

FY2025

# Financial Results Briefing

May 28, 2026

Sanoh Industrial

(Securities Code: 6584, TSE Prime Market)

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# FY2025

## Overview of Financial Results

Munetoshi Sasaki  
Director and CFO

# FY2025 Consolidated Financial Performance



(All amounts are in million yen except percentages, and per share data)

Particulars	Year Ended March 31, 2025		Year Ended March 31, 2026				Full Year Forecast for the Fiscal Year Ending March 31, 2026	
	Amount	%	Amount	%	Variance		Amount	Progress (%)
					Amount	%		
Net sales	159,538	100.0	159,387	100.0	▲ 151	▲ 0.1	147,000	108.4
Operating income	4,860	+3.0	4,073	+2.6	▲ 787	▲ 16.2	5,500	74.1
Ordinary income	4,600	+2.9	3,038	+1.9	▲ 1,562	▲ 34.0	4,000	75.9
Net income attributable to the shareholders of the parent company	737	+0.5	1,524	+1.0	+787	+106.9	1,800	84.7

## Summary of FY2025 Financial Performance (Year-on-Year)

- **Sales:** Increased due to newly launched projects in Japan but decreased overall due to sluggish sales in Europe and China, as well as negative impact of unfavourable currency translations due to strong yen in the Americas.
- **Operating Income:** Decreased by ▲787 million yen year on year. Although earnings were supported by contributions from newly launched projects in Japan, workforce reductions in Europe and China, and the closure of the German plant, these were more than offset by the impact of U.S. tariff measures in the Americas, costs arising from import-related issues, and increased expenses associated with new project launches.
- **Ordinary Income:** Decreased by ▲1,562 million yen year on year, due to foreign exchange losses in addition to the decline in operating income.
- **Net Income:** Increased by +787 million yen. Although losses were recorded from the liquidation of a Chinese subsidiary (▲1,268 million yen) and special retirement allowance expenses related to workforce restructuring at a German subsidiary (▲1,283 million yen), these were more than offset by the recognition of a gain on a bargain purchase (negative goodwill) of +2,554 million yen arising from the acquisition of a Mexican subsidiary.

## Exchange Rate

Currency (1 unit = JPY)	March 31, 2025 (Average Rate)	March 31, 2026 (Average Rate)	Variance
USD	151.6	149.7	▲1%
EUR	163.9	169.0	+3%
MXN	8.3	7.8	▲6%
RMB	21.0	20.8	▲1%
INR	1.8	1.7	▲6%
THB	4.3	4.6	+6%
RUB	1.6	1.8	+10%
BRL	28.3	26.8	▲5%

# FY2025 Segment Financial Performance

(All amounts are in million yen except percentages, and per share data)

Particulars	Sales			Operating Income		
	Year Ended March 31, 2025	Year Ended March 31, 2026	Variance	Year Ended March 31, 2025	Year Ended March 31, 2026	Variance
Japan	48,020	51,885	+3,865	1,014	2,053	+1,039
Americas	67,306	67,822	+515	1,744	▲327	▲2,071
Europe	22,267	19,996	▲2,271	▲118	280	+398
China	14,358	12,481	▲1,877	▲963	▲348	+615
Asia	29,601	29,763	+162	2,847	2,599	▲248
Adjs.	▲22,014	▲22,559	▲545	335	▲184	▲519
<b>TOTAL</b>	<b>159,538</b>	<b>159,387</b>	<b>▲151</b>	<b>4,860</b>	<b>4,073</b>	<b>▲787</b>

## Highlights of the Year Ended March 31, 2026 (Year-on-Year)

- Japan**  
(Revenue & Profit Growth)  
Revenue increased driven by tooling and parts sales of newly launched projects. Profits increased as higher sales volume increased earnings, despite expenses related to acquisition of Mexican subsidiary and increased depreciation costs due to capital investment.
- Americas**  
(Revenue Growth & Operating Loss)  
Revenue increased, supported by steady sales performance of Japanese OEMs in North America as well as additional volume from the newly consolidated Mexican subsidiary. Operating Income declined due to the impact of U.S. tariff measures, costs related to import issues and increased expenses associated with new project launches.
- Europe**  
(Revenue Decline, Profit Growth)  
Revenue declined due to sluggish sales to European OEMs. Operating income improved, supported by personnel cost reductions from workforce restructuring implemented in the previous period and the closure of one plant in Germany.
- China**  
(Revenue Decline, Operating Loss)  
Revenue decreased due to continued slowdown in sales of Japanese OEMs. Incurred operating loss was mitigated by year-on-year reduction in personnel costs due to workforce restructuring as well as decrease in depreciation costs as a result of impairment recognized in the previous period.
- Asia**  
(Revenue Growth & Profit Decline)  
Revenue remained at approximately the same level, supported by stable production. Operating income remained at the same level as the same period last year as well as effective cost management measures introduced in response to production fluctuations.

# FY2025 Consolidated Non-operating and Extraordinary Items

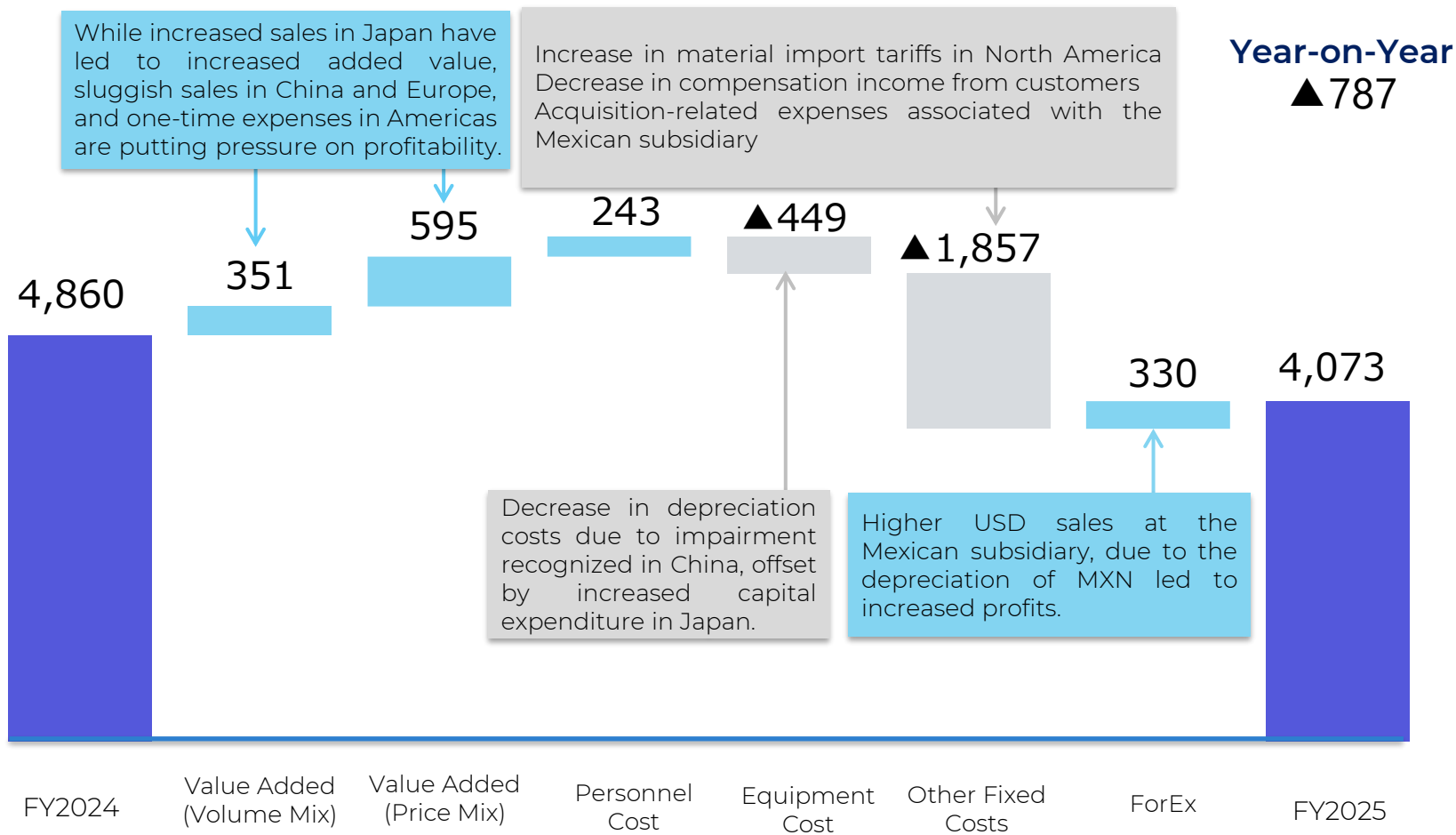
(All amounts are in million yen except percentages, and per share data)

Particulars		Year Ended March 31, 2025	Year Ended March 31, 2026		Major Factors for Change	
		Amount	Amount	Variance		
				Amount		%
Operating Income		4,860	4,073	▲787	▲16.2	
Non-operating	Income	1,177	676	▲501	Dividend earned: ▲69 Foreign exchange gain: ▲238	
	Expenses	1,438	1,711	▲274	Foreign exchange loss: ▲265	
Ordinary Income		4,600	3,038	▲1,562	▲34.0	
Extraordinary	Gains	1,583	2,593	+1,010	Negative goodwill gain: +2,554 Gain on Sale of Investment Securities: ▲1,571	
	Losses	3,486	3,584	▲97	Loss on Liquidation of subsidiaries: ▲947 Special retirement payments: ▲303 Provision for damages and losses: +364 Impairment loss: +624	
Profit before Income Taxes		2,696	2,047	▲648	▲24.1	
Corporate Taxes, etc.		1,306	▲113	+1,418		
Net Income attributable to Non-controlling shareholders		653	636	+18		
Net Income attributable to Owners of the Parent Company		737	1,524	+787	+106.9	

# FY2025 Analysis of Operating Income

(All amounts are in million yen except percentages, and per share data)

Operating Income decreased year on year, as profitability deteriorated due to abnormal expenses in the Americas and the impact of U.S. import tariffs, despite positive contributions from increased sales in Japan, personnel cost reductions in Europe and China, and fixed cost savings from the closure of the German plant.



Note: Value Added (Volume Mix) = Change in consolidated sales (after currency conversion) × YoY value added ratio (after currency conversion).

# FY2025 Consolidated Financial Position

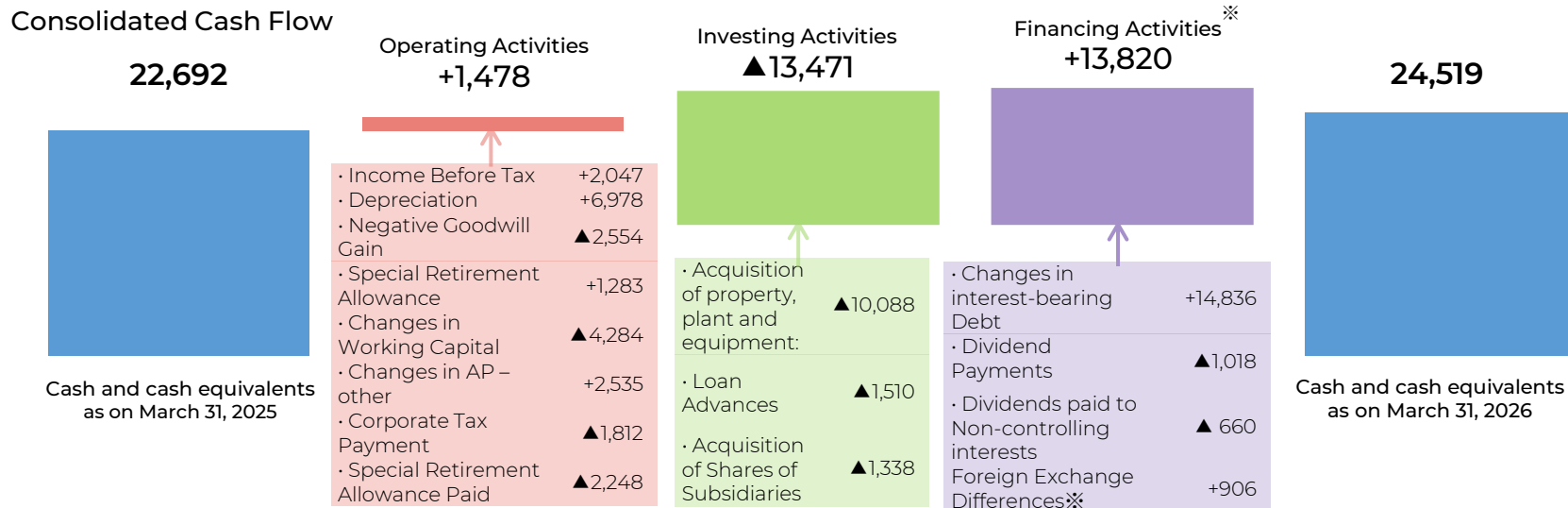
Particulars		Year Ended March 31, 2025		Year Ended March 31, 2026			
		Amount	%	Amount	%	Variance	Major Factors of Change
	Current Assets	70,348	60.1	83,377	58.7	+13,029	Total assets: +24,791 (Increase) ① Cash and Deposits +1,827 ② Trade Receivables +1,546 ③ Inventory +5,529 ④ Other Current Assets +4,126 ⑤ Tangible Fixed Assets +8,636 ⑥ Investment Securities +1,169 ⑦ Deferred Tax Assets: +1,830
	Fixed Assets	46,790	39.9	58,553	41.3	+11,763	
Total Assets		117,138	100.0	141,929	100.0	+24,791	
	Current Liabilities	41,878	35.8	52,982	37.3	+11,104	
	Fixed Liabilities	27,173	23.2	36,979	26.1	+9,806	
	Total Liabilities		69,051	58.9	89,961	63.4	+ 20,910
Total Net Assets		48,087	41.1	51,968	36.6	+3,881	Net assets: +3,881 (Increase) ⑫ Retained Earnings +505 ⑬ Valuation difference on available-for-sale securities +659 ⑭ Foreign Currency Translation Adjustment +1,872 ⑮ Accumulated adjustment related to retirement benefits: +695
Total Liabilities and Net Assets		117,138	100.0	141,929	100.0	+24,791	

Note	FY2024		FY2025
D/E Ratio	0.90	→	1.19
Equity Ratio	37.8	→	33.8

	FY2024	FY2025
① Interest Bearing Liabilities	39,674	57,219
② Equity	44,272	48,003
① ÷ ②	0.90	1.19

# FY2025 Consolidated Cash Flow & CapEx

(All amounts are in million yen except percentages, and per share data)



※ Translation adjustments related to cash and cash equivalents (+906 million yen) have been included in financing activities.

