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August 8, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under IFRS)

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 Listing: Tokyo Stock Exchange
 Securities code: 5195
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly 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, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Core operating profit		Operating profit		Profit before tax	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	29,092	(0.9)	2,018	3.0	3,818	66.6	3,636	27.3
June 30, 2024	29,344	10.5	1,960	11.8	2,292	13.8	2,857	5.1

Note: Core operating profit is calculated as revenue subtracted by cost of sales and selling, general, and administrative expenses.

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2025	2,652	37.2	2,538	(45.1)	63.54	—
June 30, 2024	1,932	2.6	4,622	5.8	45.10	—

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2025	116,876	83,040	82,813	70.9
March 31, 2025	120,693	82,501	82,131	68.0

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, 2025	—	38.00	—	38.00	76.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		40.00	—	40.00	80.00

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

3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate changes from the previous corresponding period.)

	Revenue		Core Operating profit		Operating 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	115,000	(0.5)	8,200	5.9	9,500	172.9	6,700	347.7	160.28

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

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

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of June 30, 2025	44,213,536 shares
As of March 31, 2025	44,213,536 shares

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

As of June 30, 2025	2,572,411 shares
As of March 31, 2025	2,410,402 shares

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

Three months ended June 30, 2025	41,744,700 shares
Three months ended June 30, 2024	42,849,628 shares

Note: The Company has introduced an executive compensation BIP trust. Shares of the Company owned by the trust are included in the treasury shares.

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

* Proper use of earnings forecast, and other special matters

Forward-looking statements contained in this document, including financial results forecast, are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable. The Company makes no assurances as to the actual results and/or other outcomes, which may differ significantly from these forecasts due to various factors. Please refer to page 3, “1. Qualitative information on Financial Results for the Three Months ended June 30, 2025 (4) Explanation of Consolidated Financial Results Forecast” for the suppositions that form the assumptions used for and the use of the financial results forecast.

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1. Qualitative Information on Financial Results for the Three Months ended June 30, 2025

(1) Explanation of Operating Results

	Three Months ended June 30, 2024 (Millions of yen)	Three Months ended June 30, 2025 (Millions of yen)	Change (Millions of yen)	Change in ratio (%)
Revenue	29,344	29,092	(251)	(0.9)
Automotive Parts	14,946	14,626	(320)	(2.1)
Industrial Products	9,661	9,495	(165)	(1.7)
Advanced Elastomer Products	3,564	3,595	31	0.9
Other	1,314	1,553	238	18.2
Adjustments	(142)	(178)	(35)	—
Core operating profit (loss) (Segment profit (loss))	1,960	2,018	58	3.0
Automotive Parts	1,130	1,178	47	4.2
Industrial Products	671	706	35	5.3
Advanced Elastomer Products	42	78	36	86.1
Other	82	7	(74)	(91.0)
Adjustments	33	47	13	39.3
Operating profit	2,292	3,818	1,525	66.6
Profit before tax	2,857	3,636	779	27.3
Profit attributable to owners of parent	1,932	2,652	719	37.2

Note: Core operating profit is calculated as revenue subtracted by cost of sales and selling, general, and administrative expenses.

Revenue for the three months ended June 30, 2025 decreased by 0.9% to ¥29,092 million compared with the same period of the previous fiscal year, core operating profit increased by 3.0% to ¥2,018 million, operating profit increased by 66.6% to ¥3,818 million, profit before tax increased by 27.3% to 3,636 million, and profit attributable to owners of parent increased by 37.2% to ¥2,652 million.

The operating results for the three months ended June 30, 2025 by business segment were as follows:

Automotive Parts

In Japan, although automobile production volume decreased, sales of accessory drive power transmission belts (such as RIBACE™) increased due to an increase in the number of models adopting to the Company's products.

Overseas, sales of products for aftermarket industries increased in the U.S. In China and Asia, sales of variable speed belts for scooters increased as production by motorcycle manufacturers was trending steadily upward.

In addition, overall overseas revenue decreased due to stronger yen, although it increased on a local currency basis.

As a result, revenue decreased by 2.1% to ¥14,626 million compared with the same period of the previous fiscal year. On the other hand, segment profit increased by 4.2% to ¥1,178 million compared with the same period of the previous fiscal year due to cost reduction activities.

Industrial Products

Regarding industrial power transmission belts, sales of power transmission belts for industrial machinery decreased in Japan. Overseas, sales of power transmission belts for industrial machinery increased in the U.S. and Europe, sales of power transmission belts for agricultural machinery increased in China. Sales of power transmission belts for agricultural machinery decreased in Asia.

