

Nippon Light Metal Holdings Company, Ltd.

Q&A Summary of Briefing on Financial Results for the Fiscal Year Ended March 31, 2026

- 1) Financial results for the fiscal year ended March 31, 2026, and forecast of financial results and dividends for the fiscal year ending March 31, 2027
- 2) Overview of Vision 2035 and 26MTP

Date and time: 5:00 p.m. – 6:10 p.m., May 15, 2026 (Friday)

Briefers and respondents:

Hiroyuki Matsudaira, Director and Executive Vice President

Haruhiko Takahashi, Officer in charge of Accounting of the Corporate Personnel Administration Office

Koichi Isshiki, Officer and General Manager of the Planning & Supervision Office

Masahiro Amaya, Accounting Manager of the Corporate Personnel Administration Office

- 1) Financial results for the fiscal year ended March 31, 2026, and forecast of financial results and dividends for the fiscal year ending March 31, 2027

Q1. To what extent have you factored the situation in the Middle East into your forecast of financial results in the fiscal year ending March 31, 2027 (FY2026)?

A1. Our forecast assumes that production operations across the Group will, on the whole, continue without significant interruption. However, we have also factored in, to the extent foreseeable, the risk of shortages in some of the various crude oil- and naphtha-derived materials.

Q2. How much of an impact has been factored into the earnings forecast?

A2. In the aluminum sheet and extrusions segment, where earnings appear unlikely to grow compared to the fiscal year ended March 31, 2026 (FY2025), we have factored in a negative impact of more than ¥1 billion, and approximately ¥2 billion in the fabricated products and others segment.

Q3. Looking at the factors driving the earnings change in the forecast for the fiscal year ending March 31, 2027, sales price revisions have not fully offset the negative impact of higher purchased product costs. Will the pricing measures and their effects materialize within FY2026, or will the impact not be felt until the fiscal year ending March 31, 2028 (FY2027) or later?

A3. Our policy of passing higher procurement costs through to sales prices remains unchanged. However, in our forecast of financial results, we have built in a somewhat larger allowance for the possibility of a time lag between implementing price revisions and seeing their effect in the results. Beyond the Transport Equipment business group (truck bodies, Nippon Fruehauf

highlighted today, we will continue to steadily pursue sales price revisions to keep pace with rising procurement costs across our other businesses.

Q4. What factors account for the ¥5.1 billion year-on-year increase in operating profit forecast for the aluminum ingot and chemicals segment in FY2026?

A4. The forecast assumes that, in the current rising aluminum ingot market, the price differential between the aluminum ingot price embedded in sales prices and the cost at which ingots are actually procured will be a substantial positive figure.

Q5. How much of the projected profit increase is attributable to the price differential gain from rising aluminum ingot prices, and how much to higher sales volumes?

A5. The projected increase in profit of approximately ¥5 billion compared to FY2025 is expected to be split roughly evenly between the two factors.

Q6. What factors explain why the aluminum sheet and extrusions segment (Sheet & Extrusion business group) is not projected to show a profit increase in FY2026 versus FY2025?

A6. While the segment benefits from favorable price differentials driven by rising aluminum ingot market prices, the forecast incorporates a negative impact of more than ¥1 billion from higher procurement costs for various materials, weighted toward the second half.

Q7. Regarding the ¥8.8 billion volume effect among the year-on-year change factors in the FY2026 ordinary profit forecast, this appears to assume solid sales growth. What are the concerns around procuring raw materials, fuel, and other materials due to the situation in the Middle East, and what impact could this have on production?

A7. The procurement outlook for these materials remains difficult to predict. Suppliers have confirmed supply for up to two months ahead but cannot commit beyond that. We are working to minimize the impact on production by switching suppliers and sourcing alternative materials. Note that the sales volume effect (¥8.8 billion) also includes the favorable price differential impact from rising aluminum market prices; the sales volume growth contribution and the price differential contribution are roughly equal in size.

Q8. How large is the expected impact of the situation in the Middle East on FY2026 performance compared to FY2025?

A8. The positive impact comes from favorable price differential gains realized as aluminum ingot market prices rise, benefiting the Metal business group and the Sheet & Extrusion business group. The negative impact stems from rising aluminum ingot prices feeding directly into higher costs for the Transport Equipment business group and others, as well as higher processing fees driven by increases in other raw material and fuel prices, affecting the Sheet & Extrusion

business group and others. The positive and negative impacts are roughly equal and largely offset each other.

Q9. You have raised the total payout ratio in your shareholder return policy from 30% or more to around 40% and set the dividend for FY2026 at ¥100 per share, but the total payout ratio for FY2026 is equivalent to 37.3%. What is the purpose of this policy?

