2Q FY2026 Financial Results Briefing Materials
Fiscal Year Ending March 31, 2027

Securities Code2004

Showa Sangyo Co., Ltd.

November 9,2026

Agenda

01 Overview of 2Q FY2026 Financial Results

02 Reference Materials

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01 Overview of 2Q FY2026 Financial Results

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2Q FY2026 Financial Performance Highlights

Net Sales: ¥177.8 billion (YoY +6.7%)

Operating Profit: ¥5.1 billion (YoY −14.3%)

Key Point 1:

Net sales increased despite a slight year-on-year decline in sales volume, driven by selling price revisions in response to rising costs and the impact of changes in the fiscal year-end of certain subsidiaries.

Key Point 2:

Operating profit decreased due to higher depreciation expenses and increases in packaging and logistics costs that exceeded selling price revisions.

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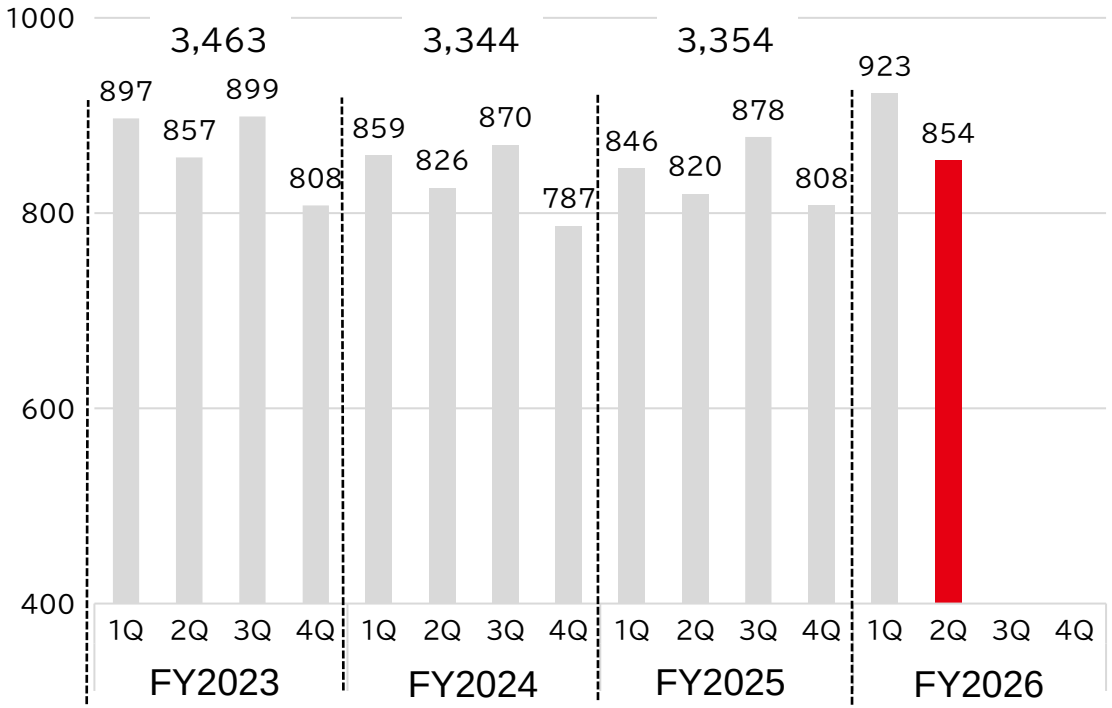
2Q FY2026 Financial Highlights

- Net sales increased due to selling price revisions and the impact of changes in the fiscal year-end of certain subsidiaries.
- Operating profit decreased due to higher depreciation expenses and rising costs, including packaging costs.

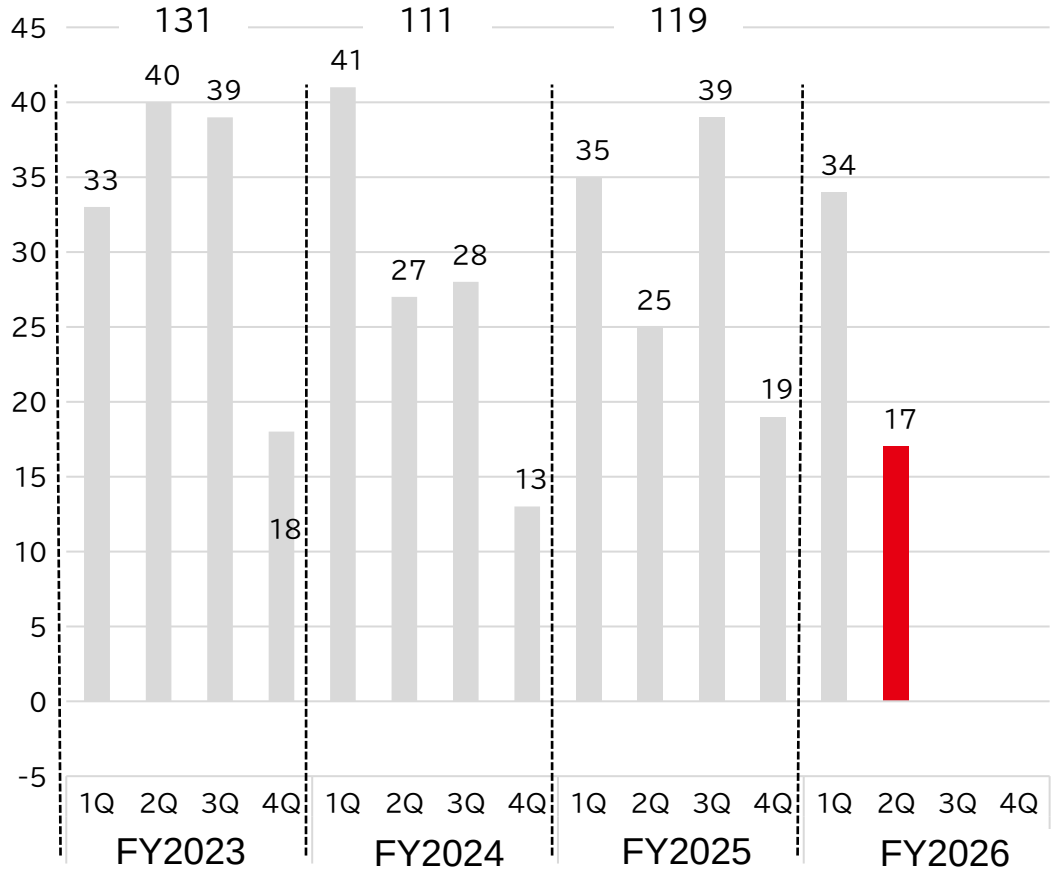
Net Sales ¥ 177.8 billion

Operating Profit ¥ 5.1billion

(¥100 million)