## Capital Expenditure/Depreciation

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2026	
		Amount	Variance
Capital Expenditure	9,435	10,088	+653
Depreciation	6,769	6,978	+209

# FY2026 Full-Year Forecast

(All amounts are in million yen except percentages, and per share data)

Consolidated	Actual Results for the Fiscal Year ended March 31, 2026		Full year earnings forecast for the Fiscal Year March 31, 2027			
	Amount	%	Amount	%	Change from Previous Forecast	
					Amount	%
Sales Revenue	159,387	100.0	167,000	100.0	+7,613	+4.8
Operating Income	4,073	+2.6	5,500	+3.3	+1,427	+35.0
Ordinary Income	3,038	+1.9	3,500	+2.1	+462	+15.2
Net income attributable to the shareholders of the parent company	1,524	+1.0	1,500	+0.9	▲24	▲1.6
EPS (JPY)	42.57		41.89		▲0.68	—
Dividend (JPY)	28.0		28.0		—	—

## Foreign exchange rate assumptions for full-year earnings forecast

FX Rate	Actual Results for the Fiscal Year ended March 31, 2026		Full year earnings forecast for the Fiscal Year March 31, 2027		
	Amount		Amount	Change from Previous Forecast	
				Amount	%
USD	149.7		150.0	0.3	+ 0.2
EUR	169.0		180.0	11.0	+ 6.5

# Measures to Achieve Cost of Capital and Share Price Conscious Management

(PHASE 1: Evaluation by the Capital Markets and Roadmap for Transformation)

Genya Takeda

Director, President and COO

- 00** Background of This Disclosure
- 01** Mid-term Strategy and Target: Progress and Summary
- 02** Share Price and Profitability, and Market Evaluation
- 03** ROE Achievement Roadmap
- 04** Data Center Business: Outlook and Progress
- 05** Status of Dialogue with Shareholders and Investors
- 06** Future Update Items

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## Background of This Disclosure

## Importance of Management with an Awareness of Cost of Capital and Share Price

- Amid corporate governance reforms and changes in the market environment, there are increasing demands for management that emphasizes capital efficiency (e.g., ROE, ROIC) and PBR.
- For listed companies, enhancing corporate value and share price is an inherent management priority, and it has become important to clarify the underlying approach and direction for achieving this goal.

## Our Business Environment & Mid-term Strategy and Target

- In an environment of high uncertainty, including structural transformation in the automotive industry, strengthening earnings structure and improving the overall quality of the business portfolio have become important management issues.
- To realize the “sustainable growth” and “improvement of capital efficiency” outlined in the mid-term strategy and target, we will further clarify our commitment to circulating generated capital into growth areas.

## Objectives of This Disclosure

- As a listed company, we will present our approach to management with a strong awareness of share price and capital efficiency, beginning with Phase 1 by clarifying policies to improve profitability and capital efficiency of existing businesses.
- We will continuously disclose key initiatives and progress related to structural reforms, and through dialogue with the capital markets, enhance corporate value and lead the company into its next phase of growth.

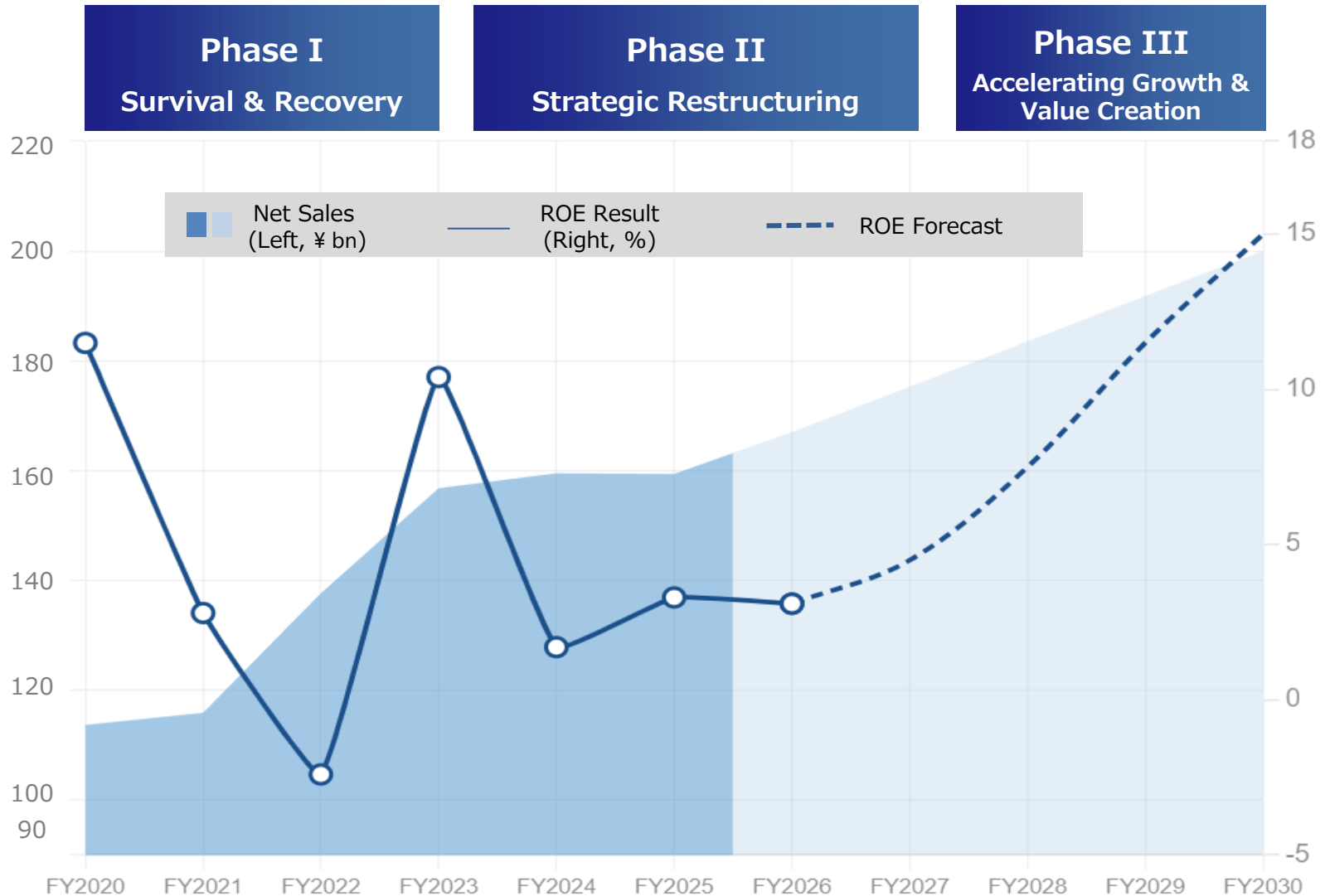
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## Mid-term Strategy and Target: Progress and Summary

- **Automotive market is in an adjustment phase, and competition is intensifying**  
⇒ Maintain and strengthen our niche-top positions through Sanoh Last Man Standing Strategy.
- **The pace of electrification is diverging by region, with BEV, HEV, and ICE coexisting**  
⇒ Maintain a product portfolio capable of addressing all powertrains in response to changes in demand
- **The cost environment is becoming increasingly unstable due to global inflation**  
⇒ Enhance productivity through BPR and automation, and strengthen profitability through appropriate pricing and value-based proposals
- **Fragmentation and restructuring of global supply chains are progressing**  
⇒ Streamline the balance sheet and establish a flexible and resilient supply structure by leveraging the global production network
- **Amid increasing demands for capital efficiency, the shift toward value-oriented management is accelerating**  
⇒ Optimize and streamline assets to enhance cash generation and improve ROIC
- **Technological innovation, including agentic AI and physical AI, is accelerating**  
⇒ Promote the integration of digital and manufacturing to create new value and enhance competitiveness

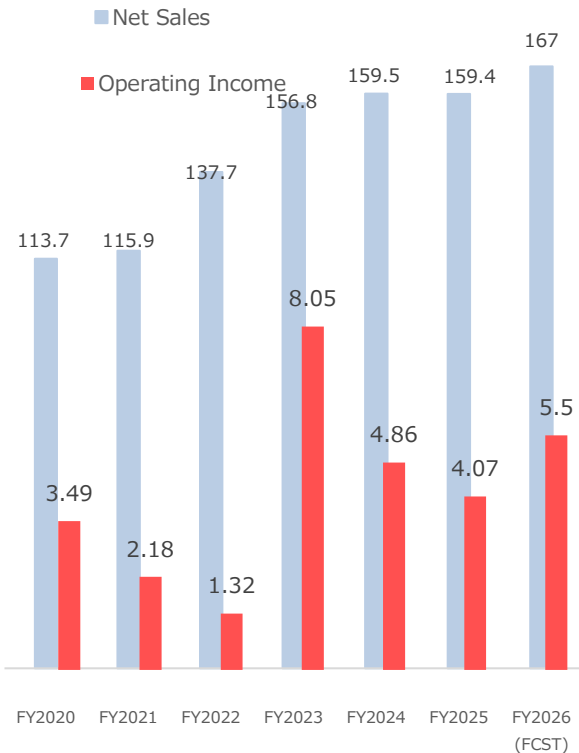
# Roadmap to FY2030 (Conceptual)

- FY2026 marks a strategic transition period to rebuild the foundation for future growth.

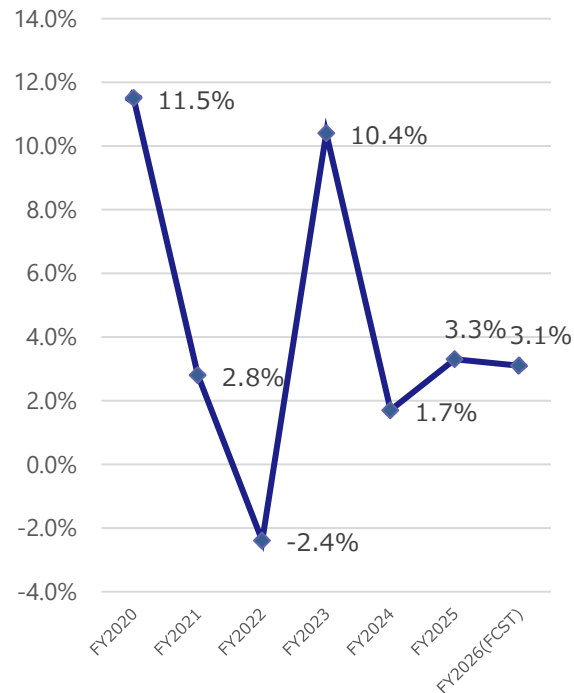


- To achieve FY2030 targets of ¥200 billion in revenue and ROE of 15% or higher, we are improving temporarily unstable capital efficiency through structural reforms and investments for future growth.
- We are focusing on launching new operations in the Americas segment and expanding new businesses, including the data center business.
- While share price performance has remained weak, we will translate improvements in profitability and the outcomes of growth investments into sustained enhancement of corporate value.

## Net Sales and Operating Income (¥ bn)



## ROE



## PBR



Note: In calculating the forecast ROE of 3.1% for FY2026, shareholders' equity was provisionally calculated using only the FY2025 actual figure, without calculating the average shareholders' equity during the period.

- The Mid-term Strategy and Targets, originally formulated in May 2021 and revised in May 2024, are summarized as follows.
- We are in a transition phase, advancing structural reforms and future investments while steadily translating their results into profitability and corporate value.

