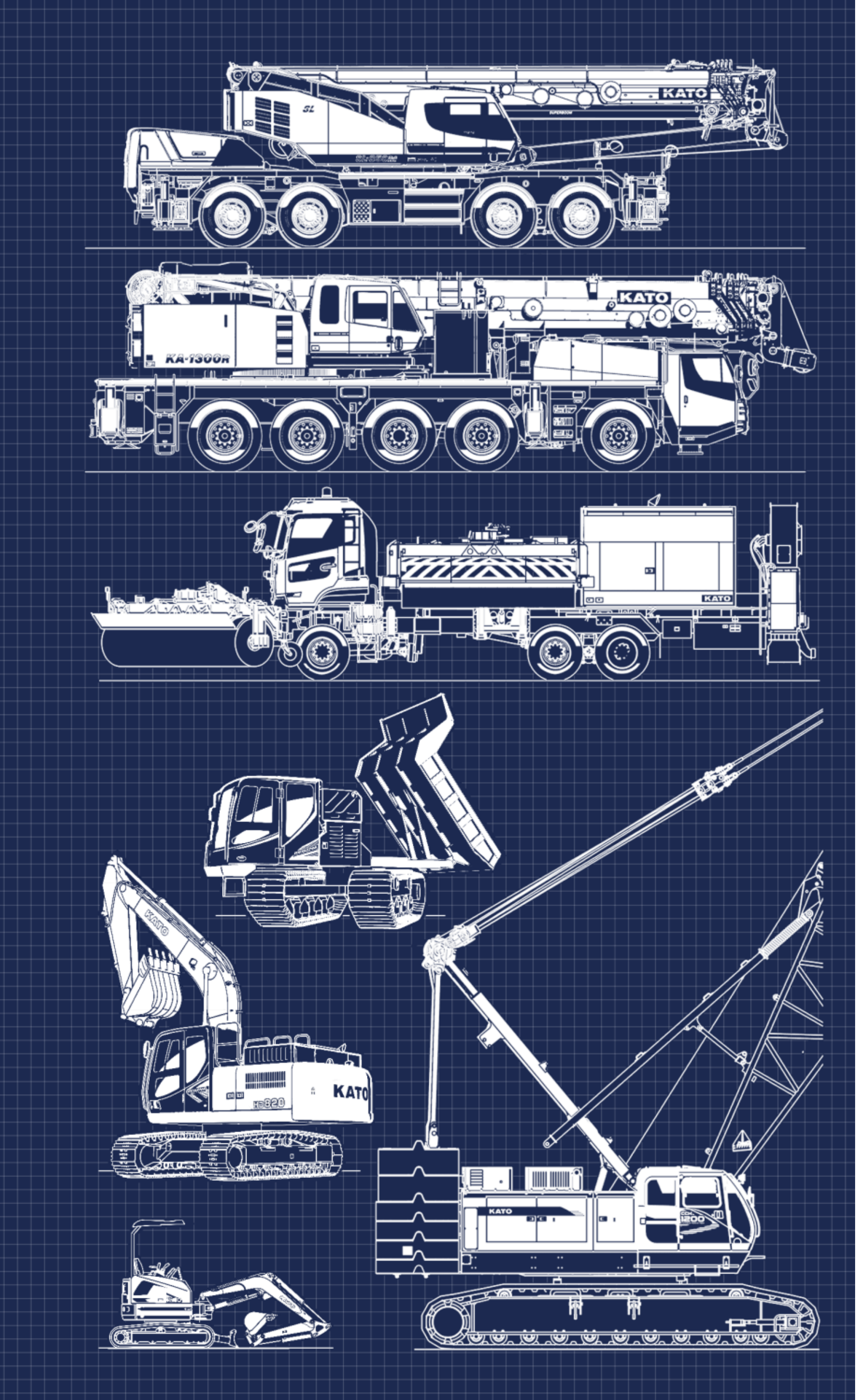

Financial Results Briefing Materials for the Three Months Ended June 30, 2026 (April – June)

KATO 株式会社 加藤製作所

Disclaimer: This document is an English translation of the original Japanese document and has been prepared for reference purposes only. In the event of any discrepancy between the English translation and the original Japanese document, the latter shall prevail.

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Status by segment (manufacturing base)

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*Year-on-year change.

Japan

Net sales
9,689million yen (11.7)%*

Operating profit
(13) million yen -%

Manufacturing bases
- Ibaraki
- Gunma

Destinations
- Japan
- United States
- Southeast Asia
- Taiwan
- Middle and Near East, etc.

Key products
- Mobile cranes
- Construction equipment

TOPICS Japan

- Demand for construction equipment in Japan declined year-on-year.
- Strengthened sales of high-margin parts and components.