For conveyor belts, although sales of light-duty conveyor belts (such as SUNLINE™ belt) increased in Japan, sales of heavy-duty conveyor belts decreased.

As a result, revenue decreased by 1.7% to ¥9,495 million compared with the same period of the previous fiscal year. On the other hand, segment profit increased by 5.3% to ¥706 million compared with the same period of the previous fiscal year due to changes in sales mix.

Advanced Elastomer Products

Regarding films products, sales of films for construction materials and decorative display films increased.

For precision parts, sales of precision belts and cleaning blades decreased, although sales of high-performance rollers increased.

As a result, revenue increased by 0.9% to ¥3,595 million and segment profit increased by 86.1% to ¥78 million compared with the same period of the previous fiscal year.

Other

Other segment includes the robotics-related devices, electronic products, and medical equipment businesses. Revenue increased by 18.2% to ¥1,553 million and segment profit decreased by 91.0% to ¥7 million compared with the same period of the previous fiscal year.

The above revenue and profit by segment were the amount before the elimination of intersegment transactions.

(2) Explanation of Financial Position

Total assets as of June 30, 2025 decreased by ¥3,817 million to ¥116,876 million compared with the end of the previous fiscal year. The main reason was a decrease in cash and cash equivalents, other financial assets, and investment accounted for using equity method.

Total liabilities decreased by ¥4,356 million to ¥33,835 million compared with the end of the previous fiscal year. The main reason was a decrease in borrowings.

Total equity increased by ¥539 million to ¥83,040 million compared with the end of the previous fiscal year. The main reason was an increase in retained earnings while the Company acquired treasury shares.

As a result, the ratio of equity attributable to owners of parent to total assets was 70.9%, compared with 68.0% at the end of the previous fiscal year.

(3) Explanation of Cash Flows

Cash and cash equivalents as of June 30, 2025 decreased by ¥2,374 million to ¥15,341 million compared with the beginning of the fiscal year. The summary of cash flows and major factors were as follows:

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥2,121 million to ¥5,307 million compared with the same period of the previous fiscal year. The main reason was an increase in income from operations after adjustments for non-cash items from profit before tax.

(Cash flows from investing activities)

Net cash used in investing activities decreased by ¥888 million to ¥323 million compared with the same period of the previous fiscal year. The main reason was proceeds from withdrawals of term deposits exceeded payments into term deposits.

(Cash flows from financing activities)

Net cash used in financing activities increased by ¥2,573 million to ¥7,194 million compared with the same period of the previous fiscal year. The main reason was an increase in repayments of borrowings.

(4) Explanation of Consolidated Financial Results Forecast

No change from the consolidated financial results forecast for the fiscal year ending March 31, 2026, announced on May 15, 2025.

2. Condensed Quarterly Consolidated Financial Statements and Significant Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	17,715	15,341
Trade and other receivables	22,978	23,779
Inventories	19,530	19,283
Income taxes receivable	380	71
Other financial assets	1,530	706
Other current assets	1,259	1,173
Total current assets	63,396	60,354
Non-current assets		
Property, plant and equipment	30,532	30,447
Goodwill	1,175	1,179
Intangible assets	2,748	2,662
Investments accounted for using equity method	11,590	11,113
Other financial assets	10,318	10,204
Deferred tax assets	647	652
Other non-current assets	283	260
Total non-current assets	57,297	56,521
Total assets	120,693	116,876

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	18,098	17,708
Borrowings	5,350	450
Income taxes payable	764	966
Other financial liabilities	1,064	1,142
Provisions	1	1
Other current liabilities	6,013	7,066
Total current liabilities	31,292	27,335
Non-current liabilities		
Borrowings	1,787	1,675
Retirement benefit liability	880	887
Other financial liabilities	1,649	1,837
Deferred tax liabilities	1,895	1,512
Other non-current liabilities	686	588
Total non-current liabilities	6,899	6,499
Total liabilities	38,191	33,835
Equity		
Share capital	10,951	10,951
Capital surplus	2,921	2,922
Retained earnings	59,418	60,482
Treasury shares	(3,678)	(3,953)
Other components of equity	12,519	12,409
Total equity attributable to owners of parent	82,131	82,813
Non-controlling interests	369	227
Total equity	82,501	83,040
Liabilities and equity	120,693	116,876

