Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 7, 2026

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

Company name: Showa Sangyo Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 2004
URL: https://www.showa-sangyo.co.jp/
Representative: Hideyuki Tsukagoshi, President and CEO
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(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	92,379	9.1	3,479	(1.5)	4,378	(0.3)	2,891	(0.2)
June 30, 2025	84,647	(1.5)	3,534	(14.2)	4,393	(15.4)	2,897	(45.6)

Note: Comprehensive income For the three months ended June 30, 2026: ¥4,902 million [50.3%]
For the three months ended June 30, 2025: ¥3,260 million [(51.6)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	88.99	–
June 30, 2025	89.23	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	279,293	155,371	54.4
March 31, 2026	274,973	152,611	54.3

Reference: Equity
As of June 30, 2026: ¥152,057 million
As of March 31, 2026: ¥149,290 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	–	50.00	–	65.00	115.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		70.00	–	70.00	140.00

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

3. Consolidated earnings 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	350,000	4.3	12,000	0.5	14,000	(3.2)	9,500	(10.5)	292.34

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

*** Notes**

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

(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	32,995,420 shares
As of March 31, 2026	32,995,420 shares

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

As of June 30, 2026	498,702 shares
As of March 31, 2026	498,580 shares

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

Three months ended June 30, 2026	32,496,767 shares
Three months ended June 30, 2025	32,472,280 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* Proper use of earnings forecasts, and other special matters

(1) Caution regarding forward-looking statements and others

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. In no way is the Company asserting assurances or guarantees of the achievement of any future business plan targets or measures stated herein. For matters related to the financial results forecasts, please see "1. Overview of operating results, etc., (3) Explanation of consolidated financial forecasts and other forward-looking statements" on page 8 of the attachments.

(2) The supplementary material on financial results will be posted on the Company's website on Friday, August 7, 2026.

(3) The Company plans to hold a financial results briefing for institutional investors and analysts on Wednesday, August 19, 2026.

Materials for the financial results briefing will be posted on the Company's website by the day of the briefing.

Table of Contents - Attachments

1. Overview of operating results, etc.

(1) Overview of operating results for the period under review

During the three months ended June 30, 2026, the Japanese economy showed signs of recovery, with a gradual improvement in the employment and income environment and expanded inbound consumption. However, the outlook remained uncertain, mainly due to consumers becoming even more frugal because of inflation, increasing logistics and labor costs, and the global impact of the situation in the Middle East, as well as fluctuations in interest rates and exchange rates as a result of the monetary policies of various countries.

Under such circumstances, we formulated a new Group management philosophy, "From an individual grain, we grow possibilities and create happiness together," in February 2026 in order to achieve sustainable growth and enhance corporate value. Based on this new philosophy framework, we formulated "SHOWA VISION 2035," our Long-term Vision targeting our centenary in FY2035, and our four-year Medium-term Management Plan 26-29 based on the Long-term Vision. We will continue to work toward their realization.

The operating results for the three months ended June 30, 2026 were as follows. Consolidated net sales were 92,379 million yen, or up 7,732 million yen (9.1%) year on year. Operating profit was 3,479 million yen, or down 54 million yen (1.5%) year on year; ordinary profit was 4,378 million yen, or down 15 million yen (0.3%) year on year; and profit attributable to owners of parent was 2,891 million yen, or down 5 million yen (0.2%) year on year.

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026	Year-on-year-changes	Year-on-year-changes
Net sales	84,647	92,379	7,732	9.1%
Operating profit	3,534	3,479	(54)	(1.5)%
Ordinary profit	4,393	4,378	(15)	(0.3)%
Profit attributable to owners of parent	2,897	2,891	(5)	(0.2)%

The operating results by segment were as follows.

<Food Business>

In the Food Business, an upward trend continued in cost increasing factors, such as logistics and labor costs as well as material prices, leading to product price revisions while consumer frugality increased. This created a challenging sales environment. Under such a market environment, leveraging the strength of our market analytical ability, we strengthened solutions-based sales for each target business category, and promoted sales at fair prices.