Theme	Rating	Results & Comments
Investment Status Based on Cash Allocation Policy	△ ~ ○	☞ Investments executed based on the cash allocation policy
Implementation Status of Measures by Priority Investment Region	△ ~ ○	☞ Business acquisition and profitability improvement progressing in the Indian market
Progress of the Sanoh Last Man Standing Strategy	△ ~ ○	☞ Market share expansion and positioning as a surviving player advancing through initiatives such as the acquisition of a competitor in Mexico
Existing Businesses ⇒ New Businesses	○	☞ Orders secured in the data center business, with multiple large-scale projects currently in view
ICE⇒Non-ICE	△	☞ Progress in non-ICE areas, but not yet at a level sufficient to absorb the impact of downsizing in ICE-related businesses

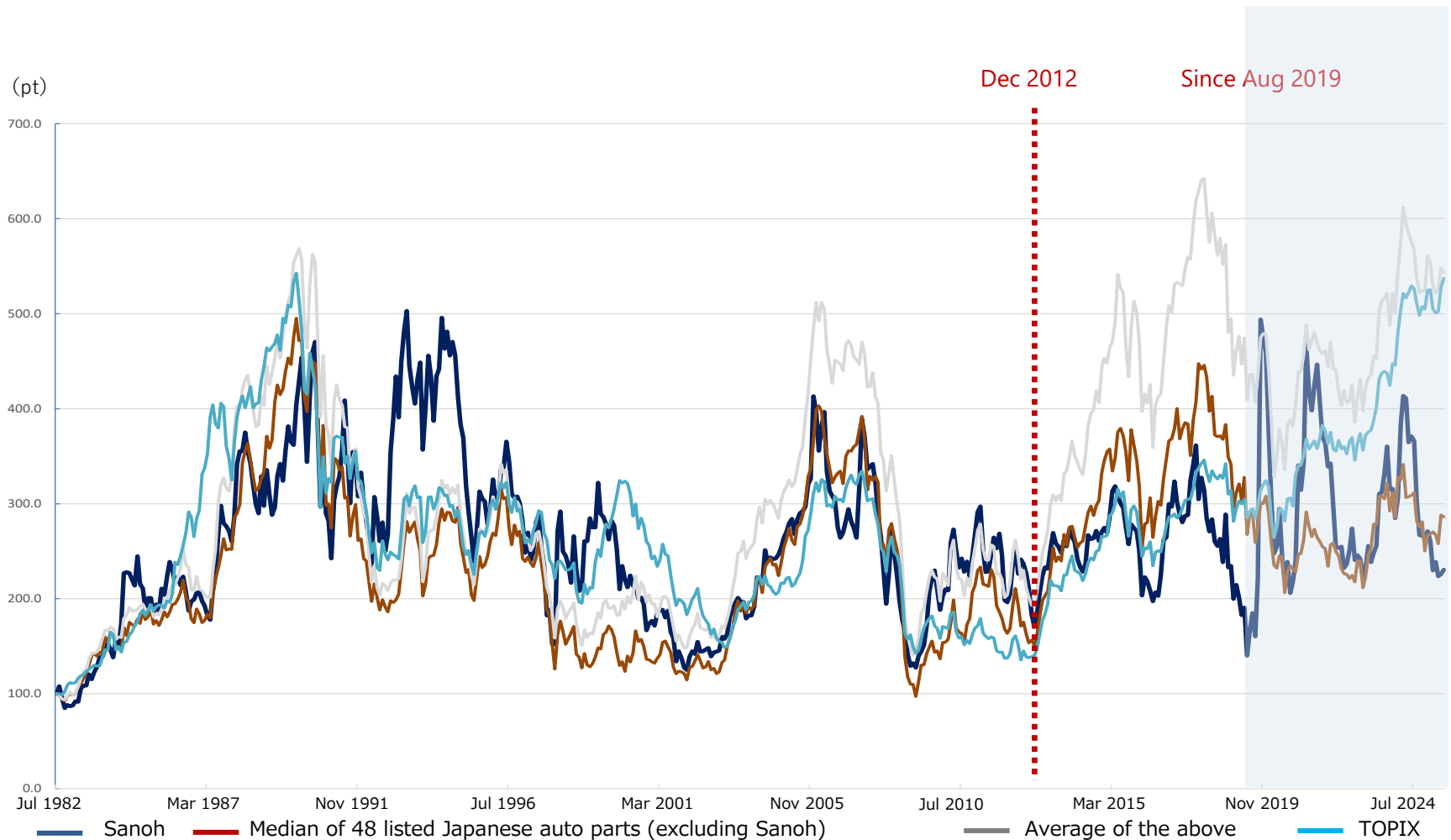
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## Share Price and Profitability, and Market Evaluation

# Share Price Trends and Comparison with TOPIX and Japanese Auto Parts Peers

- Since around December 2012, polarization within the industry has progressed (mean > median).
- Our share price performance has been at or below the industry median, indicating underperformance relative to peers.
- Since around August 2019, the correlation with the overall market has weakened.



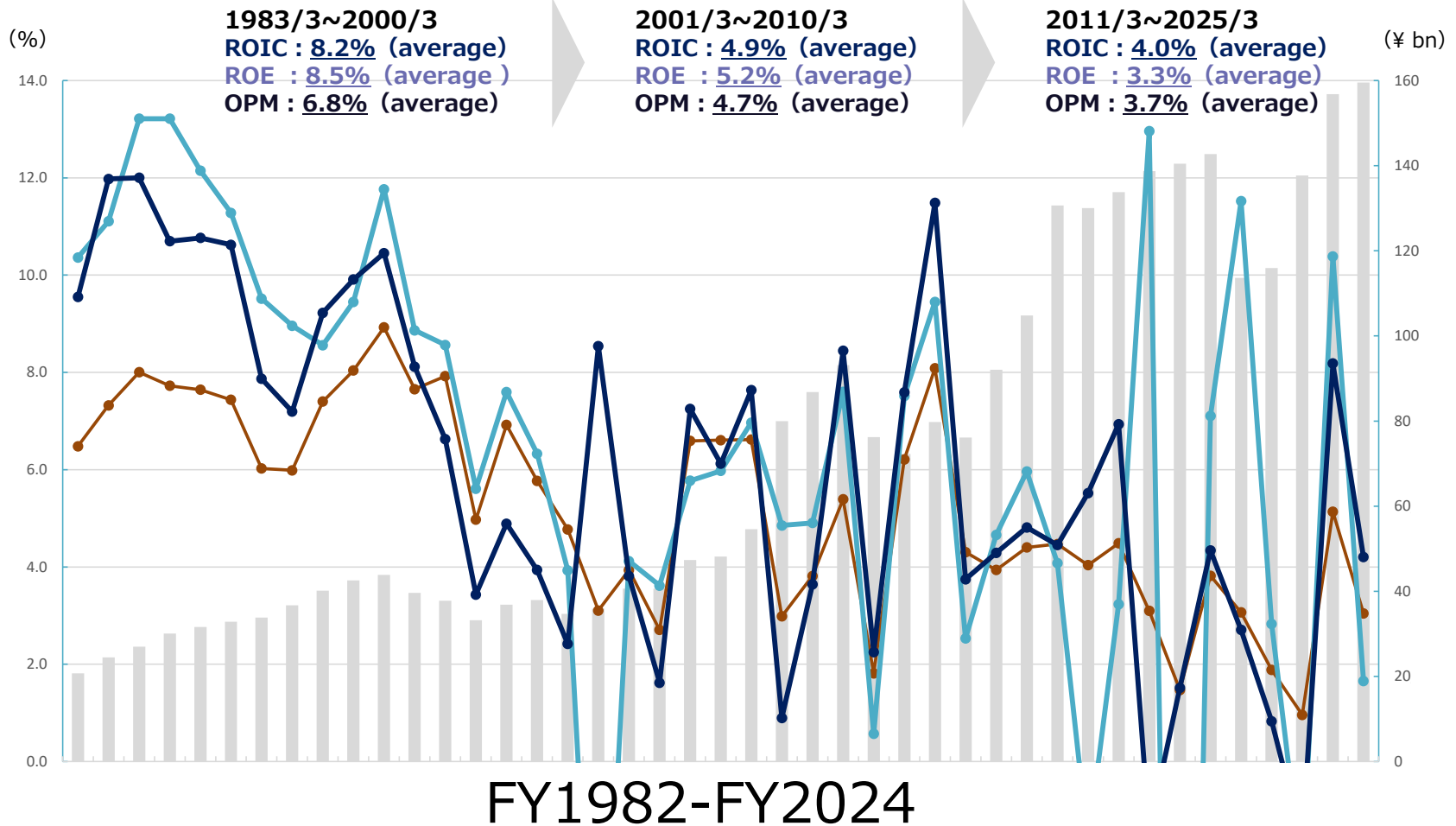
Note: Data cover the period from July 1982 to June 2025. Sanoh's share price, TOPIX, and the median and average of 48 listed Japanese auto parts companies (excluding Sanoh) are indexed with July 1982 = 100.

Source: Prepared by the Company based on SPEEDA.

# Trends in ROIC, ROE, and Operating Income Margin



- Historically, sales growth has been accompanied by lower capital profitability (ROIC & ROE) and operating income margins.
- In recent years, ROE volatility has increased, primarily driven by fluctuations in net income.

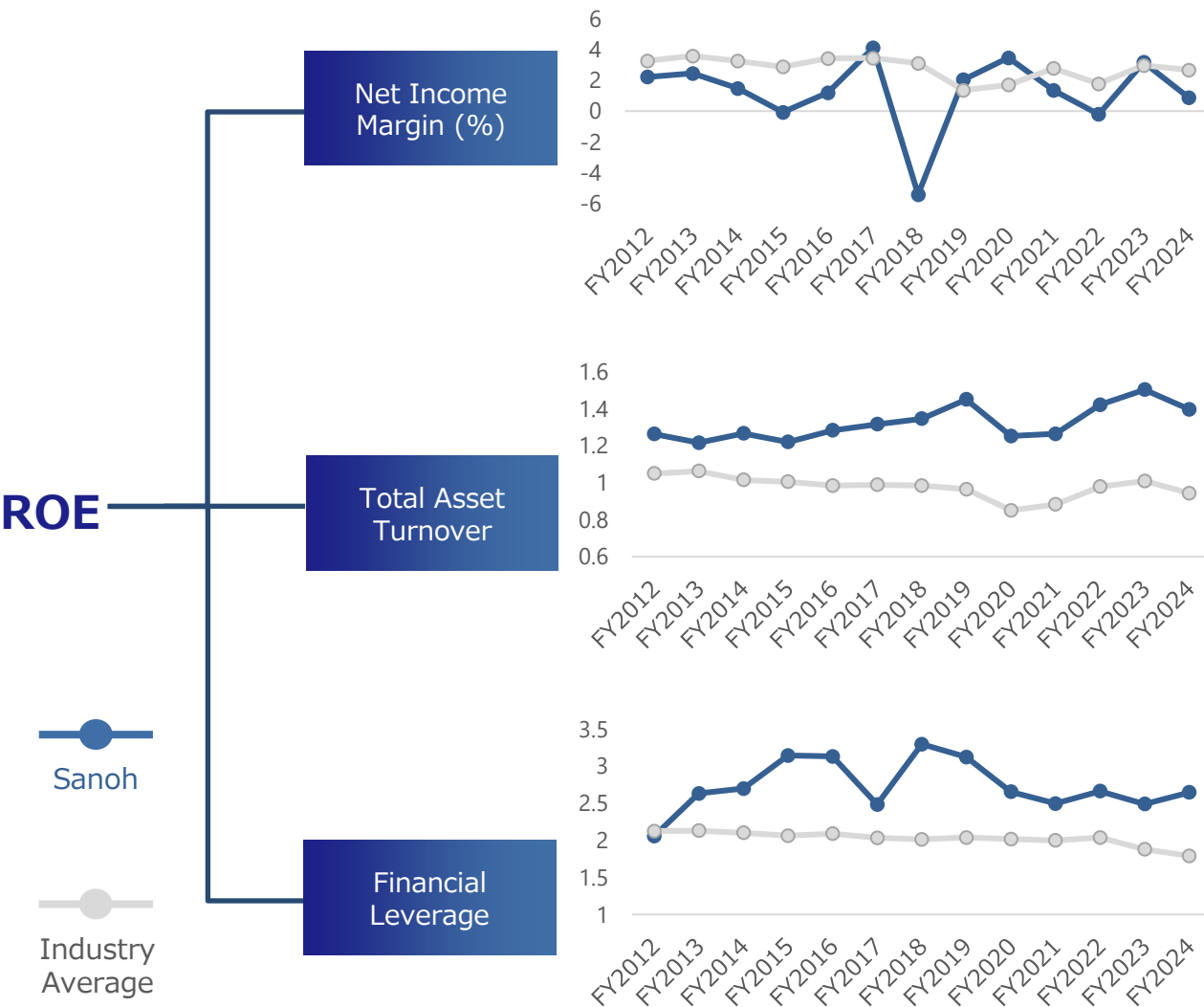


Note: Same as previous page.  
 Source: Same as previous page.

Net Sales    Operating Income Margin    ROE    ROIC

# ROE Breakdown

- The key issue for ROE lies in low and highly volatile business profitability.
- While financial leverage appears relatively high, it reflects reliance on external funding. Although operating income has room for improvement, balance sheet strengthening is also required alongside profitability improvement.



