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November 12, 2025

Consolidated Financial Results for the Nine Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: KITZ CORPORATION
Listing: Tokyo Stock Exchange
Stock code: 6498
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Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	130,816	2.8	11,865	9.4	12,409	8.4	8,789	(2.5)
September 30, 2024	127,295	3.2	10,842	1.3	11,445	(0.7)	9,014	5.7

Note: Comprehensive income For the nine months ended September 30, 2025: ¥7,998 million [(8.1)%]
For the nine months ended September 30, 2024: ¥8,703 million [(32.7)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2025	101.08	—
September 30, 2024	100.50	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2025	175,432	113,573	63.9	1,288.99
December 31, 2024	172,406	109,809	62.9	1,246.16

Reference: Equity

As of September 30, 2025: ¥112,106 million

As of December 31, 2024: ¥108,386 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 December 31, 2024	—	19.00	—	27.00	46.00
Fiscal year ending December 31, 2025	—	21.00	—		
Fiscal year ending December 31, 2025 (Forecast)				27.00	48.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(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
Fiscal year ending December 31, 2025	180,000	4.6	15,000	5.5	15,600	2.1	11,200	(5.3)	128.77

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

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

Newly included: – companies

Excluded: 1 company (Toyo Valve Co., Ltd.)

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

Note: For details, see page 9, “2. Quarterly Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to quarterly consolidated financial statements, Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements.”

- (3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

Note: For details, see page 9, “2. Quarterly Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to quarterly consolidated financial statements, Notes on changes in accounting policies.”

- (4) 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	87,565,611 shares
As of December 31, 2024	87,565,611 shares

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

As of September 30, 2025	593,450 shares
As of December 31, 2024	589,620 shares

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

Nine months ended September 30, 2025	86,953,510 shares
Nine months ended September 30, 2024	89,692,414 shares

Note: The Company has introduced the “officer compensation BIP trust,” and the Company’s shares held by the said trust are included in the number of treasury shares at the end of the period (297,046 shares as of September 30, 2025, and 297,046 shares as of December 31, 2024).

The Company’s shares held by the said trust are also included in treasury shares that are deducted in the calculation of average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) (297,046 shares for the nine months ended September 30, 2025, and 344,335 shares for the nine months ended September 30, 2024).

- * Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

- * Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements and others)

The future prospects of the business results, etc., described in this document are based on currently available information and certain premises that are judged to be rational at the time of writing, and are not intended as a guarantee that the Company will achieve these targets. Actual performance and other results may differ significantly due to various factors. See page 3, “1. Overview of Operating Results and Others, (3) Explanation of consolidated earnings forecasts and other forward-looking statements” for more information regarding the circumstances behind the assumptions used in earnings forecasts and matters to be noted when relying on earnings forecasts.

(Means of obtaining supplementary material on financial results)

Investor presentation materials relating to our financial results are expected to be published on our corporate website on or after November 14, 2025.

[Attached Material]**Index**

1. Overview of Operating Results and Others	2
(1) Overview of operating results for the period.....	2
(2) Overview of financial position for the period under review.....	2
(3) Explanation of consolidated earnings forecasts and other forward-looking statements.....	3
2. Quarterly Consolidated Financial Statements and Significant Notes Thereto	4
(1) Quarterly consolidated balance sheet	4
(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income	6
Quarterly consolidated statement of income	6
Quarterly consolidated statement of comprehensive income	7
(3) Quarterly consolidated statement of cash flows	8
(4) Notes to quarterly consolidated financial statements	9
Notes on changes in accounting policies	9
Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements	9
Segment information, etc.	10
Notes when there are significant changes in amounts of equity.....	11
Notes on premise of going concern	11
Notes on significant subsequent events	11

1. Overview of Operating Results and Others

(1) Overview of operating results for the period

During the first nine months of the fiscal year ending December 31, 2025, the global economy remained subject to future uncertainty amid factors that included the Russia-Ukraine war, situations in the Middle East, and other such geopolitical risks, a prolonged slump in China's real estate market, concerns of a worldwide economic downturn triggered by U.S. tariff measures, escalation of U.S.-China trade friction, and foreign exchange market volatility. The Japanese economy also remained susceptible to adverse conditions amid a persisting scenario of rising prices driven by surging energy resource and raw material prices as well as exchange rate fluctuations, despite continuance of robust inbound demand and other such factors.

Under these circumstances, total net sales increased 2.8% year on year to ¥130,816 million in the period under review. The increase was a result of higher revenue in the Valve Manufacturing Business, mainly reflecting higher sales volume in the overseas market and effects of price revisions, more than offsetting a decline in sales for semiconductor manufacturing equipment. The increase was also attributable to higher revenue in the Brass Bar Manufacturing Business mainly due to higher sales volume.

