February 9, 2026

Non-Consolidated Financial Statements for the First Nine Months of Financial Year 2025 (April 1 – December 31, 2025) (Under Japanese GAAP)

Company name: OSAKA Titanium technologies Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 5726
URL: https://www.osaka-ti.co.jp/
Representative: Junji Kawafuku, Representative Director, Member of the Board & President
Inquiries: Tsutomu Tokoro, General Manager, Head of Corporate Planning and Finance
Telephone: +81-(0)6-6413-3310

Scheduled date to commence dividend payments: Not Applicable
Preparation of supplementary material on financial results: None
Holding of Financial Results Briefing: None

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

1. Financial Results for the First Nine Months of Financial Year 2025 (April 1 - December 31, 2025)

(1) Operating Results

(Japanese Yen in millions)

	Net sales		Operating profit		Ordinary profit		Net profit	
FY 2025 Q3	37,308	(8.8)%	5,180	(39.2)%	5,694	(28.4)%	3,400	(38.3)%
FY 2024 Q3	40,910	(1.0)%	8,524	33.8%	7,951	18.7%	5,508	(2.2)%

Percentages indicate year-on-year changes.

(Japanese Yen)

	Net profit per share	Diluted net profit per share
FY 2025 Q3	92.40	—
FY 2024 Q3	149.68	—

(2) Financial Position

(Japanese Yen in millions)

	Total assets	Net assets	Capital-to-asset ratio
FY 2025 Q3	107,972	45,134	41.8%
FY 2024 Full-Year	100,925	42,838	42.4%

Reference: Equity
Nine months ended December 31, 2025: JPY 45,134 million
Financial Year ended March 31, 2025: JPY 42,838 million

2. Cash dividends

(Japanese Yen)

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
FY 2024	—	25.00	—	25.00	50.00
FY 2025	—	5.00	—		
FY 2025 Forecast				10.00	15.00

Note: Revisions to the forecast of cash dividends from the latest announcement: None

3. Earnings Forecast for the Financial Year ending March 31, 2026

(Japanese Yen in millions except per share amounts; % indicates changes from the year before)

	Net sales		Operating profit		Ordinary profit		Net profit		Net profit per share
Full-Year	46,000	(11.4)%	4,800	(52.4)%	5,100	(43.8)%	2,200	(69.0)%	59.79

Note: Revision of earnings forecast from the latest announcement: Yes

Notes

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: Yes

(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 estimate: 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)

Nine months ended December 31, 2025	36,800,000 shares
Financial Year ended March 31, 2025	36,800,000 shares

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

Nine months ended December 31, 2025	1,559 shares
Financial Year ended March 31, 2025	1,519 shares

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

Nine months ended December 31, 2025	36,798,463 shares
Nine months ended December 31, 2024	36,798,481 shares

* The financial statements are not subject to audit by a certified public accountant or auditing firm.

* Proper use of earnings forecast and other special matters

Forward-looking statements in this document include projections based on certain assumptions deemed appropriate and based on information currently available. Actual results may differ significantly in the future due to a number of factors. Please refer to “Explanation of Forward-Looking Statements” on page 4 for the assumptions used for earnings forecasts and precautionary statements regarding the use of earnings forecasts.

* Special matters on translation

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.

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1. Qualitative Information on Financial Results for the Third Quarter of Financial Year 2025

(1) Explanation of Operating Results

The Japanese economy maintained a moderate recovery trend during the nine months ended December 31, 2025, driven by asset effects from yen depreciation and rising stock prices, as well as steady inbound demand.

On the other hand, concerns over the impact of inflation caused by rising prices and risks of exchange rate fluctuations continue to persist. Moreover, while overseas economies generally show signs of a gradual economic recovery trend, the Chinese economy continues to face a slowdown in domestic demand and economic deceleration due to challenges in the real estate market. In addition, the outlook for the global economy continues to become increasingly uncertain due to prolonged geopolitical risks in Ukraine and the Middle East, as well as the impact of U.S. tariff policies.

Regarding the business environment facing the Company, in the Titanium business, the recovery trend of the aircraft industry, coupled with ongoing restructuring of the global titanium supply chain, has led to steady demand for titanium sponge. However, at present, sponge titanium demand is temporarily stagnating due to several factors, including the temporary impacts of last year's quality problem and strikes that occurred at Boeing, a major aircraft manufacturer, as well as the newly emerging impact of inventory adjustments within the commercial aircraft supply chain, including Boeing and Airbus.

In addition, the High-Performance Materials business has been continuing to experience an adjustment phase in the semiconductor and electronic material markets.

Under these circumstances, net sales for the nine months ended December 31, 2025, were JPY 37,308 million (down 8.8% year-on-year), operating profit came to JPY 5,180 million (down 39.2% year-on-year), ordinary profit was JPY 5,694 million (down 28.4% year-on-year), and net profit posted JPY 3,400 million (down 38.3% year-on-year).

The business results by business segment are as follows.