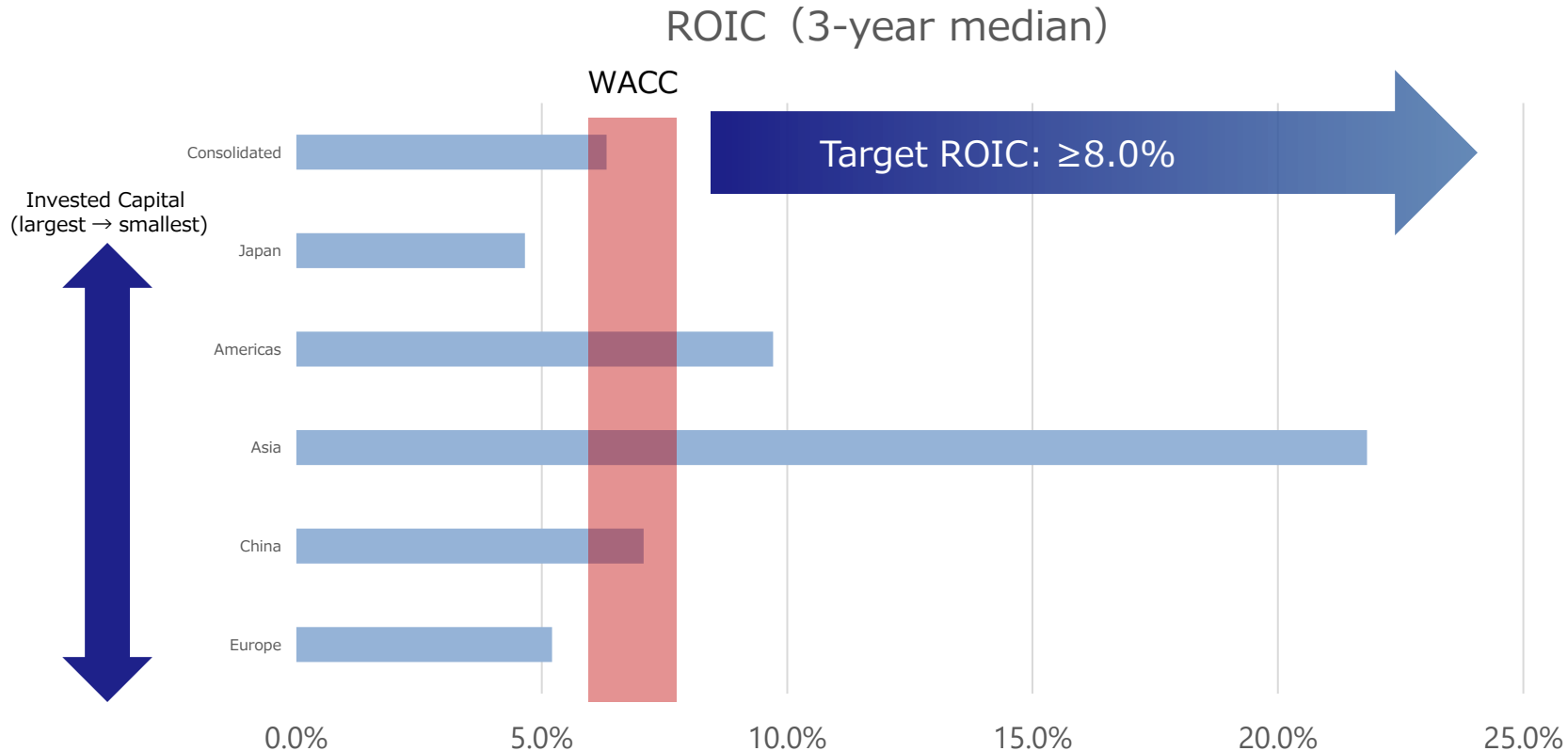
- Net income margin lower than industry peers
- High volatility in profitability

- Total asset turnover relatively strong overall vs. industry
- Rationalization of low-profit sites and products is required

- Financial leverage appears relatively high vs. industry
- While operating income has room for improvement, the company currently relies heavily on external funding.

# ROIC by Segment

- The ROIC required to achieve a consolidated ROE of 15% or higher by FY2030 is estimated to be approximately 8.0%.
- Only the Americas and Asia exceed the target ROIC of 8.0%. Japan, China, and Europe remain below WACC, requiring business downsizing and portfolio restructuring.



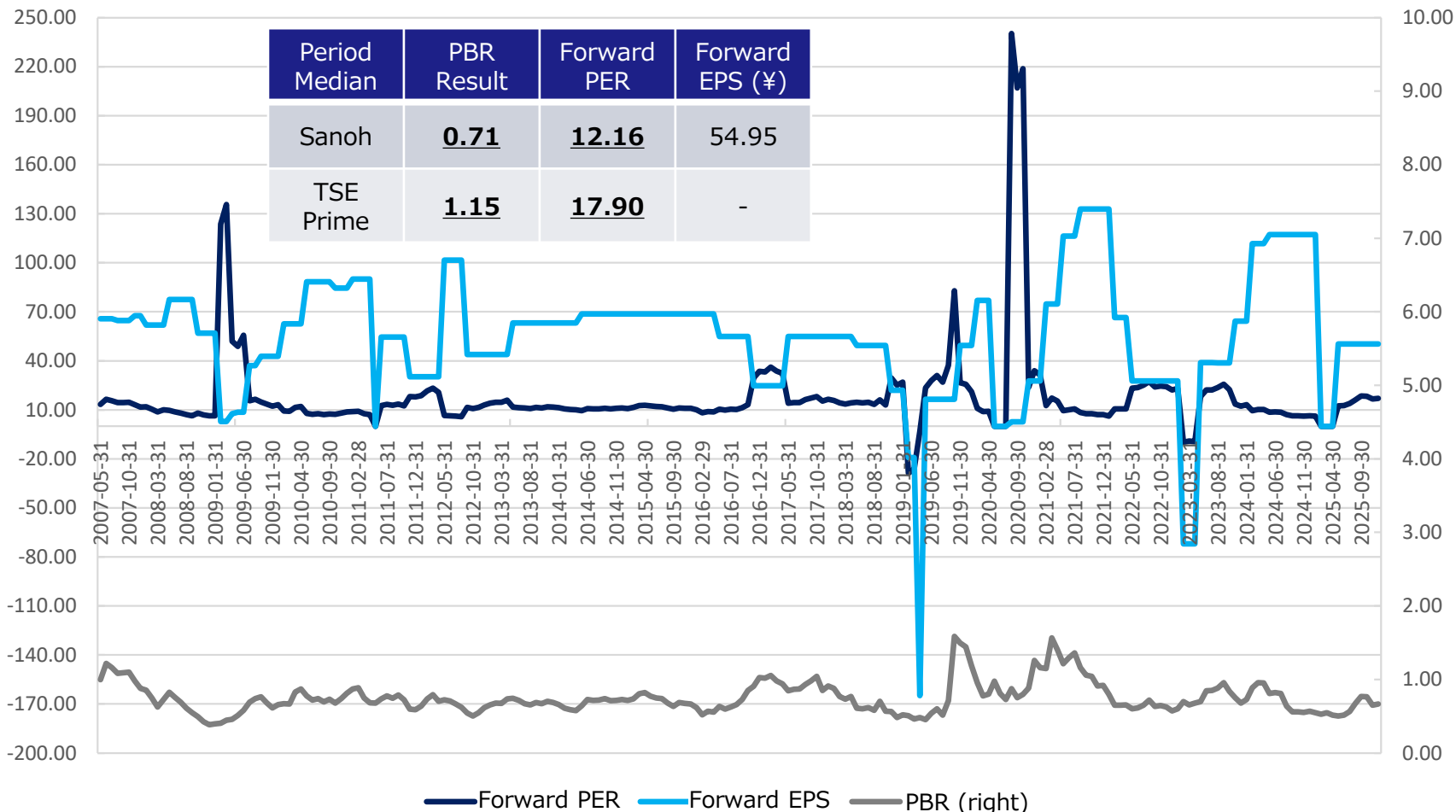
Note1: Target ROIC is calculated based on a target consolidated ROE of 15% using a D/E ratio of 0.92 as of September 2025.

Note2: Cost of equity for WACC is calculated based on the risk-free rate (10-year government bond yield), equity risk premium, beta (5-year monthly), and a liquidity premium.

# Trends in PBR, Forward PER, and Forward EPS



- Both PBR and forward PER remain at a discount to the overall TSE Prime market, including sectors beyond auto parts.
- To improve valuation, we need to transform our business portfolio and be recognized as a growth company beyond the auto parts sector.



Note: Data cover the period from May 2007 to December 2025, for which all data for PBR, forward PER, and forward EPS are available

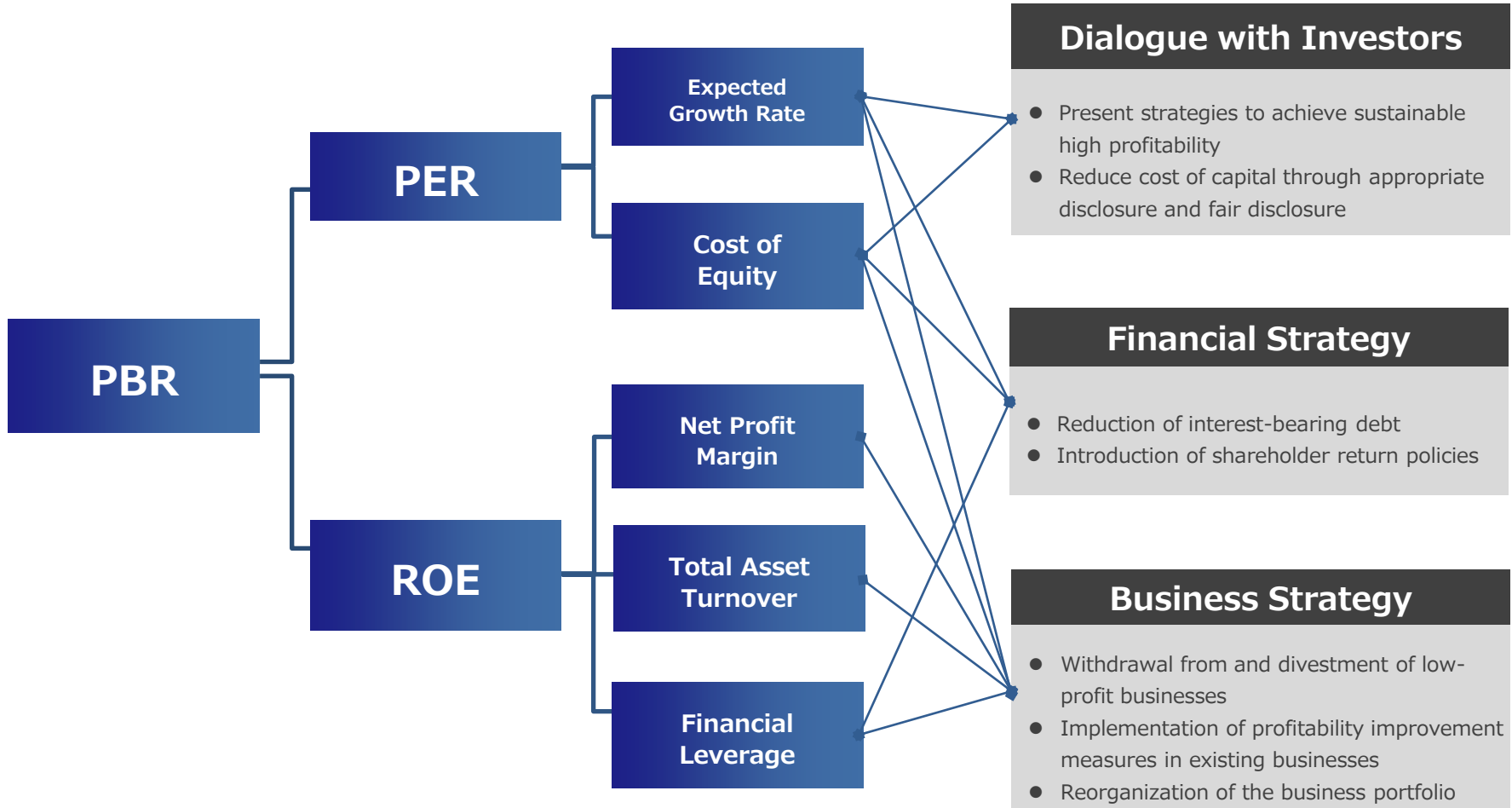
Source: Prepared by the Company based on SPEEDA and Japan Exchange Group data