TOPICS US(Export destination)

- Exports of hydraulic excavators to the U.S. increased as tariff impacts subsided.

Europe

Net sales
687million yen (20.1)%*

Operating profit
(71) million yen -%

Manufacturing bases
- Italy

Destinations
- EU countries, etc.

Key products
- Construction equipment

TOPICS Italy

- Demand remained sluggish in major European markets.

China and Others

Net sales
5million yen (99.4)%*

Operating profit
(40)million yen -%

Manufacturing bases
- None

Destinations
- China etc.

Key products
- Construction equipment

Summary of consolidated financial results

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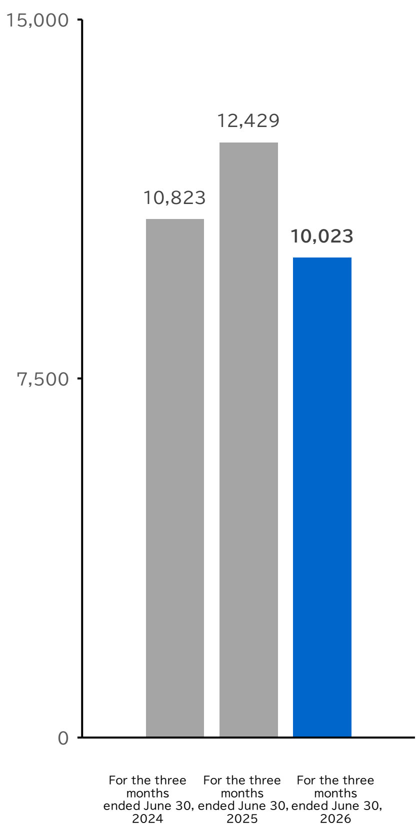
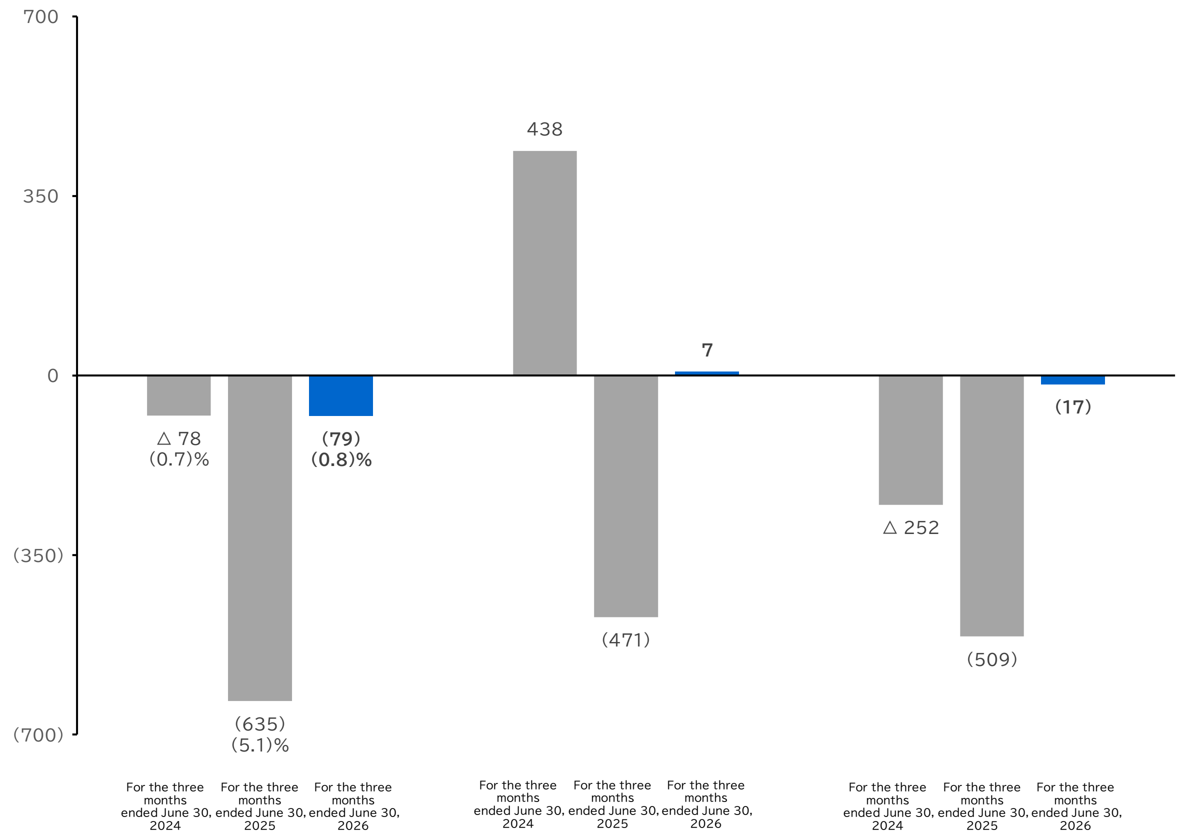
(Unit: millions of yen)

