

Standard & Professional

Financial Trends and FY2026 Forecast

From 2021 to 2025, net sales grew steadily from 2,545 million yen to 3,349 million yen. Looking ahead to 2026, we forecast further expansion with net sales projected at 3,844 million yen. Our Platform Business has shown remarkable growth, rising from 86 million yen in 2021 to 531 million yen in 2025. In 2026, we position this business as our primary growth driver and plan to achieve net sales of 1 billion yen.

Profitability Indicators and Capital Efficiency

Ordinary profit reached 195 million yen in 2025, and we plan to achieve 209 million yen in 2026. Our profit margin, relative to net sales remains steady in the 5% range, demonstrating our ability to maintain stable profitability.

System Investment Plan to Support the Platform Business

Since deciding to transition into a platform provider in 2020, Kaiho industry has implemented phased system investments totaling approximately 300 million yen. In 2026, we plan to continue this momentum with an additional investment of approximately 70 million yen, focusing on enhancing functionality across the following three pillars.

- **Enhancing Logistics & Sales : ePartsWorld's Next Stage :**

We are expanding our reach beyond traditional FCL trading by introducing LCL, delivery and launching overseas B2C websites. This evolution allows us to build a global sales network that links Kaiho industry directly to end-consumers worldwide.

- **Intelligence and Efficiency in On-site Operations :**

We will deploy our "Integrated Vehicle Imaging System," developed at less than one-tenth the cost of conventional equipment, and provide an AI-powered API for the automatic reading of caution plates and vehicle inspection certificates. These initiatives will significantly reduce the data-entry burden for our partner companies and accelerate the accumulation of data across our platform.

- **Collaboration with Arterial Industries : Reaching Upstream :**

Through the addition of genuine part number lookups and the rollout of our trade-in management system for car dealerships, we can track vehicle data at the "upstream" stage. This proactive approach ensures the most efficient optimization of the circular economy.

Financial Soundness and the Strategic Rationale for New Plant Investment:

Our equity ratio has risen significantly from 39.9% in 2021 to 58.1% in 2025, demonstrating a strengthened financial foundation. With an expected increase to 60.9% in 2026, we believe the proposed investment in our new plant is fully supported by our financial capacity, as outlined below.

- **Strong Equity Capital**

With an equity ratio exceeding 60%, we have established a stable capital structure capable of supporting large-scale investments.

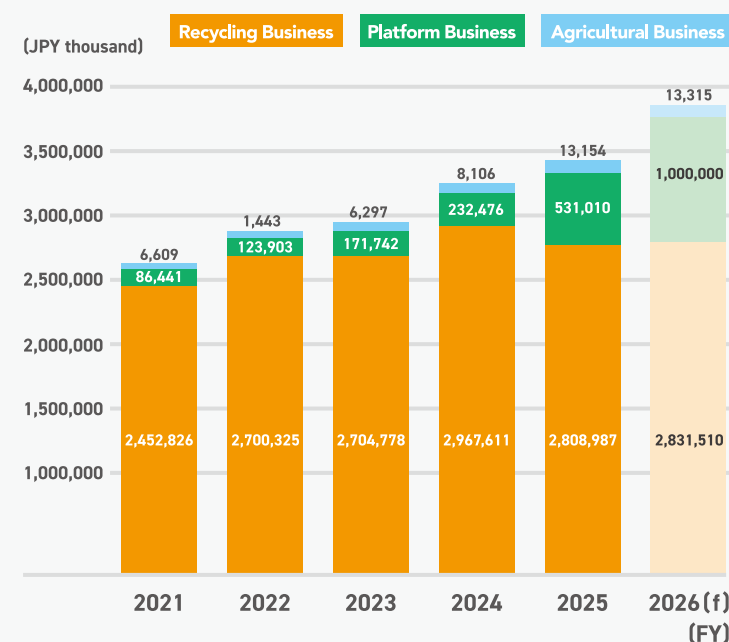
- **Stable Cash Generation**

With an equity ratio exceeding 60%, we have established a stable capital structure capable of supporting large-scale investments.

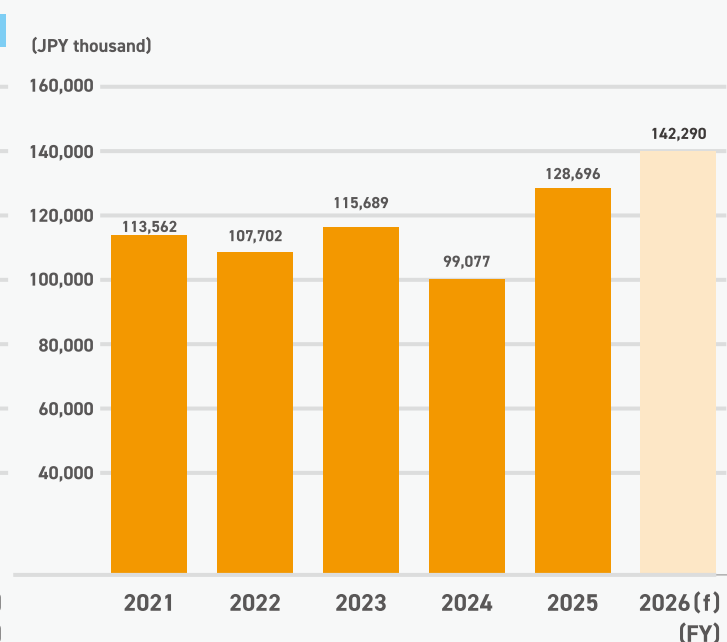
	2021	2022	2023	2024	2025	2026 (f)
Total Net Sales	2,545,875	2,825,671	2,882,817	3,208,192	3,353,151	3,844,825
Recycling Business	2,452,826	2,700,325	2,704,778	2,967,611	2,808,987	2,831,510
Platform Business	86,441	123,903	171,742	232,476	531,010	1,000,000
Agricultural Business	6,609	1,443	6,297	8,106	13,154	13,315
Operating Profit	138,894	163,927	167,099	185,804	195,941	209,250
Net Profit	113,562	107,702	115,689	99,077	128,696	142,290
Operating Margin	5.2%	5.5%	4.9%	5.4%	4.9%	4.9%
Equity Ratio	39.9%	46.3%	52.1%	55.6%	58.1%	60.9%