In the Flour Milling Category, government selling prices for imported wheat were increased average 2.5% in April 2026 (tax-inclusive prices). Given this situation, we implemented price revisions for flour products. In parallel with this, the Company is making efforts such as to reduce logistics costs and improve production efficiency through the integrated operation of production sites, including its consolidated subsidiaries. The sales volumes of wheat flour for commercial use and premixes declined year on year. The sales volume of pasta for commercial use remained at the same level year on year. The sales volume of bran rose year on year. The sales volume of household wheat flour and premixes increased year on year, while that of pasta for household use declined year on year. As a result of the foregoing, net sales of the Flour Milling Category fell year on year.

In the Vegetable Oils Category, we promoted sales at fair prices commensurate with costs and functional oils and fats-based problem-solving type sales. Furthermore, we strengthened cooperation with Boso oil and fat Co., Ltd., a consolidated subsidiary of the Company, and Tsuji Oil Mills, Co., Ltd., an equity method affiliate, and are also working to ensure efficient operations of production sites and streamline the procurement of raw materials. Although the sales volume of oils and fats for commercial use remained at the same level year on year as a result of our prioritization of sales at fair prices, selling prices increased year on year. The sales volume of oils and fats for household use increased year on year due to an increase in sales of general-use oils and rice bran oils. In addition, both the sales volume and selling prices of meals increased year on year. As a result of the foregoing, net sales of the Vegetable Oils Category increased year on year.

In the Starches and Sweeteners Category, we are making Group-wide efforts, for example to resolve issues and improve production efficiency, in cooperation with Shikishima Starch MFG. Co., Ltd. and San-ei Sucrochemical Co., Ltd., which are consolidated subsidiaries of the Company. Although the sales volume of sweeteners for frozen products decreased due to milder summer temperatures compared with the previous year, the overall sales volume remained at the same level year on year thanks to increased sales for soft drinks and seasonings. The sales volume of corn starch remained at the same level year on year, while the sales volume of modified starch increased year on year due to an increase in sales for food applications. As for by-products, selling prices were higher than the same period last year, while the sales volume decreased year on year. As a result of the foregoing, net sales of the Starches and Sweeteners Category increased year on year.

As a result, net sales of the Food Business were 71,091 million yen, or up 1,678 million yen (2.4%) year on year. Operating profit was 3,272 million yen, or down 102 million yen (3.0%) year on year.

In line with the establishment of the business portfolio for the Medium-term Management Plan 26-29, we have reclassified baked bread (Swing Bakery Co., Ltd., Grandsolu bakery Co., Ltd., Garden Bakery Inc., and Tower Bakery Co., Ltd.), which was included in the Flour Milling Category, and frozen food (Showa Frozen Foods Co., Ltd. and Toukatsusyokuhin Co., Ltd.), which was included in the Vegetable Oils Category, to be included in the Other Food Category. In accordance with these changes, the comparative information for the three months ended June 30, 2025 has been prepared based on the revised classifications.

These changes pertain to classifications within the Food Business, and do not affect the segment classifications themselves.

<Animal Feed Business>

Effective from the three months ended June 30, 2026, the account closing date of consolidated subsidiary Showa Keiran Co., Ltd. has been changed from December 31 to March 31. As a result of this change, the accounting period of said subsidiaries for the period under review was an irregular period of six months from January 1, 2026 to June 30, 2026.

In the Animal Feed Business, we have been advancing proposal-based sales to meet customer needs, strengthening our engagement with producers, such as support on sales of livestock products and on increased value-added offerings, and promoting sales expansion of high-value-added products.

The sales volume and selling prices of compound animal feed increased year on year. In addition, the sales volume of eggs increased year on year thanks to the recovery from bird flu. Selling prices were higher year on year.

