Good luck. Good life.

パチンコで、いい笑顔。

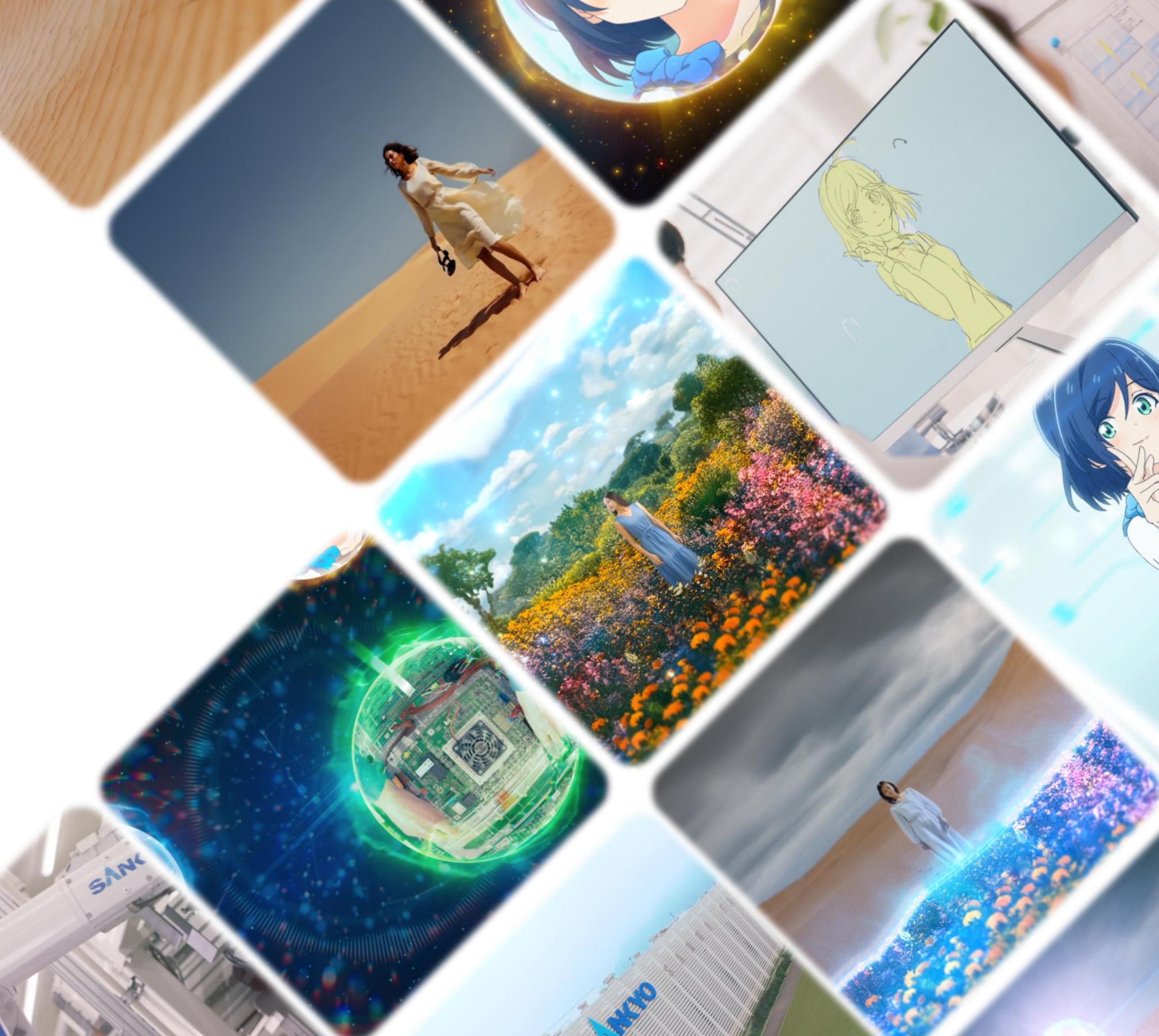
SANKYO

Presentation on Business Results For the First Quarter of FY 3/2027 (April 1, 2026 to June 30, 2026)

SANKYO CO., LTD.

Prime Market of the TSE #6417

August 6, 2026



01

Overview of Financial Results

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Consolidated Financial Results

The progress against the earnings forecast of full year has been steadily good, despite decreases in net sales and profit compared with the same period of the previous year due to decreases in sales volumes of pachinko and pachislot machines.

Decided to change dividend policy (strengthening shareholder returns), introducing DOE standard alongside an increase in payout ratio. (For details, please refer to P. 20.)

Net Sales 33,571 million yen
FY 3/2026 1Q 55,185 million yen
(YoY -39.2%)

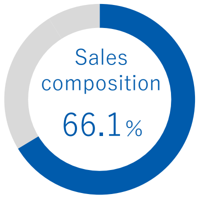
Operating Income 10,496 million yen
FY 3/2026 1Q 23,851 million yen
(YoY-56.0%)

Net Income
attributable to owners of parent 8,074 million yen
FY 3/2026 1Q 17,447 million yen
(YoY-53.7%)

Net Income per share (EPS) 40.88 yen
(YoY-39.48 yen)

≪ Results of Operations by Segment ≫

Pachinko Machines Business

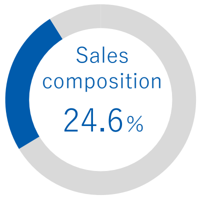


Net Sales 22,197 million yen
(YoY -39.5%)

Operating Income 9,022 million yen
(YoY -48.9%)

Sales of Unit 50,059 unit
(YoY -36.9%)

Pachislot Machines Business

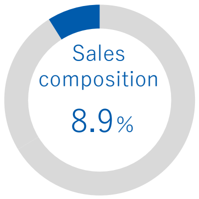


Net Sales 8,274 million yen
(YoY -45.0%)

Operating Income 2,943 million yen
(YoY -61.7%)

Sales of Unit 16,880 unit
(YoY -52.6%)

Ball Bearing Supply Business



Net Sales 2,995 million yen
(YoY -10.2%)

Operating Income 175 million yen
(YoY -24.9%)

Summary of Financial Results by Segment

SANKYO

≪Pachinko Machines Business≫

Financial Results for the First Quarter of FY 3/2027

Net Sales
22.1 billion yen
(YoY -39.5%)

Number of New Titles
Three
(Reused models etc. : Three)

Operating Income
9.0 billion yen
(YoY -48.9%)

Sales of Unit
50,059 units
(YoY -36.9%)

The Group launched titles subject to the “SANKYO YELL PRICE” policy, and “e Tokyo Ghoul Chōdeka Chō Ichigeki ver.,” a new-spec version of “e Tokyo Ghoul,” has gained high popularity.

≪Pachislot Machines Business≫

Financial Results for the First Quarter of FY 3/2027

Net Sales
8.2 billion yen
(YoY -45.0%)

Number of New Titles
One
(Increased Production : One)

Operating Income
2.9 billion yen
(YoY -61.7%)

Sales of Unit
16,880 units
(YoY -52.6%)

The Group launched the new titles “L Pachislot MOBILE SUIT GUNDAM UNICORN Awakening DRIVE” and responded to the needs for the manufacture of additional units of “L Pachislot ENN ENN NO SHOUBOUTAI 2,” which maintained strong machine utilization.

≪Pachinko Market≫

FY3/2027
(April to June, 2026)
190 thousand units

FY3/2026 (April to June, 2025)
210 thousand units

Parlor operators became increasingly cautious in selecting new machines against a backdrop of sluggish machine utilization, and total sales volume fell below the level of the same period of the previous fiscal year.

≪Pachislot Market≫

FY3/2027
(April to June, 2026)
180 thousand units

FY3/2026 (April to June, 2025)
170 thousand units

Against a backdrop of solid machine utilization, parlor operators’ purchasing demand remained stable.

Summary of Financial Results

Million yen	FY 3/2026 1Q	FY 3/2027 1Q	YoY		FY 3/2027 Forecast
Net Sales	55,185	33,571	-21,614	-39.2%	174,000
Pachinko Machines Business	36,712	22,197	-14,515	-39.5%	98,300
Pachislot Machines Business	15,037	8,274	-6,763	-45.0%	62,100
Cost of Sales	21,289	13,297	-7,992	-37.5%	73,000
Gross Profit	33,896	20,274	-13,622	-40.2%	101,000
Percentage	61.4%	60.4%	-1.0pt		58.0%
SG & A Expenses	10,044	9,777	-267	-2.7%	45,000
Operating Income	23,851	10,496	-13,355	-56.0%	56,000
Percentage	43.2%	31.3%	-12.0pt		32.2%
Pachinko Machines Business	17,644	9,022	-8,622	-48.9%	34,400
Pachislot Machines Business	7,686	2,943	-4,743	-61.7%	28,900
Recurring Income	24,391	11,108	-13,283	-54.5%	58,000
Net Income attributable to owners of parent	17,447	8,074	-9,373	-53.7%	40,000

Progress against the Forecasts of Financial Results FY 3/2027

SANKYO

Business Results For the First Quarter of FY 3/2027

(Million yen)

	Progress	Results	Forecast
Net Sales	19.3%	33,571	174,000
Operating Income	18.7%	10,496	56,000
Recurring Income	19.2%	11,108	58,000
Net Income attributable to owners of parent	20.2%	8,074	40,000

(Units)

	Progress	Results	Forecast
Sales of pachinko machines	22.2%	50,059	225,500
Sales of pachislot machines	13.3%	16,880	127,000

Progressing well in line with the earning forecasts

(Net sales and profit)

- ✓ Progress in line with full-year plan expectations, taking into account the planned title launches and sales volume allocation, although progress remained at around 20%.
- ✓ Major pachinko and pachislot titles scheduled for launch from 2Q onward, aiming to secure steady progress.

