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May 12, 2026

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Notice Regarding Variances between Full-Year Results Forecasts and Actual Results, and Dividends of Surplus (Increased Dividend)

Achilles Corporation (the "Company") hereby announces that there were variances between the financial results forecasts for the fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) that were announced on February 9, 2026, and the actual results. Details are provided below.

The Company also hereby announce that at the Board of Directors meeting held on May 12, 2026, the Company resolved to distribute dividends of surplus with March 31, 2026, as the record date. This matter will be submitted for approval at the 106th Annual General Meeting of Shareholders, which is scheduled to be held on June 26, 2026.

1. Variances between financial results forecasts and actual results for the fiscal year ended March 31, 2026

(1) Variances between consolidated financial results forecasts and actual results (April 1, 2025 to March 31, 2026)

	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
Previously announced forecasts (A)	81,000	2,300	2,550	1,450	106.10
Actual results (B)	81,802	2,972	3,919	2,116	154.87
Difference (B–A)	802	672	1,369	666	
Change (%)	1.0	29.3	53.7	46.0	
(Reference) Actual results for the previous fiscal year	79,093	(436)	(220)	427	30.67

(2) Variances between non-consolidated financial results forecasts and actual results (April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecasts (A)	64,000	1,650	2,700	1,150	84.15
Actual results (B)	63,952	2,660	4,383	2,140	156.64
Difference (B–A)	(48)	1,010	1,683	990	
Change (%)	(0.1)	61.3	62.4	86.1	
(Reference) Actual results for the previous fiscal year (ended March 31, 2025)	62,705	554	1,322	1,514	108.56

(3) Reasons for variances

Regarding the non-consolidated financial results, net sales were largely in line with our forecasts.

Operating profit exceeded our previous forecast due to an increase in gross profit on the back of a higher proportion of sales of films for the medical sector and industrial materials, which have a high profit margin, along with further cost-reduction activities achieved through intensive production efforts at manufacturing sites, including the streamlining of raw material and energy costs, company-wide efforts to continuously curb expenses, and on-going initiatives to promote price revisions. Ordinary profit also greatly exceeded our previous forecast, mainly due to the recording of 719 million yen in foreign exchange gains under non-operating income in line with the weakening of the yen.

Profit overall exceeded our previous forecast, despite the recording of 905 million yen in impairment losses and 674 million yen in loss on valuation of shares of the affiliated company, both under extraordinary losses.

Regarding the consolidated financial results, net sales also exceeded our previous forecast thanks to the strong performance of our subsidiaries in the United States in terms of films for the medical sector, in addition to the non-consolidated financial results detailed above.

For the same reasons given above for our non-consolidated financial results, operating profit also exceeded our previous forecast. Ordinary profit greatly exceeded our previous forecast, mainly due to the recording of 693 million yen in foreign exchange gains and 181 million yen in share of profit of entities accounted for using equity method. Profit attributable to owners of parent exceeded our previous forecast overall, despite the recording of 905 million yen in impairment losses under extraordinary losses.

2. Dividend of Surplus (Increased Dividend)

(1) Details of dividend

	Determined amount	Most recent dividend forecast (Announced on Feb 9, 2026)	Previous fiscal year's results (Fiscal year ended March 31, 2025)
Record date	March 31, 2026,	March 31, 2026	March 31, 2025
Dividend per share	40.00 yen	30.00 yen	20.00 yen
Total amount of dividends	546 million yen	—	273 million yen
Effective date	June 29, 2026	—	June 30, 2025
Dividend resource	Retained earnings	—	Retained earnings

(2) Reasons

The Company's core policy is to maintain stable returns to its shareholders, which it intends to achieve through the strengthening of its management foundations, centered on stable management and improving profitability. As part of the Mid-Term Management Plan -FY25–FY27- announced in May 2025, the Company is working consciously toward a dividend payout ratio of at least 30% and a dividend per share of 50 yen, in particular, which are both targets based on recent performance.

Taking into account business performance in accordance with the aforementioned policy, the Company has decided upward its fiscal year-end dividend for the fiscal year ended March 31, 2026, from the previous forecast of 30 yen per share, resulting in a total dividend forecast of 40 yen per share, an increase of 10 yen per share. As a result of this revision, the dividend payout ratio for the full fiscal year ended March 31, 2026, shall be 25.8%.