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income
(Condensed Quarterly Consolidated Statement of Income)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Revenue	29,344	29,092
Cost of sales	21,101	20,666
Gross profit	8,243	8,426
Selling, general and administrative expenses	6,282	6,407
Other income	51	1,594
Other expenses	107	77
Share of profit of investments accounted for using equity method	388	281
Operating profit	2,292	3,818
Finance income	627	223
Finance costs	62	405
Profit before tax	2,857	3,636
Income tax expenses	910	973
Profit	1,947	2,662
Profit attributable to		
Owners of parent	1,932	2,652
Non-controlling interests	14	10
Profit	1,947	2,662
Earnings per share		
Basic earnings per share (Yen)	45.10	63.54

(Condensed Quarterly Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	1,947	2,662
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	469	(58)
Share of other comprehensive income of investments accounted for using equity method	(5)	(0)
Total	464	(58)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,844	(172)
Share of other comprehensive income of investments accounted for using equity method	366	107
Total	2,211	(65)
Total other comprehensive income	2,675	(124)
Comprehensive income	4,622	2,538
Comprehensive income attributable to		
Owners of parent	4,584	2,542
Non-controlling interests	38	(4)
Comprehensive income	4,622	2,538

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other component s of equity	Total equity attributable to owners of parent		
Balance as of April 1, 2024	10,951	2,936	61,039	(1,692)	11,927	85,163	347	85,511
Profit			1,932			1,932	14	1,947
Other comprehensive income					2,652	2,652	23	2,675
Total comprehensive income	—	—	1,932	—	2,652	4,584	38	4,622
Dividends of surplus			(1,630)			(1,630)	(21)	(1,651)
Purchase of treasury shares				(274)		(274)		(274)
Disposal of treasury shares		0		7		7		7
Share-based payment transactions		11				11		11
Total transactions with the owners	—	11	(1,630)	(267)	—	(1,885)	(21)	(1,906)
Balance as of June 30, 2024	10,951	2,947	61,342	(1,959)	14,579	87,862	364	88,226

Three months ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other component s of equity	Total equity attributable to owners of parent		
Balance as of April 1, 2025	10,951	2,921	59,418	(3,678)	12,519	82,131	369	82,501
Profit			2,652			2,652	10	2,662
Other comprehensive income					(109)	(109)	(14)	(124)
Total comprehensive income	—	—	2,652	—	(109)	2,542	(4)	2,538
Dividends of surplus			(1,588)			(1,588)	(137)	(1,725)
Purchase of treasury shares				(289)		(289)		(289)
Disposal of treasury shares		2		15		17		17
Share-based payment transactions		(1)				(1)		(1)
Total transactions with the owners	—	1	(1,588)	(274)	—	(1,861)	(137)	(1,999)
Balance as of June 30, 2025	10,951	2,922	60,482	(3,953)	12,409	82,813	227	83,040

(4) Condensed Quarterly Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before tax	2,857	3,636
Depreciation and amortization	1,534	1,314
Interest and dividend income	(185)	(208)
Interest expenses	23	27
Foreign exchange loss (gain)	(368)	233
Share of loss (profit) of investments accounted for using equity method	(388)	(281)
Loss (gain) on sale and retirement of fixed assets	12	12
Decrease (increase) in inventories	844	197
Decrease (increase) in trade and other receivables	(1,260)	(827)
Increase (decrease) in trade and other payables	(730)	(78)
Increase (decrease) in retirement benefit liability	22	16
Increase (decrease) in provisions	(0)	(0)
Increase (decrease) in other current liabilities	807	1,017
Increase (decrease) in other non-current liabilities	(111)	(100)
Other	62	231
Subtotal	3,119	5,191
Interest and dividends received	1,414	970
Interest paid	(23)	(28)
Income taxes paid	(1,324)	(826)
Net cash provided by (used in) operating activities	3,186	5,307
Cash flows from investing activities		
Payments into time deposits	(569)	(498)
Proceeds from withdrawal of time deposits	542	1,335
Purchase of property, plant and equipment	(1,117)	(1,160)
Proceeds from sale of property, plant and equipment	1	15
Purchase of intangible assets	(76)	(51)
Other	7	36
Net cash provided by (used in) investing activities	(1,212)	(323)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,000)	(4,900)
Repayments of long-term borrowings	(412)	(112)
Repayments of lease liabilities	(304)	(303)
Purchase of treasury shares	(274)	(289)
Dividends paid to owners of parent	(1,630)	(1,588)
Net cash provided by (used in) financing activities	(4,621)	(7,194)
Effect of exchange rate changes on cash and cash equivalents	438	(163)
Net increase (decrease) in cash and cash equivalents	(2,208)	(2,374)
Cash and cash equivalents at beginning of period	17,935	17,715
Cash and cash equivalents at end of period	15,727	15,341

(5) Notes to the Condensed Quarterly Consolidated Financial Statements
(Going Concern Assumption)
None

(Segment Information)

(1) Summary of reportable segments

The reportable segments are components of the Company for which separate financial information is available and whose operating results are reviewed by the Board of Directors to allocate resources and assess segment performance.

