Consolidated Financial Results for the Six Months Ended September 30, 2026
(Under Japanese GAAP)

November 5, 2026

Company name: SHOFU INC.
Listing: Tokyo Stock Exchange (Prime Market)
Securities code: 7979
URL: https://www.shofu.co.jp/
Representative: Tetsuo Takami, Representative Director, President & CEO
Inquiries: Kazutoshi Asada, General Manager of Finance Department
Scheduled date for filing of semi-annual securities report: November 11, 2026
Scheduled commencement date of dividend payment: November 30, 2026
Supplementary documents for financial results: Yes
Financial results briefing: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	21,406	12.1	3,432	22.0	3,486	17.7	3,944	51.9
September 30, 2025	19,095	1.1	2,813	(7.5)	2,962	(1.5)	2,597	9.8

(Note) Comprehensive income: Six months ended September 30, 2026: ¥4,585 million (58.3%)
Six months ended September 30, 2025: ¥2,896 million (313.2%)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	110.67	110.46
September 30, 2025	73.02	72.79

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2026	62,546	51,939	82.9	1,452.32
March 31, 2026	57,706	48,689	84.1	1,363.94

(Reference) Shareholders' equity: As of September 30, 2026: ¥51,829 million
As of March 31, 2026: ¥48,541 million

2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2026	-	21.00	-	39.00	60.00
Year ending March 31, 2027	-	39.00			
Year ending March 31, 2027 (Forecast)			-	28.00	67.00

Notes: 1. Revision to the dividends forecast most recently announced: No
2. The year-end dividend for the fiscal year ended March 31, 2026 includes a special dividend of ¥5.00 per share.
3. The interim dividend for the fiscal year ending March 31, 2027 includes a special dividend of ¥12.00 per share.

3. Consolidated earnings forecast for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes)

	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
Year ending March 31, 2027	42,958	7.4	6,003	14.9	5,890	0.5	6,077	24.3	170.42

Note: Revision to the earnings forecast most recently announced: No

* Notes

(1) Significant changes in the scope of consolidation during the period : Yes

Newly included: 1 (company name) SHOFU DENTAL MIDDLE EAST & AFRICA FZCO

Excluded: -

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements : Yes

(Note) For details, please refer to page 8 '2. Interim consolidated financial statements and primary notes (3) Notes to consolidated financial statements (Notes to application of accounting procedures specific to the compilation of consolidated financial statements)'

(3) Changes in accounting policies based on revisions to accounting standards

1) Changes in accounting policies due to revisions to accounting standards and other regulations : No

2) Changes other than 1) above : No

3) Changes in accounting estimates : No

4) Restatement : No

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)	As of September 30, 2026	35,788,178 shares	As of March 31, 2026	35,788,178 shares
2) Number of treasury shares at the end of the period	As of September 30, 2026	101,170 shares	As of March 31, 2026	198,857 shares
3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Six months ended September 30, 2026	35,641,375 shares	Six months ended September 30, 2025	35,566,178 shares

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

* Explanation concerning the appropriate use of business forecasts, and other special items

The forecasts and other statements regarding the future included in this report are based on currently available information and certain assumptions. Actual results may differ from forecasts for a variety of reasons. With respect to the preconditions for the forecasts, please refer to the 'Explanation of future forecast information including consolidated earnings forecasts' section on page 3.

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1. Overview of operating results

(1) Overview of consolidated operating results for the six months

During the current interim consolidated fiscal period, the global economy continued its gradual recovery despite signs of weakness in some regions. However, the outlook remained uncertain due to concerns over rising crude oil prices stemming from the prolonged turmoil in the Middle East and the impact of rising global interest rates resulting from interest rate hikes in Europe and the United States. The domestic economy continued its moderate recovery, supported by improvements in employment and income conditions, and personal consumption showed signs of a rebound. However, concerns persisted regarding the impact of the situation in the Middle East and other factors, the effect of continued inflation on personal consumption, and fluctuations in the financial and capital markets.

