Summary of Consolidated Financial Results for the Six Months Ended September 30, 2026 (unaudited) (Based on Japanese GAAP)

November 12, 2026

Company name:	Tokushu Tokai Paper Co., Ltd.		
Stock exchange listings:	Tokyo		
Code number:	3708	URL	https://www.tt-paper.co.jp
Representative:	President and Chief Executive Officer	Takashi Kimura	
For inquiry:	Executive Officer and Senior General Manager	Kiyoshi Nakajima	TEL +81-3-5219-1816

Semi-annual securities report issuing date:	November 13, 2026
Dividend payment date:	December 7, 2026
Availability of support documentation:	Yes
Holding of financial result briefing:	Scheduled (for analysts and institutional investors)

(All yen figures are rounded down to the nearest one million yen)

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (April 1, 2026 – September 30, 2026)

(1) Consolidated Operating Results

(% represents the change from the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Six Months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	50,415	5.2	2,408	2.0	3,116	(6.3)	2,205	(4.4)
September 30, 2025	47,910	2.9	2,359	25.9	3,327	8.8	2,307	10.1

Note: Comprehensive income

Six Months ended September 30, 2026	3,580 million yen	(5.4)%
Six Months ended September 30, 2025	3,783 million yen	100.3%

	Basic earnings per share	Diluted earnings per share
Six Months ended	Yen	Yen
September 30, 2026	63.66	63.44
September 30, 2025	66.21	65.95

The Company conducted a stock split at a ratio of 3 shares for 1 common share on October 1, 2025. Basic earnings per share and diluted earnings per share have been calculated under the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2026	143,134	90,721	58.7
As of March 31, 2026	141,310	90,102	58.9

Reference: Equity	As of September 30, 2026	83,963 million yen
	As of March 31, 2026	83,298 million yen

2. Dividends

	Annual Dividends per share				
	1st quarter end	2nd quarter end	3rd quarter end	End of fiscal year	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2026	—	65.00	—	32.00	—
March 31, 2027	—	47.00			
Fiscal year ending March 31, 2027 (Forecast)			—	47.00	94.00

Note: Revision to dividend forecasts published most recently: No

The Company conducted a stock split at a ratio of 3 shares for 1 common share on October 1, 2025. Accordingly, the year-end dividend per share for the fiscal year ended March 31, 2026 is stated taking into account the stock split, and the total annual dividend per share for the fiscal year is shown as "–".

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(% represents the change from the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full fiscal year	100,000	4.8	4,300	0.1	5,000	(12.7)	3,200	(26.7)	92.38

Note: Revision to financial forecasts published most recently: Yes

4. Others

[1] Significant changes in the scope of consolidation during the period: No

New –

Eliminated –

[2]Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: No

[3] Changes in accounting principles, changes in accounting estimates and restatements

1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatements: No

[4] Number of issued shares (common shares)

(i) Number of issued shares (including treasury shares) as of:

September 30, 2026 38,100,000 shares

March 31, 2026 39,000,000 shares

(ii) Number of treasury shares as of:

September 30, 2026 4,063,587 shares

March 31, 2026 4,151,869 shares

(iii) Average number of shares during the period:

Six months ended September 30, 2026 34,639,680 shares

Six months ended September 30, 2025 34,848,745 shares

The Company has introduced Stock Benefit Trust (J-ESOP). The shares of the Company's stock held by the Stock Benefit Trust are included in treasury shares which are deducted when calculating the number of treasury shares at year end and the average number of shares during the period.

The Company conducted a stock split at a ratio of 3 shares for 1 common stock on October 1, 2025. The average number of shares during the period has been calculated under the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

*These financial results are outside the scope of audit by certified public accountants or accounting auditors.

*Explanations pertaining to appropriate use of information concerning future forecasts
The operating results forecasts and certain other statements contained in this document are forward-looking statements, which are rationally determined based on information available to the company at the time the results were announced. Actual performance may differ substantially from these projections due to fluctuations in the economy or a variety of other known and unknown factor.

Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	7,806	6,432
Notes and accounts receivable - trade, and contract assets	24,580	26,309
Electronically recorded monetary claims	644	807
Merchandise and finished goods	6,696	6,051
Work in process	2,148	2,482
Raw materials and supplies	7,678	7,608
Other	1,451	1,621
Allowance for doubtful accounts	(23)	(26)
Total current assets	50,983	51,286
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,109	16,793
Machinery, equipment and vehicles, net	27,737	28,024
Land	13,111	13,210
Other, net	8,369	8,221
Total property, plant and equipment	66,327	66,249
Intangible assets		
Goodwill	2,923	2,696
Other	435	523
Total intangible assets	3,359	3,220
Investments and other assets		
Investment securities	17,474	19,342
Retirement benefit asset	1,008	984
Deferred tax assets	768	756
Other	1,531	1,437
Allowance for doubtful accounts	(143)	(143)
Total investments and other assets	20,639	22,377
Total non-current assets	90,326	91,847
Total assets	141,310	143,134

(Millions of Yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,581	9,277
Short-term loans payable	8,450	6,190
Current portion of long-term loans payable	5,819	6,497
Current portion of bonds	110	100
Income taxes payable	968	1,132
Provision for bonuses	611	616
Other	8,859	8,671
Total current liabilities	33,400	32,484
Non-current liabilities		
Bonds payable	80	35
Long-term loans payable	12,028	13,512
Deferred tax liabilities	1,716	2,304
Provision for directors' retirement benefits	102	94
Provision for environmental measures	47	47
Provision for loss on business of subsidiaries and associates	31	31
Retirement benefit liability	1,054	1,066
Asset retirement obligations	607	608
Other	2,140	2,227
Total non-current liabilities	17,808	19,928
Total liabilities	51,208	52,413
Net assets		
Shareholders' equity		
Capital stock	11,485	11,485
Capital surplus	3,977	2,820
Retained earnings	67,129	68,210
Treasury shares	(4,834)	(5,396)
Total shareholders' equity	77,758	77,119
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,566	5,924
Deferred gains or losses on hedges	(0)	0
Remeasurements of defined benefit plans	973	917
Total accumulated other comprehensive income	5,539	6,843
Share acquisition rights	162	108
Non-controlling interests	6,641	6,649
Total net assets	90,102	90,721
Total liabilities and net assets	141,310	143,134

(2) Semi-annual Consolidated Statements of Income and Semi-annual Consolidated Statements of Comprehensive Income

Semi-annual Consolidated Statements of Income

(Millions of Yen)

	Six Months ended September 30, 2025	Six Months ended September 30, 2026
Net sales	47,910	50,415
Cost of sales	41,019	43,304
Gross profit	6,891	7,110
Selling, general and administrative expenses	4,531	4,702
Operating income	2,359	2,408
Non-operating income		
Interest income	6	9
Dividend income	193	224
Rent income	63	65
Insurance income	5	142
Share of profit of entities accounted for using equity method	663	310
Other	204	161
Total non-operating income	1,136	914
Non-operating expenses		
Interest expenses	133	168
Other	35	36
Total non-operating expenses	168	205
Ordinary income	3,327	3,116
Extraordinary income		
Gain on sales of non-current assets	30	32
National subsidies	－	188
Total extraordinary income	30	221
Extraordinary losses		
Loss on sales of non-current assets	0	－
Loss on retirement of non-current assets	115	26
Total extraordinary losses	116	26
Profit before income taxes	3,241	3,311
Income taxes - current	709	1,015
Income taxes - deferred	164	18
Total income taxes	874	1,034
Profit	2,367	2,276
Profit attributable to non-controlling interests	60	71
Profit attributable to owners of parent	2,307	2,205

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Six Months ended September 30, 2025	Six Months ended September 30, 2026
Profit	2,367	2,276
Other comprehensive income		
Valuation difference on available-for-sale securities	1,429	1,354
Deferred gains or losses on hedges	0	1
Remeasurements of defined benefit plans	(21)	(55)
Share of other comprehensive income of entities accounted for using equity method	7	3
Total other comprehensive income	1,415	1,304
Comprehensive income	3,783	3,580
Comprehensive income attributable to		
Owners of parent	3,723	3,509
Non-controlling interests	59	71

