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# Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

(April 1–June 30, 2026)

August 6, 2026

## Listed Company Name: Rinnai Corporation

Listings: Prime Sections of Tokyo Stock Exchange, and Premiere Section of Nagoya Stock Exchange (Securities Code: 5947)
Website: https://www.rinnai.co.jp
Representative: Hiroyasu Naito, President
Contact: Takuya Ogawa, Managing Executive Officer, Chief of Corporate Administration Headquarters
TEL: +81 (52) 361-8211
Anticipated date to begin distributing dividends: —
Supplemental information sheets of quarterly results: Yes
Information meeting of quarterly results: Yes (for analysts and institutional investors)

## I. Performance in the First Quarter of the Fiscal Year Ending March 31, 2027

(April 1– June 30, 2026; amounts less than one million yen are omitted)

(1) **Consolidated Operating Results**

Percentage figures in parentheses indicate increase or decrease from the previous term.

(¥ millions; %)

| | Net Sales | Operating Income | Ordinary Income | Net income attributable to owners of the parent company |
|---|---|---|---|---|
| First Quarter to June 2026 | ¥113,669 [+10.6%] | ¥9,195 [-5.2%] | ¥10,302 [-3.5%] | ¥6,744 [+1.8%] |
| First Quarter to June 2025 | 102,749 [+4.6%] | 9,697 [+11.2%] | 10,679 [-1.9%] | 6,622 [-2.9%] |

Notes: Comprehensive income: First quarter of the year ending March 31, 2027; ¥9,425 million [—%]
First quarter of the year ended March 31, 2026; ¥(1,939) million [—%]

(¥)

| | Net Income per Share | Fully Diluted Net Income per Share |
|---|---|---|
| First Quarter to June 2026 | ¥48.85 | — |
| First Quarter to June 2025 | 47.15 | — |

### (2) Consolidated Financial Position

(¥ millions; %)

| | Total Assets | Net Assets | Equity Ratio (%) |
|---|---|---|---|
| June 30, 2026 | ¥647,567 | ¥491,140 | 67.6% |
| March 31, 2026 | 649,569 | 494,124 | 67.3 |

(Reference) Equity capital: First quarter of the year ending March 31, 2027: ¥437,881 million
Year ended March 31, 2026: ¥437,253 million

## II. Dividends

| | Dividend per Share | | | | |
|---|---|---|---|---|---|
| | 1st Quarter (¥) | Interim (¥) | 3rd Quarter (¥) | Fiscal Year-End (¥) | Full Year (¥) |
| Fiscal 2026 | — | ¥50.00 | — | ¥50.00 | ¥100.00 |
| Fiscal 2027 | — | | | | |
| Fiscal 2027 (anticipated) | | 53.00 | — | 53.00 | 106.00 |

Notes: 1. Revision of dividend forecast in period under review: None

## III. Forecast for the Fiscal Year Ending March 31, 2027 (Consolidated)

(April 1, 2026, to March 31, 2027) (¥ millions/%)

| | Net Sales | Operating Income | Ordinary Income | Net income attributable to owners of the parent company | Net Income per Share (¥) |
|---|---|---|---|---|---|
| First half | ¥231,000 [+6.7%] | ¥19,600 [-13.8%] | ¥21,400 [-15.3%] | ¥13,000 [-18.3%] | ¥ 94.15 |
| Full year | 500,000 [+6.3] | 50,500 [-0.1] | 54,100 [-6.2] | 36,300 [+0.4] | 262.91 |

Note: Percentage figures in parentheses indicate increase or decrease from the previous fiscal year.
Note: Revision of fiscal year forecast in period under review: None

### * Notes

(1) Changes in scope of consolidation of major subsidiaries during the period: None
Newly included — (Company name: —): Excluded — (Company name: —)

(2) Application of special accounting method for quarterly consolidated financial reporting: None

(3) Changes in accounting policies; changes in accounting estimates; retrospective restatement
(a) Changes due to revision of accounting standard: None
(b) Other changes than (a): None
(c) Changes in the rules for the accounting estimates: None
(d) Retrospective restatement: None

(4) Number of Outstanding Shares (Common Stock)
(a) Number of outstanding shares at term-end (including treasury stock)
June 30, 2026: 141,126,771 shares
March 31, 2026: 141,126,771 shares
(b) Number of treasury stock shares at term-end
June 30, 2026: 3,057,159 shares
March 31, 2026: 3,054,379 shares
(c) Average number of shares during the term
First quarter of the fiscal year ending March 2027: 138,070,576 shares
First quarter of the fiscal year ended March 2026: 140,455,431 shares