Titanium Business

As for net sales of the Titanium Business for the nine months ended December 31, 2025, net sales of items for export increased by just 8.6% year-on-year. This result was due to the impact of a temporary decrease in demand caused by the quality issues and strikes at Boeing last year, as well as the newly emerging impact of inventory adjustments within the commercial aircraft supply chain, despite solid demand for engine MRO (maintenance, repair, and overhaul) associated with the increase in the number of operating aircraft. On the other hand, domestic net sales declined significantly by 60.4% year-on year due to sluggish demand, mainly for general industrial applications, as well as continued inventory adjustments by customers and end-users. As a result, net sales of Titanium Business were JPY 32,369 million (down 9.5% year-on-year).

Operating profit came to JPY 4,116 million (down 46.5% year-on-year) mainly due to production cutbacks resulting from lower domestic sales volume and the impact of cost increases due to inflation, despite the effect of lower prices for titanium ore, the main raw material.

High-Performance Materials Business

Net sales of High-Performance Materials for the nine months ended December 31, 2025, were JPY 4,938 million (down 4.0% year-on-year), as the same period of the previous year included the effect of increased one-time orders from certain customers in the sales volume for high-purity titanium used in semiconductor-related sputtering targets.

Operating profit was JPY 1,064 million (up 28.3% year-on-year), driven by the effects of sales mix improvements in other products, despite a decrease in sales volume of the aforementioned high-purity titanium product.

(Reference)

Net sales by business segment (Japanese Yen in millions)

		Nine months ended December 31, 2025	Nine months ended December 31, 2024	Percentage change (%)
Titanium Business	Domestic	3,710	9,380	(60.4)
	Export	28,659	26,384	8.6
Total		32,369	35,764	(9.5)
High-Performance Materials Business		4,938	5,145	(4.0)
Total		37,308	40,910	(8.8)

Operating profit by business segment (Japanese Yen in millions)

	Nine months ended December 31, 2025	Nine months ended December 31, 2024	Percentage change (%)
Titanium Business	4,116	7,695	(46.5)
High-Performance Materials Business	1,064	829	28.3
Total	5,180	8,524	(39.2)

Effective from the three months ended June 30, 2025, the Company has changed its reported business segments, etc. For details, please refer to "(3) Notes to Quarterly Financial Statements (Business Segment Information and Other Notes)" in "2. Quarterly Financial Statements and Significant Notes." The above year-on-year comparisons have been restated to reflect the new classifications.

(2) Explanation of Financial Position

Assets, liabilities, and net assets

(i) Assets

Total assets at the end of the nine months ended December 31, 2025, reached JPY 107,972 million, an increase of JPY 7,047 million compared with the end of the preceding financial year. This was mainly due to increases in trade accounts receivable and tangible assets, despite a decrease in cash and deposits.

(ii) Liabilities

Total liabilities at the end of the nine months ended December 31, 2025, were JPY 62,838 million, an increase of JPY 4,750 million compared with the end of the preceding financial year. This was mainly due to an increase in borrowings and income taxes payable.

(iii) Net assets

Net assets at the end of the nine months ended December 31, 2025, reached JPY 45,134 million, an increase of JPY 2,296 million compared with the end of the preceding financial year. This was mainly due to an increase in retained earnings due to net profit.

(3) Explanation of Forward-Looking Statements

The Company has revised the full year earnings forecast for the financial year ending March 31, 2026, that it disclosed on November 10, 2025. For details, please refer to the "Notice Concerning Revision of Full-Year Earnings Forecast for the Financial Year Ending March 31, 2026" released on February 9, 2026.

(i) Forecast Figures for the Financial Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Japanese Yen in millions)

Reported business segment		Previously-announced forecast (A)	This revised forecast (B)	Changes (B-A)
Net sales	Titanium Business	42,200	39,600	(2,600)
	High-Performance Materials Business	6,800	6,400	(400)
	Total	49,000	46,000	(3,000)
Operating profit	Titanium Business	4,000	3,800	(200)
	High-Performance Materials Business	1,000	1,000	-
	Total	5,000	4,800	(200)

(ii) Reason for revision

In the full-year earnings forecast, the Company has revised the assumed exchange rate for the fourth quarter of financial year 2025 from 1 US dollar = 145 yen to 150 yen, considering recent exchange rate trends.

Despite the impact of the exchange rate mentioned above, net sales are expected to decrease compared to the previously announced figure due to the expected temporary impact of inventory adjustments within the commercial aircraft supply chain, including Boeing and Airbus.

Although operating income is expected to decrease due to the above factors, ordinary profit is expected to increase due to the impact of the exchange rate revision, and net profit is expected to remain at the previous forecast.

*Note that the disclosed forecast has been prepared based on information available as of the date of publication of this document, and that actual results may differ considerably in the future due to various factors.