As a result, net sales of the Animal Feed Business were 19,799 million yen, or up 5,846 million yen (41.9%) year on year. Operating profit was 224 million yen, or up 88 million yen (64.8%) year on year.

<Other>

Effective from the three months ended June 30, 2026, the account closing date of consolidated subsidiary Shosan Transportation Co., Ltd. has been changed from December 31 to March 31. As a result of this change, the accounting period of said subsidiaries for the period under review was an irregular period of six months from January 1, 2026 to June 30, 2026.

In the warehousing business, the volume of cargo handling decreased year on year, despite efforts to increase cargo handling volume by strengthening our engagement with trading companies and our main customers amid intensifying competition to secure cargo.

As a result, net sales of other businesses that combine the real estate business, the insurance agency business, the automobile leasing business, the transportation business, the plant factory business, and so forth came to 1,488 million yen, or up 208 million yen (16.3%) year on year. Operating profit was 323 million yen, or down 56 million yen (14.8%) year on year.

- Information on disaggregation of net sales (by reportable segment and category)

(Millions of yen)

Information on disaggregation of net sales			Three months ended June 30, 2025	Three months ended June 30, 2026	Year-on-year changes	Year-on-year changes
Reportable segment	Food Business (Note 1)	Flour Milling Category	21,481	20,539	(942)	(4.4)%
		Vegetable Oils Category	22,507	24,600	2,092	9.3%
		Starches and Sweeteners Category	17,228	17,552	324	1.9%
		Other Food Category (Note 2)	8,196	8,399	203	2.5%
			69,413	71,091	1,678	2.4%
	Animal Feed Business		13,953	19,799	5,846	41.9%
	Reportable segment total		83,366	90,891	7,524	9.0%
Other (Note 3)			839	1,134	294	35.1%
Revenue from contracts with customers			84,206	92,025	7,818	9.3%
Revenue from other sources (Note 4)			440	354	(86)	(19.6)%
Net sales to outside customers			84,647	92,379	7,732	9.1%

Notes 1. In line with the establishment of the business portfolio for the Medium-term Management Plan 26-29, the segment analysis information for the three months ended June 30, 2025 has been prepared based on the revised classifications.
2. "Other Food Category" presents sales of food products not belonging to the Flour Milling Category, Vegetable Oils Category, and Starches and Sweeteners Category under the Food Business.
3. "Other" is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.
4. "Revenue from other sources" consists solely of revenue from "Other."

(2) Overview of financial position for the period under review

(Millions of yen)

	Fiscal year ended March 31, 2026	Three months ended June 30, 2026	Changes from previous fiscal year-end
Current assets	115,061	116,722	1,661
Non-current assets	159,911	162,570	2,658
Total assets	274,973	279,293	4,319
Current liabilities	82,021	82,329	308
Non-current liabilities	40,340	41,591	1,251
Total liabilities	122,361	123,921	1,560
Total net assets	152,611	155,371	2,759

The status and analysis of consolidated assets, liabilities, and net assets as of June 30, 2026 were as follows.

Total assets amounted to 279,293 million yen, or up 4,319 million yen from the end of the previous fiscal year. The main increasing factors were increases of 2,942 million yen in investment securities, and 1,789 million yen in inventories.

Liabilities amounted to 123,921 million yen, or up 1,560 million yen from the end of the previous fiscal year. The main increasing factor was an increase of 3,333 million yen in interest-bearing debt (including lease liabilities). The main decreasing factors were decreases of 1,487 million yen in income taxes payable, and 1,385 million yen in provision for bonuses.

Net assets amounted to 155,371 million yen, or up 2,759 million yen from the end of the previous fiscal year. The main increasing factors were an increase due to the recording of profit attributable to owners of parent amounting to 2,891 million yen and an increase of 1,966 million yen in valuation difference on available-for-sale securities. Meanwhile, the main decreasing factor was a decrease of 2,113 million yen due to dividends paid.