A9. Alongside raising our total payout ratio, we prioritized delivering a ¥100 dividend for FY2026 to signal our commitment to returning capital at a record level for the Company, even amid heightened uncertainty in our business outlook.

Q10. The acquisition of treasury stock has been part of the shareholder return policy but has not been carried out in the past. Going forward into FY2026 and beyond, is it possible that the acquisition of treasury stock could be carried out depending on the circumstances?

A10. As we pursue earnings growth, we believe the likelihood of acquiring treasury stock is higher than before. That said, the management discussion and decision-making on whether to actually proceed have yet to take place.

Q11. What aluminum ingot price assumption are you using for FY2026?

A11. Our assumption is the current aluminum ingot market price of ¥700/kg, with prices remaining at that level through the second half of the year.

Q12. What share of aluminum ingots and materials do you source from the Middle East? What is the current status of alternative sourcing arrangements?

A12. According to the Japan Aluminum Association, Middle East imports account for about 30% of Japan's total aluminum supply. Our own sourcing ratio is higher than that. Our current response includes procuring alternative supplies from Brazil, Australia, and New Zealand, and rerouting Middle East ingot shipments overland to avoid the Strait of Hormuz. Through these emergency measures, we are working to ensure continuity of production.

Q13. Your forecast projects aluminum sheet sales volume of 68,500 tons for FY2026. Given the recovery in demand for semiconductor manufacturing equipment, is 70,000 tons not achievable?

A13. The FY2026 sales forecast assumes a full recovery in thick aluminum sheets for semiconductor manufacturing equipment and continued strong demand for aluminum sheets for LiB packages. We believe that sales volume will also depend, in part, on product mix.

Q14. Regarding the continued strong performance of aluminum sheets for LiB packages, are there differences in strength or weakness by customer or region?

A14. The forecast of financial results for FY2026 reflects continued strong demand from China and the United States, following the solid performance in FY2025.

Q15. The Automotive Parts business group (Nikkeikin Aluminum for Mobility Company) expects to remain in the red in FY2026, even as domestic operations continue to recover. What factors are weighing on performance, domestically or overseas?

A15. As in FY2025, domestic operations are expected to remain profitable in FY2026, while the business environment overseas — in China and the United States — remains difficult. We fully recognize that the Automotive Parts business group (Nikkeikin Aluminum for Mobility Company) needs to rebuild its earnings base, and that rebuilding operations in China and the United States is the primary task. At the same time, new products for BEVs represent an area where the Automotive Parts business group (Nikkeikin Aluminum for Mobility Company) can deliver strong value — including its technical capabilities — to customers such as Japanese OEMs and Tier 1 suppliers. We therefore intend to take steps to raise profitability beyond its current level.

2) Overview of Vision 2035 and 26MTP

Q1. Is the 26MTP financial target of ROIC of 8% or higher built on the assumption that the rationalization of unprofitable businesses and businesses with limited growth prospects has already been completed — with the plan focused on driving net sales and profit growth through active investment going forward?

A1. Progress is ongoing. The narrowing of unprofitable products within each business group has advanced considerably, but from a group-wide optimization perspective, the 26MTP still has some areas that spread resources too broadly. That said, during the plan period we expect to make reasonable progress in distinguishing businesses that will drive future efficiency gains, those that will receive capital investment, and those that fall into neither category.

Q2. What profit level are you targeting for the fiscal year ending March 31, 2029, the final year of the 26MTP? You previously indicated that surpassing the record high of ¥30 billion is the primary goal, with a longer-term target of ¥40–50 billion. Is the ¥40–50 billion level a target for the fiscal year ending March 31, 2030, and beyond, or is the aim to bring it within reach during the plan period?

A2. The primary goal is to deliver a solid ¥30 billion profit within the 26MTP period. Achieving the ¥40–50 billion level within that same period is considered quite difficult. To reach that level, we intend to pursue growth in existing businesses and products while simultaneously advancing various initiatives to seed the next growth markets.

Q3. Are you considering any business consolidation or M&A during the 26MTP period?

A3. There is nothing specific to share at this time. In terms of approach, however, we would consider M&A that expands the scope of core existing businesses and products, as well as opportunities that would allow each business group to identify and catch up in the next growth areas.

Q4. What are you thinking about consolidating operating companies or business divisions?

A4. Reducing the number of operating companies or business divisions is not the goal, nor do we have a specific target in mind. That said, fewer entities are generally more efficient. As we enter the next growth areas, the optimal structure of the Group may also change, including the possibility that the organizational model itself will evolve.