(3) Semi-annual Consolidated Statement of Cash Flows

(Millions of Yen)

	Six Months ended September 30, 2025	Six Months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,241	3,311
Depreciation	3,209	3,416
Amortization of goodwill	227	227
Increase (decrease) in allowance for doubtful accounts	0	2
Increase (decrease) in provision for bonuses	24	4
Increase (decrease) in net defined benefit liability	(15)	(44)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	2	(7)
Increase (decrease) in provision for business restructuring	(139)	―
Interest and dividend income	(199)	(233)
Interest expenses	133	168
Subsidy income	―	(188)
Share of loss (profit) of entities accounted for using equity method	(663)	(310)
Loss on retirement of property, plant and equipment	115	26
Loss (gain) on sales of property, plant and equipment	(29)	(32)
Insurance claim income	(5)	(142)
Decrease (increase) in trade receivables	637	(1,891)
Decrease (increase) in inventories	(1,589)	381
Increase (decrease) in trade payables	(80)	696
Other, net	(206)	154
Subtotal	4,662	5,537
Interest and dividends income	966	644
Interest expenses	(134)	(168)
Income taxes paid	(1,217)	(868)
Income taxes refund	7	149
Proceeds from insurance income	5	142
Net cash provided by (used in) operating activities	4,290	5,437
Cash flows from investing activities		
Payments into time deposits	(428)	(209)
Proceeds from withdrawal of time deposits	498	445
Purchase of property, plant and equipment	(3,928)	(3,869)
Proceeds from sales of property plant and equipment	143	186
Subsidies received	―	223
Purchase of investment securities	(0)	(0)
Proceeds from sale of investment securities	―	3
Other, net	(92)	(147)
Net cash provided by (used in) investing activities	(3,807)	(3,368)

(Millions of Yen)

	Six Months ended September 30, 2025	Six Months ended September 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,355	(2,260)
Proceeds from long-term borrowings	500	5,320
Repayments of long-term loans payable	(2,919)	(3,158)
Redemption of bonds	(55)	(55)
Purchase of treasury shares	(0)	(1,845)
Cash dividends paid	(696)	(1,123)
Dividends paid to non-controlling interests	(96)	(63)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,211)	—
Other, net	(15)	(21)
Net cash provided by (used in) financing activities	(3,140)	(3,207)
Net increase (decrease) in cash and cash equivalents	(2,658)	(1,138)
Cash and cash equivalents at beginning of period	10,599	7,085
Cash and cash equivalents at end of period	7,941	5,947

Segment Information

Information on Net Sales, Profit/Loss of Each Reportable Segment

Six Months ended September 30, 2025

(Millions of yen)

	Industrial Material	Special Material	Household Products	Environment Related	Total	Adjustment (Note 1)	Consolidated (Note 2)
Net sales							
Sales to outside	21,401	9,742	9,516	7,251	47,910	—	47,910
Intersegment sales and transfers	1,349	232	129	1,597	3,307	(3,307)	—
Total	22,750	9,974	9,645	8,848	51,218	(3,307)	47,910
Segment profit	599	773	446	475	2,295	64	2,359

Six Months ended September 30, 2026

(Millions of yen)

	Industrial Material	Special Material	Household Products	Environment Related	Total	Adjustment (Note 1)	Consolidated (Note 2)
Net sales							
Sales to outside	22,264	10,521	9,660	7,968	50,415	—	50,415
Intersegment sales and transfers	1,314	296	110	1,666	3,387	(3,387)	—
Total	23,579	10,817	9,770	9,634	53,802	(3,387)	50,415
Segment profit	572	767	392	712	2,444	(36)	2,408

Notes:

1. "Adjustment" is due to intersegment elimination, etc.
2. Segment profit total was adjusted to be consistent with the operating income recorded on the Consolidated Statements of Income.