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October 27, 2025

Non-consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Nippon Pallet Pool Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4690
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 Scheduled date to file semi-annual securities report:
 Scheduled date to commence dividend payments:
 Preparation of supplementary material on financial results:
 Holding of financial results briefing:

November 10, 2025

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None

Yes (for analysts)

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

1. Non-consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	3,493	-0.2	199	-3.4	233	-14.8	152	-15.7
September 30, 2024	3,500	-7.3	206	-51.4	273	-41.4	180	-56.6

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	96.09	—
September 30, 2024	107.17	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	10,075	6,559	65.1
March 31, 2025	10,156	6,459	63.6

Reference: Equity

As of September 30, 2025: ¥6,559 million

As of March 31, 2025: ¥6,459 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, 2025	—	0.00	—	59.00	59.00
Fiscal year ending March 31, 2026	—	0.00			
Fiscal year ending March 31, 2026 (Forecast)			—	56.00	56.00

Note: Revisions to the dividend forecast most recently announced: Yes

3. Forecast of non-consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,065	1.9	404	9.5	457	-3.0	292	-5.5	185.10

Note: Revisions to the forecast of financial results most recently announced: Yes

Notes

- (1) Adoption of accounting treatment specific to the preparation of semi-annual non-consolidated financial statements: None
- (2) 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

(3) Number of issued shares (common shares)

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

As of September 30, 2025	1,620,000 shares
As of March 31, 2025	1,620,000 shares

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

As of September 30, 2025	37,335 shares
As of March 31, 2025	37,289 shares

- (iii) Average number of shares outstanding during the period

Six months ended September 30, 2025	1,582,689 shares
Six months ended September 30, 2024	1,682,711 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

- The forward-looking statements, including financial results forecasts, contained in this material are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts. For the conditions underlying the financial results forecasts and important points to note regarding their use, please refer to “1. Qualitative Information on the Semi-annual Financial Results, (3) Explanation of Financial Results Forecast and Other Forward-Looking Information” on page 3 of the attached materials.

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1. Qualitative Information on the Semi-annual Financial Results

(1) Explanation of Operating Results

During the six months ended September 30, 2025, the Japanese economy continued to show a moderate recovery trend, with signs of improvement in personal consumption and capital investment. Although the employment environment showed signs of improvement, prolonged inflation and labor shortages continued to constrain economic activity, while uncertainties in overseas economies and exchange rate fluctuations also affected corporate earnings. Under these circumstances, while the effects of the government's economic measures and monetary policies drew attention, cautious views about the economic outlook remained strong, and overall, the economy exhibited a moderate recovery trend with underlying uncertainty.

In this business environment, rentals to integrated chemical manufacturers, our main customers, increased from the previous year as the trend of declining transaction volume came to a halt. Meanwhile, rentals to other general customers experienced sluggish demand due to the impact of factors such as restrained personal consumption caused by rising prices, and as the total of sales revenue and others also fell below the previous year results, total net sales amounted to ¥3,493 million, a decrease of ¥6 million (0.2%) year on year.

Regarding expenses, transportation costs and depot storage fees for the collection and return of pallets increased due to higher unit prices paid caused by rising labor and fuel prices, etc. Although depreciation decreased as a result of curbing investment in new pallet production and effectively utilizing existing assets, operating expenses amounted to ¥3,294 million, an increase of ¥0 million (0.0%) year on year.

As a result, operating profit was ¥199 million (a decrease of 3.4% year on year), ordinary profit was ¥233 million (a decrease of 14.8% year on year), and profit was ¥152 million (a decrease of 15.7% year on year).

(2) Explanation of Financial Position

(i) Changes in Financial Position

Net assets as of September 30, 2025 were ¥10,075 million, a decrease of ¥80 million compared to the previous fiscal year.