The Group's consolidated net sales for the six-month period totaled ¥21,406 million, an increase of ¥2,311 million (12.1%) year-on-year. Overseas net sales, included in net sales, amounted to ¥12,721 million (59.4% of net sales), representing an increase of ¥1,619 million (14.6%) year-on-year.

Operating profit increased by ¥618 million (22.0%) year-on-year to ¥3,432 million, despite an increase in selling, general, and administrative expenses, due to the increase in net sales.

Ordinary profit rose to ¥3,486 million, a year-on-year increase of ¥523 million (17.7%), driven by higher sales, although non-operating profit and loss decreased due to factors such as a decrease in membership fee income and an increase in foreign exchange losses.

As a result of a gain on sale of investment securities of ¥1,956 million as extraordinary income, profit attributable to owners of parent after subtracting tax expenses increased by ¥1,347 million (51.9%) year-on-year to ¥3,944 million.

Consequently, net sales, operating profit, ordinary profit, and interim profit attributable to owners of parent all reached record highs for an interim consolidated fiscal period.

(Dental Business)

In Japan, CAD/CAM-related products—including SHOFU Disk ZR Lucent Supra (ceramic materials for dental cutting/machining), and SHOFU BLOCK HC SUPER HARD and SHOFU BLOCK PEEK (resin materials for dental cutting/machining)—contributed to a year-on-year increase in sales. Overseas, sales also increased year-on-year, driven by steady sales growth in North America & Latin America, Europe, and the Asia-Pacific region (excluding China), as well as the positive impact of exchange rate fluctuations, resulting in sales growth across all regions including China.

As a result, consolidated net sales for the six-month period were ¥20,255 million, an increase of ¥2,271 million (12.6%) year-on-year. Although selling, general and administrative expenses increased, operating profit was ¥3,484 million, an increase of ¥614 million (21.4%) year-on-year, due to the increase in net sales.

(Nail Care Business)

In Japan, sales of flagship gel nail products declined due to increasing commoditization and intensifying competition, resulting in a year-on-year decrease in sales. Overseas, sales in the U.S. market declined year-on-year due to competition from low-priced gel nail products. In contrast, sales in the Taiwan market increased significantly year-on-year, supported by the successful expansion of distribution channels and the broadening of the product lineup for the ARTiS di Voce nail and hand care products.

As a result, net sales for the current interim consolidated fiscal period totaled ¥1,097 million, an increase of ¥33 million (3.2%) year-on-year. Although there was an operating loss of ¥52 million, this represented an improvement of ¥7 million compared with the corresponding period of the previous fiscal year.

(Other Businesses)

SHOFU PRODUCTS KYOTO INC., a Group company, uses its dental abrasives manufacturing technology to manufacture and sell industrial abrasives. Net sales for the six-month period were ¥53 million, a year-on-year increase of ¥5 million (11.5%). However, due to an increase in selling, general and administrative expenses, the operating loss was ¥1 million, a year-on-year decrease in profit of ¥3 million.

(2) Overview of consolidated financial position for the six months

Assets at the end of the six-month period increased by ¥4,839 million from the end of the previous fiscal year to ¥62,546 million. This was mainly due to an increase in cash and deposits and a rise in the market value of investment securities held.

Liabilities increased by ¥1,589 million from the end of the previous fiscal year to ¥10,606 million. This was mainly due to an increase in long-term loans payable, including the current portion due within one year.

Net assets increased by ¥3,250 million from the end of the previous consolidated fiscal year to ¥51,939 million. This was mainly due to an increase in retained earnings.

As a result of the above, the equity ratio decreased by 1.2 points from the end of the previous fiscal year to 82.9%.

(3) Explanation of future forecast information including consolidated earnings forecasts

We have not revised the earnings forecast as announced on October 28, 2026 for the fiscal year ending March 31, 2027.