Net sales	Operating profit and margin	Ordinary profit	Profit attributable to owners of parent
10,023	(79)	7	(17)
Year on year (19.4)%)	Year on year (-%)	Year on year (-%)	Year on year (-%)





Summary of consolidated financial results (Quarterly net sales and operating profit)

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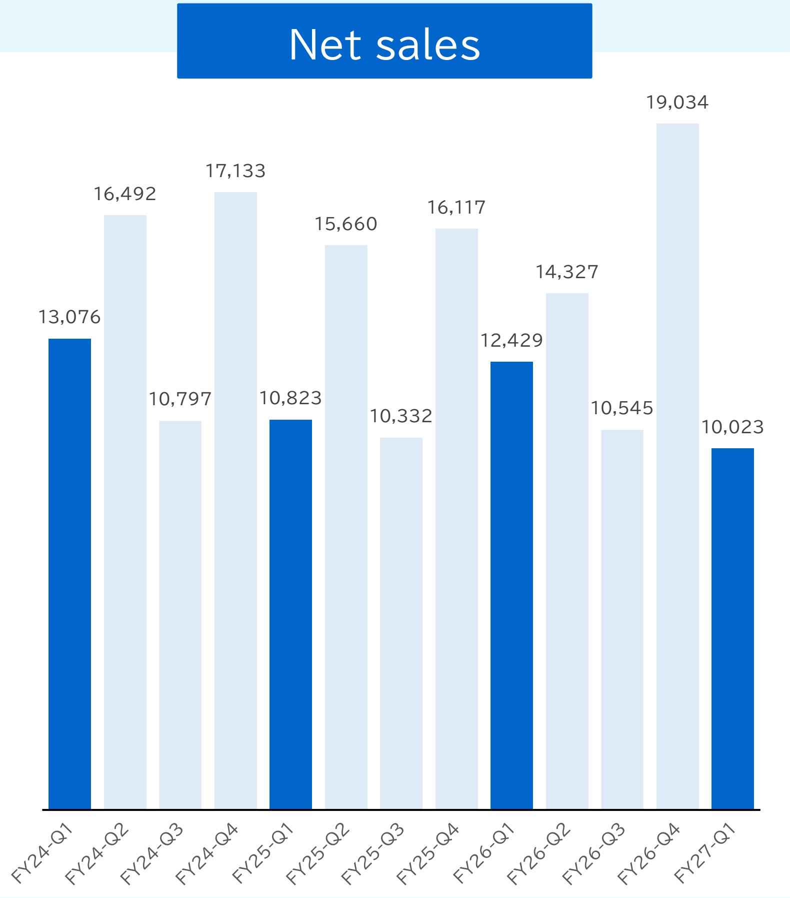
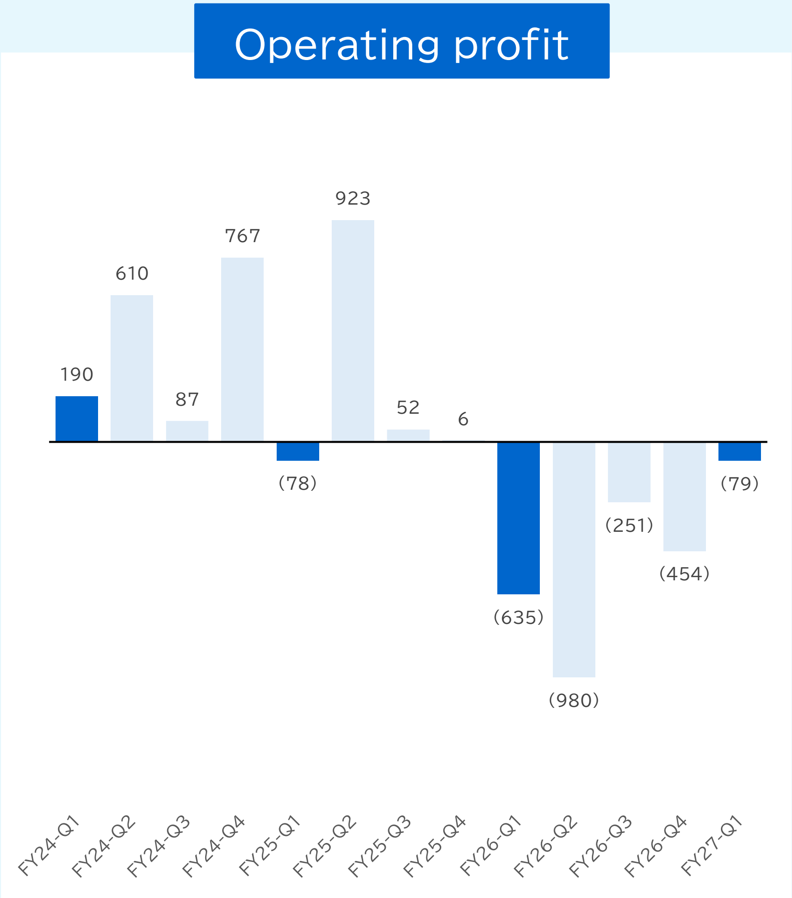
(Unit: millions of yen)