(¥100 million)

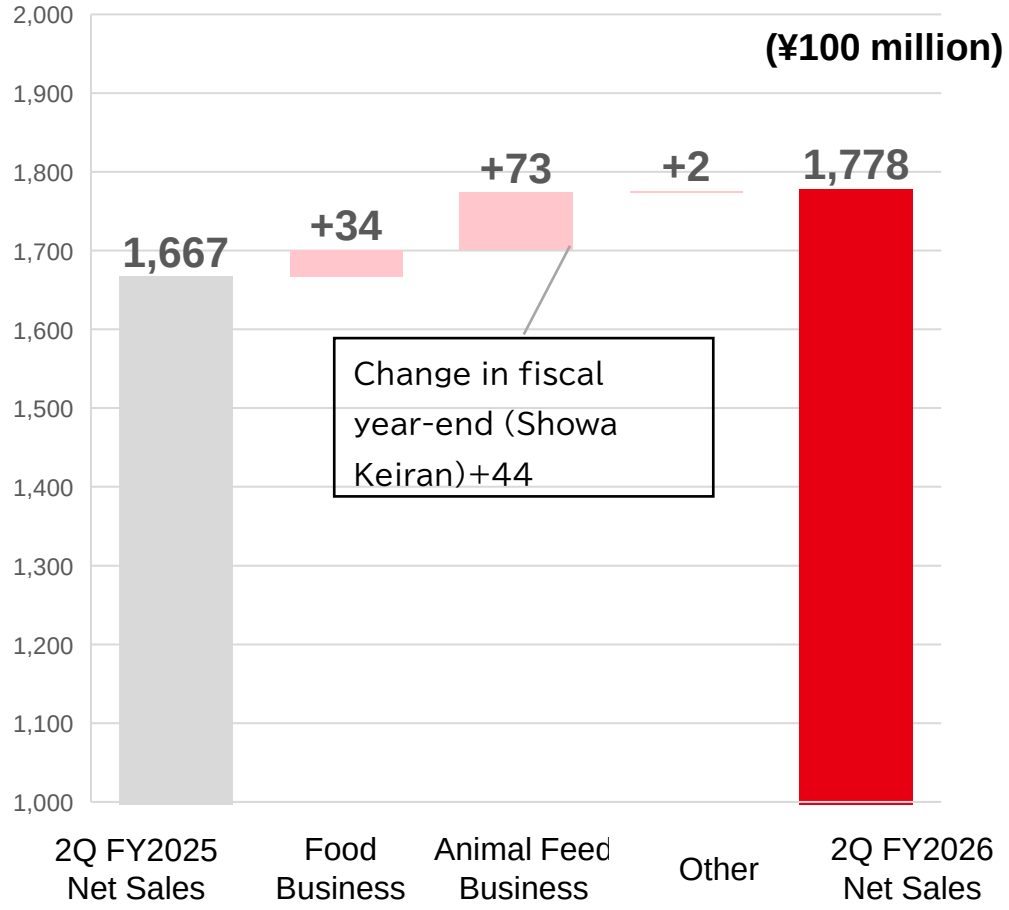


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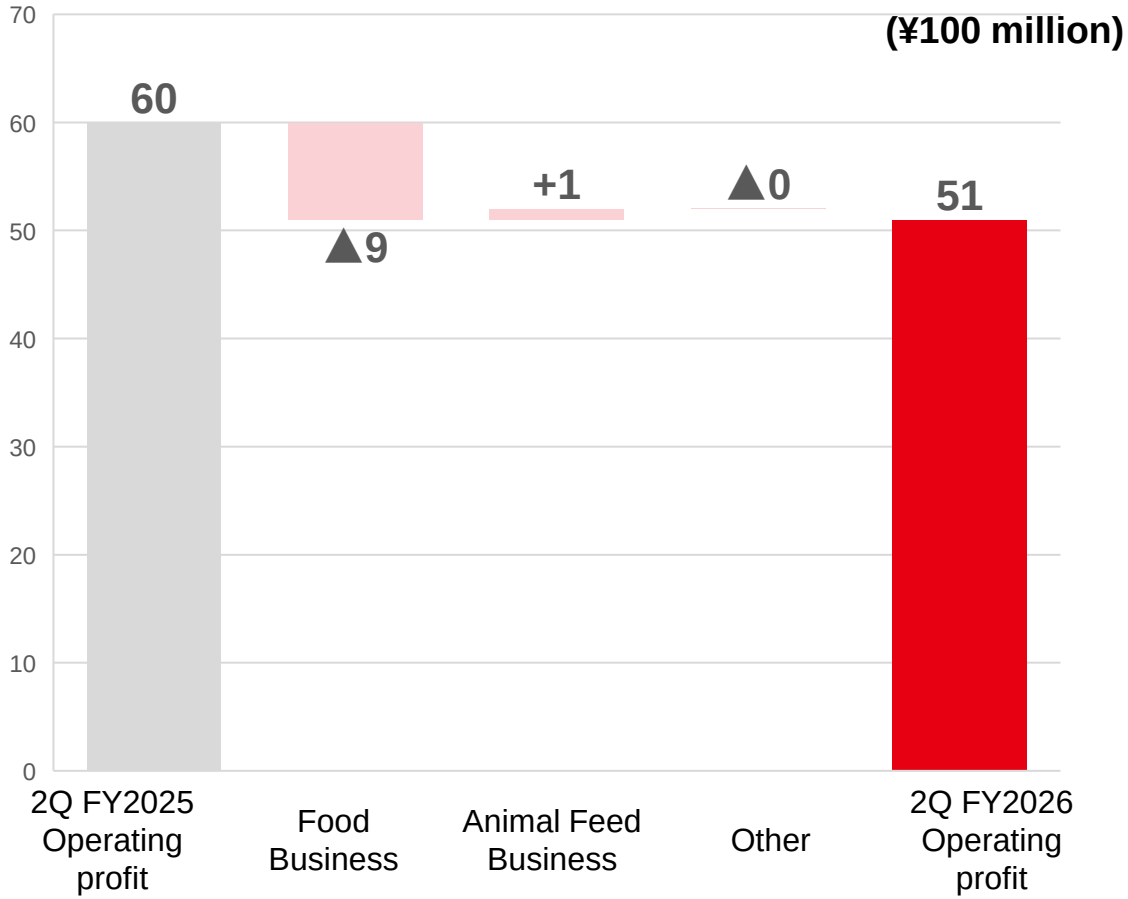
2Q FY2026 Financial Highlights

•Of the ¥11.1 billion year-on-year increase in net sales, ¥4.6 billion was attributable to changes in the fiscal year-end of certain subsidiaries.
•The ¥0.9 billion year-on-year decrease in operating profit was mainly attributable to the Food Business.