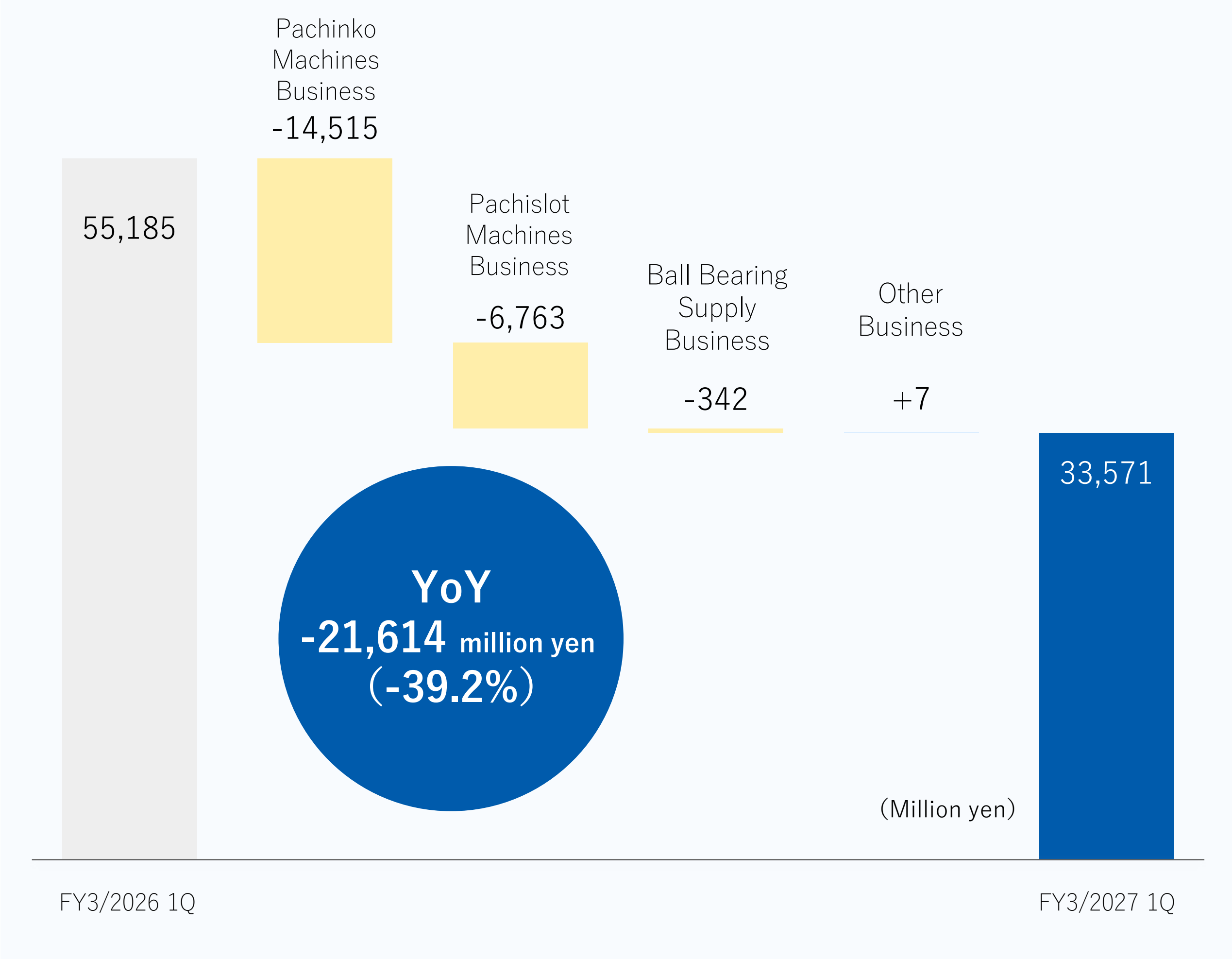
(Sales units of pachinko machines)

- ✓ 1Q progressed smoothly, with the launch of three new titles and strong popularity of “e Tokyo Ghoul Chōdeka Chō Ichigeki ver.,” a new-spec version of “Tokyo Ghoul.”
- ✓ 2Q is expected to continue progressing smoothly, with the launch of “e Fever MOBILE SUIT GUNDAM SEED CLIMAX” and additional production of multiple titles.

(Sales units of pachislot machines)

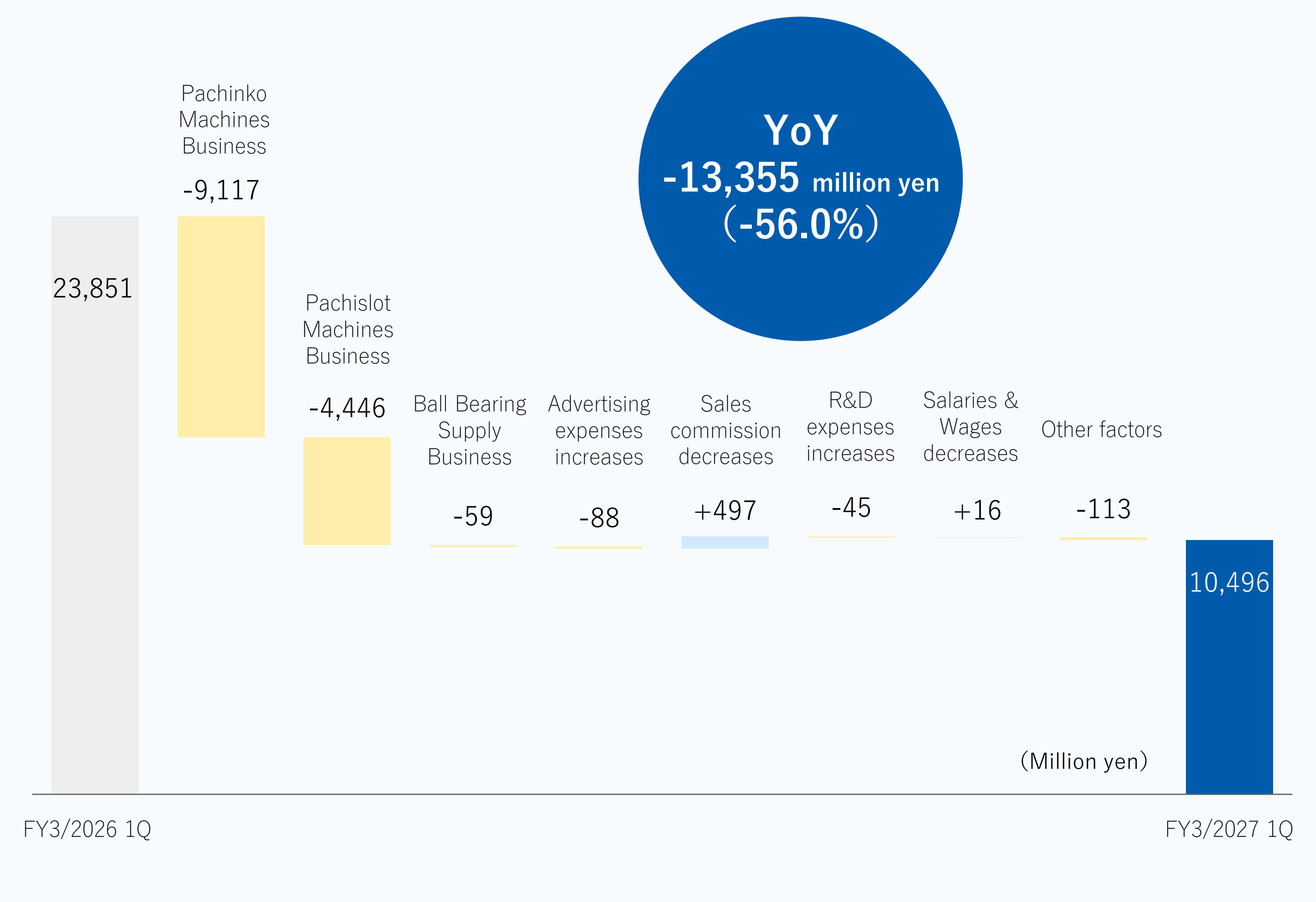
- ✓ 1Q progressed as planned, with the launch of one new title and additional production of one title maintaining strong performance.
- ✓ 2Q aims to secure steady progress, with the launch of two new titles scheduled, including the second hit title, “L Pachislot Karakuri Sākasu 2.”