(3) Explanation of consolidated financial forecasts and other forward-looking statements

The business environment surrounding the Showa Sangyo Group is expected to remain uncertain from the second quarter onward due to factors such as instability in the international situation, trends in exchange rates, inflation, and increases in logistics and labor costs. However, there are no changes to consolidated financial forecasts for the fiscal year ending March 31, 2027 announced on May 14, 2026.

2. Quarterly consolidated financial statements and principal notes

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	8,353	6,054
Notes and accounts receivable - trade	51,666	52,606
Electronically recorded monetary claims - operating	1,166	1,812
Merchandise and finished goods	16,139	16,230
Work in process	3,084	3,218
Raw materials and supplies	28,873	30,438
Other	5,825	6,400
Allowance for doubtful accounts	(48)	(38)
Total current assets	115,061	116,722
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	34,915	35,171
Machinery, equipment and vehicles, net	31,181	31,063
Land	21,423	21,463
Other, net	4,861	4,536
Total property, plant and equipment	92,382	92,235
Intangible assets		
Goodwill	686	650
Customer-related intangible assets	1,222	1,158
Other	1,588	1,655
Total intangible assets	3,497	3,464
Investments and other assets		
Investment securities	58,516	61,458
Retirement benefit asset	2,734	2,757
Other	3,092	2,966
Allowance for doubtful accounts	(313)	(312)
Total investments and other assets	64,030	66,870
Total non-current assets	159,911	162,570
Total assets	274,973	279,293

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,813	22,848
Short-term borrowings	13,798	15,098
Commercial papers	18,500	20,500
Income taxes payable	2,176	689
Provision for bonuses	2,315	929
Other	22,417	22,263
Total current liabilities	82,021	82,329
Non-current liabilities		
Bonds payable	11,000	11,000
Long-term borrowings	6,948	6,943
Provision for retirement benefits for directors (and other officers)	206	211
Retirement benefit liability	8,703	8,708
Other	13,481	14,727
Total non-current liabilities	40,340	41,591
Total liabilities	122,361	123,921
Net assets		
Shareholders' equity		
Share capital	14,293	14,293
Capital surplus	5,281	5,281
Retained earnings	108,253	109,030
Treasury shares	(1,478)	(1,478)
Total shareholders' equity	126,349	127,127
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,642	21,609
Deferred gains or losses on hedges	124	138
Foreign currency translation adjustment	860	935
Remeasurements of defined benefit plans	2,312	2,247
Total accumulated other comprehensive income	22,940	24,930
Non-controlling interests	3,321	3,313
Total net assets	152,611	155,371
Total liabilities and net assets	274,973	279,293

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	84,647	92,379
Cost of sales	69,306	75,953
Gross profit	15,341	16,426
Selling, general and administrative expenses	11,806	12,946
Operating profit	3,534	3,479
Non-operating income		
Interest income	18	13
Dividend income	448	490
Share of profit of entities accounted for using equity method	292	352
Foreign exchange gains	44	3
Other	167	198
Total non-operating income	971	1,057
Non-operating expenses		
Interest expenses	93	136
Compensation for damage	2	1
Other	16	20
Total non-operating expenses	111	158
Ordinary profit	4,393	4,378
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on abandonment of non-current assets	55	59
Loss on sale of non-current assets	17	0
Impairment losses	19	-
Loss on valuation of investments in capital	149	-
Other	-	0
Total extraordinary losses	241	59
Profit before income taxes	4,152	4,319
Income taxes - current	797	839
Income taxes - deferred	403	561
Total income taxes	1,201	1,400
Profit	2,951	2,919
Profit attributable to non-controlling interests	53	27
Profit attributable to owners of parent	2,897	2,891

Quarterly consolidated statements of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	2,951	2,919
Other comprehensive income		
Valuation difference on available-for-sale securities	709	1,804
Deferred gains or losses on hedges	(6)	15
Foreign currency translation adjustment	(172)	63
Remeasurements of defined benefit plans, net of tax	(18)	(65)
Share of other comprehensive income of entities accounted for using equity method	(203)	164
Total other comprehensive income	309	1,982
Comprehensive income	3,260	4,902
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,201	4,881
Comprehensive income attributable to non-controlling interests	58	20

(3) Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes in the event of significant changes in the amount of shareholders' equity)

Not applicable.