2. Quarterly Financial Statements and Significant Notes

(1) Quarterly Balance Sheet

(Japanese Yen in millions)

	March 31, 2025	December 31, 2025
Assets		
Current assets		
Cash and deposits	4,619	3,095
Trade accounts receivable	22,596	26,832
Merchandise and finished goods	17,159	18,530
Work in process	3,497	3,601
Raw materials and supplies	13,791	13,971
Other	219	290
Allowance for doubtful accounts	(3)	(3)
Total current assets	61,880	66,318
Fixed assets		
Property, plant and equipment		
Buildings, net	8,236	8,332
Machinery and equipment, net	8,710	10,879
Land	14,823	14,823
Construction in progress	2,913	2,549
Other, net	568	1,218
Total property, plant and equipment	35,252	37,803
Intangible assets	744	805
Investments and other assets	3,048	3,045
Total fixed assets	39,045	41,654
Total assets	100,925	107,972

(Japanese Yen in millions)

	March 31, 2025	December 31, 2025
Liabilities		
Current liabilities		
Trade accounts payable	5,561	5,528
Short-term bank loans	17,200	18,900
Accounts payable - other	285	154
Income taxes payable	419	1,115
Accrued consumption taxes	384	413
Accounts payable - facilities	3,389	1,719
Provision for bonuses	438	109
Other	320	958
Total current liabilities	27,999	28,899
Long-term liabilities		
Long-term bank loans	26,500	30,200
Asset retirement obligations	1,567	1,587
Provision for retirement benefits	2,020	2,151
Total long-term liabilities	30,087	33,938
Total liabilities	58,087	62,838
Net assets		
Shareholders' equity		
Share capital	8,739	8,739
Capital surplus	8,943	8,943
Retained earnings	25,166	27,462
Treasury shares	(10)	(10)
Total shareholders' equity	42,838	45,134
Total net assets	42,838	45,134
Total liabilities and net assets	100,925	107,972

(2) Quarterly Profit and Loss Statement

(Japanese Yen in millions)

	Nine months ended	
	December 31, 2024	December 31, 2025
Net sales	40,910	37,308
Cost of sales	27,855	27,716
Gross profit	13,054	9,591
Selling, general and administrative expenses	4,530	4,410
Operating profit	8,524	5,180
Non-operating income		
Interest and dividend income	48	29
Foreign exchange gains	-	441
Unnecessary thing clearance profit	290	191
Rental income	35	41
Subsidy income	-	43
Other	5	31
Total non-operating income	379	779
Non-operating expenses		
Interest expenses	205	230
Foreign exchange losses	714	-
Extra retirement payments	28	-
Other	3	35
Total non-operating expenses	952	266
Ordinary profit	7,951	5,694
Extraordinary losses		
Loss on retirement of fixed assets	357	789
Total extraordinary losses	357	789
Profit before income taxes	7,594	4,904
Income taxes	2,086	1,504
Profit	5,508	3,400

(3) Notes to Quarterly Financial Statements

The quarterly financial statements are prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and the Accounting Standards for Quarterly Financial Statements generally accepted in Japan (however, the omission of a statement as stipulated in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

(Adoption of Accounting Treatment Specific to the Preparation of Quarterly Non-Consolidated Financial Statements)

(Tax expense)

After the effective tax rate after the application of tax effect accounting to annual net profit before income taxes is reasonably estimated, tax expense is calculated by multiplying the quarterly net profit before income taxes by such estimated effective tax rate. Moreover, in determining the recoverability of deferred tax assets, we take into account temporary differences from the preceding financial year and the impact of significant changes in the business environment, etc. if any.

(Business Segment Information and Other Notes)

[Business Segment Information]

Nine months ended December 31, 2024

1.Information on Sales, Profit by Reported Segment

(Japanese Yen in millions)

	Reported Business Segments		Total
	Titanium Business	High-Performance Materials Business	
Net sales			
Sales to external customers	35,764	5,145	40,910
Inter-segment sales or transfers	—	—	—
Total	35,764	5,145	40,910
Segment profit	7,695	829	8,524

(Note) There is no difference between the total segment profit and the operating profit in the Quarterly Profit and Loss Statement.

Nine months ended December 31, 2025

1.Information on Sales, Profit by Reported Segment

(Japanese Yen in millions)

	Reported Business Segments		Total
	Titanium Business	High-Performance Materials Business	
Net sales			
Sales to external customers	32,369	4,938	37,308
Inter-segment sales or transfers	—	—	—
Total	32,369	4,938	37,308
Segment profit	4,116	1,064	5,180

(Note) There is no difference between the total segment profit and the operating profit in the Quarterly Profit and Loss Statement.

2. Matters Related to Changes in Reported Business Segments, etc.

Titanium tetrachloride and titanium tetrachloride aqueous solution, the Company's main products previously part of the Titanium business segment, are included in the High-Performance Materials business segment from the three months ended June 30, 2025, with the aim of improving business efficiency by aligning with demand from the relevant industries.

The segment information for the nine months ended December 31, 2024, is disclosed based on the reported segment classification and calculation method after the change.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable

(Note on the Assumption as a Going Concern)

Not applicable

(Notes to Quarterly Statement of Cash Flows)

Quarterly statements of cash flows for the nine months ended December 31, 2025, have not been prepared. Depreciation (including amortization related to intangible assets) for the first nine months is as follows.

(Japanese Yen in millions)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	2,219	2,246

(Notes to Quarterly Balance Sheets)

Contingent liabilities

Joint and several guarantees for housing loan obligations of employees

(Japanese Yen in millions)

	Preceding financial year ended March 31, 2025	Nine months ended December 31, 2025
	10	8

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