Factors of Change in Consolidated Net Sales



Million yen	FY 3/2026 1Q	FY 3/2027 1Q	YoY	
Net Sales	55,185	33,571	-21,614	-39.2%
Pachinko Machines Business	36,712	22,197	-14,515	-39.5%
Pachislot Machines Business	15,037	8,274	-6,763	-45.0%
Ball Bearing Supply Business	3,337	2,995	-342	-10.2%
Other Business	97	104	+7	+7.2%

Factors of Change in Consolidated Operating Income／Costs and Expenses



Million yen	FY 3/2026 1Q	FY 3/2027 1Q	YoY	
SG & A Expenses	10,044	9,777	-267	-2.7%
Advertising Expenses	709	797	+88	+12.4%
Sales Commission	1,737	1,240	-497	-28.6%
R&D Expenses	4,586	4,631	+45	+1.0%
Salaries & Wages	713	697	-16	-2.2%

Summary of Balance Sheet

SANKYO

Million yen	As of 31-Mar-26	As of 30-Jun-26	Change	Main Factors of Change
Total current assets	229,956	229,892	-64	
Quick assets	204,423	194,480	-9,943	Decreases due to payments of dividends
Total fixed assets	57,501	57,719	+218	
Investment securities	6,351	6,728	+377	
Total assets	287,458	287,611	+153	
Total current liabilities	27,817	28,931	+1,114	
Total long-term liabilities	9,484	9,542	+58	
Total liabilities	37,302	38,473	+1,171	
Total net assets	250,155	249,137	-1,018	Addition of net income Deduction of cash dividends paid
Total liabilities and total net assets	287,458	287,611	+153	

SANKYO

02

Overview of Business

CONTENTS

Pachinko Machines Business

SANKYO

≪Factors of Change in Net sales≫

(Million yen)

FY 3/2026 1st Quarter (Apr-Jun)	36,712
Sales volume of SANKYO-brand pachinko machines decreases.	-8,697
Unit price of SANKYO-brand pachinko machines decreases.	-1,524
Sales volume of Bisty-brand pachinko machines decreases.	-4,583
Unit price of Bisty-brand pachinko machines increases.	+384
Other factors	-95
FY 3/2027 1st Quarter (Apr-Jun)	22,197

YoY
-14,515 million yen
(-39.5%)

≪Data≫

Million yen	FY 3/2026 1Q	FY 3/2027 1Q	YoY
Net Sales	36,712	22,197	-14,515
Operating Income	17,644	9,022	-8,622
Percentage	48.1%	40.6%	
Units			
Machines sales	79,361	50,059	-29,302
SANKYO	49,501	29,988	-19,513
Frame	23,400	971	-22,429
Gauge	26,101	29,017	+2,916
Bisty	29,860	20,071	-9,789
Frame	21,666	7,181	-14,485
Gauge	8,194	12,890	+4,696

Pachinko Machines Business ≪ Lineup ≫

SANKYO

– Q1 Results –

New Title **Three**

SANKYO Three

Reused Models etc. **Three**

Bisty Three

Sales of Unit

50,059 units

Progress

22.2%

FY 3/2027 Forecast
225,500 units

1Q

- SANKYO – e Fever Kinnikuman
- SANKYO – Fever Queen Ⅱ
- SANKYO – e Fever DEAD MOUNT DEATH PLAY Konshin 9000
- Bisty – (Increased production) NEON GENESIS EVANGELION -Memories of the beginning-
- Bisty – (Increased production) e Tokyo Ghoul
- Bisty – e Tokyo Ghoul Chōdeka Chō Ichigeki ver.

50,059 units

2Q

- SANKYO – e Fever MOBILE SUIT GUNDAM SEED CLIMAX
- Bisty – e Assault Lily
- P/e Fever BLUE LOCK Light ver.
- SANKYO – e Fever ENN ENN NO SHOUBOUTAI 2 99ver.

- units

3Q-4Q

- SANKYO – e Fever Yo-Kai Watch
- SANKYO – P HANE BASTARD!! -Ankoku no Hakaishin-
- Bisty – NEON GENESIS EVANGELION -319 RED-
- SANKYO x 3
- Bisty x 1

※ Introduction of titles is in line with the current plan to date, but may be subject to changes.

Launch of Pachinko Title “e Fever Yo-Kai Watch”

SANKYO

✓ Tie-up with “Yo-Kai Watch,” a blockbuster content that has become a social phenomenon.

- The original “Yo-Kai Watch” series is a major franchise that became a nationwide social phenomenon in Japan, starting with the release of the first game in 2013, and the game series has sold over 18.5 million units worldwide in total.
- By tying up with the hit content “Yo-Kai Watch,” we aim to appeal primarily to younger users and enhance recognition.

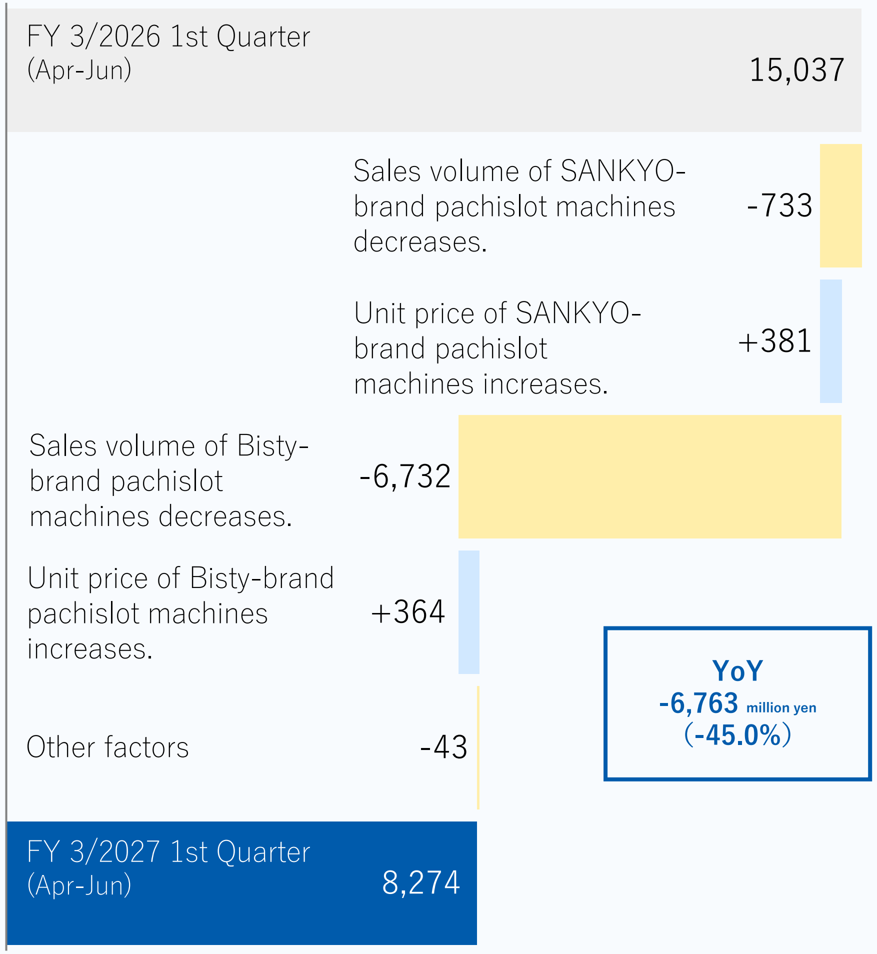
✓ Game effects that leverage the appeal of “Yo-Kai Watch”

- In addition to popular signature songs from “Yo-Kai Watch,” such as “Yo-kai Exercise No. 1” and “Gera Gera Po Song,” the machine features original pachinko tracks.
- By combining powerful and beautiful battle visuals with highly immersive sound, the machine delivers the unique appeal of a “pachinko-style Yo-Kai Watch” experience.

Pachislot Machines Business

≪Factors of Change in Net sales≫

(Million yen)



≪Data≫

Million yen	FY 3/2026 1Q	FY 3/2027 1Q	YoY
Net Sales	15,037	8,274	-6,763
Operating Income	7,686	2,943	-4,743
Percentage	51.1%	35.6%	
Units			
Machines sales	35,575	16,880	-18,695
SANKYO	7,887	6,456	-1,431
Bisty	27,688	10,424	-17,264

Pachislot Machines Business≪ Lineup ≫

– Q1 Results –

New Title	One
Bisty	One
Increased production	One
SANKYO	One

Sales of Unit

16,880 units

Progress

13.3%

FY 3/2027 Forecast
127,000 units

1Q	2Q	3Q-4Q	
Bisty L Pachislot MOBILE SUIT GUNDAM UNICORN Awakening DRIVE	SANKYO L Pachislot Karakuri Sākasu 2	Bisty L Pachislot Godzilla vs EVANGELION 2	SANKYO x 3
SANKYO (Increased production) L Pachislot ENN ENN NO SHOUBOUTAI 2	SANKYO L Pachislot Kanojo, Okarishimasu		Bisty x 1
16,880 units	- units		

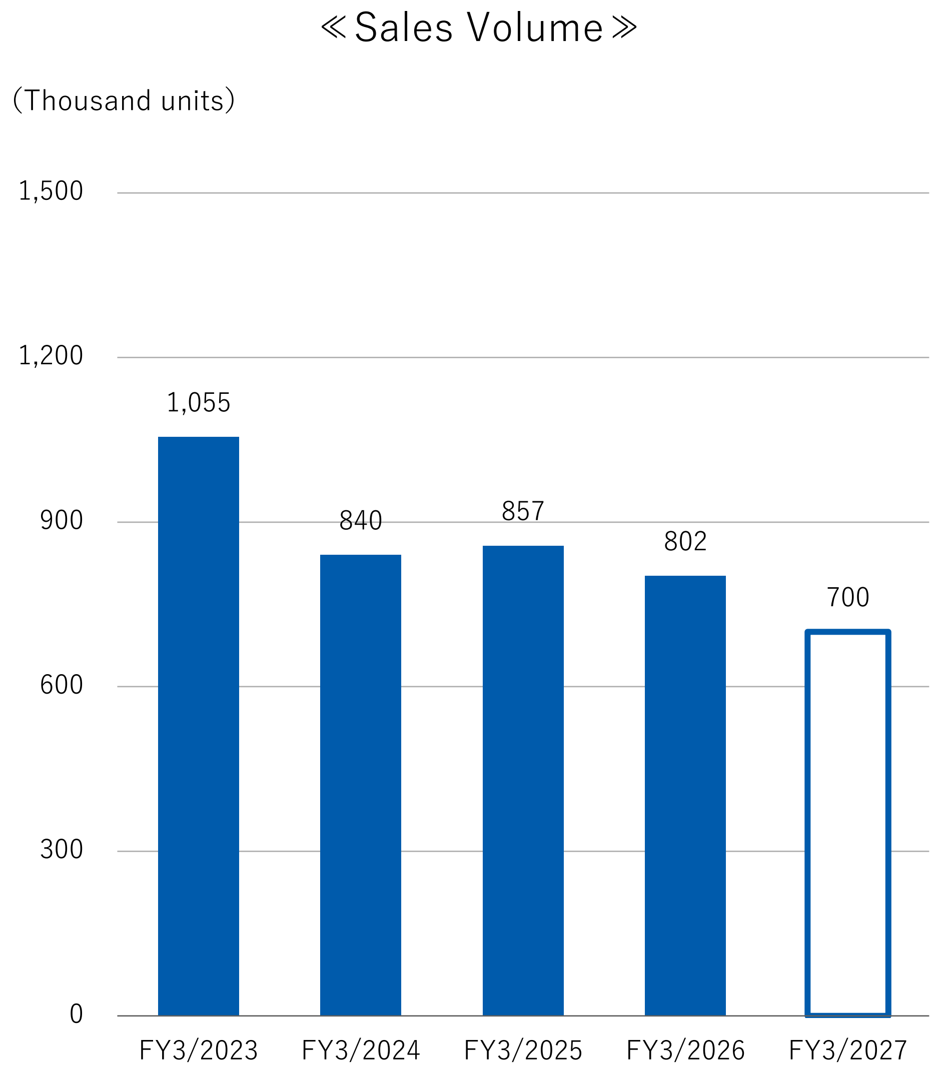
※ Introduction of titles is in line with the current plan to date, but may be subject to changes.