* Quarterly review process by certified public accountants and accounting auditors: None

*** Note on appropriate use of performance forecasts, and other specified notes**
Performance forecasts contained in this document are based on information currently available and certain judgments deemed by the Corporation to be reasonable. No intent is implied of promise by the Corporation to achieve such forward-looking statements. Actual results may differ significantly from such forecasts due to various factors. For more information, please refer to “1. Consolidated Performance, (3) Consolidated Performance Forecasts” on page 5 of this report.

**Supplemental information sheets of quarterly results:**
Please refer to Supplemental information sheets of quarterly results, which will be posted on the Corporation’s website on Thursday, August 6, 2026.

## 1. Consolidated Performance

### (1) Operating Results

In the first quarter under review (April 1–June 30, 2026), business conditions remained unstable due to heightened geopolitical risks stemming from escalating tensions in the Middle East. In addition, the operating environment continues to be unpredictable due to rising raw material prices and other factors.

The domestic economy saw improvements in employment and income conditions, but we must continue closely monitoring the soaring prices of raw materials and energy, as well as the impact on supply chains, resulting from the prolonged situation in the Middle East. In the domestic housing industry, new housing starts are expected to continue declining gradually, while replacement demand driven by renovations continues to underpin overall demand.

Against this backdrop, the Rinnai Group launched its new medium-term business plan, "**accelerate 2030**," which began in April 2026. The plan will further strengthen our business foundation while creating new business and regional opportunities to accelerate sustainable growth. Through these initiatives, the Rinnai Group will leverage diverse energy sources to help address social issues in the fields of **"heat and lifestyles"** and **"health and lifestyles"** as we strive to become a **global solutions company that continues creating better lifestyles.** At the same time, we will fulfill our promise to customers—"**Creating a healthier way of living"**—while achieving sustainable growth, with the aim of enhancing corporate value over the medium to long term.

In the period under review, we reported record-high net sales due to contributions from acquired companies and increased sales at our overseas affiliates. This was despite the impact of economic slowdown in the Chinese market. On the earnings side, operating income declined year on year as higher raw material prices and rising costs across the business put pressure on profits. As a result, net sales increased 10.6% year on year, to ¥113,669 million. Operating income declined 5.2%, to ¥9,195 million, and ordinary income decreased 3.5%, to ¥10,302 million. Net income attributable to owners of the parent company increased 1.8%, to ¥6,744 million.

Our results by geographical segment were as follows:

***Japan***

While Japan's new housing market was weakened by higher inflation and interest rates, the renovation market remained firm, supported by steady demand. Against this business backdrop, sales of gas clothes dryers and air bubble products, which address consumers' growing demand for more comfortable and higher-quality lifestyles, remained strong. As a result, sales in Japan increased 4.0% year on year, to ¥47,808 million. Operating income declined 4.6%, to ¥4,475 million, as the impact of higher raw material prices outweighed the benefits of increased sales.

***United States***

Amid inflationary pressures and elevated interest rates, housing demand in the United States remained subdued. Under these conditions, sales of our core condensing water heaters performed strongly. As a result, sales in the United States rose 8.4%, to ¥18,782 million. On the earnings side, we reported an operating loss of ¥14 million (operating income of ¥509 million at first quarter of fiscal 2026). This is mainly due to R&D investments aimed at future growth, as well as increased burden of fixe-costs due to sales unit decrease of non-condensing water heaters produced in United States.

***Australia***

In Australia, housing demand remained at a high level, while the water heater market continued its shift from gas to electric models. In this business environment, sales synergies through cross-selling by acquired Smart Energy Group companies contributed to strong sales of electrified products, including heat pump water heaters and battery storage systems. As a result, sales in Australia jumped 36.9%, to ¥12,704 million, and operating income surged 263.0%, to ¥518 million.

***China***

In China, unit sales of various products declined as consumer sentiment remained weak amid an economic slowdown. As a result, sales declined 18.9%, to ¥7,055 million. While we worked to secure earnings through flexible production adjustments and cost controls, the impact of lower sales was significant, and we were unable to fully offset the burden of fixed costs. Accordingly, we reported an operating loss of ¥11 million (operating income of ¥1,181 million at first quarter of fiscal 2026).