✓**Seasonality:** Sales tend to be concentrated in Q2 and Q4.





Consolidated statement of income

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Evolution Towards True Value

(Unit: millions of yen)

	For the three months ended June 30, 2025		For the three months ended June 30, 2026		Year-on-Year	
	Amount	Percentage	Amount	Percentage	Amount change	Percentage change
Net sales	**12,429**	**100.0%**	**10,023**	**100.0%**	**(2,405)**	**(19.4)%**
Cost of sales	11,140	89.6%	8,413	83.9%	(2,726)	(24.5)%
Gross profit	1,289	10.4%	1,610	16.1%	321	24.9%
Selling, general and administrative expenses	1,924	15.5%	1,689	16.9%	(234)	(12.2)%
Operating profit	**(635)**	**(5.1)%**	**(79)**	**(0.8)%**	**556**	**-**
Non-operating income (expenses)	163	1.3%	86	0.9%	(77)	(47.1)%
Ordinary profit	**(471)**	**(3.8)%**	**7**	**0.1%**	**478**	**-**
Extraordinary income (losses)	(3)	0.0%	0	0.0%	3	-
Profit before income taxes	(474)	(3.8)%	7	0.1%	481	-
Income taxes	42	0.3%	24	0.2%	(17)	(41.6)%
Profit (loss) attributable to non-controlling interests	(7)	(0.1)%	0	0.0%	7	-
Profit (loss) attributable to owners of parent	**(509)**	**(4.1)%**	**(17)**	**(0.2)%**	**492**	**-**

✓ **Net sales:** Sales from the China business, which were recorded in the same period of the previous fiscal year, were no longer included following the Company's withdrawal from the China business.
Demand for construction machinery in Japan declined year on year, resulting in a 19.4% decrease in net sales.

✓ **Cost of sales ratio:** 89.6% → 83.9% (5.7 percentage point improvement) No inventory valuation losses associated with flexible sales initiatives were recorded in the current fiscal year.In addition, the cost of sales ratio improved due to an increase in the sales mix of high-margin service parts.

✓ **Non-operating income:** Foreign exchange gains +81 million yen, hotel business +27 million yen recorded, ordinary profit turned profitable.

Consolidated balance sheet

Evolution Towards True Value

(Unit: millions of yen)

Total assets as of March 31, 2026 92,365

Assets		Liabilities and Net assets	
Current assets 71,047		**Current liabilities 36,469**	
・Cash and deposits	11,068	・Trade payables	6,436
・Trade receivables	19,468	・Short-term borrowings	26,963
・Inventories	39,936	・Other	3,070
・Other	574		
		Non-current liabilities 13,428	
		・Long-term borrowings	13,220
		・Other	208
		Net assets 42,467	
		・Retained earnings	31,168
		・Valuation and translation adjustments	889
		・Other	10,409
Non-current assets 21,318			
・Property, plant and equipment	15,025		
・Intangible assets	1,062		
・Investments and other assets	5,230		

Total assets as of June 30, 2026 90,838 (-1,526)

Assets		Liabilities and Net assets	
Current assets 69,498		**Current liabilities 36,239**	
・Cash and deposits	10,192	・Trade payables	6,729
・Trade receivables	15,515	・Short-term borrowings	26,726
・Inventories	42,553	・Other	2,784
・Other	1,236		
		Non-current liabilities 12,649	
		・Long-term borrowings	12,427
		・Other	222
		Net assets 41,949	
		・Retained earnings	30,745
		・Valuation and translation adjustments	781
		・Other	10,422
Non-current assets 21,340			
・Property, plant and equipment	15,004		
・Intangible assets	1,054		
・Investments and other assets	5,281		

✓**Trade receivables** *

・Japan	18,490	→	15,408
・Europe	2,915	→	2,185
・Others	122	→	75

✓**Inventories** *

・Japan	36,771	→	39,168
・Europe	3,297	→	3,500
・Others	11	→	1

*These are reference figures prior to consolidation adjustments and do not match those in the balance sheet.