(JPY thousand)

Sales Breakdown



Net Profit



Corporate Profile

Company Name	Kiaho Industry Co. Ltd
Founded	May 1969
CEO	President & CEO: Takayuki Kondo
Headquarters	1-25 Higashikagatsume-machi, Kanazawa, Ishikawa 920-0209, Japan TEL: +81-76-237-5133 FAX: +81-76-237-1950
Business Activities	Automotive Recycling and Export/Sales of Used Automotive Parts - Automotive Recycling Business (Domestic & International) - Procurement of Used and End-of-Life Vehicles - Export & Sales of Used Vehicles and Parts - Recycling Technician Training & Education - Agricultural Business
Certifications	Industrial Waste Collection and Transportation Service License - Ishikawa Prefecture, License No. 01709063169 Industrial Waste Disposal Service License - Kanazawa City, License No. 06020063169 Vehicle Dismantling License - Kanazawa City: License No. 20603000080 Vehicle Shredding and Pressing License - Issued by Kanazawa City: License No. 20604000080 Registered Vehicle Collection Operator - Registered by Kanazawa City: Registration No. 20601000080 Registered Fluorocarbon Recovery Operator - Registered by Kanazawa City: Registration No. 20602000080 Antique and Secondhand Dealer License - Ishikawa Prefectural Public Safety Commission: License No. 511020006881 Manpower Dispatching Business License - License No. 17-300307

Site Area	Head Office & Factory : 6,000㎡ Training Center : 1,200㎡ SLC (Export Parts Shipping Logistics Center) : 3,400㎡	
Vehicle Storage Yard	Vehicle Pool No.1 : 2,900㎡ Vehicle Pool No.2 : 4,000㎡	
Main Banks	The Hokkoku Bank, Ltd. (Kanaishi Branch) The Hokuriku Bank, Ltd. (Higashi-odori Branch) Sumitomo Mitsui Banking Corporation (SMBC)(Kanazawa Branch)	
Affiliated Organizations	Kaiho Parts Service Co., Ltd. > 1-25 Higashikagasume-machi, Kanazawa City, Ishikawa, 920-0209, Japan	
	UP GARAGE Ishikawa Komatsu Store > Ro-35-1 Osada-machi, Komatsu City, Ishikawa, 923-0034, Japan TEL. 0761-48-4499 FAX. 0761-48-4498	UP GARAGE Toyama Store TEL. 076-425-2866 FAX. 076-425-2851
	UP GARAGE Kanazawa Store 1-222 Kami-araya, Kanazawa City, Ishikawa, 921-8065, Japan TEL. 076-220-6216 FAX. 076-220-6217	UP GARAGE Toyama Uozu Store 1721 Daikoji, Uozu City, Toyama, 937-0042, Japan TEL. 0765-32-3022 FAX. 0765-32-3025
Sales Offices	Chiba Sales Office 2082-6 Dainichi, Yotsukaido City, Chiba, 284-0001, Japan	
Overseas Offices Joint Ventures	ABHISHEK K KAIHO RECYCLERS PRIVATE LIMITED 【OFFICE】 1, Under Hill Lane,Civil Lines DELHI Central Delhi DL 【FACTORY】 7W58+HH Fatehpur, Haryana, India	KAIHO EAST AFRICA LIMITED Atalantis Business Park-D31,ICD,Masai Road, P.O.Box:8296-00100 Nairobi Kenya Landline:(+66)-2-116-0165
	KAIHO MIDDLE EAST (FZE) 【OFFICE】 X3-33, Sharjah SAIF ZONE, U.A.E 【YARD】 P.O.Box:69937 Industrial Area No.3 Sharjah-U.A.E	KAIHO INDUSTRY SINGAPORE PTE. LTD. 71 BUKIT BATOK CRESENT #09-09 PRESTIGE CENTRE SINGAPORE
Executive Advisor	Legal Counsel : Owari-cho Law Office Legal Counsel : Tokyo Aoi Law Office Executive Advisor : Tokutaro Hiramoto Tax Advisor : Kanazawa Central Accounting Office	