liability	94,263	91,008
Asset retirement obligations	224,732	225,293
Other	2,251,844	2,059,937
Total non-current liabilities	3,935,104	5,057,636
Total liabilities	16,040,845	15,175,979
Net assets		
Shareholders' equity		
Share capital	1,044,691	1,044,691
Capital surplus	786,971	491,846
Retained earnings	31,790,257	33,100,214
Treasury shares	(376,249)	(307,630)
Total shareholders' equity	33,245,670	34,329,121
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,792	9,578
Foreign currency translation adjustment	3,377,515	2,572,889
Remeasurements of defined benefit plans	1,255,827	1,197,029
Total accumulated other comprehensive income	4,640,136	3,779,497
Non-controlling interests	224,165	117,461
Total net assets	38,109,972	38,226,079
Total liabilities and net assets	54,150,817	53,402,059

(2) Interim Consolidated Statements of Income and Comprehensive Income**Interim Consolidated Statement of Income**

(Thousands of yen)

	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)	First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)
Net sales	22,540,031	22,693,901
Cost of sales	13,312,808	13,582,557
Gross profit	9,227,223	9,111,343
Selling, general and administrative expenses	6,455,612	6,385,236
Operating profit	2,771,611	2,726,106
Non-operating income		
Interest income	49,672	41,996
Dividend income	29,382	33,112
Share of profit of entities accounted for using equity method	288,181	356,615
Foreign exchange gains	-	50,160
Other	36,486	68,836
Total non-operating income	403,723	550,722
Non-operating expenses		
Interest expenses	43,539	39,757
Commission expenses	1,584	1,504
Foreign exchange losses	15,083	-
Expenses related to deferred compensation plan	9,772	-
Other	2,757	4,238
Total non-operating expenses	72,737	45,499
Ordinary profit	3,102,597	3,231,328
Extraordinary income		
Gain on sale of investment securities	1,168	365
Gain on reversal of foreign currency translation adjustment resulting from liquidation of foreign subsidiaries	21,509	12,766
Total extraordinary income	22,677	13,131
Extraordinary losses		
Loss on retirement of non-current assets	3,268	36
Loss on sale of non-current assets	-	84
Total extraordinary losses	3,268	120
Profit before income taxes	3,122,006	3,244,339
Income taxes	878,691	897,139
Profit	2,243,314	2,347,199
Profit attributable to non-controlling interests	70,192	47,903
Profit attributable to owners of parent	2,173,122	2,299,296

Interim Consolidated Statement of Comprehensive Income

	(Thousands of yen)	
	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)	First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)
Profit	2,243,314	2,347,199
Other comprehensive income		
Valuation difference on available-for-sale securities	(272)	3,001
Foreign currency translation adjustment	1,606,638	(808,962)
Remeasurements of defined benefit plans, net of tax	(59,577)	(58,798)
Share of other comprehensive income of entities accounted for using equity method	65,579	(4,511)
Total other comprehensive income	1,612,367	(869,270)
Comprehensive income	3,855,682	1,477,929
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	3,768,058	1,438,657
Comprehensive income attributable to non-controlling interests	87,623	39,271

(3) Notes to Interim Consolidated Financial Statements

Special Accounting Methods for Presenting Interim Consolidated Financial Statements

Calculation of tax expense

At Iwaki and certain consolidated subsidiaries, the tax expenses were calculated by first estimating the effective tax rate after the application of tax effect accounting with respect to profit before income taxes during the fiscal year that includes the first six months of FY3/26, and multiplying that rate by the profit before income taxes.

Significant Changes in Shareholders' Equity

Not applicable.

Going Concern Assumption

Not applicable.

This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.