Net Sales ¥ 177.8 billion



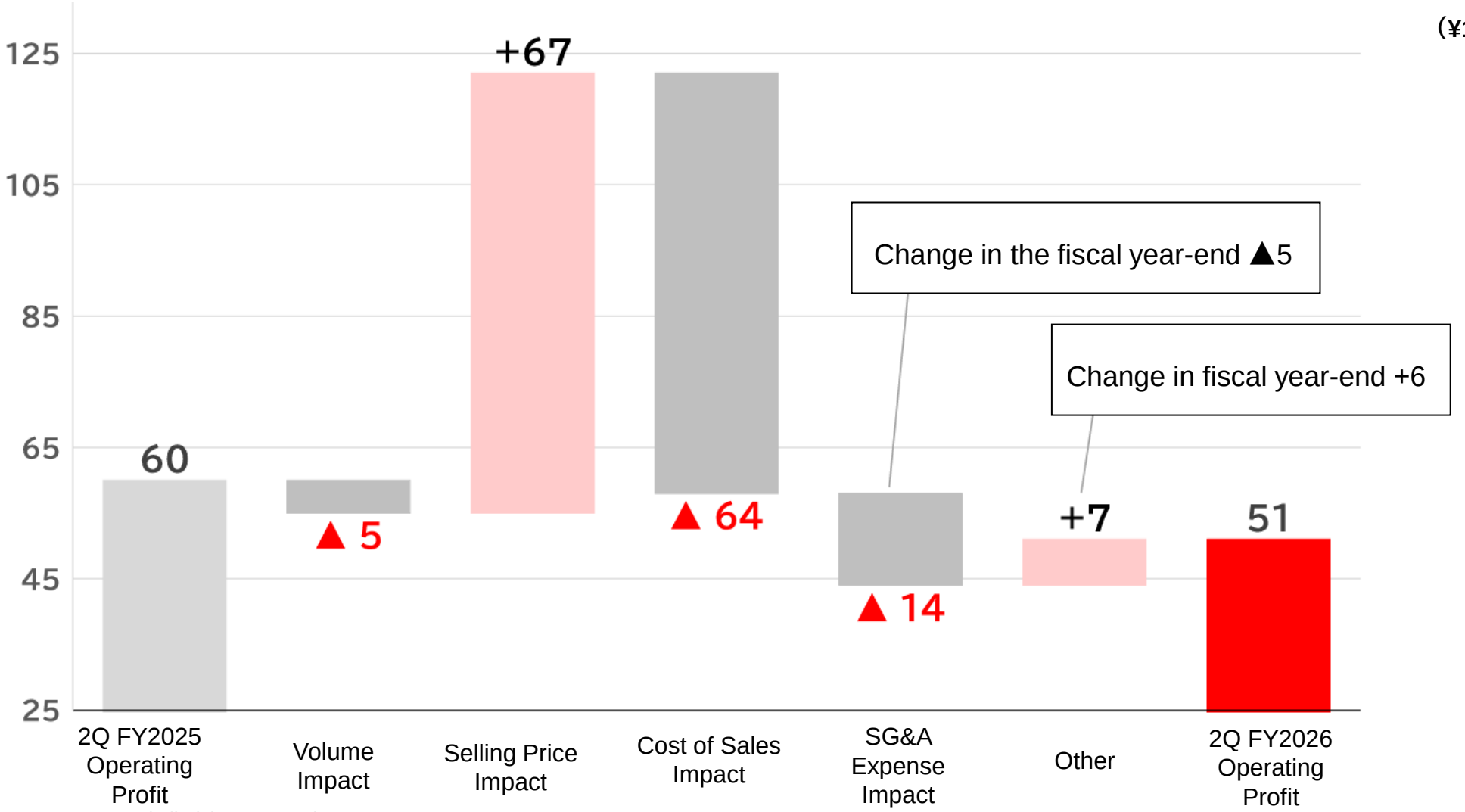
Operating Profit ¥ 5.1billion



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2Q FY2026 Factors Affecting Operating Profit

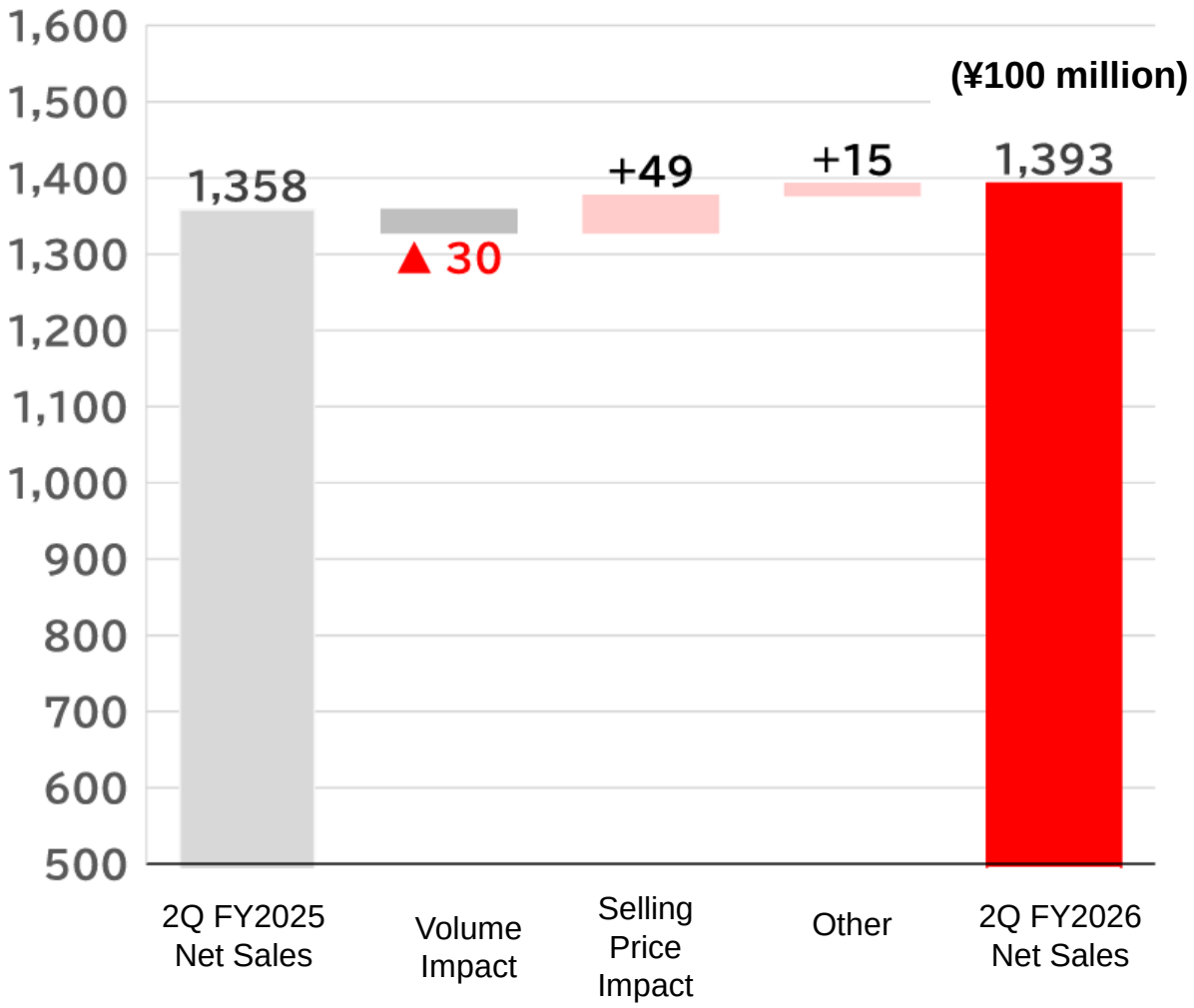
Operating Profit 2Q FY2026 ¥5.1 billion YoY change ▲0.9 billion