2. Interim consolidated financial statements and primary notes

(1) Interim consolidated balance sheet

(Millions of yen)

	Previous fiscal year (As of March 31, 2026)	Current first half (As of September 30, 2026)
Assets		
Current assets		
Cash and deposits	10,121	13,064
Notes and accounts receivable - trade	4,598	4,348
Securities	143	141
Merchandise and finished goods	10,127	9,731
Work in process	2,028	2,416
Raw materials and supplies	1,610	1,711
Other	1,271	1,311
Allowance for doubtful accounts	(45)	(53)
Total current assets	29,855	32,672
Non-current assets		
Property, plant and equipment		
Buildings and structures	14,595	14,497
Accumulated depreciation	(7,354)	(7,441)
Buildings and structures, net	7,241	7,055
Other	15,616	15,943
Accumulated depreciation	(9,065)	(9,194)
Other, net	6,551	6,749
Total property, plant and equipment	13,792	13,804
Intangible assets	619	583
Investments and other assets		
Investment securities	10,112	11,608
Retirement benefit asset	2,464	2,535
Other	931	1,408
Allowance for doubtful accounts	(68)	(66)
Total investments and other assets	13,439	15,485
Total non-current assets	27,851	29,873
Total assets	57,706	62,546

(Millions of yen)

	Previous fiscal year (As of March 31, 2026)	Current first half (As of September 30, 2026)
Liabilities		
Current liabilities		
Accounts payable - trade	1,297	1,125
Current portion of long-term loans payable	-	325
Income taxes payable	1,128	1,332
Contract liabilities	130	226
Provision for bonuses for directors	48	23
Other	3,699	3,314
Total current liabilities	6,305	6,347
Non-current liabilities		
Long-term loans payable	-	912
Net defined benefit liability	211	219
Other	2,499	3,126
Total non-current liabilities	2,710	4,258
Total liabilities	9,016	10,606
Net assets		
Shareholders' equity		
Share capital	5,968	5,968
Capital surplus	6,176	6,168
Retained earnings	26,935	29,491
Treasury shares	(196)	(99)
Total shareholders' equity	38,884	41,529
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,466	5,158
Foreign currency translation adjustment	3,995	4,025
Accumulated remeasurements of defined benefit plans	1,195	1,116
Total accumulated other comprehensive income	9,657	10,299
Share acquisition rights	54	18
Non-controlling interests	93	91
Total net assets	48,689	51,939
Total liabilities and net assets	57,706	62,546

(2) Interim consolidated statements of income and comprehensive income

Interim consolidated statement of income

(Millions of yen)

	Previous first half (April 1 to September 30, 2025)	Current first half (April 1 to September 30, 2026)
Net sales	19,095	21,406
Cost of sales	7,561	8,495
Gross profit	11,534	12,911
Selling, general and administrative expenses	8,721	9,478
Operating profit	2,813	3,432
Non-operating income		
Interest income	34	41
Dividend income	94	132
Membership fee income	84	59
Share of profit of entities accounted for using equity method	1	-
Other	165	90
Total non-operating income	380	323
Non-operating expenses		
Interest expenses	3	17
Membership fee	154	163
Foreign exchange losses	31	47
Share of loss of entities accounted for using equity method	-	3
Other	41	38
Total non-operating expenses	231	270
Ordinary profit	2,962	3,486
Extraordinary income		
Gain on sale of investment securities	711	1,956
Total extraordinary income	711	1,956
Profit before income taxes	3,674	5,443
Income taxes	1,076	1,498
Profit	2,597	3,944
Profit (loss) attributable to non-controlling interests	0	(0)
Profit attributable to owners of parent	2,597	3,944

Interim consolidated statement of comprehensive income

(Millions of yen)

	Previous first half (April 1 to September 30, 2025)	Current first half (April 1 to September 30, 2026)
Profit	2,597	3,944
Other comprehensive income		
Valuation difference on available-for-sale securities	279	691
Foreign currency translation adjustment	63	29
Remeasurements of defined benefit plans	(45)	(79)
Total other comprehensive income	298	641
Comprehensive income	2,896	4,585
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,888	4,586
Comprehensive income attributable to non-controlling interests	7	(1)

(3) Notes to consolidated financial statements

(Notes to application of accounting procedures specific to the compilation of consolidated financial statements)

(Calculation of tax expenses)

To calculate tax expenses, we made a reasonable estimate of the effective tax rate after the application of tax effect accounting to profit before income taxes for the current consolidated fiscal year and then multiplied the profit before income taxes for the period under review by the estimated effective tax rate. However, where use of the estimated effective tax rate to calculate tax expenses would result in an unreasonable figure, we have used the legal effective tax rate instead.