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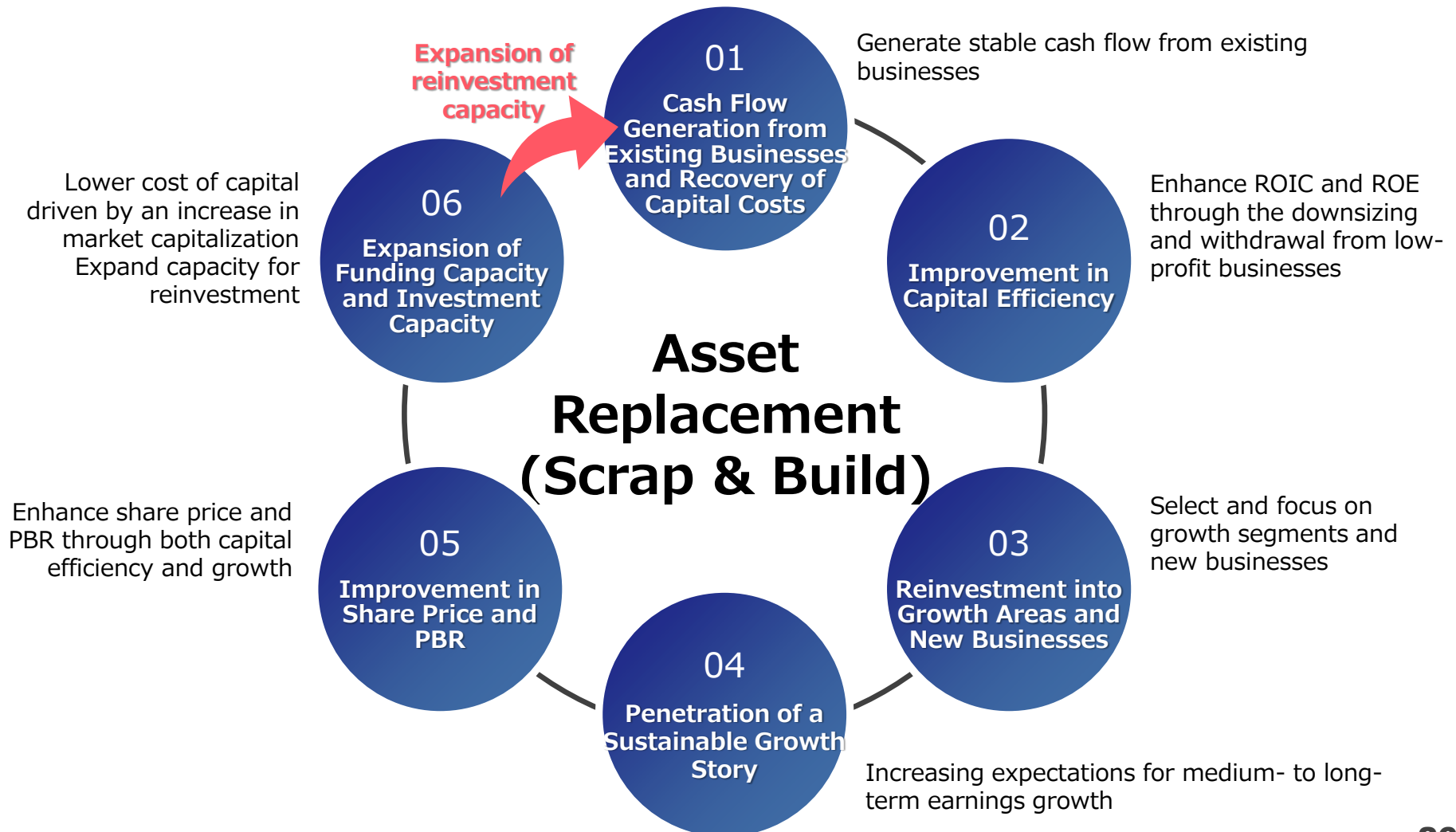
## ROE Achievement Roadmap

# Approaches to Enhancing Corporate Value

- Persistently low and volatile profitability in existing businesses, together with limited visibility on the timing of contributions from new businesses to consolidated earnings.
- An approach is required in which profitability (ROE/ROIC) is improved through existing businesses, while revenue growth (growth potential / PER) is generated through new businesses.



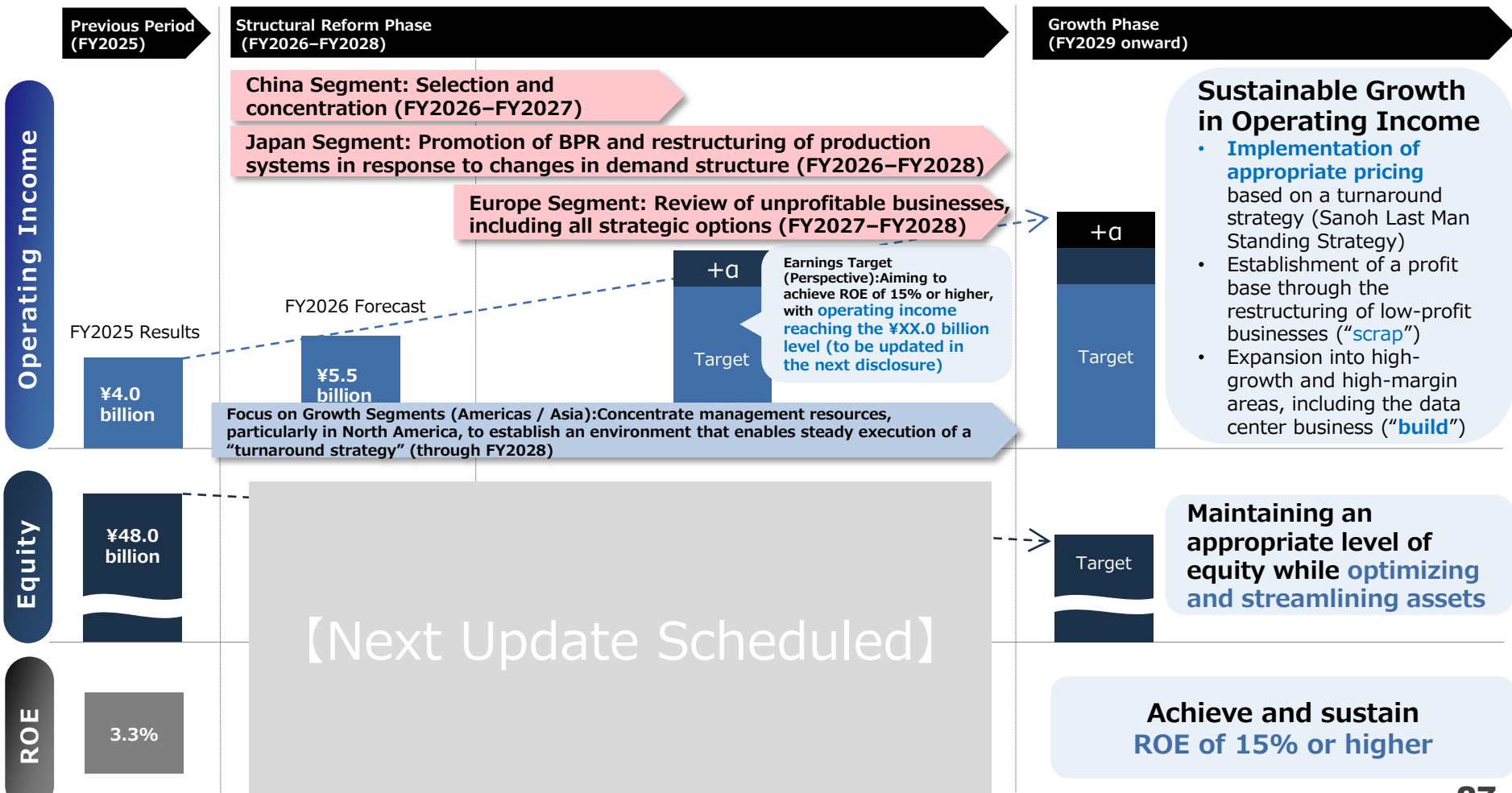
- Improving share price requires enhancing capital efficiency metrics such as ROE (or ROIC) and sustaining their growth ( $PBR = ROE \times PER$ ). In other words, this requires asset replacement (scrap & build).
- In parallel with investments in new businesses, improving the portfolio mix through the downsizing of low-profit existing businesses is essential.



# Roadmap for Improving ROE

- While advancing structural reforms primarily in Japan, China, and Europe, we plan to implement appropriate capital policies going forward.
- Quantitative targets and capital policies are currently under review and will be disclosed after assessing progress following the initiation of structural reforms.

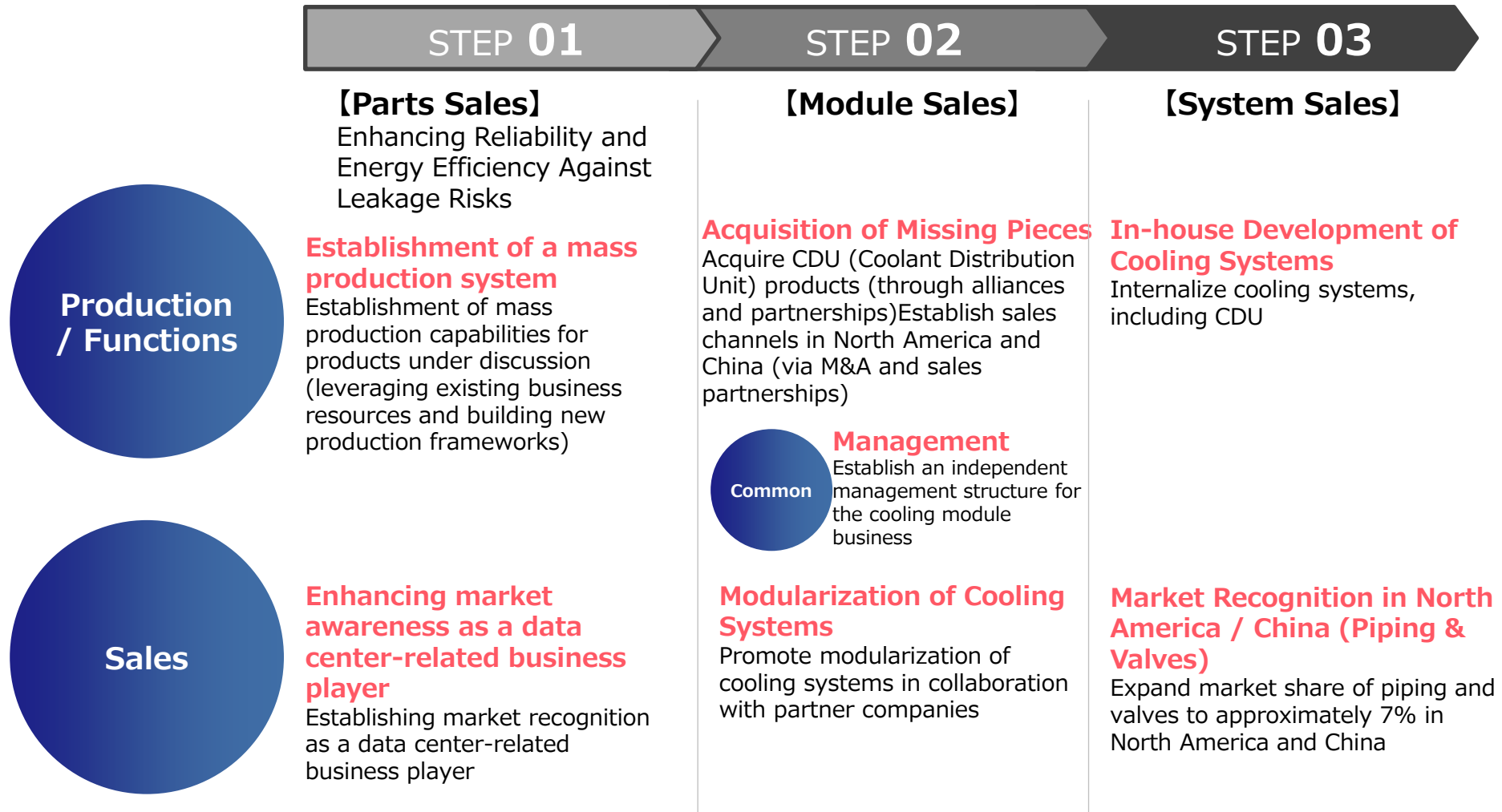
## Path to “ROE Improvement”



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## Data Center Business: Outlook and Progress

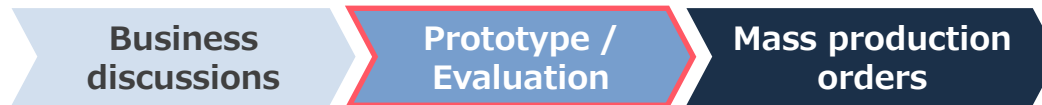
- Starting from our core competencies in piping and valves, we aim to expand our capabilities to encompass entire cooling systems, while also developing sales channels and securing recognition among hyperscale data center operators.



- Received prototype orders from server manufacturers and liquid-cooling module manufacturers for data centers, both in Japan and overseas.
- Planning to exhibit at trade shows to support further project acquisition in Japan and globally.

## Prototype Orders from Data Center Server and Liquid-Cooling Module Manufacturers (Japan and Overseas)

- Secured orders for demonstration prototypes in anticipation of large-scale projects
- In addition, inquiries are expanding, primarily from domestic and international data center operators and data center subcontractors
- Considering production arrangements in Japan and overseas to secure mass-production orders.



Process

## Exhibition at “IDCE2026 / 12th Shanghai International Data Center Industry Expo”

- Scheduled to exhibit at IDCE2026 / The 12th Shanghai International Data Center Industry Expo from June 3 to June 5, 2026
- Aiming to promote our liquid-cooling module products for data centers to domestic and international data center operators and related companies



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## Status of Dialogue with Shareholders and Investors

- As a new initiative, we held small group meetings between outside directors and institutional investors/analysts.
- In addition to one-on-one meetings following earnings announcements, we also conducted advance hearings with capital market participants in preparation for this disclosure, aimed at responding to the realization of management that is conscious of cost of capital and share price.