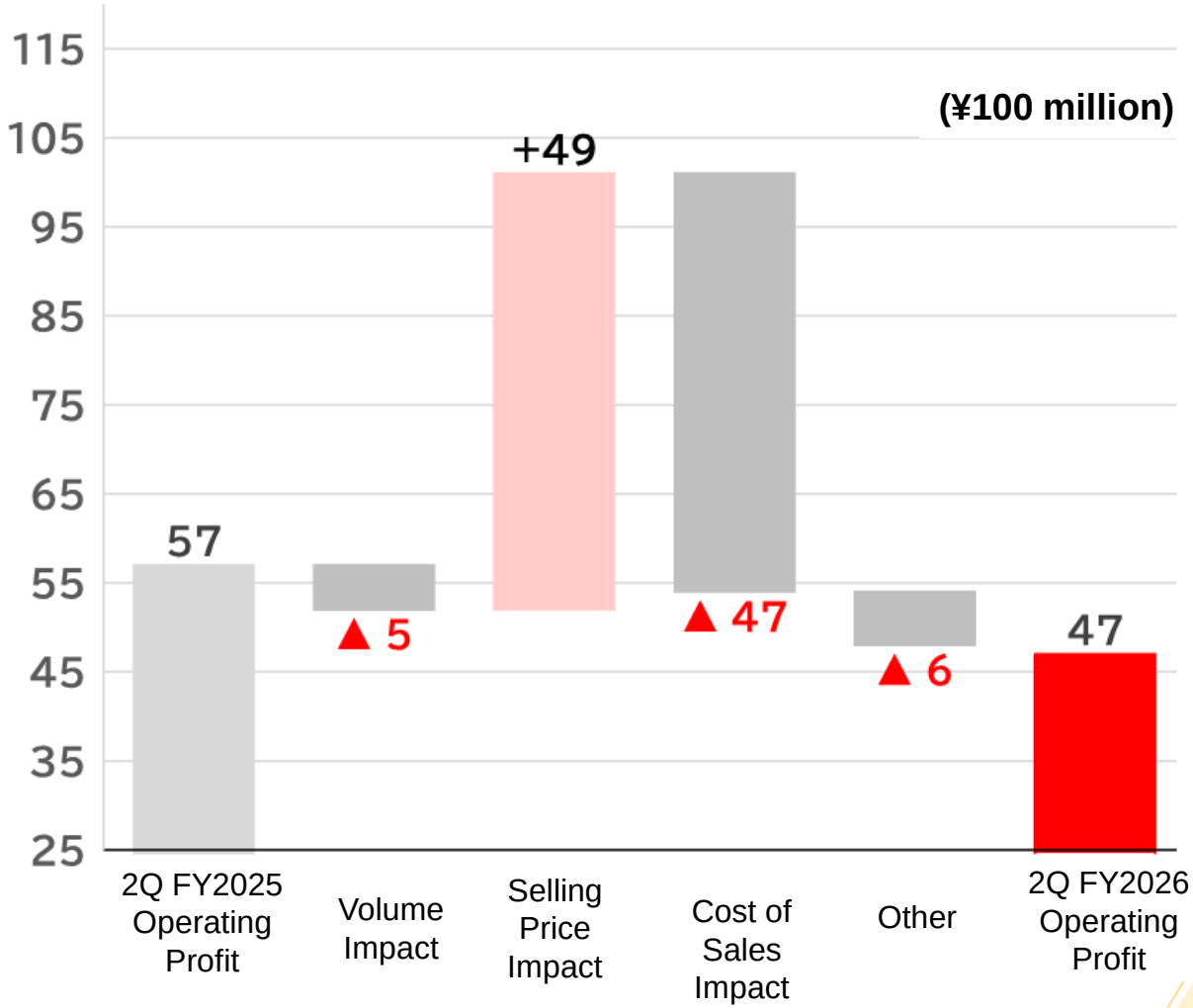
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Food Business: 2Q FY2026 Factors Affecting Changes in Net Sales and Operating Profit

Net Sales ¥ 139.3 billion



Operating Profit ¥ 4.7billion

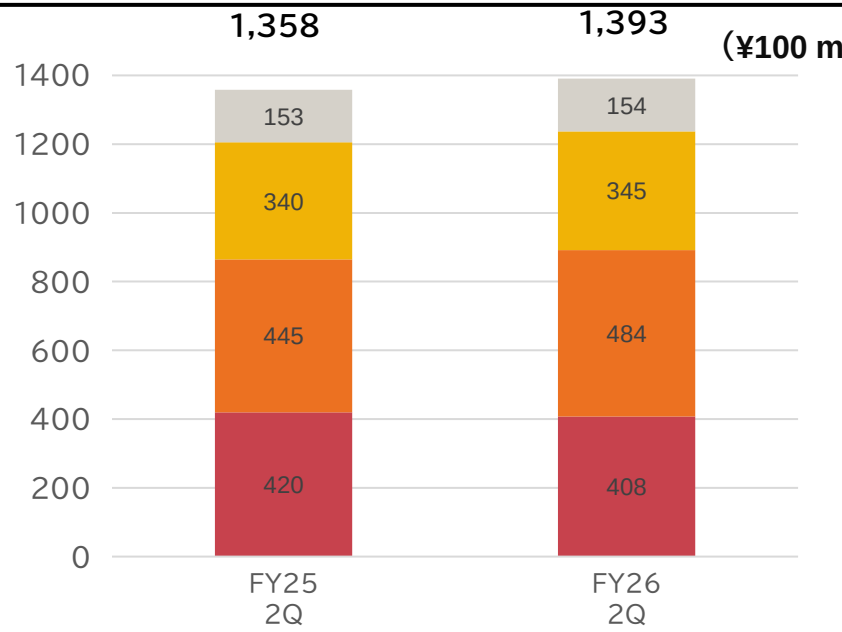


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2Q FY2026 Food Business Net Sales and Operating Profit