(Changes in the scope of consolidation or scope of application of the equity method)

(Changes in matters pertaining to the fiscal year of a consolidated subsidiary)

Effective from the three months ended June 30, 2026, the account closing date of consolidated subsidiaries Showa Keiran Co., Ltd. and Shosan Transportation Co., Ltd. has been changed from December 31 to March 31. As a result of this change, the accounting period of said subsidiaries for the period under review was an irregular period of six months from January 1, 2026 to June 30, 2026.

For the period from January 1, 2026 to March 31, 2026, said subsidiaries recorded net sales of 4,753 million yen, operating profit of 82 million yen, ordinary profit of 87 million yen, and profit before income taxes of 87 million yen.

(Changes in presentation methods)

(Quarterly consolidated balance sheets)

"Electronically recorded monetary claims - operating," which was included in "notes and accounts receivable - trade" in the previous fiscal year, is presented separately as of the three months ended June 30, 2026 due to its increased importance. To reflect this change in presentation methods, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, the 52,832 million yen in "notes and accounts receivable - trade" presented under current assets in the consolidated balance sheets for the previous fiscal year have been reclassified into 51,666 million yen as "notes and accounts receivable - trade" and 1,166 million yen as "electronically recorded monetary claims - operating."

(Notes to quarterly consolidated statements of cash flows)

Quarterly consolidated statements of cash flows have not been prepared for the three months ended June 30, 2026. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended June 30 are as follows.

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	2,452	2,717
Amortization of goodwill	36	36

(Notes on segment information, etc.)

[Segment information]

1. Three months ended June 30, 2025

(1) Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Food Business	Animal Feed Business	Total				
Net sales							
Net sales to outside customers	69,413	13,953	83,366	1,280	84,647	–	84,647
Inter-segment net sales or transfers	727	1	728	776	1,505	(1,505)	–
Total	70,141	13,954	84,095	2,057	86,152	(1,505)	84,647
Segment profit	3,374	136	3,510	379	3,889	(355)	3,534

Notes
1. "Other" is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.
2. Adjustment of (355) million yen for segment profit includes elimination of inter-segment transactions of (0) million yen and corporate expenses of (354) million yen. Corporate expenses mainly consist of expenses incurred for advertising of the corporate group and basic R&D expenses not attributable to any reportable segment.
3. Segment profit is adjusted with operating profit on the quarterly consolidated statement of income.

(2) Information on impairment losses on non-current assets and goodwill by reportable segment

This information is omitted as it is not material.

2. Three months ended June 30, 2026

(1) Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Food Business	Animal Feed Business	Total				
Net sales							
Net sales to outside customers	71,091	19,799	90,891	1,488	92,379	–	92,379
Inter-segment net sales or transfers	703	1	705	799	1,504	(1,504)	–
Total	71,795	19,801	91,596	2,287	93,884	(1,504)	92,379
Segment profit	3,272	224	3,496	323	3,819	(339)	3,479

Notes
1. "Other" is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.
2. Adjustment of (339) million yen for segment profit includes elimination of inter-segment transactions of (0) million yen and corporate expenses of (338) million yen. Corporate expenses mainly consist of expenses incurred for advertising of the corporate group and basic R&D expenses not attributable to any reportable segment.
3. Segment profit is adjusted with operating profit on the quarterly consolidated statement of income.

(2) Information on impairment losses on non-current assets and goodwill by reportable segment

Not applicable.