Inventories temporarily increased in preparation for expanded sales in the second quarter.

Although inventories temporarily increased in preparation for expanded sales in the second quarter, progress is being made toward optimizing inventory levels.

✓**Liabilities**
Long-term borrowings decreased due to repayment.

✓**Equity Ratio**
Maintaining a high equity ratio of 46.2%.

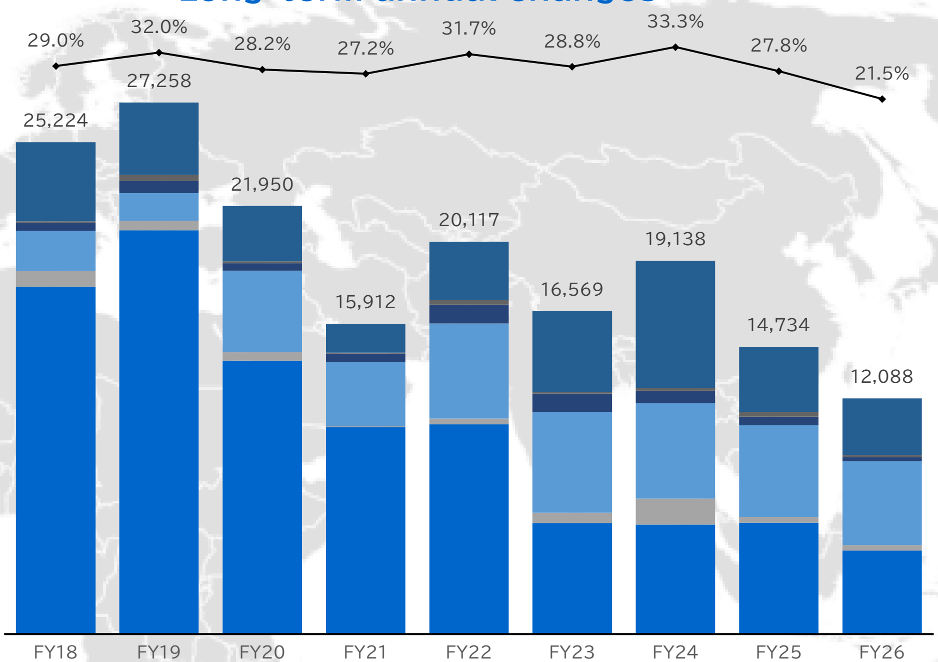
Changes in net sales by destination (excluding Japan)

Evolution Towards True Value

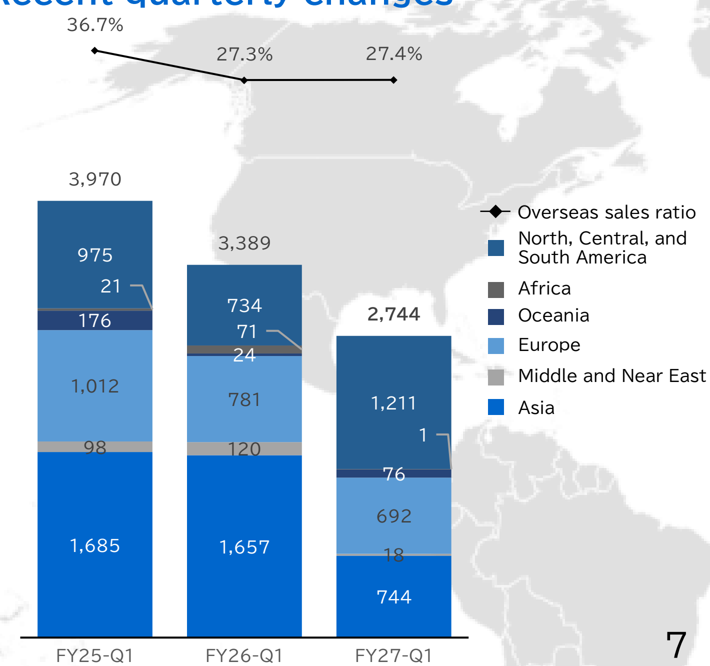
(Unit: millions of yen)

	For the three months ended June 30, 2024		For the three months ended June 30, 2025		For the three months ended June 30, 2026		Year-on-Year		Composition ratio of total net sales
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount change	Percent change	
Asia	1,685	42.5%	1,657	48.9%	744	27.1%	(912)	(55.1)%	7.4%
Middle and Near East	98	2.5%	120	3.6%	18	0.7%	(102)	(84.7)%	0.2%
Europe	1,012	25.5%	781	23.0%	692	25.2%	(89)	(11.4)%	6.9%
Oceania	176	4.4%	24	0.7%	76	2.8%	52	211.3%	0.8%
Africa	21	0.6%	71	2.1%	1	0.1%	(69)	(97.9)%	0.0%
North, Central, and South America	975	24.6%	734	21.7%	1,211	44.1%	476	64.9%	12.1%
Total overseas sales	**3,970**	**100.0%**	**3,389**	**100.0%**	**2,744**	**100.0%**	**(645)**	**(19.0)%**	**27.4%**