***South Korea***

While the local economy remained lackluster, sales of core boiler equipment increased. Sales in South Korea increased 5.7% year on year, to ¥9,501 million, and operating income rose 19.5%, to ¥546 million.

***Indonesia***

Supported by steady demand for mainstay tabletop stoves, sales in Indonesia increased 21.8%, to ¥5,280 million, and operating income rose 22.5%, to ¥1,158 million.

(For references 1)

***Sales Composition by Business Segment***

(¥ millions; %)

| | First Quarter to June 30, 2025 | | First Quarter to June 30, 2026 | | Change | | Year to March 31, 2026 | |
|---|---|---|---|---|---|---|---|---|
| | Amount | % of total | Amount | % of total | Amount | % | Amount | % of total |
| Water heaters | ¥ 60,605 | 59.0% | ¥ 65,190 | 57.4% | ¥4,585 | 7.6% | ¥281,920 | 59.9% |
| Kitchen appliances | 21,957 | 21.4 | 23,408 | 20.6 | 1,450 | 6.6 | 93,279 | 19.8 |
| Air conditioning appliances | 4,307 | 4.2 | 5,000 | 4.4 | 693 | 16.1 | 24,269 | 5.2 |
| Commercial-use equipment | 2,330 | 2.3 | 3,056 | 2.7 | 726 | 31.2 | 11,921 | 2.5 |
| Others | 13,549 | 13.2 | 17,013 | 15.0 | 3,464 | 25.6 | 59,001 | 12.5 |
| Total | ¥102,749 | 100.0% | ¥113,669 | 100.0% | ¥10,920 | 10.6% | ¥470,392 | 100.0% |

(For references 2)

***Overseas Sales***

(¥ millions; %)

| | First Quarter to June 30, 2025 | | | First Quarter to June 30, 2026 | | |
|---|---|---|---|---|---|---|
| | Asia | Others | Total | Asia | Others | Total |
| I. Overseas sales | ¥27,571 | ¥30,798 | ¥ 58,369 | ¥27,975 | ¥39,850 | ¥ 67,826 |
| II. Consolidated net sales | — | — | 102,749 | — | — | 113,669 |
| III. Composition ratio of overseas sales to consolidated net sales | 26.8% | 30.0% | 56.8% | 24.6% | 35.1% | 59.7% |

Note: Above indicates sales of the Corporation and consolidated subsidiaries in overseas countries or regions.

### (2) Financial Position

As of June 30, 2026, Rinnai had total assets of ¥647,567 million, down ¥2,001 million from March 31, 2026. Total liabilities increased ¥981 million, to ¥156,426 million. Net assets were down ¥2,983 million, to ¥491,140 million. The equity ratio at the end of the period was 67.6%.

### (3) Consolidated Performance Forecasts

Rinnai has not changed its forecasts for the first two-quarter period ending September 30, 2026 or the full-year period ending March 31, 2027 (Those forecasts were released on May 12, 2026.)

## 2. Consolidated Financial Statements and Main Notes
## (1) Consolidated Balance Sheets

(¥ millions)

| | At March 31, 2026 (Fiscal 2026) | At June 30, 2026 (First Quarter of Fiscal 2027) |
|---|---|---|
| **ASSETS:** | | |
| Current assets | | |
| Cash and deposits | ¥172,202 | ¥166,825 |
| Notes and accounts receivable, and contract assets | 94,649 | 90,985 |
| Electronically recorded monetary claims | 13,494 | 12,446 |
| Marketable securities | 12,922 | 13,610 |
| Products | 44,324 | 46,808 |
| Raw materials and stores | 36,104 | 36,289 |
| Other | 6,973 | 9,161 |
| Less allowance for doubtful accounts | (6,485) | (6,474) |
| Total current assets | 374,185 | 369,653 |
| Fixed assets | | |
| Tangible fixed assets | 157,817 | 164,386 |
| Intangible fixed assets | | |
| Goodwill | 6,891 | 6,615 |
| Other | 11,055 | 10,682 |
| Total intangible fixed assets | 17,946 | 17,297 |
| Investments and advances | | |
| Investments in securities | 33,829 | 29,209 |
| Other | 65,801 | 67,033 |
| Less allowance for doubtful accounts | (12) | (12) |
| Total investments and advances | 99,618 | 96,230 |
| Total fixed assets | 275,383 | 277,914 |
| **Total assets** | ¥649,569 | ¥647,567 |

