August 7, 2026

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: KATO WORKS CO.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 6390
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Representative: Kimiyasu Kato, President and Representative Director
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	10,023	(19.4)	(79)	-	7	-	(17)	-
June 30, 2025	12,429	14.8	(635)	-	(471)	-	(509)	-

Note: Comprehensive income For the three months ended June 30, 2026: ¥ (126) million [-%]
For the three months ended June 30, 2025: ¥ (625) million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	(1.59)	-
June 30, 2025	(44.06)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	90,838	41,949	46.2
March 31, 2026	92,365	42,467	46.0

Reference: Equity
As of June 30, 2026: ¥ 41,949 million
As of March 31, 2026: ¥ 42,467 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 March 31, 2026	-	35.00	-	35.00	70.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		35.00	-	35.00	70.00

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

Note: Breakdown of the first quarter dividend for the fiscal year ending March 31, 2027 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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	61,000	8.3	600	-	120	-	0	-	0.00

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 quarterly 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: None

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	11,743,587 shares
As of March 31, 2026	11,743,587 shares

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

As of June 30, 2026	547,184 shares
As of March 31, 2026	557,784 shares

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

Three months ended June 30, 2026	11,190,928 shares
Three months ended June 30, 2025	11,572,645 shares

Note:The number of shares of the Company held by the Employee Shareholding Association Support Trust ESOP included in the number of treasury shares at the end of the period is as follows.

(First Quarter of the Fiscal Year Ending March 31, 2027: 377,600 shares)

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements and Primary Notes

Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	11,068	10,192
Notes and accounts receivable - trade	17,332	12,237
Electronically recorded monetary claims - operating	2,135	3,278
Inventories	39,936	42,553
Other	936	1,542
Allowance for doubtful accounts	(362)	(305)
Total current assets	71,047	69,498
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,664	7,549
Machinery, equipment and vehicles, net	1,682	1,713
Land	5,170	5,170
Leased assets, net	23	40
Construction in progress	123	133
Other, net	360	397
Total property, plant and equipment	15,025	15,004
Intangible assets	1,062	1,054
Investments and other assets		
Investment securities	3,171	3,364
Distressed receivables	1,639	1,665
Retirement benefit asset	284	310
Deferred tax assets	893	595
Other	880	1,011
Allowance for doubtful accounts	(1,639)	(1,665)
Total investments and other assets	5,230	5,281
Total non-current assets	21,318	21,340
Total assets	92,365	90,838

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,049	4,309
Electronically recorded obligations - operating	2,387	2,420
Lease liabilities	21	22
Short-term borrowings	19,965	20,247
Current portion of bonds payable	516	326
Current portion of long-term borrowings	6,482	6,153
Income taxes payable	44	34
Provision for bonuses	663	246
Provision for product warranties	1,042	984
Other	1,296	1,495
Total current liabilities	36,469	36,239
Non-current liabilities		
Long-term borrowings	13,220	12,427
Retirement benefit liability	44	44
Lease liabilities	2	17
Deferred tax liabilities	17	17
Other	142	142
Total non-current liabilities	13,428	12,649
Total liabilities	49,898	48,889
Net assets		
Shareholders' equity		
Share capital	2,935	2,935
Capital surplus	8,194	8,194
Retained earnings	31,168	30,745
Treasury shares	(720)	(707)
Total shareholders' equity	41,578	41,168
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	372	484
Foreign currency translation adjustment	426	215
Remeasurements of defined benefit plans	90	81
Total accumulated other comprehensive income	889	781
Total net assets	42,467	41,949
Total liabilities and net assets	92,365	90,838

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	12,429	10,023
Cost of sales	11,140	8,413
Gross profit	1,289	1,610
Selling, general and administrative expenses	1,924	1,689
Operating loss	(635)	(79)
Non-operating income		
Interest income	5	0
Interest income on installment sale	6	4
Dividend income	9	10
Share of profit of entities accounted for using equity method	94	19
Foreign exchange gains	-	81
Rental income	130	140
Reversal of allowance for doubtful accounts	247	57
Reversal of provision for product warranties	37	48
Other	61	44
Total non-operating income	593	407
Non-operating expenses		
Rental expenses	111	113
Interest expenses	172	187
Foreign exchange losses	108	-
Other	37	20
Total non-operating expenses	429	321
Ordinary profit (loss)	(471)	7
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	3	-
Total extraordinary losses	3	-
Profit (loss) before income taxes	(474)	7
Income taxes - current	22	13
Income taxes - deferred	19	10
Total income taxes	42	24
Loss	(517)	(17)
Loss attributable to non-controlling interests	(7)	-
Loss attributable to owners of parent	(509)	(17)

Quarterly Consolidated Statement of Comprehensive Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Loss	(517)	(17)
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	111
Foreign currency translation adjustment	(100)	(211)
Remeasurements of defined benefit plans, net of tax	(11)	(8)
Share of other comprehensive income of entities accounted for using equity method	4	(0)
Total other comprehensive income	(107)	(108)
Comprehensive income	(625)	(126)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(617)	(126)
Comprehensive income attributable to non-controlling interests	(7)	-