Long-term annual changes



Recent quarterly changes



Changes in net sales by destination (excluding Japan)

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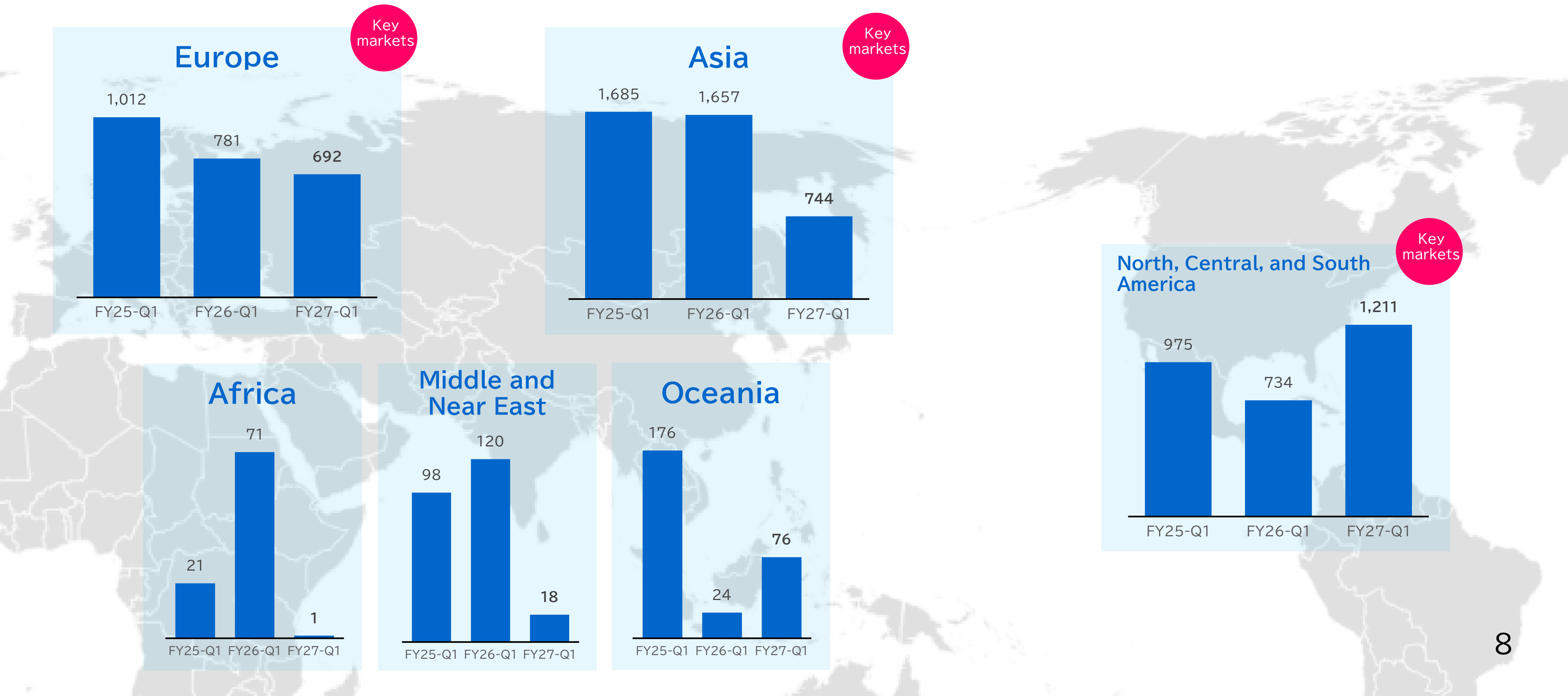
(Unit: millions of yen)

Current initiatives in overseas markets

- ✓ **North, Central and South America:** Sales to the U.S. increased as the impact of tariffs subsided.
- ✓ **Europe:** Demand remained sluggish in major European markets, while the Company continued to reorganize its operations in the region.
- ✓ **Asia:** We established a joint venture with a local company in India, a promising growth market, and is preparing to commence operations.