(¥ millions)

| | At March 31, 2026 (Fiscal 2026) | At June 30, 2026 (First Quarter of Fiscal 2027) |
|---|---|---|
| **LIABILITIES:** | | |
| Current liabilities | | |
| Notes and accounts payable | ¥ 29,439 | ¥ 28,735 |
| Electronically recorded obligations | 12,923 | 11,191 |
| Short-term borrowings | 12,801 | 10,092 |
| Accrued income taxes | 7,069 | 4,276 |
| Accrued employee's bonuses | 6,644 | 3,281 |
| Allowance for product guarantee | 5,481 | 5,414 |
| Other allowances | 1,671 | 1,564 |
| Other | 34,584 | 43,385 |
| Total current liabilities | 110,615 | 107,941 |
| Long-term liabilities | | |
| Allowance environmental measures | 2,255 | 2,255 |
| Other allowances | 78 | 81 |
| Net defined benefit liabilities | 7,389 | 7,095 |
| Other | 35,106 | 39,053 |
| Total long-term liabilities | 44,829 | 48,485 |
| **Total liabilities** | 155,445 | 156,426 |
| **NET ASSETS:** | | |
| Shareholders' equity: | | |
| Common stock | 6,484 | 6,484 |
| Capital surplus | 8,324 | 8,324 |
| Earned surplus | 367,029 | 366,870 |
| Treasury stock | (10,568) | (10,568) |
| Total shareholders' equity | 371,269 | 371,110 |
| Other comprehensive income: | | |
| Unrealized gain on marketable securities | 12,024 | 10,888 |
| Foreign exchange translation adjustment | 34,213 | 36,785 |
| Remeasurements of defined benefit plans | 19,745 | 19,097 |
| Total of other comprehensive income | 65,983 | 66,771 |
| Non-controlling interests | 56,870 | 53,258 |
| **Total net assets** | 494,124 | 491,140 |
| **Total liabilities and net assets** | ¥649,569 | ¥647,567 |

## (2) Consolidated Statements of Income, and Statements of Comprehensive Income

### Consolidated Statements of Income

(¥ millions)

| | First Quarter of Fiscal 2026 (From April 1 to June 30, 2025) | First Quarter of Fiscal 2027 (From April 1 to June 30, 2026) |
|---|---|---|
| Net sales | ¥102,749 | ¥113,669 |
| Cost of sales | 67,402 | 75,830 |
| Gross profit | 35,347 | 37,839 |
| Selling, general and administrative expenses | 25,650 | 28,643 |
| Operating income | 9,697 | 9,195 |
| Other income: | | |
| Interest income | 742 | 729 |
| Dividends received | 492 | 496 |
| Other | 271 | 261 |
| Total other income | 1,507 | 1,488 |
| Other expenses: | | |
| Interest expenses | 32 | 130 |
| Foreign exchange loss | 387 | 196 |
| Loss on retirement of fixed assets | 9 | 8 |
| Depreciation | 77 | 17 |
| Other | 16 | 30 |
| Total other expenses | 524 | 381 |
| Ordinary income | 10,679 | 10,302 |
| Extraordinary losses: | | |
| Excavation research expenses for buried cultural properties | — | 146 |
| Total extraordinary losses | — | 146 |
| Income before income taxes | 10,679 | 10,155 |
| Income taxes (current) | 3,119 | 3,516 |
| Income taxes (deferred) | (276) | (786) |
| Total income taxes | 2,842 | 2,729 |
| Net income | 7,836 | 7,426 |
| Net income attributable to non-controlling interests | 1,214 | 681 |
| Net income attributable to owners of the parent company | ¥ 6,622 | ¥ 6,744 |

## Consolidated Statements of Comprehensive Income

(¥ millions)

| | First Quarter of Fiscal 2026 (From April 1 to June 30, 2025) | First Quarter of Fiscal 2027 (From April 1 to June 30, 2026) |
|---|---|---|
| Net income | ¥ 7,836 | ¥ 7,426 |
| Other comprehensive income | | |
| Unrealized gain on marketable securities | 703 | (1,136) |
| Foreign exchange translation adjustment | (10,238) | 3,783 |
| Remeasurements of defined benefit plans | (241) | (647) |
| Total of other comprehensive income | (9,776) | 1,999 |
| Comprehensive income | (1,939) | 9,425 |
| Total comprehensive income attributable to: | | |
| Owners of Rinnai Corporation | (335) | 7,532 |
| Non-controlling interest | (1,604) | 1,893 |

