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October 2, 2025

Consolidated Financial Results for the Six Months Ended August 31, 2025 (Under Japanese GAAP)



Company name: Daiseki Co., Ltd.
Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
Securities code: 9793
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Scheduled date to file semi-annual securities report: October 10, 2025
Scheduled date to commence dividend payments: October 24, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended August 31, 2025 (from March 1, 2025 to August 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2025	36,117	10.1	7,450	1.6	7,629	(1.1)	4,712	(3.4)
August 31, 2024	32,791	(8.3)	7,327	(5.4)	7,715	(2.5)	4,881	2.0

Note: Comprehensive income For the six months ended August 31, 2025: ¥ 5,179 million [(3.4) %]
For the six months ended August 31, 2024: ¥ 5,362 million [0.5 %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
August 31, 2025	99.07	-
August 31, 2024	101.28	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
August 31, 2025	114,239	94,194	73.7
February 28, 2025	113,635	93,850	74.2

Reference: Equity

As of August 31, 2025: ¥ 84,257 million
As of February 28, 2025: ¥ 84,326 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	-	33.00	-	39.00	72.00
Fiscal year ending February 28, 2026	-	36.00			
Fiscal year ending February 28, 2026 (Forecast)			-	36.00	72.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	70,000	4.0	15,700	9.6	15,800	6.5	9,900	6.3	208.73

Note: Revisions to the financial result forecast most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies()

Excluded: - companies()

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(Note) For details, please refer to “2. Semi-annual Consolidated Financial Statements and Principal Notes (3) Notes to Semi-annual Consolidated Financial Statements, Changes in accounting policies” on page 7 in the attached material in the Consolidated Financial Results for the Six Months Ended August 31, 2025.

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2025	51,000,000 shares
As of February 28, 2025	51,000,000 shares

(ii) Number of treasury shares at the end of the period

As of August 31, 2025	3,713,631 shares
As of February 28, 2025	2,923,061 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2025	47,569,216 shares
Six months ended August 31, 2024	48,191,776 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forecast figures stated above reflect projections determined based on the information currently available and may contain uncertain factors in large part. Actual business results, etc. may differ from the above forecast figures due to changes in earnings results, among others.

Attached Material

1. Qualitative Information on Semi-annual Consolidated Financial Results	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Position	2
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Statements	2
2. Semi-annual Consolidated Financial Statements and Principal Notes	3
(1) Semi-annual Consolidated Balance Sheets	3
(2) Semi-annual Consolidated Statements of Income and Comprehensive Income.....	5
Semi-annual Consolidated Statements of Income	5
Semi-annual Consolidated Statements of Comprehensive Income.....	6
(3) Notes to Semi-annual Consolidated Financial Statements.....	7
Notes on premise of going concern	7
Notes on significant changes in the amount of shareholders' equity	7
Changes in accounting policies.....	7
Significant events after reporting period.....	7

1. Qualitative Information on Semi-annual Consolidated Financial Results

(1) Explanation of Operating Results

During the six months ended August 31, 2025, the Japanese economy saw continued sluggish industrial production due to the impact of rising prices resulting from soaring raw material and labor costs, as well as an unstable international situation and tariff increases caused by the U.S. trade policy.

Amid such an economic situation, in a mainstay business of the Company group (the “Group”), the industrial waste treatment business of the Company centered on industrial wastewater treatment achieved record-high sales, ordinary profit, and net income, although both sales and profits were slightly lower than planned, on account of the aggressive acquisition of wastewater from new and other customers as a raw material for recycled fuels, despite higher raw material and labor costs, and other factors.

In the soil remediation business of Daiseki Eco. Solution Co., Ltd., despite challenges such as soaring prices of construction materials and rising labor costs, both sales and profits rose, exceeding the plan due to contributions from large-scale, high value-added projects in the Kanto region that have been ongoing since the previous fiscal year, amid steady government investments in construction projects and the upward trend of construction investments in the private sector.

In the lead recycling business of Daiseki MCR Co., Ltd., factory production remained steady and sales reached a record high, although the impact of market prices for lead and exchange rates, as well as factors such as rising raw materials costs, caused profit to fall below expectations.

System Kikou Co., Ltd.’s washing business for large tanks achieved record highs in both sales and profits as a result of the completion of highly profitable projects.

The Group has aimed for a company that is well-liked by local communities by conducting management that emphasizes our purpose of becoming “an environment-creating company contributing to society through the environment by making the best use of limited resources” as an environment-creating company, continuing to step up efforts to retain and train human resources while also investing to expand capacity.