Food Business Net Sales

2Q FY2026	¥139.3 billion
YoY change	¥3.4 billion
YoY change (%)	2.5%

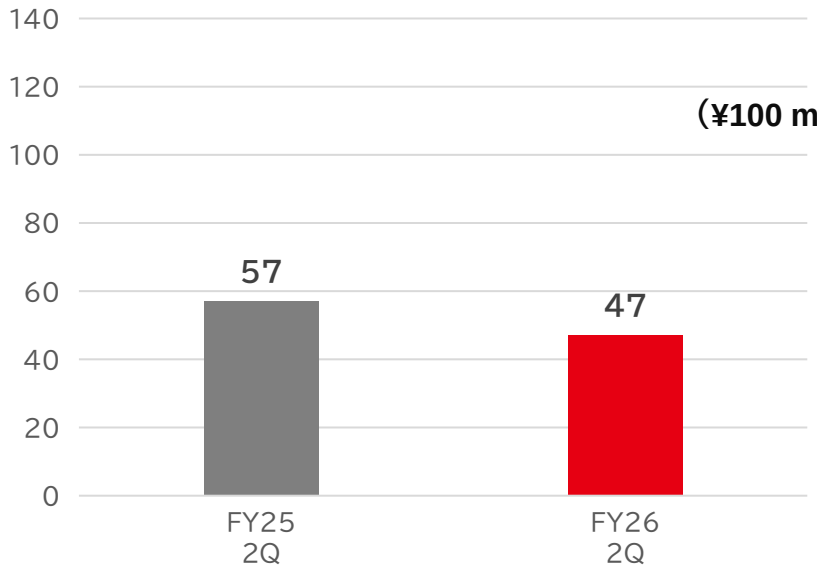


Net Sales	2Q FY2025	2Q FY2026	YoY change	YoY change(%)
Flour Milling	420	408	▲11	▲2.7%
Vegetable Oil	445	484	39	8.9%
Starches and sweeteners	340	345	5	1.5%
Other Food Products	153	154	1	0.7%
Food Business Total	**1,358**	**1,393**	34	2.5%

* Baked bread: Flour Milling Category → Other Food Category
  Frozen food: Vegetable Oils Category → Other Food Category
* Comparative information has been prepared based on the revised classifications.
  The segment classifications themselves remain unchanged.

Food Business Operating Profit

2Q FY2026	¥4.7 billion
YoY change	▲¥0.9 billion
YoY change (%)	▲17.3%

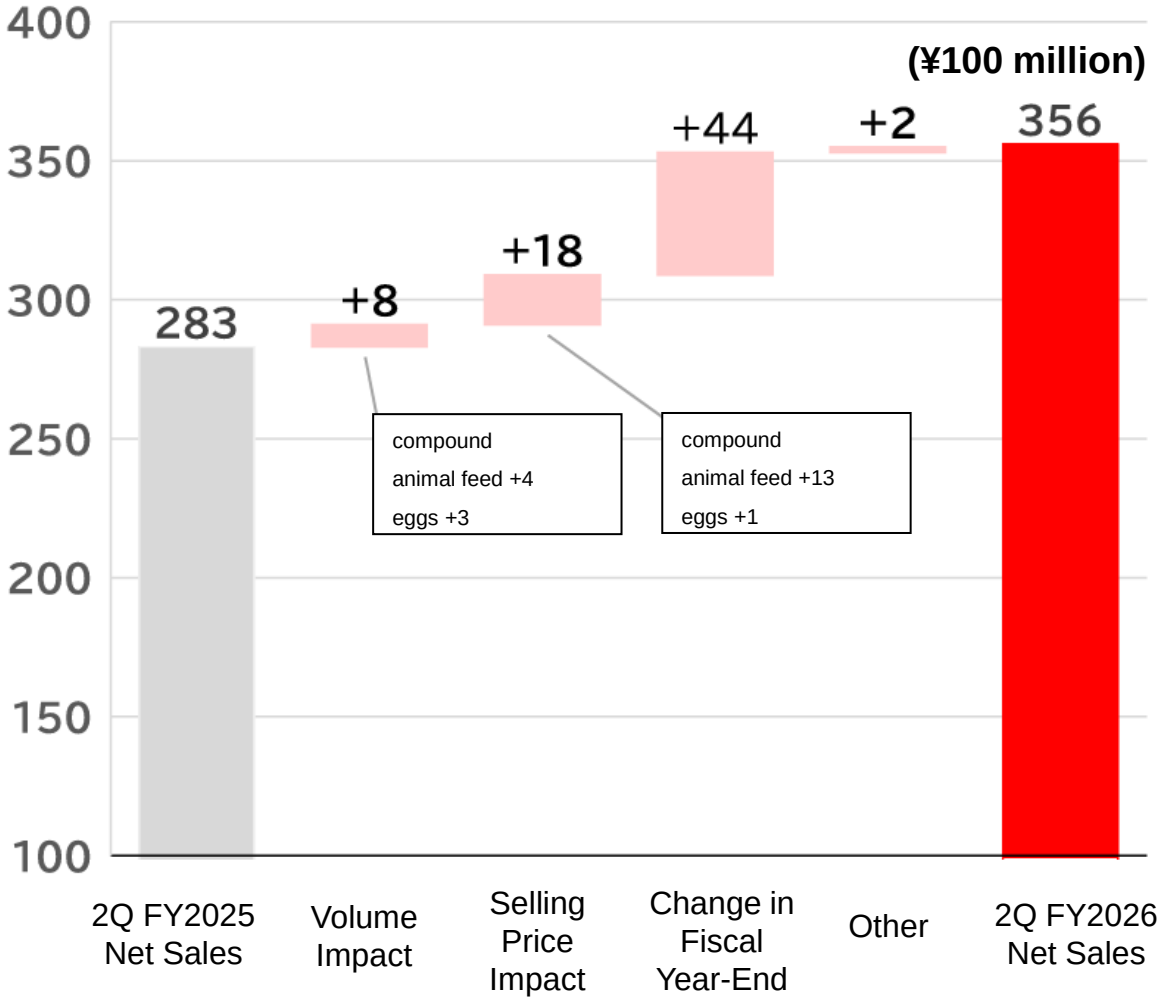


Operating profit	2Q FY2025	2Q FY2026	YoY change	YoY change(%)
Food Business	57	47	▲9	▲17.3%