03

Surroundings of Pachinko and Pachislot Industry, and Initiatives of SANKYO

CONTENTS

Pachinko Market



※ Estimates of SANKYO

Sales volume forecast

FY3/2027
(April 1, 2026 to March 31, 2027)

700 thousand units

Total number of units sold

FY3/2027
(April to June, 2026)

190 thousand units

YoY Approx.-12%

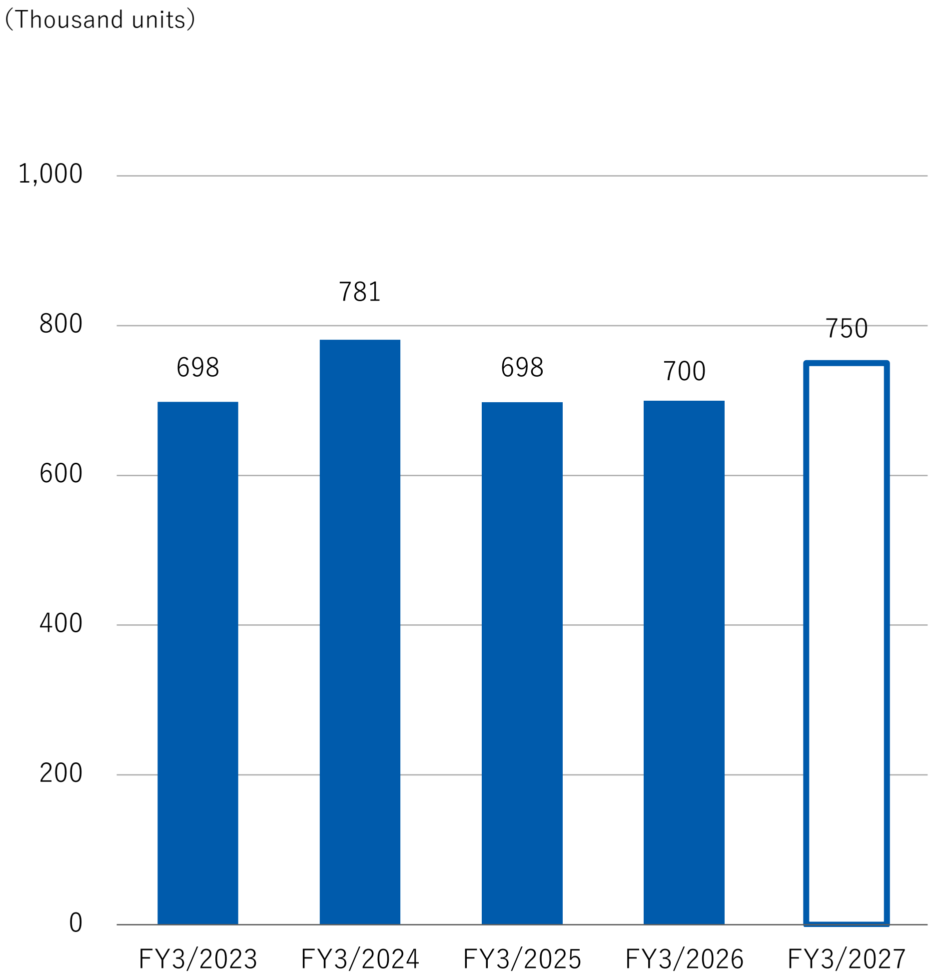
≪Market Environment≫

- ✓ Parlor operators became increasingly cautious in selecting new machines against a backdrop of sluggish machine utilization, and total sales volume fell below the level of the same period of the previous fiscal year.
- ✓ Products with a wider variety of gaming features have been gradually increasing in number, and we expect this more diverse lineup to stimulate the market.

Pachislot Market

SANKYO

≪Sales Volume≫



Sales volume forecast

FY3/2027
(April 1, 2026 to March 31, 2027)

750 thousand units

Total number of units sold

FY3/2027
(April to June, 2026)

180 thousand units

YoY Approx.+2%
(2 titles sold 20,000 units or more.)

≪Market Environment≫

- ✓ Machine utilization is growing slowly but steadily.
- ✓ Against a backdrop of solid machine utilization, parlor operators' purchasing demand remained stable.

Source: Yano Research Institute　※FY3/2026・FY3/2027：Estimate of SANKYO

Initiatives of SANKYO in The Pachinko and Pachislot Machine Markets

SANKYO

Pachinko Machines Business：Aim to achieve the top share for five consecutive years in the pachinko market.

Pachislot Machines Business：Aim to solidify its position in the top share group in the pachislot market.

1Q

✓ Start of the "SANKYO YELL PRICE" policy

- Launch of titles subject to the "SANKYO YELL PRICE" policy to revitalize the pachinko market

  "e Fever Kinnikuman"

  "e Fever DEAD MOUNT DEATH PLAY Konshin 9000"

✓ Launch of "e Tokyo Ghoul Chōdeka Chō Ichigeki ver.," a new-spec version of "e Tokyo Ghoul"

- The Group launched "e Tokyo Ghoul Chōdeka Chō Ichigeki ver.," a new-spec version of "e Tokyo Ghoul," which continues to enjoy overwhelming popularity even now, more than a year after its debut in April of last year, and the new model has gained high popularity.

From 2Q onward

✓ Launch of mainstay pachinko and pachislot titles

- The latest title in the pachinko machine "MOBILE SUIT GUNDAM" series, "e Fever MOBILE SUIT GUNDAM SEED CLIMAX," was released in August.
- The second title of the pachislot machine "L Pachislot Karakuri Sākasu 2," the previous model of which was popular for a long time, was released in July.

✓ Vigorous release of new tie-up machines

- Release of " e Assault Lily" in September.
- Release of "e Fever YO-KAI WATCH" in October.

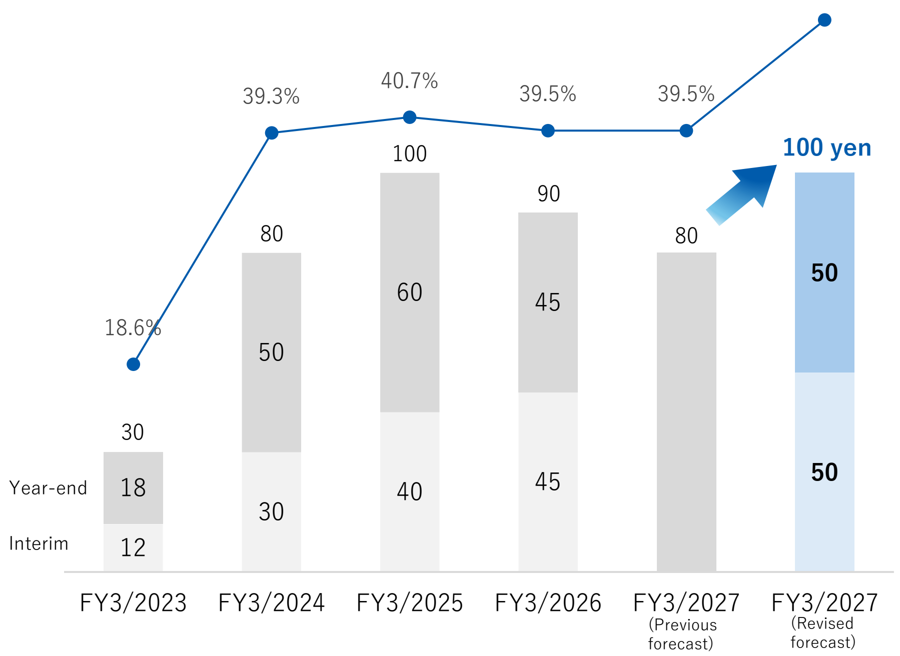
Decided to change dividend policy (strengthening shareholder returns)

SANKYO

Increased payout ratio and newly introduced DOE
Reflects profit growth when performance is strong and provides downside support through DOE when performance weakens, thereby achieving both stronger returns and greater dividend stability

	Existing (before change)	New policy (after change)
Basic policy	Payout ratio of 40%	**Payout ratio of 50% or DOE of 5%, whichever is higher**
Lower limit of dividends	20 yen per share	**DOE 5% (guideline for lower limit) + dividend forecast announced at the beginning of the fiscal year, in principle**

Annual dividends Trend



*Figures are after taking into account the 1-for-5 share split implemented on March 1, 2024.