Engagement Format	Target Audience	Participants	No. of Sessions	No. of Participants / Companies	Disclosure (Links)
<b>Financial Results Briefing (Online)</b> (Nov 2025 – Jun 2026, planned)	Institutional investors, Analysts	COO, CFO	1 (incl. 4Q)	19 companies (cumulative)	<a href="#">Presentation materials</a> <a href="#">Transcript</a> <a href="#">Q&amp;A</a>
<b>One-on-One Meetings (In-person / Online)</b> (Aug 2025 – Jul 2026, planned)	Institutional investors, Analysts	COO, CFO CFO Head of Corporate Planning / Corporate Planning team members Head of New Business Development / General Managers / team members Head of General Affairs / IR team members	58 (incl. 4Q)	58 companies (cumulative) ※ Includes advance hearings with 6 companies regarding responses toward capital cost- and share price-conscious management (see p.33)	<a href="#">1Q Q&amp;A</a> <a href="#">2Q Q&amp;A</a> <a href="#">3Q Q&amp;A</a>
<b>Integrated Report Briefing (Online)</b> (Feb 2026)	Individual shareholders, Individual investors, Institutional investors, Analysts	COO	1	1,582 participants + 14 companies (live stream)	<a href="#">Presentation materials</a> <a href="#">Q&amp;A</a>
<b>Company Briefing for Individual Investors (Online)</b> (Feb 2026)	Individual shareholders, Individual investors	COO	1	1,934 participants (live stream)	<a href="#">Presentation materials</a> <a href="#">Q&amp;A</a>
<b>[New] Small Group Meetings between Outside Directors and Institutional Investors/Analysts (Online)</b> (Mar 2026)	Institutional investors, Analysts	3 Outside Directors, Head of General Affairs	1	6 companies	<a href="#">Summary of meeting</a>

- Prior to this disclosure, we conducted advance hearings with capital market participants, including sell-side analysts.
- The market does not assign value to our existing businesses and takes a rigorous view of our ROIC/ROE levels.
- We received feedback that unless we demonstrate a clear linkage between structural reforms, business portfolio transformation, growth strategies, and improvements in share price and capital efficiency, the current valuation discount will persist.

## Cost of Capital / ROE

- In addition to setting interim KPIs, clear milestones for improving profitability are required.
- It is necessary to first ensure that ROE exceeds the cost of equity, followed by achieving a sustainable ROE of 15% or higher from 2030 onward.
- While a 15% ROE target is viewed positively, there are concerns regarding the likelihood of achieving it.

## Scrap & Build (Business Portfolio Transformation)

- The message conveys management's commitment and is received positively.
- Even if upfront investment temporarily depresses short-term profitability, a clear path to improving ROIC—through improvements in Japan, Europe, and China and returns from new business investments—is expected.
- As a company with net debt, Sanoh is required to improve its balance sheet, income statement, and cash flow.
- For over-leveraged subsidiaries (e.g., Geiger USA), one-off losses from the disposal of unprofitable businesses are viewed positively if clearly explained as contributing to subsequent profitability improvement.

## Profitability Improvement

- The key issue is not revenue expansion itself, but the speed of improving profitability (e.g., margins) and transitioning to a more robust business structure.
- Achieving a 10% operating income margin in the automotive components business would allow for significant re-rating potential.
- High cost levels in Japan are recognized as a structural issue (dispersion of sites and indirect cost factors).

## Future Disclosure & Shareholder Returns

- Disclosure of dividend payout ratio and DOE (Dividend on Equity) is expected.
- At present, the data center business is not seen as a primary earnings driver but rather as an option.
- Although the data center business carries uncertainty, steady progress—even in small steps—should be demonstrated.
- Setting interim targets and disclosing a credible roadmap along with intermediate KPIs are considered essential.

Note: Prior to the disclosure date, this material contained insider information. Accordingly, in engagements with capital market participants, discussions were limited to outlining the direction of this disclosure, and did not include detailed financial figures or specific measures.

## Plant Tours for Institutional Investors and Analysts(Head Office Plant, Koga City, Ibaraki Prefecture)

Each year, we host plant tours for institutional investors and analysts at our head office plant. During these tours, our COO and CFO provide guided explanations of:

- Manufacturing sites for our existing automotive components business
- Demonstration units of cooling systems for data centers, which are part of our growth businesses
- Production facilities related to our production solutions business

Recent Event Summary :

<https://pdf.irpocket.com/C6584/dRUj/pHfq/oAXB.pdf>



## [First Held in Early March 2026] Small Group Meetings Between Outside Directors and Institutional Investors/Analysts

As part of our efforts to enhance the effectiveness of the Board of Directors, and to provide opportunities for outside directors to directly incorporate perspectives from the capital markets, we hold small group meetings with institutional investors and analysts. These meetings are scheduled to continue this year.

### Participants from the Company:

Outside Director Kaneko (Lead Independent Director)

Outside Director Morichi

Outside Director Tomioka

### Key Discussion Topics:

IR activities (dialogue between the Company and investors)

Evaluation of management

Medium-term management strategy

Recent Event Summary:

<https://pdf.irpocket.com/C6584/rJAn/Bq1A/HFMh.pdf>



06

## Future Update Items

## PHASE 1

(May 2026)

### 【Current】

- Analysis of current status
- Roadmap for improving ROE
- Status of dialogue with shareholders and investors

## PHASE 2

(From Autumn 2026 onward)

### 【Next Scheduled Update】

- **Consolidated quantitative targets for the Mid-term Strategy and Target (including consideration of whether to set interim targets)**
- **Updates on growth strategies for new businesses**
- **Roadmap for improving ROE based on capital policy**
- **Cash allocation related to the above initiatives**

The financial forecasts, plans, business operations, and other information about Sanoh Industrial Co., Ltd. in this presentation are based on information available at the time of this announcement.

This information is subject to a major change depending on factors such as macroeconomic trends, trends in the industries related to Sanoh Industrial, and the development of new technologies.

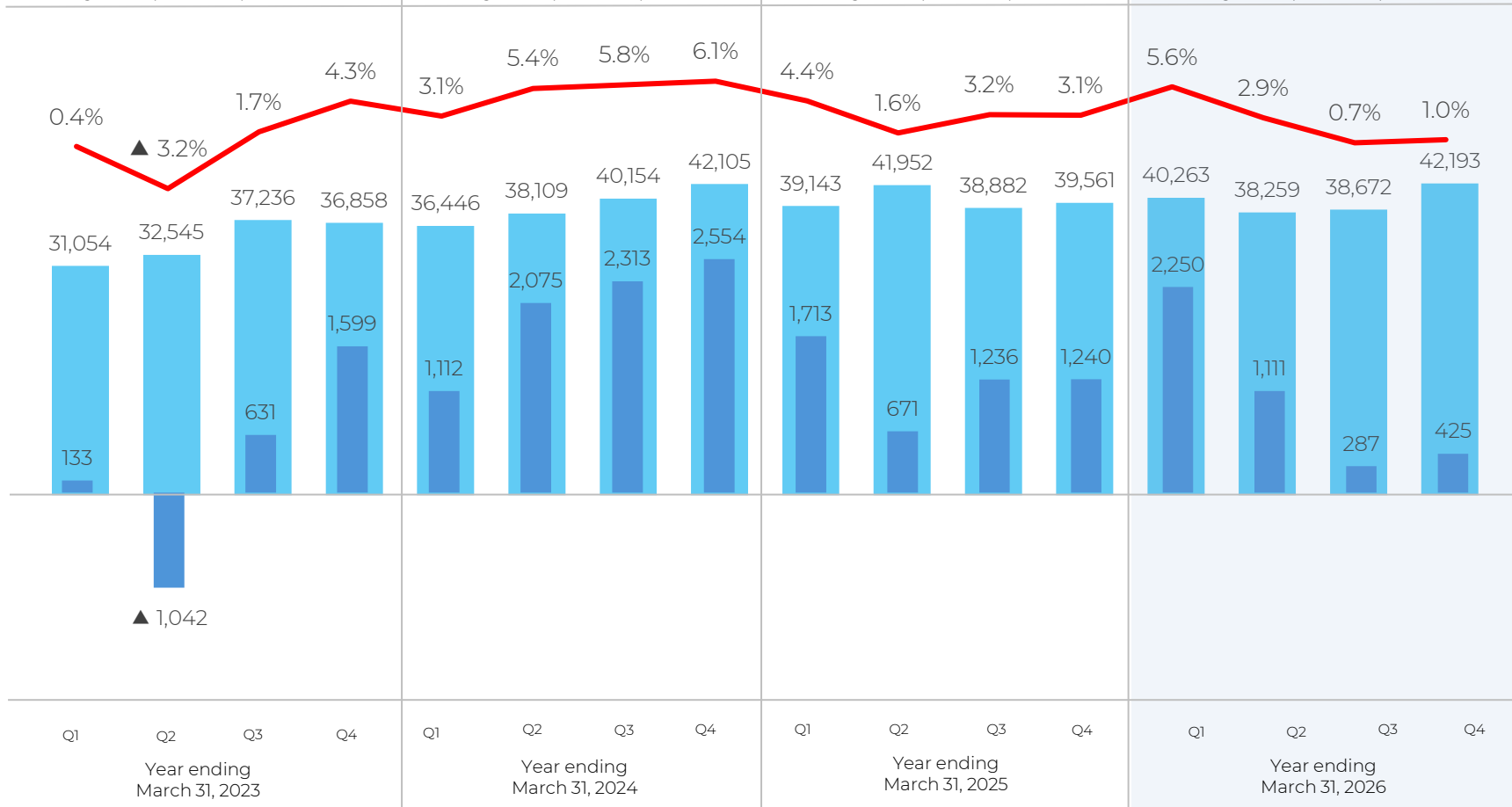
Therefore, please be aware that there are risks and uncertainties that could cause actual results and other information to differ from those in this presentation. We will provide further information when there is a major change.

# Supplementary

# [Supplementary] Quarterly Segment Results: Consolidated

(All amounts are in million yen except percentages, and per share data)

Sales	137,692	Sales	156,814	Sales	159,538	Sales	159,387
Operating Income	1,321	Operating Income	8,053	Operating Income	4,860	Operating Income	4,073
Operating Income Margin	1.0%	Operating Income Margin	5.1%	Operating Income Margin	3.0%	Operating Income Margin	2.6%
Exchange rate (Yen/USD)	131.4	Exchange rate (Yen/USD)	140.6	Exchange rate (Yen/USD)	151.6	Exchange rate (Yen/USD)	149.7



Operating Income Margin



Sales

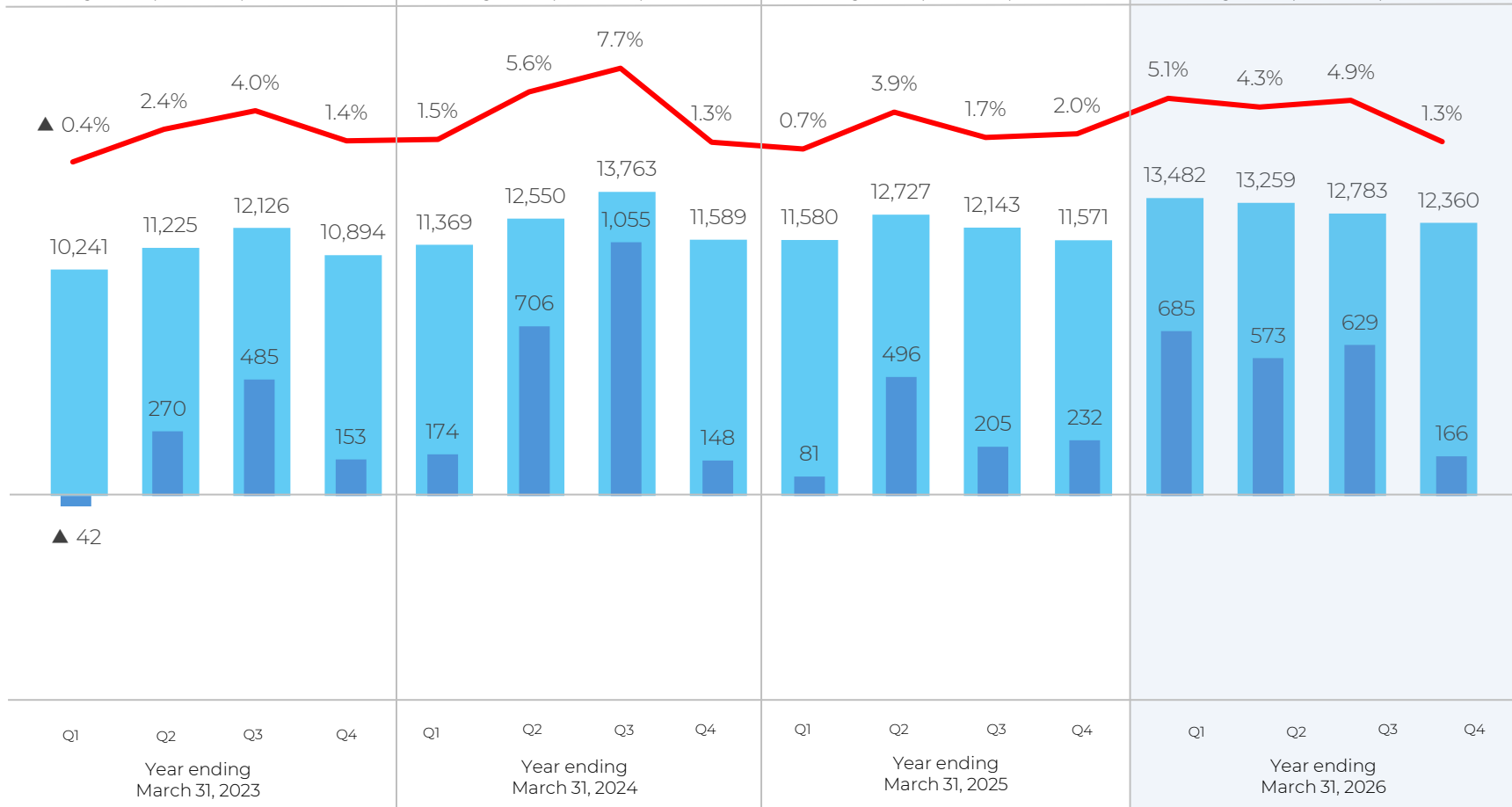


Operating Income

# [Supplementary] Quarterly Segment Results: Japan

(All amounts are in million yen except percentages, and per share data)