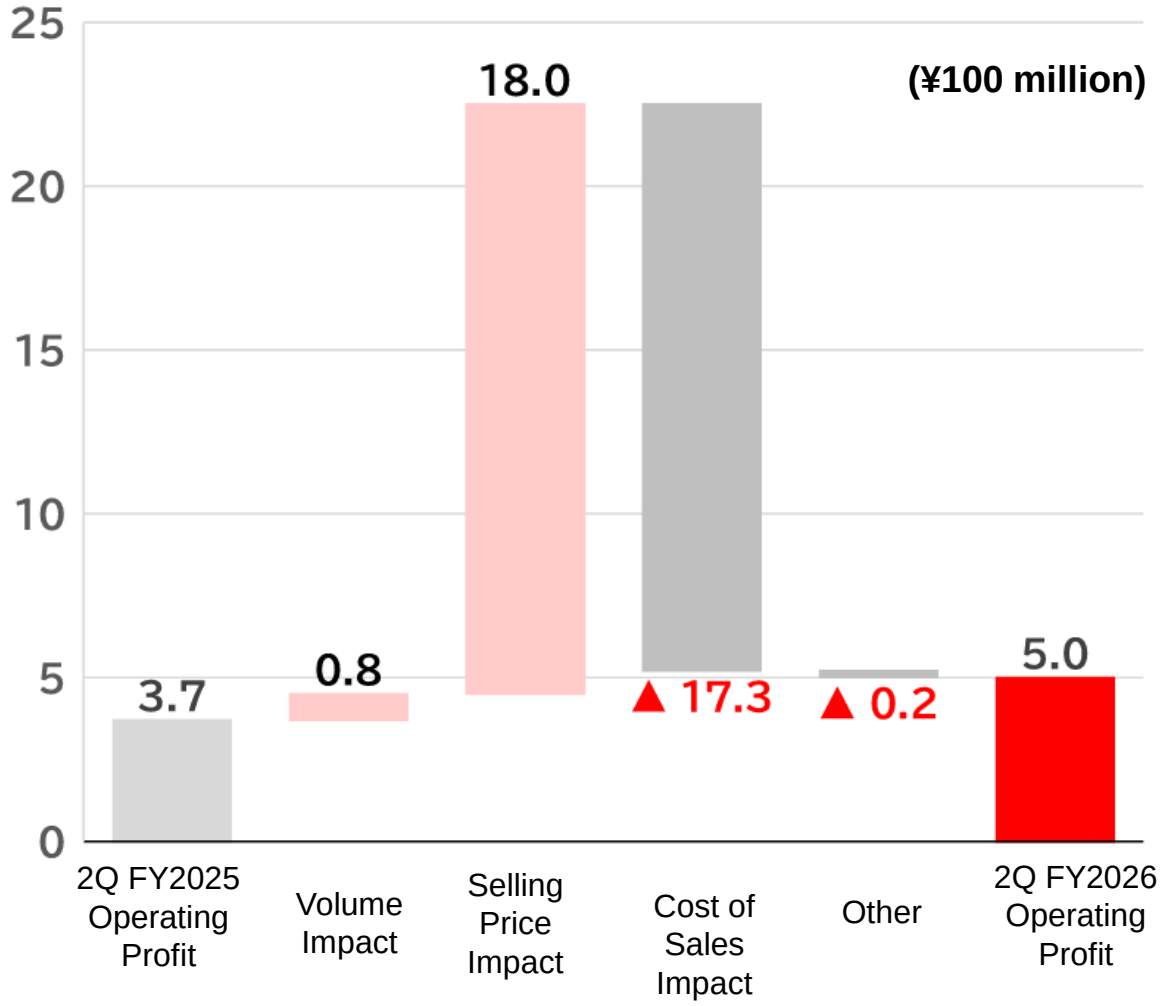
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Animal Feed Business: 2Q FY2026
Factors Affecting Changes in Net Sales and Operating Profit

Net Sales ¥ 35.6 billion



Operating Profit ¥ 0.5billion

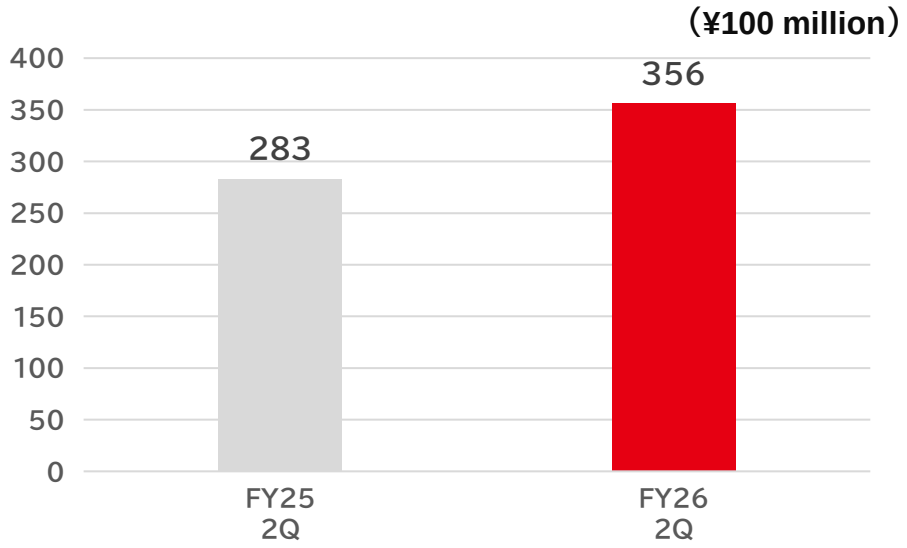


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2Q FY2026 Animal Feed Business Net Sales and Operating Profit