[Objectives of the dividend policy change]

- **Strengthening returns**：increase in payout ratio (40% → 50%)
- **Improving stability**：clarified downside support through introduction of DOE
- **Rising lower limit**：the lower limit rises automatically as net assets grow
- **Commitment to the initial dividend forecast**：
  in principle, no dividend reduction during the fiscal year

[About the annual dividend level]
(1) Net income × 50% (payout ratio)
(2) Consolidated net assets × 5% (DOE)
- Annual dividend: whichever is higher of (1) and (2)
- The dividend forecast announced at the beginning of the fiscal year will, in principle, be maintained
- If performance exceeds expectations, adjustments will be made through the year-end dividend
- The interim dividend will be based on a guideline of 1/2 of the annual dividend forecast announced at the beginning of the fiscal year

Strengthening of development structure, product capabilities, and technological capabilities through the integration of personnel and technology

Following the establishment of SAN ART and the acquisition of Data Art's business, the Company has integrated over 100 specialized personnel and know-how, which is expected to significantly strengthen its product development structure and further enhance the Group's development capabilities through synergies.

※For this news release, please refer to our website:
https://www.sankyo-fever.co.jp/corporate/ir/timely.html

【Establishment of Subsidiary】 (Announced on June 5, 2026)

Name	: SAN ART CO., LTD.
Date of Establishment	: June 12, 2026

【Outline of the business acquisition】 (Announced on July 15, 2026)

Seller : Data Art, Inc.

Details of the business acquired :
Planning and production of effect control software and video content for pachinko and pachislot machine development; development and design of pachinko and pachislot machine components

Scale of target business :

(Operating results for FY5/2025)	Net sales	8 ,942 million yen
	Operating income	583 million yen

Purchase price : 1.93 billion yen (cash payment)

Number of employees : SAN ART to take on more than 100 employees

Date of business acquisition : July 31, 2026

Real Initiatives：Holding an experiential pop-up event

Approaching new fans through pop-up event as part of the "KUGITAMA" Project

【Event overview】

Dates：Saturday, August 29, 2026 – Sunday, September 6, 2026

Location：MIYASHITA PARK Park in Park

【Event concept】

- An experiential pop-up store to enjoy in Shibuya this summer
- Developed as a place for "play, trying one's luck, and entertainment experiences."

【Purpose of the event】

By having visitors intuitively experience the fun of a game that is realized with the simple mechanism of pins and balls, we aim to make them aware of the world and value of the "KUGITAMA" project and thereby increase its recognition.

KUGITAMA

The "KUGITAMA" project is an initiative to communicate to society the original appeal of pachinko that lies in its simple combination of pins and balls. Through this project, we aim to curb the decline in the number of players and pass down pachinko—an easy-to-enjoy form of popular entertainment—to the next generation.

KUGITAMA

https://www.kugitama.sankyo-fever.jp

First Product Initiative – launch of “P HANE BASTARD!! -Ankoku no Hakaishin-”

KUGITAMA

✓ “KUGITAMA” Project: First Product Initiative

In line with the project concept of showcasing the fun created by “pins and balls,” this machine returns to the origins of pachinko as a traditional “Hanemono” type, and is designed to be enjoyed by a wide range of players—from younger users experiencing a Hanemono machine for the first time to long-time fans from earlier generations.

✓ Release under a low-price rental plan

This machine is scheduled to be offered under the low-price rental plan “KUGITAMA YELL Plan” from 20,000 yen per month (excluding tax, planned).

“KUGITAMA YELL Plan”

Start	: From November 2026
Target products	: New “Hanemono” type machines
Rental fee	: **From 20,000 yen per month** (excluding tax, planned)

Along with providing introduction schemes that are easy for pachinko operators to operate, we will work hand in hand with them to create an environment where even beginners can experience the true enjoyment of pachinko on a modest budget, thereby striving to contribute to an increase in pachinko fans.

KUGITAMA ×Game Center Tanpopo: Collaboration event held

SANKYO

From May 14 to June 2, 2026, we held a collaboration event with the “KUGITAMA” project titled “Has KUGITAMA Taken Over Game Center Tanpopo!? Presented by SANKYO” at “Game Center Tanpopo” in Fussa City, Tokyo, which attracted over 1,000 visitors.

【Event details】

- Installed 20 SANKYO retro “Hanemono” pachinko machines at Game Center Tanpopo.
- Changed the in-store decorations and handouts to the “KUGITAMA Project” design.

【Purpose of the event】

◆ Provide a playing experience.

Provide users with a hands-on experience of pachinko’s original fun, created by pins and balls, through retro “Hanemono” machines.

◆ Expansion of awareness and cultivation of anticipation.

Expansion of awareness of KUGITAMA through events, in-store decorations, and handouts.

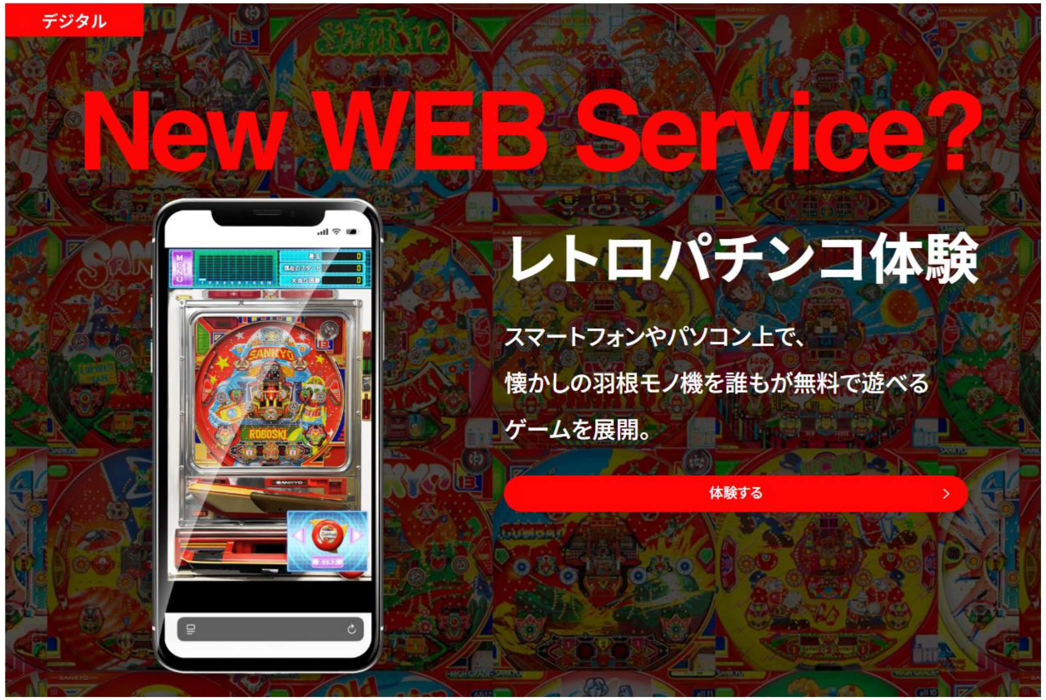
◆ Marketing

Collection of data on current awareness levels and opinions on future initiatives through visitor questionnaires.

Digital Initiatives：Three additional simulator games were added, bringing the total to 10 titles.

KUGITAMA

As part of the "KUGITAMA" project, we are implementing digital initiatives and are offering simulator games that allow users to play nostalgic "hanemono" machines for free on smartphones and PCs.
In October 2025, we released the first simulator game, and now, as the fourth installment, we have added three new titles—"JAZZ MEN II," "RESCUE CATCHER I," and "GANKO OYAJI II"—bringing the total lineup to ten titles. As of the end of July 2026, the games have been played **approximately 90,000 times**.



※Please try the simulator games from the following URL
https://www.kugitama.sankyo-fever.jp/#game

Simulator Game 4th Additional Model (Released on July 29, 2026)

JAZZ MEN II

RESCUE CATCHER I

GANKO OYAJI II

※Please note that customers are responsible for any costs related to purchasing the device used for play, as well as for any data or communication charges.

POP-UP shop rollout in conjunction with the introduction of "e Fever MOBILE SUIT GUNDAM SEED CLIMAX"

- ✓ In conjunction with the introduction of the latest title in the Pachinko MOBILE SUIT GUNDAM series, "e Fever MOBILE SUIT GUNDAM SEED CLIMAX," POP-UP SHOPS have been held at three locations nationwide.

- ✓ "e Fever MOBILE SUIT GUNDAM SEED CLIMAX" was introduced in early August.
- ✓ Boost interest in the machine's rollout through on-site displays of the actual machine and sales of collaboration merchandise.
- ✓ By continuing these initiatives after the machine's introduction, we support pachinko parlors in promoting machine utilization.

Our co-produced manga “Mietemasuyo! Aizawa-san” has been nominated for a manga award.

※The results are scheduled to be announced on September 16, 2026

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✓ **Our co-produced manga “Mietemasuyo! Aizawa-san” has been nominated in the Web Manga category of the “Next Manga Awards 2026.”**

- The “Next Manga Awards” accept entries of manga titles that users think will be “the next big hit,” and from among the submitted works, those with particularly high popularity are selected as nominated titles.
- Many of the past winners of the “Next Manga Awards” have gone on to become major hits.

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Launch of SANKYO's official merchandise website "FEVER STORE"

- ✓ Since March this year, we have been operating the official SANKYO merchandise online store "FEVER STORE."
- ✓ By offering IP tie-up merchandise, we create touchpoints not only with existing fans but also with new fan segments.

FEVER STORE
SANKYO OFFICIAL GOODS LAB

© SANKYO

SANKYO NEO STELLA frame
Replica V-Controller

FEVER STORE ▶ https://fever-store.com/

Deployment of ARG (Alternate Reality Game) content

- ✓ ARG content refers to "Alternate Reality Games," which are also known as "everyday-life-invading games."
- ✓ We are working with creators involved in ARG to produce and roll out content, aiming to create popular IP and expand it across multiple fields.

As the latest title in the "Hitono Series," released the ARG game "Tsunenaru Hikari to Tomo ni" under the name "Hito no Game Cartridge."