(Notes to segment information, etc.)

1. Information regarding net sales, profits or losses by reportable segment and revenue breakdown information

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

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Consolidated financial statements (Note 2)
	Dental Business	Nail Care Business	Other Businesses	Total		
Net sales						
Net sales to external customers	17,983	1,063	48	19,095	-	19,095
Inter-segment sales or transfers	-	-	2	2	(2)	-
Total	17,983	1,063	50	19,098	(2)	19,095
Segment profit (loss)	2,869	(60)	2	2,810	2	2,813

Notes: 1. Elimination of intersegment transactions.

2. Segment profit (loss) is reconciled to consolidated operating profit.

(Millions of yen)

	Reportable segments			Total
	Dental Business	Nail Care Business	Other Businesses	
Japan	7,630	644	48	8,324
North America & Latin America	2,425	74	-	2,499
Europe	4,014	-	-	4,014
Asia	3,913	344	-	4,258
Revenue from contracts with customers	17,983	1,063	48	19,095
Other revenue	-	-	-	-
Net sales to external customers	17,983	1,063	48	19,095

Note: Net sales to external customers are classified by country or region based on the location of the Company and its consolidated subsidiaries.

Six months ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Consolidated financial statements (Note 2)
	Dental Business	Nail Care Business	Other Businesses	Total		
Net sales						
Net sales to external customers	20,255	1,097	53	21,406	-	21,406
Inter-segment sales or transfers	-	-	3	3	(3)	-
Total	20,255	1,097	57	21,410	(3)	21,406
Segment profit (loss)	3,484	(52)	(1)	3,429	3	3,432

Notes: 1. Elimination of intersegment transactions.
2. Segment profit (loss) is reconciled to consolidated operating profit.

(Millions of yen)

	Reportable segments			Total
	Dental Business	Nail Care Business	Other Businesses	
Japan	8,311	616	53	8,981
North America & Latin America	2,825	51	-	2,877
Europe	4,561	-	-	4,561
Asia	4,556	429	-	4,986
Revenue from contracts with customers	20,255	1,097	53	21,406
Other revenue	-	-	-	-
Net sales to external customers	20,255	1,097	53	21,406

Note: Net sales to external customers are classified by country or region based on the location of the Company and its consolidated subsidiaries.

(Notes to significant changes in the amounts of shareholders' equity)

Not applicable

(Notes to assumptions for the going concern)

Not applicable

(Notes to significant subsequent events)

Absorption-type merger with consolidated subsidiary

At the Board of Directors meeting held on July 9, 2026, the Company resolved to conduct an absorption-type merger with its consolidated subsidiary SHOFU BIOFIX INC. ("SHOFU BIOFIX"), and entered into a merger agreement on the same date. Pursuant to the merger agreement, the Company, as the surviving company, and SHOFU BIOFIX, as the absorbed company, completed the absorption-type merger on October 1, 2026.

1. Overview of the transaction

Name and business description of the combining entities

Name of entity to be combined: SHOFU BIOFIX

Business description: Sale of dental materials and equipment

Effective date of business combination

October 1, 2026

Legal form of business combination

SHOFU BIOFIX has been dissolved through an absorption-type merger, with the Company as the surviving company.

Name of the entity after combination

SHOFU INC.

Purpose of business combination

Dental implant treatment has become firmly established as a method for improving both chewing function and aesthetic appearance. Until now, the Group has conducted its implant business through SHOFU BIOFIX; however, as the digitization of dental care accelerates, there is a growing need to strengthen our ability to propose systems in the field of digital dentistry. Therefore, the Company will absorb SHOFU BIOFIX, integrating its implant business into its operations, to optimize management resources and enhance the competitiveness of the Shofu brand.

2. Overview of accounting treatment to be applied

The transaction is expected to be accounted for as a transaction under common control in accordance with "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures, etc." (ASBJ Guidance No. 10, January 16, 2019).