As a result, for the six months ended August 31, 2025, net sales, operating profit, ordinary profit, and profit attributable to owners of parent were ¥36,117 million (up 10.1% year on year), ¥7,450 million (up 1.6% year on year), ¥7,629 million (down 1.1% year on year), and ¥4,712 million (down 3.4% year on year), respectively. Net sales amounted to a record high for the first half of a fiscal year.

As the Group consists of a single business segment, the environment-related business, the information by segment is omitted.

(2) Explanation of Financial Position

Total assets as of August 31, 2025 increased by ¥603 million compared with the end of the previous fiscal year, amounting to ¥114,239 million. The increase was largely due to increases in property, plant and equipment of ¥1,037 million, notes and accounts receivable - trade, and contract assets of ¥752 million, and electronically recorded monetary claims - operating of ¥235 million, while being offset by decreases in cash and deposits of ¥757 million, securities of ¥500 million, and investment securities of ¥143 million. Liabilities increased by ¥260 million compared with the end of the previous fiscal year, amounting to ¥20,045 million. The increase was largely due to increases in other under current liabilities of ¥654 million, provision for bonuses of ¥257 million, income taxes payable of ¥202 million, and short-term borrowings of ¥140 million, offset by decreases in notes and accounts payable - trade of ¥540 million and long-term borrowings of ¥382 million. Net assets increased by ¥343 million compared with the end of the previous fiscal year, amounting to ¥94,194 million. The increase was largely due to increases in retained earnings of ¥2,835 million by recording profit gains, etc., and non-controlling interests of ¥412 million, offset by a ¥2,910 million decrease due to an increase in treasury shares resulting from purchase of treasury shares.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Statements

No revisions have been made to the consolidated financial results forecast announced on April 8, 2025.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	30,416	29,658
Notes and accounts receivable - trade, and contract assets	11,751	12,504
Electronically recorded monetary claims - operating	1,166	1,401
Securities	500	-
Inventories	2,138	2,254
Other	685	511
Allowance for doubtful accounts	(8)	(8)
Total current assets	46,650	46,321
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,345	15,495
Machinery, equipment and vehicles, net	6,507	6,352
Land	29,391	29,647
Construction in progress	1,350	992
Other, net	808	952
Total property, plant and equipment	52,403	53,440
Intangible assets		
Goodwill	773	705
Customer-related assets	819	786
Other	362	351
Total intangible assets	1,955	1,842
Investments and other assets		
Investment securities	7,169	7,026
Long-term time deposits	3,500	3,500
Deferred tax assets	1,402	1,574
Other	554	534
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	12,625	12,634
Total non-current assets	66,984	67,917
Total assets	113,635	114,239

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,048	3,508
Electronically recorded obligations - operating	1,013	1,034
Short-term borrowings	1,330	1,470
Current portion of long-term borrowings	928	823
Income taxes payable	2,494	2,696
Provision for bonuses	602	859
Other	3,576	4,230
Total current liabilities	13,993	14,622
Non-current liabilities		
Bonds payable	4	-
Long-term borrowings	3,772	3,390
Provision for retirement benefits for directors (and other officers)	27	22
Retirement benefit liability	1,286	1,324
Deferred tax liabilities	268	266
Other	432	417
Total non-current liabilities	5,791	5,422
Total liabilities	19,784	20,045
Net assets		
Shareholders' equity		
Share capital	6,382	6,382
Capital surplus	7,071	7,071
Retained earnings	82,193	85,028
Treasury shares	(11,456)	(14,366)
Total shareholders' equity	84,190	84,116
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52	100
Remeasurements of defined benefit plans	83	41
Total accumulated other comprehensive income	135	141
Non-controlling interests	9,523	9,936
Total net assets	93,850	94,194
Total liabilities and net assets	113,635	114,239

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

(Millions of yen)

	For the six months ended August 31, 2024	For the six months ended August 31, 2025
Net sales	32,791	36,117
Cost of sales	21,517	24,192
Gross profit	11,273	11,924
Selling, general and administrative expenses	3,945	4,474
Operating profit	7,327	7,450
Non-operating income		
Interest income	36	57
Dividend income	16	19
Insurance claim income	2	21
Compensation income	15	25
Subsidy income	289	15
Other	50	65
Total non-operating income	412	204
Non-operating expenses		
Interest expenses	16	20
Commission for purchase of treasury shares	1	2
Other	7	2
Total non-operating expenses	24	25
Ordinary profit	7,715	7,629
Extraordinary income		
Gain on sale of non-current assets	18	33
Total extraordinary income	18	33
Extraordinary losses		
Loss on sale of non-current assets	-	18
Loss on retirement of non-current assets	34	96
Loss on tax purpose reduction entry of non-current assets	19	-
Total extraordinary losses	53	114
Profit before income taxes	7,680	7,548
Income taxes - current	2,367	2,537
Income taxes - deferred	47	(175)
Total income taxes	2,414	2,362
Profit	5,265	5,185
Profit attributable to non-controlling interests	383	472
Profit attributable to owners of parent	4,881	4,712