- This ARG is a new type of everyday-life-invading games in which the story unfolds from save data left inside the game cartridge "Tsunenaru Hikari to Tomo ni," once owned by a certain individual.
- By using information found on the internet together with the game on this cartridge, players are led to uncover the hidden truth behind the game.

※ The "Hito no ○○ Series" and "Hito no Game Cartridge" are products of Daiyon-Kyokai.

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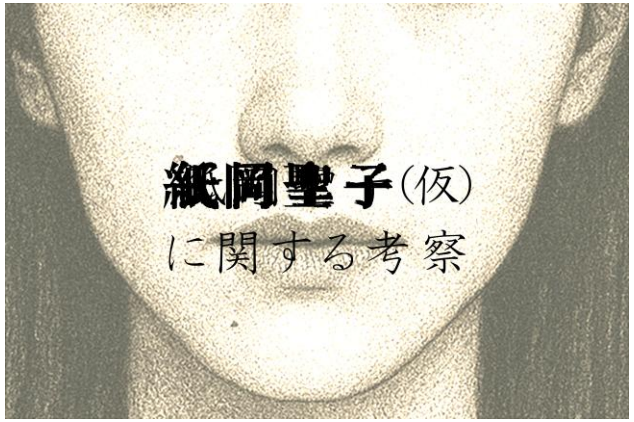
At TOKYO GAME SHOW 2026, we will exhibit our ARG titles "Kagami no Tokushu Shōnen Kōsei Shisetsu" and "A Study on Seiko Kamioka (provisional name)."

- We will exhibit at TOKYO GAME SHOW 2026 under our ARG brand "6417 Brand."
- We aim to raise awareness of and promote ARG content.



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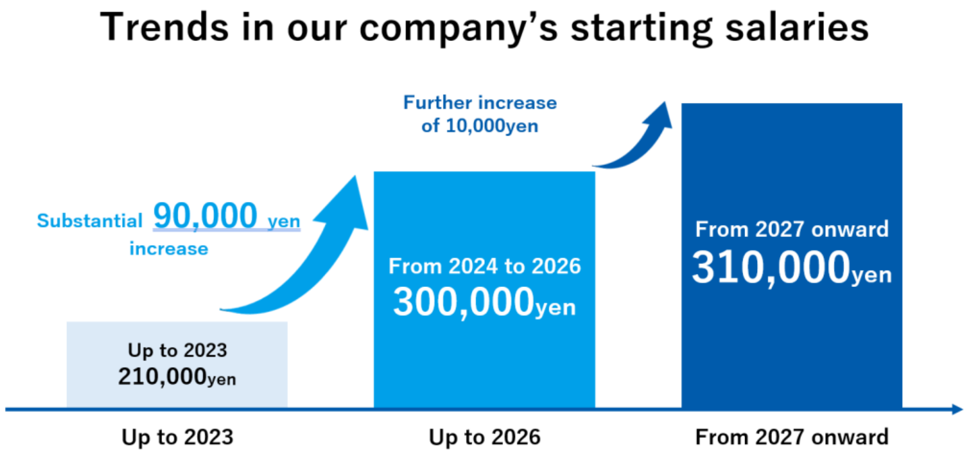
Human capital initiatives：Increasing the starting salary for university graduates to 310,000 yen.

- ✓ From the starting salaries of new graduates joining the company in 2027, we will raise the monthly starting salary by 10,000 yen from the previous level to 310,000 yen. By setting it at a top-class level in the industry, we aim to secure highly talented personnel.
- ✓ We place importance on building a foundation that enables each employee to fully demonstrate their abilities, and are comprehensively enhancing measures covering “compensation,” “systems,” and the “work environment.”

Main initiatives to enhance human capital value

①Increase in starting salary for university graduates



②Enhancement of employee benefits programs

Introduced a selectable benefits program, the “Good Life Point System (cafeteria plan).”

Good life
ポイント制度

Each employee is granted points equivalent to 36,000 yen per year. This benefits program allows employees to use these points freely for health maintenance, leisure, self-development, shopping, and more, in line with their individual needs and lifestyles.

【Initiatives to achieve sustainable growth】

Challenges

- Diversification of pachinko and pachislot machines in the market (mechanisms, game features, etc.)
- Developing gaming machines that anticipate market needs, based on changes in the business environment.

We position our human resources strategy as one of our key management priorities and strive both to secure outstanding talent with advanced expertise, logical thinking skills, and strong communication abilities, and to further enhance the motivation and performance of our existing employees.

Evaluation by ESG rating agencies and inclusion in ESG indices

SANKYO

✓ We have been selected as a constituent of multiple ESG indices constructed by FTSE Russell, a global ESG rating agency. This selection indicates that our initiatives in ESG and sustainability are being evaluated at a certain standard. Continued inclusion in these indices is expected to enhance our recognition as an investment target among domestic and overseas institutional investors that place importance on ESG.

June 2025 Selected for the first time as a constituent of the "FTSE JPX Blossom Japan Sector Relative Index."

June 2026 Selected for the first time as a constituent of the "FTSE4Good Index Series" and " FTSE JPX Blossom Japan Index."

FTSE JPX Blossom Japan Sector Relative Index

FTSE JPX Blossom Japan Index

FTSE4Good

※FTSE Russell confirms that SANKYO CO., LTD. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Sector Relative Index. The FTSE JPX Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

※FTSE Russell confirms that SANKYO CO., LTD. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE JPX Blossom Japan Index is designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices. The FTSE JPX Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

※FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that SANKYO CO., LTD. has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

04

Appendix

CONTENTS

Business Results for the First Quarter of FY 3/2027

	FY 3/2027		Forecast	FY 3/2025					FY 3/2026				
Consolidated:million yen	Q1	YoY	Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Net Sales	33,571	-21,614	174,000	42,210	48,519	62,971	38,121	191,821	55,185	45,224	61,401	17,401	179,211
Pachinko	22,197	-14,515	98,300	17,866	20,115	42,231	27,513	107,725	36,712	38,141	37,010	7,946	119,809
Pachislot	8,274	-6,763	62,100	16,610	22,590	16,075	8,187	63,462	15,037	2,297	18,496	7,605	43,435
Ball Bearing Supply	2,995	-342	13,200	7,592	5,693	4,560	2,316	20,161	3,337	4,689	5,765	1,746	15,537
Other Business	104	+7	400	140	121	106	105	472	97	96	131	104	428
Cost of Sales	13,297	-7,992	73,000	17,127	19,389	26,171	16,805	79,492	21,289	19,582	26,559	7,111	74,541
Gross Profit	20,274	-13,622	101,000	25,083	29,129	36,800	21,316	112,328	33,896	25,641	34,842	10,291	104,670
SG & A Expenses	9,777	-267	45,000	7,810	10,114	10,646	10,153	38,723	10,044	10,455	12,156	9,530	42,185
Operating Income	10,496	-13,355	56,000	17,273	19,015	26,154	11,163	73,605	23,851	15,187	22,686	760	62,484
Pachinko	9,022	-8,622	34,400	8,118	7,723	17,914	10,060	43,815	17,644	17,667	14,525	(450)	49,386
Pachislot	2,943	-4,743	28,900	9,729	13,543	9,323	3,091	35,686	7,686	(946)	9,453	2,731	18,924
Ball Bearing Supply	175	-58	1,000	600	474	331	58	1,463	233	385	408	80	1,106
Other Business	30	+1	200	46	38	53	44	181	29	54	55	54	192
Elimination/Corporate	(1,676)	+66	(8,500)	(1,222)	(2,762)	(1,467)	(2,091)	(7,542)	(1,742)	(1,974)	(1,754)	(1,655)	(7,125)
Recurring Income	11,108	-13,283	58,000	17,575	19,165	26,447	11,400	74,587	24,391	15,558	23,028	1,014	63,991
Extra ordinary Gains	0	0	0	0	0	540	0	540	0	0	0	1	1
Extra ordinary Losses	0	0	0	1	113	9	1	124	0	0	0	67	67
Net Income	8,074	-9,373	40,000	12,503	13,732	19,273	8,484	53,992	17,447	11,326	16,625	1,354	46,752
EPS: yen	40.88	-39.48	202.52					245.93	80.36				227.65

Machines sales: units													
Pachinko	50,059	-29,302	225,500	40,035	43,627	84,041	56,794	224,497	79,361	80,925	72,782	18,566	251,634
SANKYO	29,988	-19,513	145,500	37,930	39,133	43,886	48,364	169,313	49,501	62,987	27,104	9,932	149,524
Bisty	20,071	-9,789	80,000	2,105	4,494	40,155	8,430	55,184	29,860	17,938	45,678	8,634	102,110
Pachislot	16,880	-18,695	127,000	35,158	45,591	32,896	17,723	131,368	35,575	5,337	35,399	14,259	90,570
SANKYO	6,456	-1,431	82,000	27,579	44,554	29,128	10,283	111,544	7,887	2,155	35,399	14,259	59,700
Bisty	10,424	-17,264	45,000	7,579	1,037	3,768	7,440	19,824	27,688	3,182	0	0	30,870

Margin / Expenses etc.

GP Margin/OP Margin

Consolidated	FY 3/2027 Q1	YoY	Forecast Full Year	FY 3/2025 Q1	Q2	Q3	Q4	FY	FY 3/2026 Q1	Q2	Q3	Q4	FY
GP Margin	60.4%	-1.0pt	58.0%	59.4%	60.0%	58.4%	55.9%	58.6%	61.4%	56.7%	56.7%	59.1%	58.4%
OP Margin	31.3%	-12.0pt	32.2%	40.9%	39.2%	41.5%	29.3%	38.4%	43.2%	33.6%	36.9%	4.4%	34.9%

Expenses etc.