Current assets were ¥1,928 million, a decrease of ¥315 million (14.1%) compared to the end of the previous fiscal year, and non-current assets were ¥8,147 million, an increase of ¥234 million (3.0%) compared to the end of the previous fiscal year.

The main reason for the decrease in current assets was a decrease in cash and deposits.

The main reasons for the increase in non-current assets were increases in assets for rent, investment securities, and own-used assets, despite a decrease in deferred tax assets.

Current liabilities were ¥2,747 million, an increase of ¥65 million (2.5%) compared to the end of the previous fiscal year, and non-current liabilities were ¥767 million, a decrease of ¥247 million (24.4%) compared to the end of the previous fiscal year.

The main reasons for the increase in current liabilities were increases in income taxes payable and accounts payable - trade, despite decreases in accounts payable - other (included in "Other") and the current portion of long-term borrowings.

The main reasons for the decrease in non-current liabilities were decreases in long-term borrowings and long-term accounts payable - other.

Net assets as of September 30, 2025 were ¥6,559 million, an increase of ¥100 million (1.6%) compared to the end of the previous fiscal year. This was due to increases in retained earnings and valuation difference on available-for-sale securities.

(ii) Overview of cash flows

Net cash provided by operating activities came to ¥1,327 million (up 20.1% year on year), mainly due to profit before income taxes of ¥233 million and depreciation of ¥1,034 million.

Net cash used in investing activities came to ¥1,234 million (up 153.1% year on year), mainly due to purchase of property, plant and equipment.

Net cash used in financing activities came to ¥395 million (down 35.1% year on year), mainly due to repayments of long-term borrowings of ¥273 million and repayments of installment payables of ¥128 million.

(3) Explanation of Financial Results Forecast and Other Forward-Looking Information

Based on the progress of recent business performance, we have revised our full-year financial results forecast for the fiscal year ending March 31, 2026, which was originally announced on July 31, 2025.

For details, please refer to the “Notice Regarding Revision of Financial Results Forecast and Year-End Dividend Forecast for the Fiscal Year Ending March 31, 2026,” released on October 27, 2025.

2. Semi-annual Financial Statements and Principal Notes

(1) Semi-annual Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	1,295,569	993,031
Notes receivable - trade	16,859	14,170
Accounts receivable - rental	697,730	705,522
Accounts receivable - trade	138,069	148,791
Other	95,473	66,595
Allowance for doubtful accounts	-101	-103
Total current assets	2,243,600	1,928,007
Non-current assets		
Property, plant and equipment		
Assets for rent		
Equipment for rent, net	6,621,017	6,772,807
Total assets for rent	6,621,017	6,772,807
Own-used assets		
Buildings, net	279,553	270,059
Land	263,439	263,439
Other, net	204,784	264,011
Total own-used assets	747,777	797,510
Total property, plant and equipment	7,368,795	7,570,318
Intangible assets	87,700	80,519
Investments and other assets		
Investment securities	322,318	378,713
Other	133,835	117,782
Allowance for doubtful accounts	-235	-235
Total investments and other assets	455,917	496,260
Total non-current assets	7,912,413	8,147,098
Total assets	10,156,013	10,075,105
Liabilities		
Current liabilities		
Accounts payable - trade	646,059	689,159
Short-term borrowings	1,030,000	1,030,000
Current portion of long-term borrowings	523,372	510,042
Income taxes payable	16,161	87,133
Provision for bonuses	37,781	39,009
Other	428,529	392,480
Total current liabilities	2,681,903	2,747,825
Non-current liabilities		
Long-term borrowings	704,998	544,956
Provision for retirement benefits	22,985	27,624
Long-term accounts payable - other	236,654	146,181
Asset retirement obligations	50,422	48,785
Total non-current liabilities	1,015,060	767,546
Total liabilities	3,696,964	3,515,371