In terms of profit and loss, operating profit increased 9.4% year on year to ¥11,865 million, mainly due to the increased revenue from higher sales volume in the Valve Manufacturing Business, despite factors such as higher repair expenses in the Brass Bar Manufacturing Business. Ordinary profit increased 8.4% year on year to ¥12,409 million, while profit attributable to owners of parent was down 2.5% year on year to ¥8,789 million, mainly due to a decrease in gain on sale of investment securities from the sale of cross-shareholdings.

The operating results by segment are as follows:

(i) Valve Manufacturing Business

In the Valve Manufacturing Business, net sales to external customers increased 1.1% year on year to ¥104,709 million, mainly reflecting higher sales volume in the overseas market and effects of price revisions, more than offsetting a decline in sales for semiconductor manufacturing equipment. Operating profit increased 11.7% year on year to ¥14,600 million, mainly due to the increased revenue from higher sales volume.

(ii) Brass Bar Manufacturing Business

In the Brass Bar Manufacturing Business, net sales to external customers increased 10.4% year on year to ¥24,056 million, mainly due to higher sales volume. Operating profit decreased 40.7% year on year to ¥452 million, mainly due to higher repair expenses despite higher sales volume.

(iii) Other

In Other Businesses, net sales to external customers increased by 4.6% year on year to ¥2,050 million, and operating profit decreased by 8.1% year on year to ¥139 million.

(2) Overview of financial position for the period under review

Assets at the end of the period under review increased by ¥3,025 million from the end of the previous fiscal year to ¥175,432 million. This increase was mainly due to increases in property, plant and equipment and inventories, despite a decrease in cash and deposits.

Liabilities decreased by ¥737 million from the end of the previous fiscal year to ¥61,858 million, primarily due to a reduction in bonds payable, despite an increase in long-term borrowings.

Net assets increased by ¥3,763 million from the end of the previous fiscal year to ¥113,573 million. This increase was mainly due to the recording of ¥8,789 million in profit attributable to owners of parent, despite the payment of dividends and a decrease in foreign currency translation adjustment.

(Cash flows)

Cash and cash equivalents (“cash”) at the end of the period under review decreased by ¥5,729 million from the end of the previous fiscal year to ¥24,710 million.

The status of the respective cash flows and their relevant factors during the period under review are as follows.

(i) Cash flows from operating activities

Net cash provided by operating activities amounted to ¥7,998 million (compared to ¥12,780 million provided in the same period of the previous fiscal year). This was mainly due to inflows including profit before income taxes of ¥12,671 million and depreciation of ¥5,065 million, despite outflows including income taxes paid of ¥4,492 million and an increase in inventories of ¥3,982 million.

(ii) Cash flows from investing activities

Net cash used in investing activities amounted to ¥7,251 million (compared to ¥4,963 million used in the same period of the previous fiscal year). This was mainly due to outflows including purchase of property, plant and equipment of ¥7,318 million primarily in the Valve Manufacturing Business.

(iii) Cash flows from financing activities

Net cash used in financing activities was ¥5,876 million (compared to ¥5,321 million used in the same period of the previous fiscal year). This was mainly due to outflows including redemption of bonds of ¥10,135 million, dividends paid of ¥4,189 million and repayments of long-term borrowings of ¥1,613 million, despite inflows including proceeds from long-term borrowings of ¥10,466 million.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

There are no changes in consolidated earnings forecasts for the fiscal year ending December 31, 2025, released on February 13, 2025.

We are continuously examining the potential effects of U.S. tariff measures on the Group's financial results. If it becomes necessary to revise the earnings forecasts, we will disclose the revised forecasts promptly.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	30,729	24,911
Notes and accounts receivable - trade, and contract assets	22,416	23,089
Electronically recorded monetary claims - operating	12,869	12,767
Merchandise and finished goods	15,510	16,951
Work in process	8,755	9,283
Raw materials and supplies	13,036	14,914
Other	3,208	3,605
Allowance for doubtful accounts	(148)	(76)
Total current assets	106,377	105,446
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,526	18,182
Machinery, equipment and vehicles, net	15,433	15,092
Land	9,874	9,881
Other, net	11,593	15,018
Total property, plant and equipment	54,427	58,175
Intangible assets		
Goodwill	99	27
Other	1,599	1,963
Total intangible assets	1,698	1,990
Investments and other assets	9,902	9,818
Total non-current assets	66,029	69,985
Total assets	172,406	175,432

KITZ CORPORATION (6498)