Consolidated:million yen	FY 3/2027 Q1	YoY	Forecast Full Year	FY 3/2025 Q1	Q2	Q3	Q4	FY	FY 3/2026 Q1	Q2	Q3	Q4	FY
Sales Commission	1,240	-497	5,778	638	853	2,738	727	4,956	1,737	1,127	3,141	598	6,603
Advertising Expenses	797	+88	3,063	656	917	308	814	2,695	709	399	723	569	2,400
R&D Expenses	4,631	+45	22,764	3,789	4,590	4,838	5,242	18,459	4,586	5,681	5,542	5,750	21,559
Salaries & Wages	697	-16	3,481	734	1,084	1,221	1,055	4,094	713	758	1,214	656	3,341
Others	2,412	+113	9,914	1,993	2,670	1,541	2,315	8,519	2,299	2,490	1,536	1,957	8,282
Consolidated: million yen													
Capital Expenditure	608	-160	5,881	728	1,178	705	1,394	4,005	768	14,076	871	1,226	16,941
Depreciation&Amortization	739	+196	3,849	440	634	799	927	2,800	543	682	825	981	3,031
Consolidated													
No. of Employees	922	+12	902	900	894	895	886	886	910	908	901	895	895
No. of R&D Staff	784	+500	296	272	270	271	269	269	284	281	281	280	280
Indirect Sales Ratio													
SANKYO Pachinko	14.7%	+0.3pt	15.5%	16.0%	15.6%	15.1%	15.5%	15.5%	14.4%	15.1%	15.3%	15.4%	15.4%
SANKYO Pachislot	11.6%	-9.5pt	20.5%	22.2%	21.8%	21.2%	21.1%	21.1%	21.1%	22.0%	20.9%	20.5%	20.5%

Pachinko Machines Business

Consolidated:million yen	FY 3/2027 Q1	YoY	Forecast Full Year	FY 3/2025 Q1	Q2	Q3	Q4	FY	FY 3/2026 Q1	Q2	Q3	Q4	FY
Net Sales	22,197	-14,515	98,300	17,866	20,115	42,231	27,513	107,725	36,712	38,141	37,010	7,946	119,809
Operating Income	9,022	-8,622	34,400	8,118	7,723	17,914	10,060	43,815	17,644	17,667	14,525	(450)	49,386
Percentage	40.6%	-7.4pt	35.0%	45.4%	38.4%	42.4%	36.6%	40.7%	48.1%	46.3%	39.2%	(5.7%)	41.2%

Machines sales: units	FY 3/2027 Q1	YoY	Forecast Full Year	FY 3/2025 Q1	Q2	Q3	Q4	FY	FY 3/2026 Q1	Q2	Q3	Q4	FY
Pachinko	50,059	-29,302	225,500	40,035	43,627	84,041	56,794	224,497	79,361	80,925	72,782	18,566	251,634
SANKYO	29,988	-19,513	145,500	37,930	39,133	43,886	48,364	169,313	49,501	62,987	27,104	9,932	149,524
Frame	971	-22,429	55,800	8,120	14,559	28,406	36,577	87,662	23,400	39,729	2,322	155	65,606
Gauge	29,017	+2,916	89,700	29,810	24,574	15,480	11,787	81,651	26,101	23,258	24,782	9,777	83,918
Bisty	20,071	-9,789	80,000	2,105	4,494	40,155	8,430	55,184	29,860	17,938	45,678	8,634	102,110
Frame	7,181	-14,485	46,000	2,062	2,188	39,580	1,249	45,079	21,666	5,495	43,086	2,551	72,798
Gauge	12,890	+4,696	34,000	43	2,306	575	7,181	10,105	8,194	12,443	2,592	6,083	29,312

Titles to Release

FY 3/2027	Series name	Brand	Release Date	No. of Models	Unit Sales	
Q1	e Fever Kinnikuman	SANKYO	(Apr-26)	1	17,700	
	NEON GENESIS EVANGELION -Memories of the beginning- (Increased production)	Bisty	(Apr-26)	1	--	
	Fever Queen Ⅱ	SANKYO	(May-26)	1	6,100	
	e Tokyo Ghoul (Increased production)	Bisty	(May-26)	1	--	
	e Fever DEAD MOUNT DEATH PLAY Konshin 9000	SANKYO	(Jun-26)	1	5,300	Total
	e Tokyo Ghoul Chōdeka Chō Ichigeki ver.	Bisty	(Jun-26)	1	13,900	50,059
Q2	P/e Fever BLUE LOCK Light ver.	SANKYO	(Jul-26)	2	--	
	e Tokyo Ghoul (Increased production)	Bisty	(Jul-26)	1	--	
	e Fever MOBILE SUIT GUNDAM SEED CLIMAX	SANKYO	(Aug-26)	1	--	
	e Tokyo Ghoul Chōdeka Chō Ichigeki ver. (Increased production)	Bisty	(Aug-26)	1	--	
	e Assault Lily	Bisty	(Sep-26)	1	--	
	e Fever ENN ENN NO SHOUBOUTAI 2 99ver.	SANKYO	(Sep-26)	1	--	
Q3	e Fever Yo-Kai Watch	SANKYO	(Oct-26)	1	--	
	NEON GENESIS EVANGELION -319 RED-	Bisty	(Oct-26)	1	--	
	P HANE BASTARD!! -Ankoku no Hakaishin-	SANKYO	(Nov-26)	1	--	
Q4	-				--	

Number of pachinko machines sold: Any model with sales of less than 5,000 units is not included.

Pachislot Machines Business

Consolidated:million yen	FY 3/2027 Q1	YoY	Forecast Full Year	FY 3/2025 Q1	Q2	Q3	Q4	FY	FY 3/2026 Q1	Q2	Q3	Q4	FY
Net Sales	8,274	-6,763	62,100	16,610	22,590	16,075	8,187	63,462	15,037	2,297	18,496	7,605	43,435
Operating Income	2,943	-4,743	28,900	9,729	13,543	9,323	3,091	35,686	7,686	(946)	9,453	2,731	18,924
Percentage	35.6%	-15.5pt	46.5%	58.6%	60.0%	58.0%	37.8%	56.2%	51.1%	(41.2%)	51.1%	35.9%	43.6%

Machines sales: units	FY 3/2027 Q1	YoY	Forecast Full Year	FY 3/2025 Q1	Q2	Q3	Q4	FY	FY 3/2026 Q1	Q2	Q3	Q4	FY
Pachislot	16,880	-18,695	127,000	35,158	45,591	32,896	17,723	131,368	35,575	5,337	35,399	14,259	90,570
SANKYO	6,456	-1,431	82,000	27,579	44,554	29,128	10,283	111,544	7,887	2,155	35,399	14,259	59,700
Bisty	10,424	-17,264	45,000	7,579	1,037	3,768	7,440	19,824	27,688	3,182	0	0	30,870

Titles to Release

FY 3/2027	Series name	Brand	Release Date	Unit Sales	
Q1	L Pachislot MOBILE SUIT GUNDAM UNICORN Awakening DRIVE	Bisty	(Apr-26)	10,400	Total
	L Pachislot ENN ENN NO SHOUBOUTAI 2 (Increased production)	SANKYO	(Jun-26)	--	16,880
Q2	L Pachislot Karakuri Sākasu 2	SANKYO	(Jul-26)	--	
	L Pachislot Kanojo, Okarishimasu	SANKYO	(Sep-26)	--	
Q3	L Pachislot Godzilla vs EVANGELION 2	Bisty	(Nov-26)	--	
Q4	-			--	

Number of pachislot machines sold: Any model with sales of less than 5,000 units is not included.

Financial Indicators

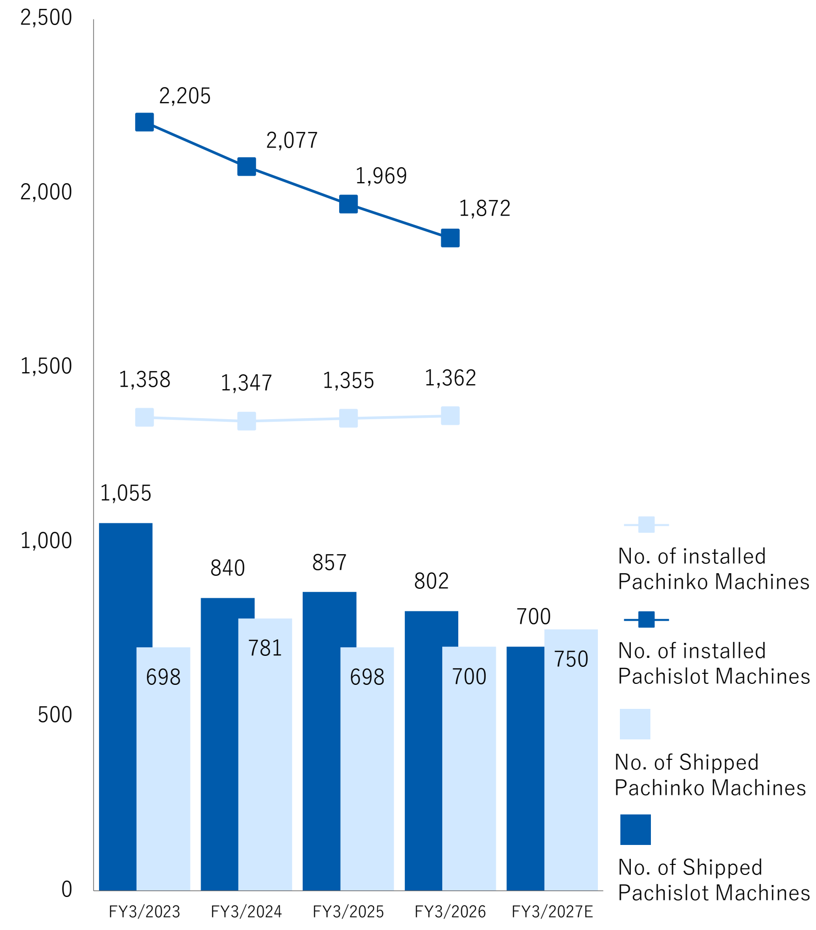
(Million yen)	FY 3/2020	FY 3/2021	FY 3/2022	FY 3/2023	FY 3/2024	FY 3/2025	FY 3/2026	FY 3/2027E
Net Sales	78,416	58,129	84,857	157,296	199,099	191,821	179,211	174,000
Operating Income	12,551	6,587	21,357	58,532	72,495	73,605	62,484	56,000
Recurring Income	13,476	7,488	22,257	59,341	73,182	74,587	63,991	58,000
Net Income	13,045	5,749	18,466	46,893	53,791	53,992	46,752	40,000
Total Assets	325,232	292,104	309,213	365,950	292,119	336,709	287,458	
Total Net Assets	269,521	268,887	270,120	310,259	251,579	285,004	250,155	
DPS (Yen)	30.00	30.00	20.00	30.00	80.00	100.00	90.00	100.00

* The Company carried out a share split at a ratio of five shares for one share of common stock, effective on March 1, 2024. DPS is adjusted to reflect the stock split.