The Group comprises operating divisions based on products and services, and each operating division develops a comprehensive strategy for respective products and services for domestic and overseas markets and conducts business activities.

Therefore, the Group's business consists of three reportable segments categorized by products and services based on operating division of the parent company: "Automotive Parts Business," "Industrial Products Business," and "Advanced Elastomer Products Business."

The main products by reportable segment are as follows:

Segment name	Main products
Automotive Parts Business	Automotive power transmission belt products (accessory drive power transmission belts and system goods), power transmission belt products for motorcycles (variable speed belts for scooters), etc.
Industrial Products Business	Industrial power transmission belt products (Industrial machinery V-belts, synchronous belts, pulleys, etc.), other power transmission products, conveyor belts (heavy-duty conveyor belts, light-duty conveyor belts, synchronous conveyance belts, etc.), conveyor system goods, rice hulling rolls, etc.
Advanced Elastomer Products Business	Cleaning blades, high-performance rollers, precision belts, polyurethane functional parts, precision polishing materials, films for construction materials, medical films, decorative display films, industrial films, etc.

(2) Information on revenue, profit or loss, and other items by reportable segments

Intersegment revenue is based on market prices.

Revenue, profit or loss, and other items by reportable segments are as follows:

Three months ended June 30, 2024

(Millions of yen)

	Reportable Segment				Other (Note 1)	Adjustments (Note 2)	Consolidated (Note 3)
	Automotive Parts	Industrial Products	Advanced Elastomer Products	Total			
Revenue							
Revenue from external customers	14,946	9,659	3,564	28,170	1,173	—	29,344
Intersegment revenue	—	1	0	1	140	(142)	—
Total	14,946	9,661	3,564	28,171	1,314	(142)	29,344
Segment profit (loss) (Core operating profit (loss))	1,130	671	42	1,844	82	33	1,960
Other income	—	—	—	—	—	—	51
Other expenses	—	—	—	—	—	—	107
Share of profit of investments accounted for using equity method	—	—	—	—	—	—	388
Operating profit	—	—	—	—	—	—	2,292
Finance income	—	—	—	—	—	—	627
Finance costs	—	—	—	—	—	—	62
Profit before tax	—	—	—	—	—	—	2,857

Notes:

1. The Other segment comprises businesses not included in any reportable segments. It includes the medical equipment and robotics-related devices businesses.
2. Adjustments of segment profit (loss) of ¥33 million include the elimination of intersegment transactions of ¥ (15) million and corporate expenses of ¥49 million. Corporate expenses are differences between the estimated allocation of general administrative expenses and research and development expenses to each reportable segment and the actual amount incurred.
3. The Group uses core operating profit, calculated as revenue subtracted by cost of sales and selling, general and administrative expenses, as a key indicator for business management. Segment profit (loss) is based on core operating profit.

Three months ended June 30, 2025

(Millions of yen)

	Reportable Segment				Other (Note 1)	Adjustments (Note 2)	Consolidated (Note 3)
	Automotive Parts	Industrial Products	Advanced Elastomer Products	Total			
Revenue							
Revenue from external customers	14,626	9,495	3,593	27,715	1,376	—	29,092
Intersegment revenue	—	—	1	1	176	(178)	—
Total	14,626	9,495	3,595	27,717	1,553	(178)	29,092
Segment profit (loss) (Core operating profit (loss))	1,178	706	78	1,964	7	47	2,018
Other income	—	—	—	—	—	—	1,594
Other expenses	—	—	—	—	—	—	77
Share of profit of investments accounted for using equity method	—	—	—	—	—	—	281
Operating profit	—	—	—	—	—	—	3,818
Finance income	—	—	—	—	—	—	223
Finance costs	—	—	—	—	—	—	405
Profit before tax	—	—	—	—	—	—	3,636

Notes:

1. The Other segment comprises businesses not included in any reportable segments. It includes the medical equipment and robotics-related devices businesses.
2. Adjustments of segment profit (loss) of ¥47 million include the elimination of intersegment transactions of ¥9 million and corporate expenses of ¥38 million. Corporate expenses are differences between the estimated allocation of general administrative expenses and research and development expenses to each reportable segment and the actual amount incurred.
3. The Group uses core operating profit, calculated as revenue subtracted by cost of sales and selling, general and administrative expenses, as a key indicator for business management. Segment profit (loss) is based on core operating profit.