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,505	10,166
Current portion of bonds payable	10,135	135
Short-term borrowings	645	552
Current portion of long-term borrowings	1,299	2,625
Income taxes payable	2,263	1,788
Provision for bonuses	3,248	1,953
Provision for bonuses for directors (and other officers)	265	196
Other	8,057	9,456
Total current liabilities	35,419	26,873
Non-current liabilities		
Bonds payable	20,135	20,000
Long-term borrowings	2,564	10,083
Provision for retirement benefits for directors (and other officers)	281	245
Provision for share awards for directors (and other officers)	125	150
Retirement benefit liability	845	819
Asset retirement obligations	838	843
Other	2,387	2,844
Total non-current liabilities	27,177	34,985
Total liabilities	62,596	61,858
Net assets		
Shareholders' equity		
Share capital	21,207	21,207
Capital surplus	5,726	5,726
Retained earnings	70,392	74,985
Treasury shares	(482)	(496)
Total shareholders' equity	96,843	101,423
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,668	1,740
Foreign currency translation adjustment	9,852	8,934
Remeasurements of defined benefit plans	21	7
Total accumulated other comprehensive income	11,542	10,683
Non-controlling interests	1,423	1,467
Total net assets	109,809	113,573
Total liabilities and net assets	172,406	175,432

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Net sales	127,295	130,816
Cost of sales	94,091	95,869
Gross profit	33,203	34,946
Selling, general and administrative expenses	22,361	23,080
Operating profit	10,842	11,865
Non-operating income		
Interest income	228	155
Dividend income	163	143
Foreign exchange gains	2	–
Gain from insurance claims	145	409
Other	421	548
Total non-operating income	960	1,257
Non-operating expenses		
Interest expenses	188	231
Foreign exchange losses	–	285
Other	169	195
Total non-operating expenses	358	713
Ordinary profit	11,445	12,409
Extraordinary income		
Gain on sale of property, plant and equipment	21	11
Gain on sale of investment securities	1,164	287
Other	8	1
Total extraordinary income	1,194	299
Extraordinary losses		
Loss on sale and retirement of property, plant and equipment	38	36
Other	20	0
Total extraordinary losses	58	37
Profit before income taxes	12,580	12,671
Income taxes	3,546	3,800
Profit	9,034	8,871
Profit attributable to non-controlling interests	19	82
Profit attributable to owners of parent	9,014	8,789

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Profit	9,034	8,871
Other comprehensive income		
Valuation difference on available-for-sale securities	(467)	72
Foreign currency translation adjustment	141	(931)
Remeasurements of defined benefit plans, net of tax	(4)	(14)
Total other comprehensive income	(330)	(873)
Comprehensive income	8,703	7,998
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,612	7,930
Comprehensive income attributable to non-controlling interests	91	68

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	12,580	12,671
Depreciation	5,226	5,065
Increase (decrease) in provision for bonuses	(1,168)	(1,289)
Increase (decrease) in retirement benefit liability	53	(5)
Interest and dividend income	(391)	(299)
Interest expenses	188	231
Loss (gain) on sale of investment securities	(1,164)	(287)
Decrease (increase) in accounts receivable - trade, and contract assets	726	(677)
Decrease (increase) in inventories	825	(3,982)
Decrease (increase) in other current assets	311	(60)
Increase (decrease) in trade payables	79	905
Increase (decrease) in other current liabilities	(144)	450
Other, net	(84)	(285)
Subtotal	17,039	12,437
Interest and dividends received	376	309
Interest paid	(218)	(256)
Income taxes paid	(4,417)	(4,492)
Net cash provided by (used in) operating activities	12,780	7,998
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,401)	(7,318)
Proceeds from sale of property, plant and equipment	90	17
Purchase of intangible assets	(450)	(633)
Purchase of investment securities	(17)	(18)
Proceeds from sale of investment securities	1,725	374
Net decrease (increase) in time deposits	217	85
Other, net	(127)	241
Net cash provided by (used in) investing activities	(4,963)	(7,251)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,630	(83)
Proceeds from long-term borrowings	395	10,466
Repayments of long-term borrowings	(1,341)	(1,613)
Redemption of bonds	(135)	(10,135)
Dividends paid	(3,784)	(4,189)
Decrease (increase) in money held in trust for purchase of treasury shares	(494)	—
Purchase of treasury shares	(1,089)	(108)
Other, net	(501)	(213)
Net cash provided by (used in) financing activities	(5,321)	(5,876)
Effect of exchange rate change on cash and cash equivalents	15	(599)
Net increase (decrease) in cash and cash equivalents	2,510	(5,729)
Cash and cash equivalents at beginning of period	28,398	30,440
Cash and cash equivalents at end of period	30,909	24,710

(4) Notes to quarterly consolidated financial statements***Notes on changes in accounting policies******Application of the “Accounting Standard for Current Income Taxes,” Etc.***

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”), etc. from the beginning of the first quarter of the current fiscal year.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

In addition, for changes related to the revised treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the beginning of the first quarter of the current fiscal year. This change in accounting policies has been applied retrospectively, and is reflected in the quarterly consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year. This change in accounting policies has no impact on the quarterly consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements

Tax expense is calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year including the quarter under review, and multiplying profit before income taxes by this estimated effective tax rate.