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Net assets		
Shareholders' equity		
Share capital	767,955	767,955
Capital surplus	486,455	486,455
Retained earnings	5,125,161	5,183,855
Treasury shares	-53,769	-53,858
Total shareholders' equity	6,325,801	6,384,407
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	133,247	175,326
Total valuation and translation adjustments	133,247	175,326
Total net assets	6,459,049	6,559,733
Total liabilities and net assets	10,156,013	10,075,105

(2) Semi-annual Statement of Income

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	3,500,383	3,493,771
Cost of sales	2,701,925	2,675,381
Gross profit	798,457	818,390
Selling, general and administrative expenses	591,991	618,874
Operating profit	206,465	199,515
Non-operating income		
Interest income	6	114
Dividend income	3,961	5,689
Compensation for loss	55,196	12,478
Waste disposal income	18,027	29,150
Other	6,502	2,257
Total non-operating income	83,693	49,691
Non-operating expenses		
Interest expenses	16,337	15,670
Other	—	300
Total non-operating expenses	16,337	15,970
Ordinary profit	273,821	233,236
Profit before income taxes	273,821	233,236
Income taxes - current	80,733	75,410
Income taxes - deferred	12,744	5,751
Total income taxes	93,477	81,161
Profit	180,343	152,074

(3) Semi-annual Statement of Cash Flows

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	273,821	233,236
Depreciation	1,095,324	1,034,775
Increase (decrease) in provision for bonuses	1,829	1,228
Increase (decrease) in provision for retirement benefits	236	4,638
Increase (decrease) in allowance for doubtful accounts	160	1
Interest and dividend income	-3,967	-5,804
Interest expenses	16,337	15,670
Loss on retirement of non-current assets	51,078	51,550
Decrease (increase) in trade receivables	102,252	-20,574
Decrease (increase) in inventories	-5,350	250
Increase (decrease) in trade payables	-46,127	-10,028
Increase (decrease) in consumption taxes payable/consumption taxes refund receivable	-242,975	34,157
Other, net	-8,694	-11,125
Subtotal	1,233,924	1,327,976
Interest and dividends received	3,962	5,745
Interest paid	-16,463	-15,366
Income taxes refund	—	16,297
Income taxes paid	-115,420	-6,698
Net cash provided by (used in) operating activities	1,106,003	1,327,955
Cash flows from investing activities		
Payments into time deposits	-50,004	-50,036
Proceeds from withdrawal of time deposits	50,004	50,004
Purchase of investment securities	-676	-829
Purchase of property, plant and equipment	-478,113	-1,188,774
Purchase of intangible assets	-3,850	-31,355
Other, net	-5,293	-13,853
Net cash provided by (used in) investing activities	-487,933	-1,234,844
Cash flows from financing activities		
Proceeds from long-term borrowings	—	100,000
Repayments of long-term borrowings	-363,368	-273,372
Repayments of installment payables	-178,707	-128,839
Dividends paid	-67,308	-93,379
Decrease (increase) in treasury shares	—	-88
Net cash provided by (used in) financing activities	-609,384	-395,680
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	8,685	-302,569
Cash and cash equivalents at beginning of period	1,462,765	1,146,654
Cash and cash equivalents at end of period	1,471,450	844,085

(4) Notes to the Semi-annual Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes when there are significant changes in amounts of shareholders' equity)

Not applicable.

(Application of special accounting methods for preparing semi-annual financial statements)

Not applicable.

(Changes in accounting policies)

Not applicable.

(Changes in accounting estimates)

Not applicable.

(Restatement)

Not applicable.

(Notes on segment information, etc.)

[Segment Information]

Six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

Our principal business is pallet rental. Sales and other income (income from freight forwarding services) are only incidental to the rental business and constitute a single, inseparable sales segment. Therefore, separate segment disclosure is omitted.

Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

Our principal business is pallet rental. Sales and other income (income from freight forwarding services) are only incidental to the rental business and constitute a single, inseparable sales segment. Therefore, separate segment disclosure is omitted.

3. Other

Significant Matters Related to the Going Concern Assumption
Not applicable.