## (3) Notes to Quarterly Consolidated Financial Statements

## Segment Information

### 1. First Quarter of the Fiscal Year Ended March 31, 2026 (From April 1 to June 30, 2025) Sales and Income by Reportable Segment

(¥ millions)

| | Reportable Segments | | | | | | | Others (Note 3) | Adjustments (Note 4) | Amounts in Consolidated Statements of Income (Note 5) |
|---|---|---|---|---|---|---|---|---|---|---|
| | Japan | United States (Note 1) | Australia (Note 2) | China | South Korea | Indonesia | Total | | | |
| Net sales | | | | | | | | | | |
| Sales to outside customers | ¥45,961 | ¥17,332 | ¥9,276 | ¥8,695 | ¥8,988 | ¥4,333 | ¥ 94,587 | ¥8,161 | ¥ — | ¥102,749 |
| Intersegment sales | 12,383 | — | 22 | 897 | 158 | 127 | 13,588 | 863 | (14,452) | — |
| Total | 58,344 | 17,332 | 9,299 | 9,592 | 9,146 | 4,460 | 108,176 | 9,025 | (14,452) | 102,749 |
| Segment Income | 4,691 | 509 | 142 | 1,181 | 457 | 944 | 7,927 | 1,193 | 576 | 9,697 |

Notes:1. "United states" include sales from subsidiaries in Canada, Mexico, and Costa Rica, which conduct integrate business activities based on comprehensive sales strategies.
2. "Australia" include sales from a subsidiary in Malaysia, which complements the production system, and conducts integrate business activities.
3. "Others" include sales from subsidiaries in Taiwan, Thailand, Vietnam, New Zealand, Brazil and other regions.
4. "Adjustments" of segment income refers to intersegment transactions to eliminate.
5. "Segment income" is adjusted from operating income in Consolidated Statements of Income.

### 2. First Quarter of the Fiscal Year Ending March 31, 2027 (From April 1 to June 30, 2026) Sales and Income (Loss) by Reportable Segment

(¥ millions)

| | Reportable Segments | | | | | | | Others (Note 3) | Adjustments (Note 4) | Amounts in Consolidated Statements of Income (Note 5) |
|---|---|---|---|---|---|---|---|---|---|---|
| | Japan | United States (Note 1) | Australia (Note 2) | China | South Korea | Indonesia | Total | | | |
| Net sales | | | | | | | | | | |
| Sales to outside customers | ¥47,808 | ¥18,782 | ¥12,704 | ¥7,055 | ¥9,501 | ¥5,280 | ¥101,133 | ¥12,536 | ¥ — | ¥113,669 |
| Intersegment sales | 10,885 | — | 31 | 776 | 117 | 139 | 11,949 | 795 | (12,744) | — |
| Total | 58,694 | 18,782 | 12,735 | 7,831 | 9,618 | 5,419 | 113,082 | 13,332 | (12,744) | 113,669 |
| Segment Income (loss) | 4,475 | (14) | 518 | (11) | 546 | 1,158 | 6,673 | 1,747 | 774 | 9,195 |

Notes:1. "United states" include sales from subsidiaries in Canada, Mexico, Costa Rica, and other regions, which conduct integrate business activities based on comprehensive sales strategies.
2. "Australia" include sales from a subsidiary in Malaysia, which complements the production system, and conducts integrate business activities.
3. "Others" include sales from subsidiaries in Taiwan, Thailand, Vietnam, New Zealand, Brazil, Peru and other regions.
4. "Adjustments" of segment income (loss) refers to intersegment transactions to eliminate.
5. "Segment income (loss)" is adjusted from operating income in Consolidated Statements of Income.

## Major Changes in Shareholders' Equity

Not applicable.

## Assumptions for Going Concern

Not applicable.

## Note on Quarterly Consolidated Statements of Cash Flows

The Corporation has not prepared quarterly consolidated statements of cash flows for the period under review. Depreciation (including intangible assets which exclude goodwill) and goodwill amortization for the period under review are as follows:

| | First Quarter of Fiscal 2026 (From April 1 to June 30, 2025) | First Quarter of Fiscal 2027 (From April 1 to June 30, 2026) |
|---|---|---|
| Depreciation | ¥3,527 million | ¥4,060 million |
| Goodwill amortization | 146 million | 273 million |