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended August 31, 2024	For the six months ended August 31, 2025
Profit	5,265	5,185
Other comprehensive income		
Valuation difference on available-for-sale securities	87	38
Remeasurements of defined benefit plans, net of tax	9	(44)
Total other comprehensive income	97	(6)
Comprehensive income	5,362	5,179
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,931	4,718
Comprehensive income attributable to non-controlling interests	431	460

(3) Notes to Semi-annual Consolidated Financial Statements**Notes on premise of going concern**

Not applicable.

Notes on significant changes in the amount of shareholders' equity

(Purchase of treasury shares)

The Company resolved a matter regarding repurchase of its own shares at the Board of Directors' meeting held on April 8, 2025 in accordance with the provisions of Article 156 of the Companies Act as applied mutatis mutandis pursuant to Article 165, Paragraph 3 of the same Act, and acquired 800,000 shares of its common stock. As a result, treasury shares increased by ¥2,947 million in the six months ended August 31, 2025.

Changes in accounting policies

(Application of Accounting Standard for Current Income Taxes)

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter, "Revised Accounting Standard 2022"), etc. has been applied since the beginning of the six months ended August 31, 2025.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, "Revised Guidance 2022"). The change in accounting policies had no impact on the consolidated financial statements for the six months under review.

With regard to revisions related to changes in the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc. in subsidiaries resulting from transactions between consolidated subsidiaries are deferred for tax purposes, the Company has applied the Revised Guidance 2022 from the beginning of the six months under review. The change in accounting policies was applied retrospectively to the consolidated financial statements for the same period of the previous fiscal year and the entire previous fiscal year. The change in the accounting policies had no impact on the consolidated financial statements for the same period of the previous fiscal year or the entire previous fiscal year.

Significant events after reporting period

(Tender Offer for Daiseki Eco. Solution Co., Ltd.)

The Company resolved at the Board of Directors' meetings held on October 2, 2025, to acquire shares of common stock of Daiseki Eco. Solution Co., Ltd. (the "Target Company"), which is listed on the Standard Market of the Tokyo Stock Exchange and on the Premier Market of the Nagoya Stock Exchange, through a tender offer (the "Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended).

1. Purpose of the Tender Offer

With a view to fulfilling VISION 2030 through a group-wide effort, the Daiseki Group (the "Group") must further enhance its corporate value. Toward this goal, the Company recognizes the need to take measures to increase the corporate value swiftly by allocating more effectively than ever the management resources available across the Group, such as customer bases, funds, and talent. The Company also expects to generate synergetic effects anticipated from the measures taken for corporate value enhancement by eliminating conflict of interest with the minority shareholders of the Target Company and speeding up decision-making under an agile management structure.

2. Overview of the Target Company

Trade name: Daiseki Eco. Solution Co., Ltd.

Business area: Contaminated soil surveys, processing, and purification

Capital: 2,287 million yen

(as of October 2, 2025)

3. Outline of the Tender Offer

(1) Period of the Tender Offer

From Friday, October 3, 2025 through Monday, November 17, 2025 (30 business days)

(2) Tender Offer Price

1,850 yen per share of common stock

(3) Number of shares to be purchased

Type of shares	Planned number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
Common share	7,754,119	2,067,500	—
Total	7,754,119	2,067,500	—

(4) Cost of purchase

14,345 million yen

(Note) The cost of purchase is calculated by multiplying the number of shares to be purchased in the Tender Offer (7,754,119 shares) by the Tender Offer Price per share (1,850 yen).

(5) Date of commencement of settlement

Friday, November 21, 2025

(6) Funding method

Own capital

(Cancellation of treasury shares)

The Company resolved to cancel its own shares at the Board of Directors' meeting held on October 2, 2025 in accordance with the provisions of Article 178 of the Companies Act.

1. Reason for canceling treasury shares

The cancellation is intended to enhance shareholder returns and increase capital efficiency.

2. Details of the Board of Directors' resolution to cancel treasury shares

(1) Class of shares to be cancelled

Common shares of the Company

(2) Number of shares to be cancelled

3,000,000 shares (5.88% of the total number of issued shares before cancellation)

(3) Scheduled date of cancellation

October 14, 2025

(4) Total number of issued shares after cancellation

48,000,000 shares

(5) Method of cancellation

To be subtracted from retained earnings