Animal Feed Business Net Sales

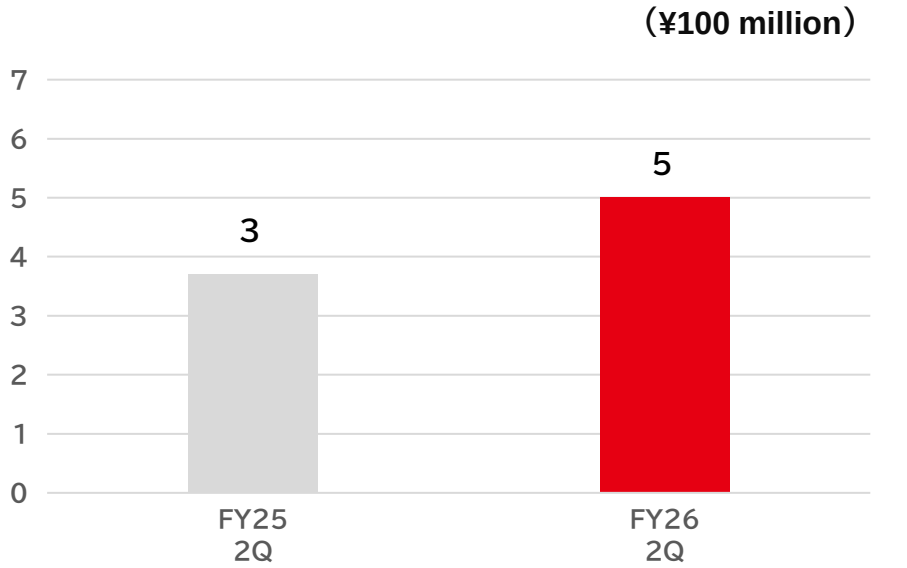
2Q FY2026	¥35.6 billion
YoY change	¥7.3 billion
YoY change (%)	26.0%



Net Sales	2Q FY2025	2Q FY2026	YoY change	YoY change(%)
Animal Feed Business	283	356	73	26.0%

Animal Feed Business Operation Profit

2Q FY2026	¥0.5 billion
YoY change	¥0.13 billion
YoY change (%)	36.1%



Operating profit	2Q FY2025	2Q FY2026	YoY change	YoY change(%)
Animal Feed Business	3	5	1	36.1%

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Consolidated Balance Sheets

(¥100 million)

Item	As of March 31, 2026	As of September 30, 2026	Change
Total assets	2,749	2,828	78
Current assets	1,150	1,157	6
Non-current assets	1,599	1,671	72
Total liabilities	1,223	1,233	10
Interest-bearing liabilities (Including lease obligations)	510	570	59
Other liabilities	713	663	▲49
Total net assets	1,526	1,594	68

<Key Factors>

- Assets
  (＋)Increase in investment securities +71

- Liabilities
  (＋)Increase in interest-bearing liabilities +59
  (－)Decrease in payables for property, plant and equipment ▲55

- Net Assets
  (＋)Profit attributable to owners of parent +42
  (＋)Increase in valuation difference on available-for-sale securities +47
  (－)Payment of dividends ▲21

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Cost Factors Affecting Cost

■ Cost environment [Raw materials, exchange rates, energy]

		FY2025				FY2026		FY2026 Assumptions
		1Q results	2Q results	3Q results	4Q results	1Q results	2Q results	
Wheat	yen/t*1	66,610	63,570	63,570	61,010	61, 010	62, 520	61,840
Soybean	¢/Bu*2	1,024	1,036	1,020	1,083	1, 155	1,172	1,062
Rapeseed	C$/MT*3	634	703	632	625	703	760	682
Corn	¢/Bu*4	471	428	406	434	445	440	450
Sea freight	US$/t*5	45.8	51.6	57.3	52.4	67.2	73.4	50.0
Exchange rate	Yen/US$*6	148.40	145.38	149.07	155.99	157.84	160.72	157.00
LNG	yen/kg*7	91.5	85.7	82.9	85.9	87.3	100.4	80.2

*1: Average price of five brands three months prior to the relevant period
*2: Average Chicago market price two months prior to the relevant period
*3: Average ICE market price two months prior to the relevant period
*4: Average Chicago market price two months prior to the relevant period
*5: Average Panamax vessel of U.S. Gulf-Japan (based on corn)
*6: TTM average two months prior to the relevant period
*7: Average unit price calculated from value and quantity of imported goods in the country of origin based on the actual monthly preliminary figures of Trade Statistics of Japan disclosed two months prior to the relevant period

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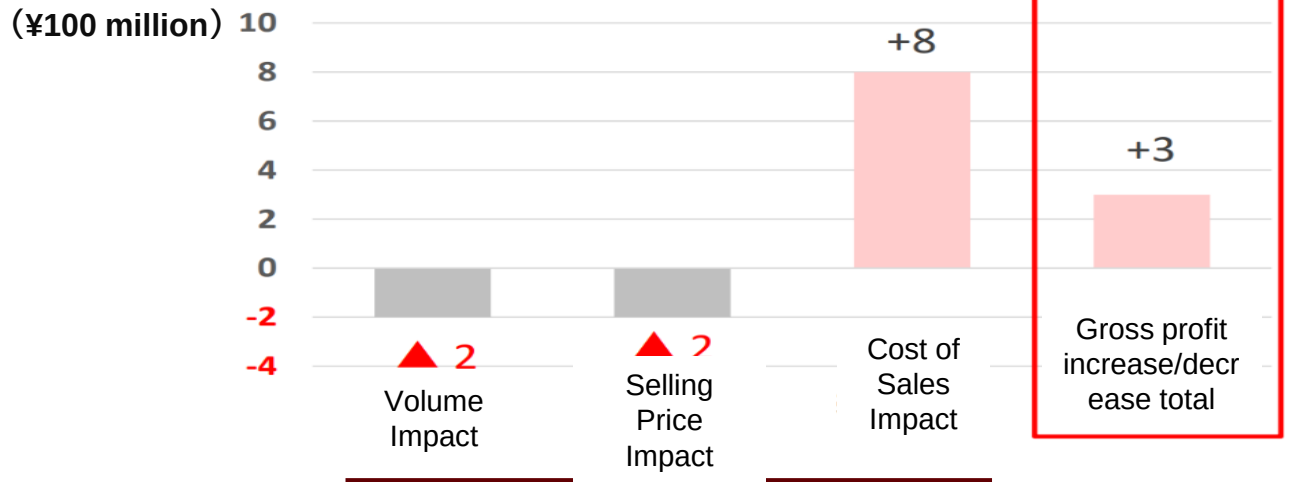
02 Reference Materials