Changes in net sales by principal items

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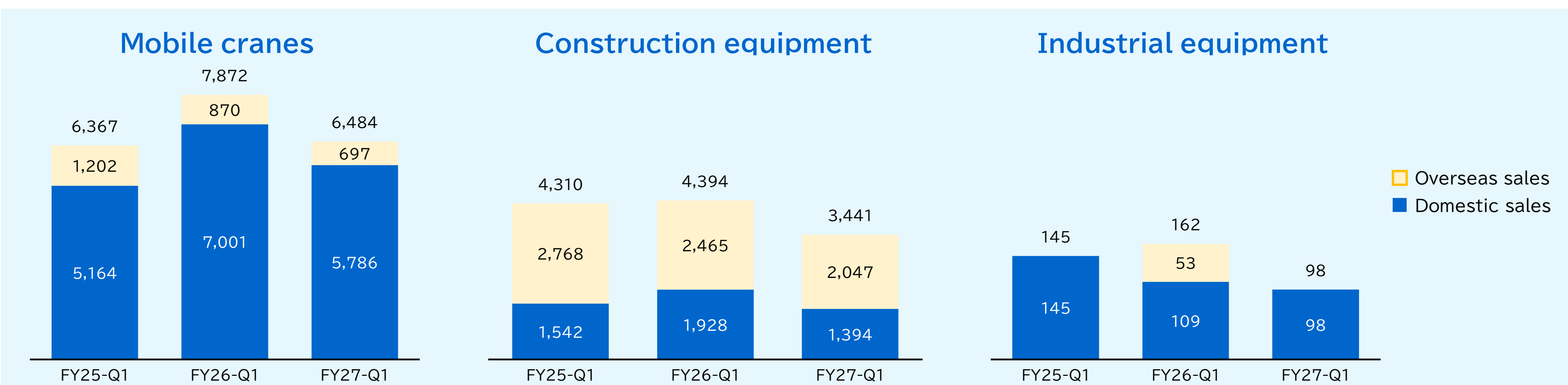
(Unit: millions of yen)

	For the three months ended June 30, 2024		For the three months ended June 30, 2025		For the three months ended June 30, 2026		Year-on-Year	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount change	Percent change
Mobile Cranes								
Domestic sales	5,164	47.7%	7,001	56.3%	5,786	57.7%	(1,214)	(17.3)%
Overseas sales	1,202	11.1%	870	7.0%	697	7.0%	(173)	(19.9)%
Subtotal	**6,367**	**58.8%**	**7,872**	**63.3%**	**6,484**	**64.7%**	**(1,387)**	**(17.6)%**
Construction equipment								
Domestic sales	1,542	14.3%	1,928	15.5%	1,394	13.9%	(534)	(27.7)%
Overseas sales	2,768	25.6%	2,465	19.8%	2,047	20.4%	(418)	(17.0)%
Subtotal	**4,310**	**39.8%**	**4,394**	**35.4%**	**3,441**	**34.3%**	**(953)**	**(21.7)%**
Industrial equipment								
Domestic sales	145	1.3%	109	0.9%	98	1.0%	(11)	(10.4)%
Overseas sales	0	0.0%	53	0.4%	0	0.0%	(53)	(100.0)%
Subtotal	**145**	**1.3%**	**162**	**1.3%**	**98**	**1.0%**	**(64)**	**(39.7)%**
Total								
Domestic sales	6,853	63.3%	9,039	72.7%	7,279	72.6%	(1,760)	(19.5)%
Overseas sales	3,970	36.7%	3,389	27.3%	2,744	27.4%	(645)	(19.0)%
Subtotal	**10,823**	**100.0%**	**12,429**	**100.0%**	**10,023**	**100.0%**	**(2,405)**	**(19.4)%**



Principal items

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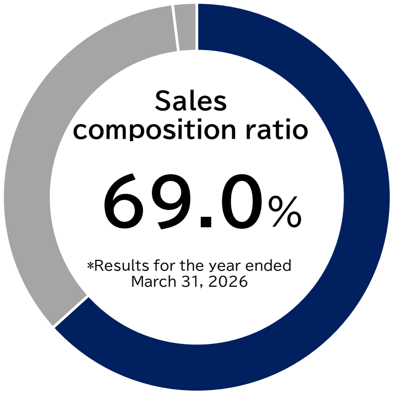
Mobile cranes



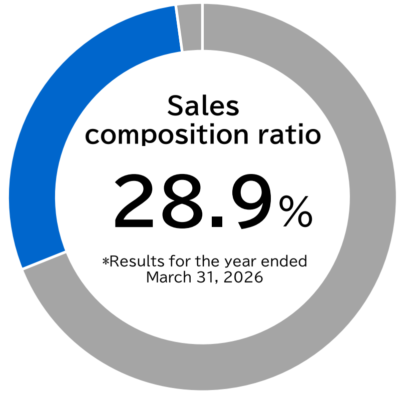
Line up

✓Rough terrain cranes
*cabin integrated for traveling and crane operation
✓All terrain cranes
*cabins separated for traveling and crane operation
✓Crawler cranes
and other various mobile cranes, manufactured and sold

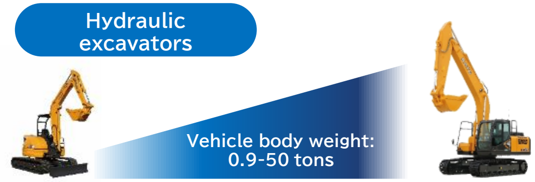
Purposes

✓Used at construction sites for infrastructure, buildings, and residential housing.