Sales	44,485	Sales	49,271	Sales	48,020	Sales	51,885
Operating Income	865	Operating Income	2,083	Operating Income	1,014	Operating Income	2,053
Operating Income Margin	1.9%	Operating Income Margin	4.2%	Operating Income Margin	2.1%	Operating Income Margin	4.0%
Exchange rate (Yen/USD)	131.4	Exchange rate (Yen/USD)	140.6	Exchange rate (Yen/USD)	151.6	Exchange rate (Yen/USD)	149.7



Operating Income Margin



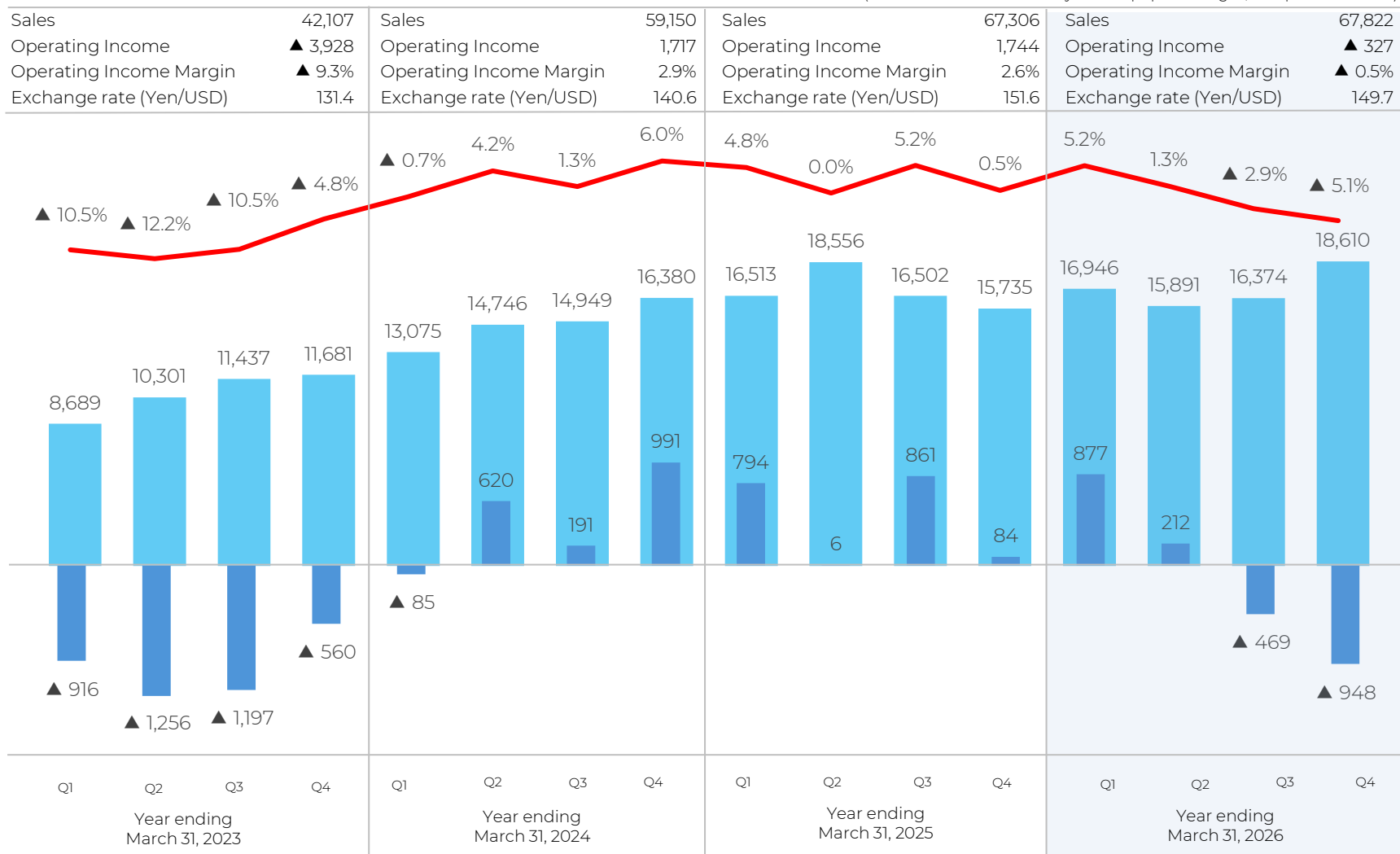
Sales



Operating Income

# [Supplementary] Quarterly Segment Results: Americas

(All amounts are in million yen except percentages, and per share data)

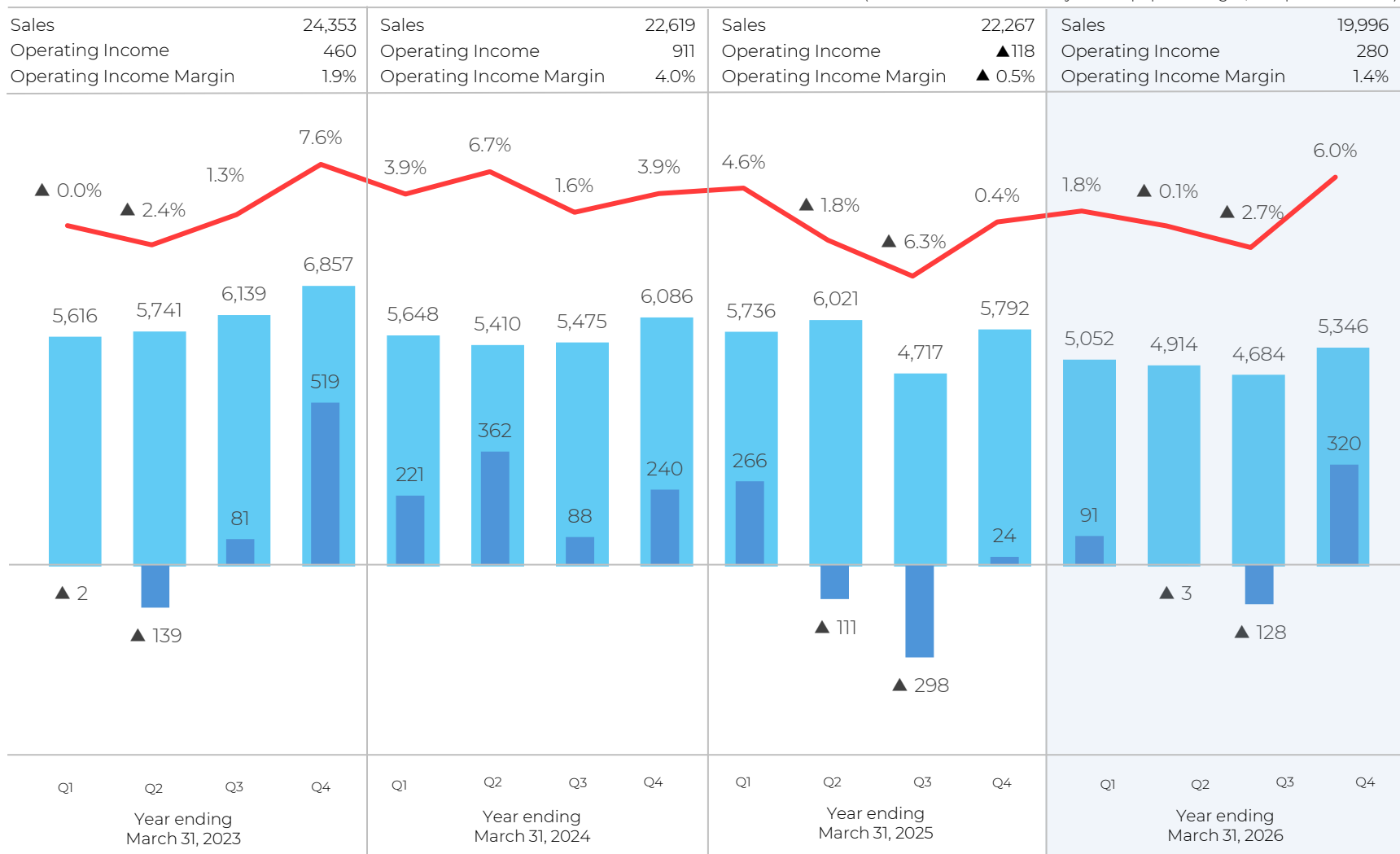


※ From FY2024 onwards Geiger USA has been included in Americas segment and no longer included in Europe segment.

↗ Operating Income Margin    
 ■ Sales    
 ■ Operating Income

# [Supplementary] Quarterly Segment Results: Europe

(All amounts are in million yen except percentages, and per share data)



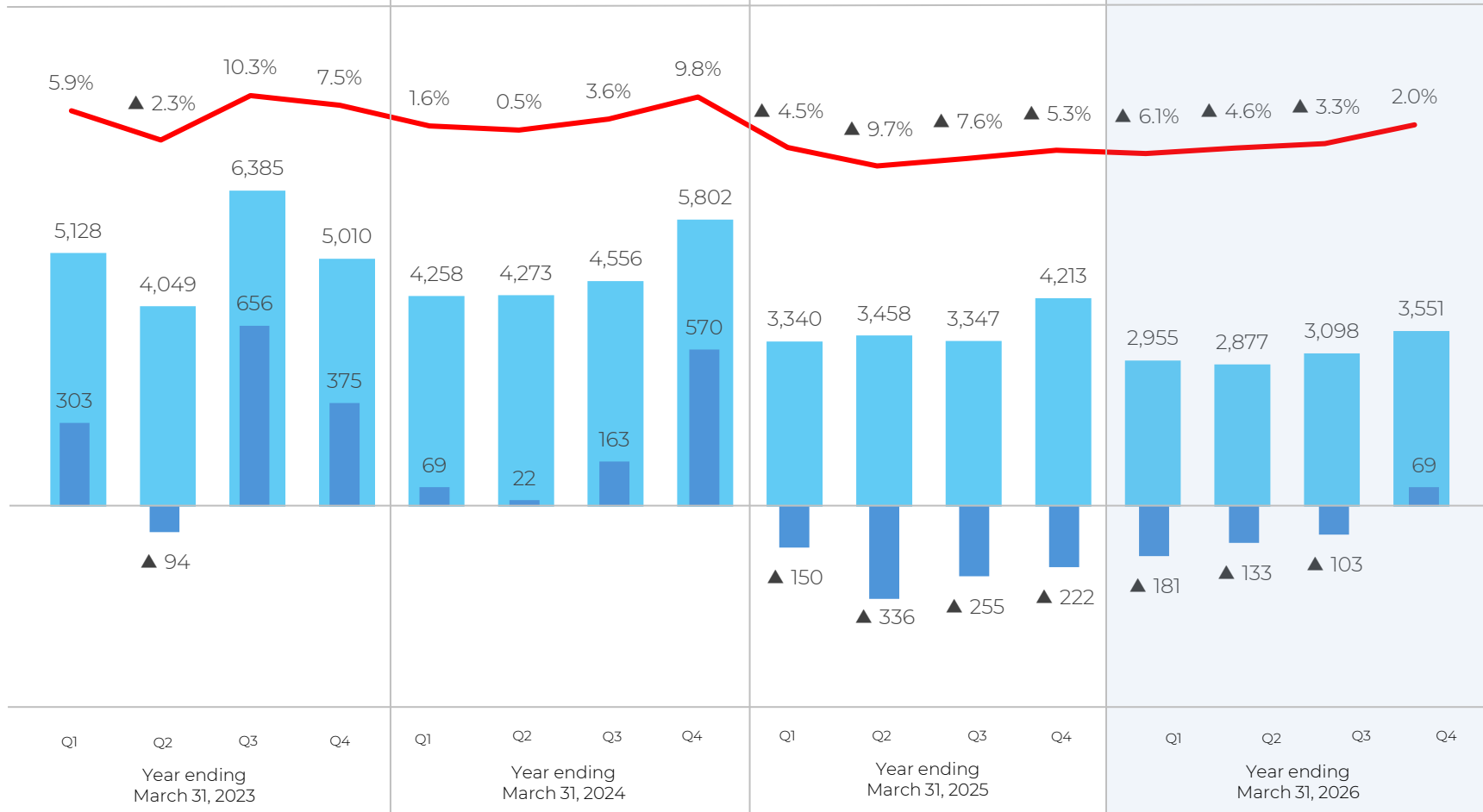
※ From FY2024 onwards Geiger USA has been included in Americas segment and no longer included in Europe segment.