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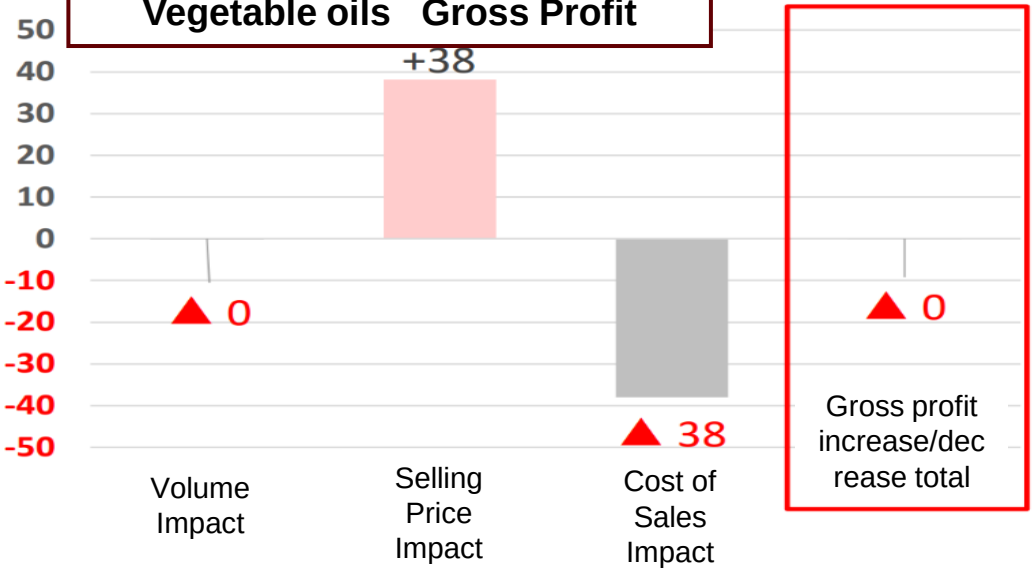
2Q FY2026 Factors Affecting Operating Profit by Food Business Category

Food Business Operating Profit 2Q FY2026 ¥4.7 billion YoY Change ▲¥0.9 billion

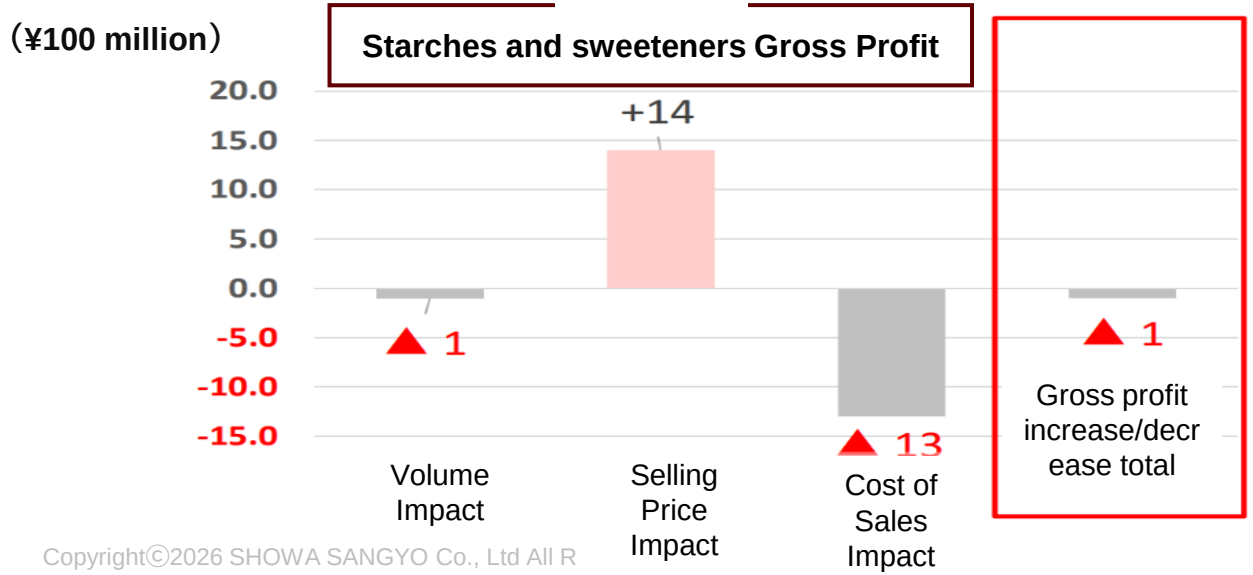
Flour Milling Gross Profit



Vegetable oils Gross Profit



Starches and sweeteners Gross Profit



Gross profit increase/decrease total (Other food) **▲¥0.4 billion**

Gross profit increase/decrease total (3 categories + Other food) **▲¥0.2 billion**

Difference in SG&A expenses, etc. **▲¥0.7 billion**

Difference in operating profit of Food Business **▲¥0.9 billion**

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Change in Quarterly Net Sales and Operating Profit

(millions of yen)		1Q			2Q			3Q			4Q		
		FY25	FY26	Change	FY25	FY26	Change	FY25	FY26	Change	FY25	FY26	Change
Net sales	Food	69,413	71, 091	1,678	66,441	68, 226	1, 784	71,333			64,639		
	Animal feed	13,953	19, 799	5,846	14,375	15, 894	1, 518	15, 332			15,079		
	Other	1,280	1, 488	208	1,236	1, 301	64	1,154			1,172		
	Total	**84,647**	**92, 379**	**7,732**	**82,054**	**85, 422**	**3, 367**	**87,820**			**80,891**		
Operating profit	Food	3,374	3, 272	▲101	2,360	1, 473	▲886	3,814			1,773		
	Animal feed	136	224	88	234	280	45	284			349		
	Other	379	323	▲56	362	383	21	317			329		
	Company-wide expenses, etc.	▲355	▲339	15	▲437	▲426	11	▲464			▲517		
	Total	**3,534**	**3,479**	**▲54**	**2,520**	**1, 711**	**▲808**	**3,951**			**1, 935**		

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Change in Quarterly Net Sales (by Food Business Category)

(millions of yen)

		1Q			2Q			3Q			4Q		
		FY25	FY26	Change	FY25	FY26	Change	FY25	FY26	Change	FY25	FY26	Change
Net sales	Flour milling	21,481	20, 539	▲942	20,527	20,344	▲182						
	Vegetable oils	22,507	24, 600	2,092	21,995	23,872	1,876						
	Starches and sweeteners	17,228	17, 552	324	16,774	16,964	189						
	Other	8,196	8,399	203	7,143	7,044	▲98						
	Total	**69,413**	**71,091**	**1,678**	**66, 443**	**68, 226**	**1, 784**						

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Notes regarding forecasts and projections

- The figures included in this material are formulated based on information currently available and certain assumptions judged to be reasonable. As this material contains potential risks and uncertainties, we do not guarantee their achievement or future performance.
- Furthermore, as actual results, etc., may also significantly differ from initial projections and plans mentioned in this material, you should refrain from making investment decisions based solely on this material.
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