Construction equipment



Hydraulic excavators

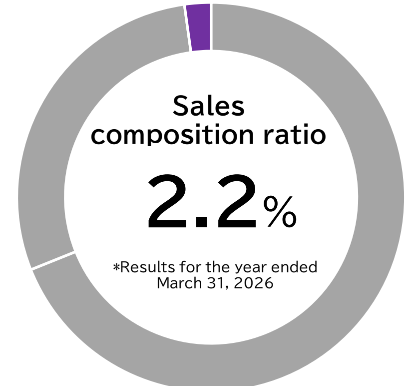


✓Mini excavators (vehicle body weight: 0.9-10 tons)
✓Mid- and large-sized excavators (vehicle body weight: 8-50 tons) manufactured and sold widely
✓Used for developing land for construction and demolishing structures

Crawler carriers

✓Used for carrying materials on rough terrain, such as infrastructure development, civil works, and disaster areas.

Industrial equipment



Street sweepers

Vacuum trucks

Snow sweepers

✓Customers include public institutions and airports. Sales composition ratio is low, but competition is limited, with a wide range of special-purpose vehicles manufactured and sold.

Notice regarding price revisions

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KATO WORKS CO., LTD. hereby announces that it will revise the prices of all products sold in Japan.

1. Reasons for the price revisions

In response to the continued increase in raw material prices, logistics expenses, energy costs, and other costs, the Company has implemented company-wide initiatives to reduce manufacturing, sales, and administrative costs. However, it has become increasingly difficult to absorb these cost increases through the Company's own efforts alone. Accordingly, in order to ensure the stable supply of products and maintain product quality, the Company has decided to revise the prices of all products sold in Japan.

2. Products subject to the price revisions

All products sold in Japan

3. Price revision rate

Approximately 3% to 20%, depending on the product

4. Effective date

To be implemented in phases from August 2026

5. Outlook

The impact of these price revisions on the full-year consolidated financial forecasts for the fiscal year ending March 31, 2027 is currently under review. The Company will promptly make an announcement if any matter requiring disclosure arises once a reasonable estimate can be made.

TOPICS

Exhibited at CSPI-EXPO 2026 — Japan’s Leading Industry Trade Show —

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Overview

・Exhibited at CSPI-EXPO 2026, held at Makuhari Messe from June 17 to 20, 2026.
・Showcased the world’s first hybrid roughterrain crane, the SR-250HV, alongside the new HD514MR-9 hydraulic excavator and the IC110R fully rotating crawler carrier.
・Highlighted products and technologies that help reduce environmental impact and improve jobsite safety and productivity.

Exhibition highlights

★Demonstration of “SR-250HV,” the world’s first environmentally friendly hybrid rough terrain crane.
★Advance display of “HD514MR-9,” one of four new hydraulic excavator models scheduled for launch in July 2026.
★Display of “IC110R,” a full-slewing crawler carrier combining high transport capacity with enhanced safety.
★Introduction of “K-cast,” a machine operation management system that supports the Company’s DX initiatives.

TOPICS

Four new hydraulic excavator models to go on sale simultaneously in July

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HD512-9 (12t)


HD514MR-9 (14t)


HD820-9 (20t)


HD823MR-9 (23t)

REGZAM Lineup Fully Redesigned: 12–23 t

All-new generation delivers higher productivity and environmental performance.

★ Enhanced operability and productivity
★ Stage V-compliant engines and new hydraulic systems for improved environmental and fuel performance
★ New common cab for greater operator comfort, plus redesigned components for improved serviceability
★ K-cast telematics fitted as standard to support operating visibility and efficient fleet management

Suggested sales price

From 21.5～30 million yen (excluding tax)

Sales targets

200～400 units / year

*Press release (May 14, 2026)

KATO 株式会社加藤製作所

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Notes

Contents on the present plans and the forecasts included in these materials are based on information presently obtained and certain premises deemed reasonable by the Company.

Actual business results, etc. may be significantly different due to various factors. Therefore, the materials do not promise or guarantee the realization of the plans or forecasts.