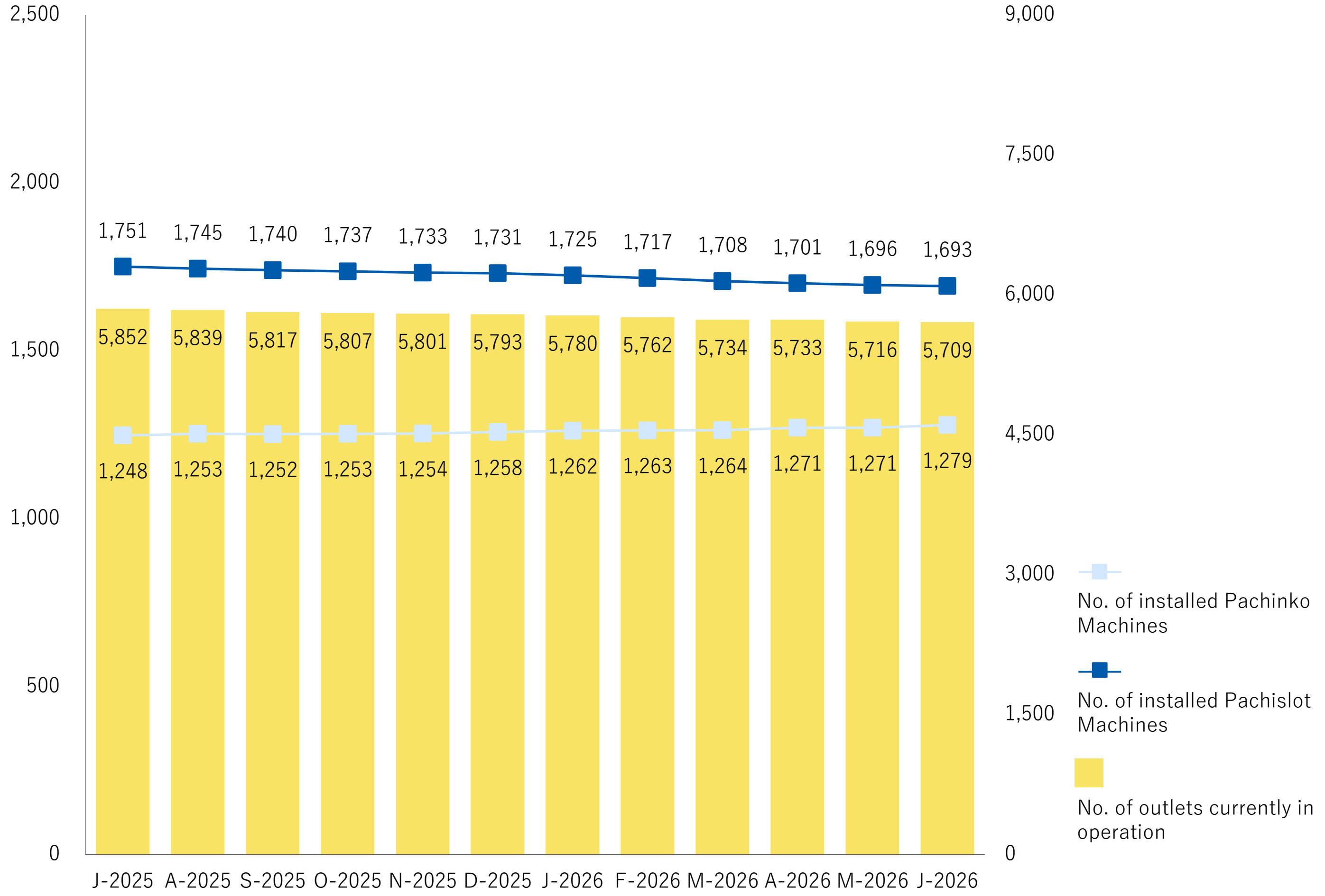
	FY 3/2020	FY 3/2021	FY 3/2022	FY 3/2023	FY 3/2024	FY 3/2025	FY 3/2026	FY 3/2027E
Return on Equity	4.3%	2.1%	6.9%	16.3%	19.3%	20.2%	17.6%	
Average ROE of five consecutive fiscal years	2.7%	2.5%	3.8%	6.7%	9.8%	13.0%	16.0%	
Net Income Ratio	16.6%	9.9%	21.8%	29.8%	27.0%	28.1%	26.1%	
Total Asset Turnover	0.22	0.19	0.28	0.47	0.61	0.61	0.57	
Financial Leverage	1.19	1.15	1.12	1.16	1.17	1.17	1.17	

Pachinko/Pachislot Machine Market

Market size



Situation of parlors that are members of Zennichiyuren in the last year



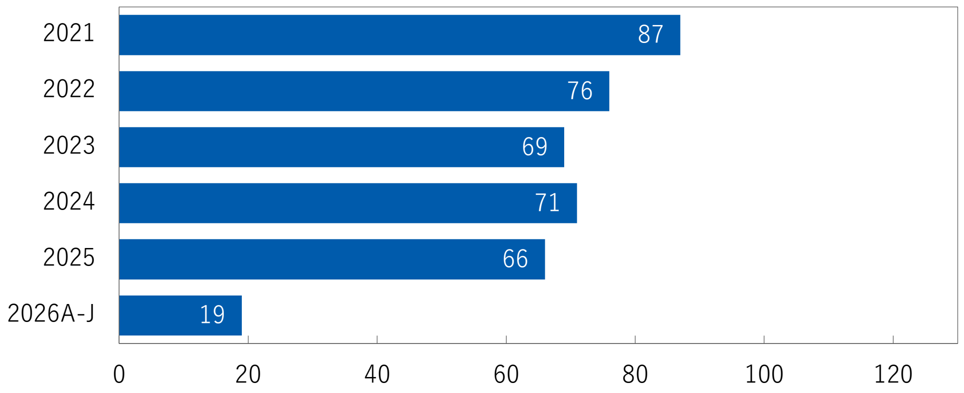
Source: National Police Agency, Yano Research Institute, *Zennichiyuren*

Others

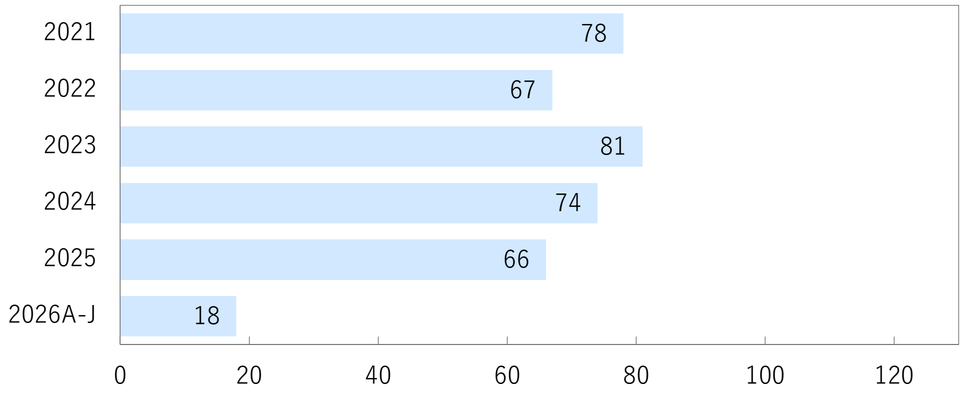
SANKYO

Number of Titles Sold (All Manufacturers)

Pachinko machines



Pachislot machines



※ Estimates of SANKYO　　※ Except for reuse and sub speck models

Compliance with Format Inspection

Pachinko machines

	2021	2022	2023	2024	2025	2026J-J
Applicant	990	910	912	910	927	686
Pass	313	230	186	223	235	177
Fail	598	669	666	619	614	486
SANKYO Group (Number of Pass)						
SANKYO	23	25	38	41	50	23
Bisty	9	10	14	16	21	7
Total	32	35	52	57	71	30

Including Arrange Ball, Jong-Kyu

Pachislot machines

	2021	2022	2023	2024	2025	2026J-J
Applicant	985	972	1,008	1,028	1,044	904
Pass	263	194	196	153	124	106
Fail	694	721	765	815	866	796
SANKYO Group (Number of Pass)						
SANKYO	9	10	9	6	10	5
Bisty	7	1	9	1	4	1
Total	16	11	18	7	14	6

Source: Security Electronics and Communications Technology Association, GLI Japan ※
※ From 2026 onward, figures are presented on a combined basis with GLI Japan.

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https://www.sankyo-fever.co.jp/corporate/ir/

【Disclaimer on Forward-Looking Statements】

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Note : 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.