However, in cases where the calculation of tax expenses using the estimated effective tax rate yields a result that is considered not to be reasonable to a significant extent, the statutory effective tax rate is used.

Segment information, etc.**I. Nine months ended September 30, 2024****1. Information of net sales and profit (loss) for each reportable segment**

(Millions of yen)

	Valve Manufacturing Business	Brass Bar Manufacturing Business	Other (Note 1)	Adjustments (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
Net sales					
Sales to external customers	103,555	21,780	1,959	—	127,295
Intersegment sales and transfers	186	1,954	69	(2,211)	—
Total	103,742	23,735	2,029	(2,211)	127,295
Segment profit	13,068	763	152	(3,141)	10,842

- Notes:
1. The category of “Other” is a business segment that is not included in the reportable segments and includes the hotel and restaurant businesses, etc.
 2. The segment profit adjustment of ¥(3,141) million includes intersegment eliminations of ¥(50) million and corporate expenses that are not allocated to any reportable segments of ¥(3,091) million. Corporate expenses mainly consist of costs incurred by the Human Resources Department, the General Administration Department, the Accounting and Finance Center, and the Corporate Planning Department at the Company’s head office, including administrative expenses for the head office building.
 3. Segment profit is adjusted to operating profit in the quarterly consolidated statement of income.

2. Information concerning impairment losses of non-current assets or goodwill, etc. for each reportable segment

Not applicable.

II. Nine months ended September 30, 2025**1. Information of net sales and profit (loss) for each reportable segment**

(Millions of yen)

	Valve Manufacturing Business	Brass Bar Manufacturing Business	Other (Note 1)	Adjustments (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
Net sales					
Sales to external customers	104,709	24,056	2,050	—	130,816
Intersegment sales and transfers	180	2,035	65	(2,281)	—
Total	104,890	26,091	2,115	(2,281)	130,816
Segment profit	14,600	452	139	(3,327)	11,865

- Notes:
1. The category of “Other” is a business segment that is not included in the reportable segments and includes the hotel and restaurant businesses, etc.
 2. The segment profit adjustment of ¥(3,327) million includes intersegment eliminations of ¥(53) million and corporate expenses that are not allocated to any reportable segments of ¥(3,273) million. Corporate expenses mainly consist of costs incurred by the Human Resources Department, the General Administration Department, the Accounting and Finance Management Department, and the Corporate Planning Department at the Company’s head office, including administrative expenses for the head office building.
 3. Segment profit is adjusted to operating profit in the quarterly consolidated statement of income.

2. Information concerning impairment losses of non-current assets or goodwill, etc. for each reportable segment
Not applicable.

Notes when there are significant changes in amounts of equity

Not applicable.

Notes on premise of going concern

Not applicable.

Notes on significant subsequent events

Transfer of non-current assets

KITZ Corp. of America, a consolidated subsidiary of the Company, resolved at the Board of Directors meeting held on October 27, 2025, to transfer the non-current asset and entered into a transfer agreement on the same date, as described below.

1. Reason for transfer

As the evolution of generative AI and other technologies accelerates, the data center market is expected to expand increasingly on a global scale, and further growth in the data center market is anticipated in the United States as well. Amid such circumstances, our U.S. consolidated subsidiary, KITZ Corp. of America, relocated its headquarters to expand its warehouse and enhance its inventory of products for data centers, as well as to establish a system for immediate delivery. Accordingly, the land and building of the former headquarters will be transferred.

2. Details of assets to be transferred

Details of assets	Land and buildings
Location	10750 Corporate Drive, Stafford Texas 77477, U.S.A.
Current status	Office and warehouse of the former headquarters

3. Description of transferee

We will refrain from disclosing information of the transferee in accordance with the agreement with the transferee. There are no capital, personal, or business relationships between the transferee and the Company that is required to be disclosed. The transferee does not fall under the category of a related party of the Company.

4. Transfer date

Property handover date (scheduled): First quarter of the fiscal year ending December 31, 2026

5. Impact on profit or loss

With the transfer of the non-current assets, we plan to record a gain on sale of non-current assets of approximately ¥1,100 million as an extraordinary income in the consolidated financial results for the first quarter of the fiscal year ending December 31, 2026.