↗ Operating Income Margin    
 ■ Sales    
 ■ Operating Income

# [Supplementary] Quarterly Segment Results: China

(All amounts are in million yen except percentages, and per share data)

Sales	20,572	Sales	18,888	Sales	14,358	Sales	12,481
Operating Income	1,240	Operating Income	824	Operating Income	▲ 963	Operating Income	▲ 348
Operating Income Margin	6.0%	Operating Income Margin	4.4%	Operating Income Margin	▲ 6.7%	Operating Income Margin	▲ 2.8%



Operating Income Margin



Sales

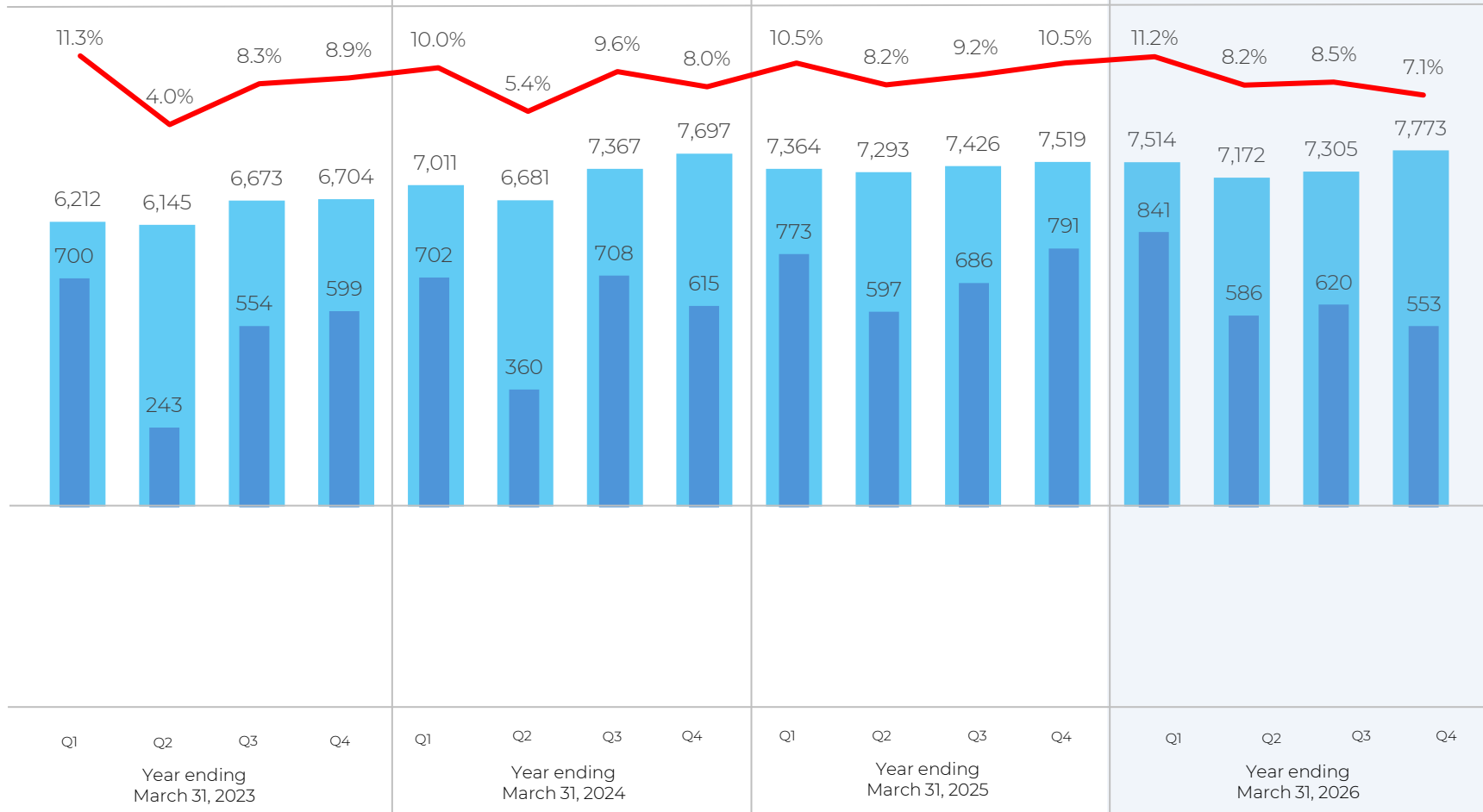


Operating Income

# [Supplementary] Quarterly Segment Results: Asia

(All amounts are in million yen except percentages, and per share data)

Sales	25,735	Sales	28,756	Sales	29,601	Sales	29,763
Operating Income	2,096	Operating Income	2,384	Operating Income	2,847	Operating Income	2,599
Operating Income Margin	8.1%	Operating Income Margin	8.3%	Operating Income Margin	9.6%	Operating Income Margin	8.7%



Operating Income Margin



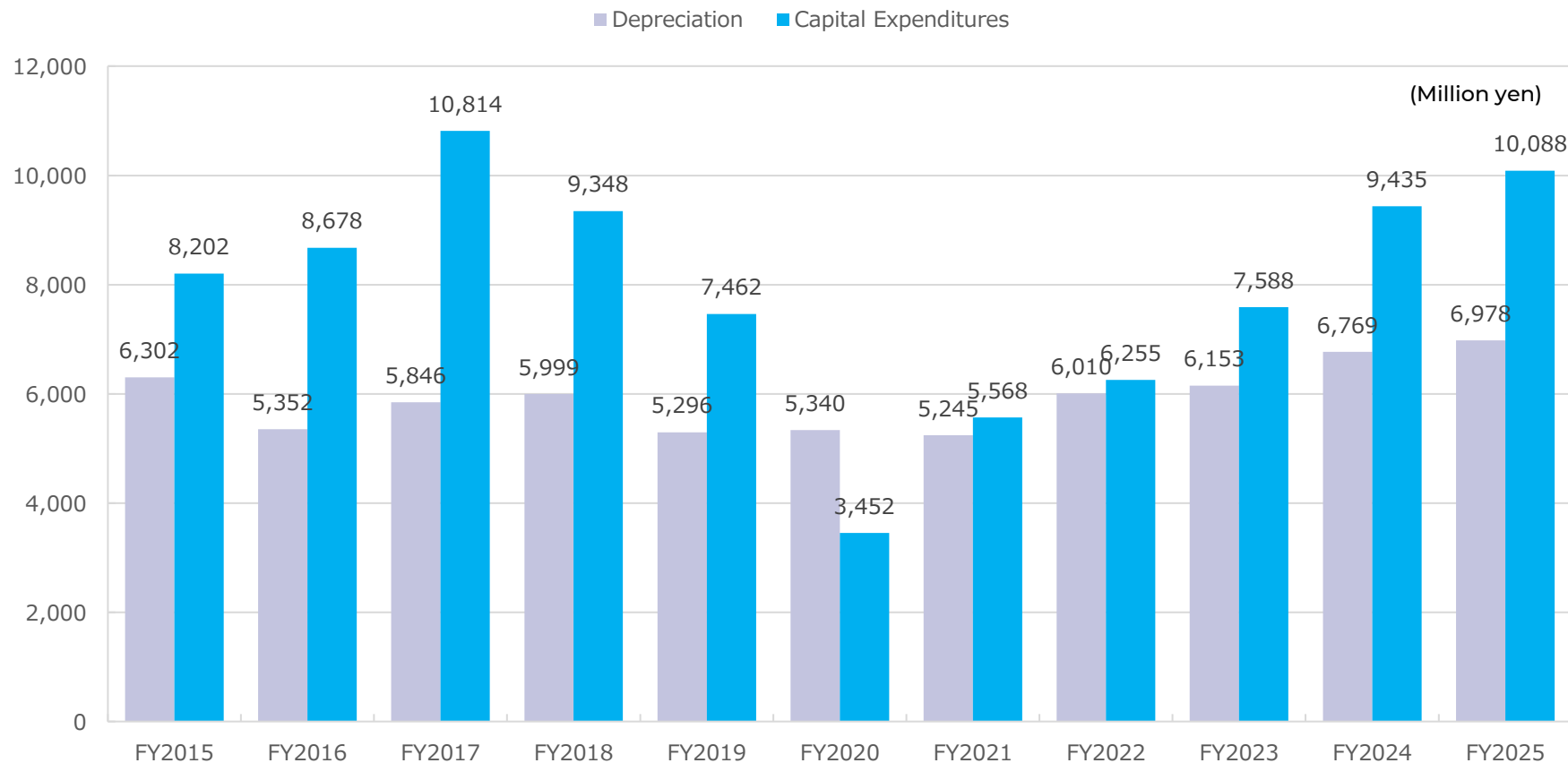
Sales



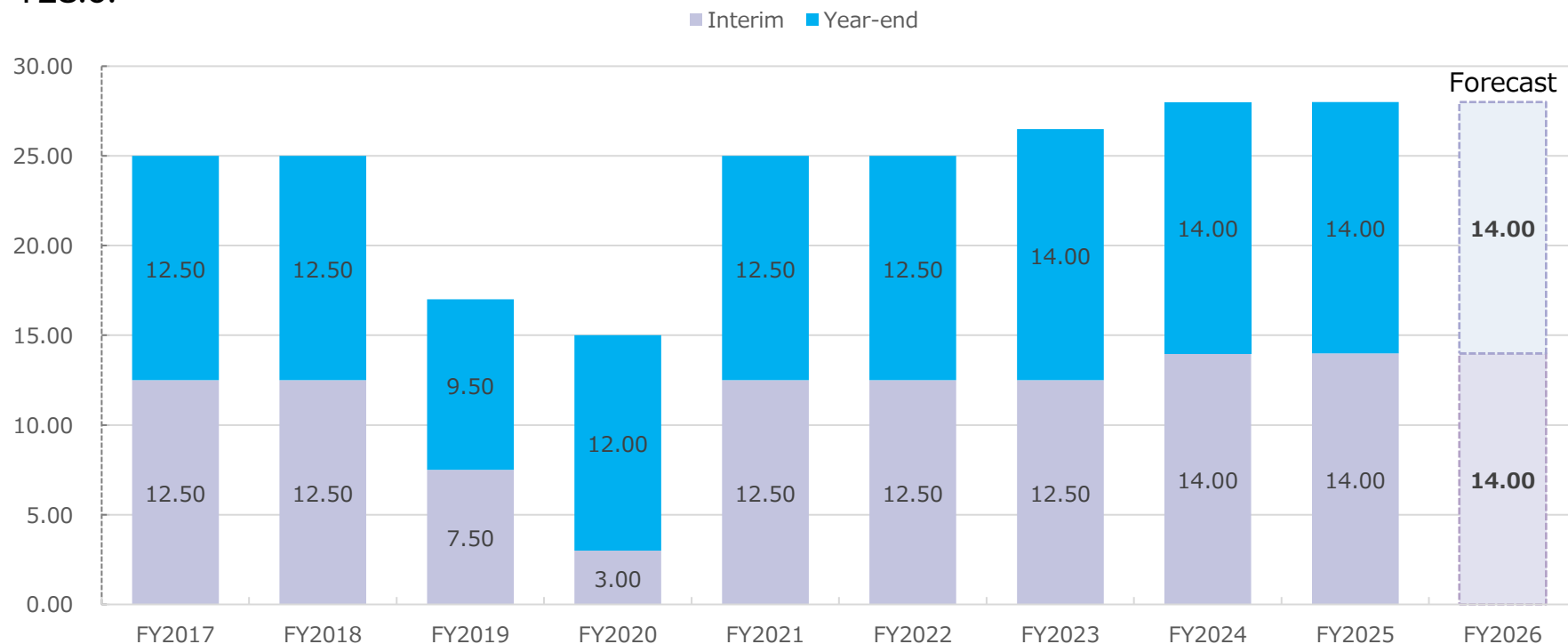
Operating Income

# Capital Expenditures and Depreciation Trends

Although capital expenditures were temporarily restrained during the COVID-19 pandemic, they have since recovered to a level equivalent to depreciation expenses and have now exceeded that level significantly.



We return profits to our shareholders and investors—who continuously support our business—through steady dividend returns. For FY2026, we plan to pay an annual dividend of ¥28.0.



## Reference

DPR (%)	18.4	-	28.4	15.0	89.6	-	22.6	136.0	55.7	66.8
DOE (%)	2.4	2.5	2.0	1.7	2.5	2.4	2.3	2.3	2.2	-

“-” for DPR (dividend payout ratio) and DOE indicates a fiscal year in which a net loss per share was recorded or figures are currently undetermined. The dividend payout ratio for FY2026 is calculated based on projected figures.