Press Release

ARCHION Corporation
November 10, 2026

ARCHION announces its financial results for the first half of FY2026

- Unit sales up 25% and operating profit up 62%, delivering strong growth in the first half of the first year of integration
- Outlook for FY2026 confirmed in challenging environment

ARCHION Corporation (Headquarters: Shinagawa-ku, Tokyo; President & Chief Executive Officer: Karl Deppen, hereinafter "ARCHION") announced its financial results for the first half of FY2026 on November 10. In its first half-year results since the business integration, driven by the continued recovery in Japan and higher sales in Southeast Asia, unit sales* reached 128,000 units (+25% year on year**), and revenue was JPY 1,226.7 billion (+16% year on year). Operating profit before bargain purchase gain was JPY 72.0 billion (+62% year on year), achieving a significant increase, and Return on Sales was 5.9% (+1.7% pts year on year). The first half performed strongly, and ARCHION is on track to deliver its full-year outlook, in line with its mid-term target.

Regarding shareholder returns, ARCHION plans to pay an interim dividend of 4 yen per share in December 2026. The year-end dividend is also forecast at 4 yen per share, bringing the annual dividend to 8 yen per share, with an expected dividend payout ratio of approximately 30%. This represents an important step in ARCHION's first year toward the mid-term target payout ratio of 40%. There is no change to the FY2026 full-year outlook from the previously announced figures.

■ First Half FY2026 (April 1, 2026 – September 30, 2026) Highlights (IFRS)

Item	FY2025 1H Pro forma** (April – September 2025)	FY2026 1H (April – September 2026)	Change (%)
Unit Sales* (Figures rounded to nearest thousand units)	102	128	+25%
Revenue	JPY 1,061.6 billion	JPY 1,226.7 billion	+16%
Operating Profit ※Before bargain purchase gain	JPY 44.3 billion	JPY 72.0 billion	+62%
Return on Sales ※Before bargain purchase gain	4.2%	5.9%	+1.7%pts
Figures including preliminary bargain purchase gain			
Operating Profit	JPY 44.3 billion	JPY 297.8 billion	+JPY 253.5 billion
Net Income attributable to owners of the parent	JPY 33.4 billion	JPY 270.4 billion	+JPY 237.0 billion

* Unit Sales (Group Sales): New vehicle sales (incl. KD kits) to customers outside of the consolidated ARCHION Group, after elimination of intercompany transactions within the ARCHION Group

** ARCHION First Half FY2025 figures are pro forma data, calculated assuming that Hino Motors and Mitsubishi Fuso had been consolidated from the beginning of the fiscal year ended March 31, 2026, with adjustments made for the impact of the transfer of Hino's Hamura Plant and domestic sales subsidiaries.

※About the bargain purchase gain:

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- In the business combination accounting associated with the business integration, ARCHION recognized a preliminary bargain purchase gain of JPY 225.8 billion. This one-time accounting gain arises because the fair value of the net assets acquired in the business combination exceeded the consideration transferred. This gain is a one-time gain and does not arise from the Company's ongoing business activities. As it is a non-cash gain, it does not affect cash flow or the dividend policy. This impact was already reflected in the Company's FY2026 outlook disclosed with the FY2026 Q1 results.
- As of the date of this release, the amount of the bargain purchase gain (a one-time, non-cash gain) is preliminary and may be subject to revision as additional information becomes available and the audit for the fiscal year ending March 31, 2027 is completed.

Unit sales up 25% year on year, driven by higher sales in Japan and Southeast Asia
Group unit sales in the first half of FY2026 totaled 128,000 units, an increase of 26,000 units (+25% year on year). Of this total, Japan accounted for approximately 39,000 units (+27% year on year) and overseas for approximately 89,000 units (+25% year on year), with significant volume growth both in Japan and overseas. In the Japanese truck market, supported by improved product offerings and the continued recovery of the domestic market, heavy- and medium-duty trucks reached approximately 17,000 units (+14% year on year) and light-duty trucks approximately 19,000 units (+35% year on year), while market share across all domestic truck segments expanded from 41% to 48%.

In overseas markets, sales in Southeast Asia increased significantly by 88% year on year to 53,000 units, driven by the delivery of approximately 22,000 units to the Indonesian government. This strong growth in Southeast Asia was a major driver of the overall increase in overseas sales. Latin America increased by 17% year on year, and Rest of Asia increased by 19% year on year, supported by growth in Taiwan, among other factors. Meanwhile, the Middle East decreased by 60% year on year due to the regional crisis. However, the use of alternative shipping routes increased shipment volumes in Q2 compared with Q1 2026.

Growth driven by new vehicle sales, with Service & Parts providing a stable revenue base
Revenue for the first half of FY2026 reached JPY 1,226.7 billion, up 16% year on year, primarily driven by growth in new vehicle sales. Revenue from new vehicle sales increased 21% year on year to JPY 744.9 billion, supported by higher unit sales, with growth in Japan making a particularly strong contribution. Service & parts revenue also remained solid, increasing 5% year on year to JPY 259.2 billion and providing a stable revenue base that supported overall revenue growth.

ARCHION Group business highlights for Q2 FY2026
To deliver on its Mid-term Plan and realize synergies, ARCHION has launched a Group-wide performance program to strengthen its financial performance and enhance profitability across New Vehicle Sales, the **Service & parts** business, variable cost and fixed cost. As part of these initiatives, the ARCHION Group has initiated joint procurement and the shared use of facilities and equipment. In addition, ARCHION launched the new medium-duty truck models, the Hino Ranger and the Mitsubishi Fuso Fighter, as the first step in the short-term phase of its Integrated Platform Strategy, and communicated the ARCHION Group's vision and brand at mobility shows in Japan and overseas.

In August 2026, a series of procedures related to the offering of our shares by Daimler Truck and Toyota Motor Corporation was completed, bringing each company's ownership stake to 25%, as agreed in the final agreements for the business integration. This enabled ARCHION to meet the tradable share ratio requirements of the Tokyo Stock Exchange Prime Market and establish a broad and diversified shareholder base comprising investors in Japan and overseas. ARCHION will continue to maintain our strategic and technological partnerships with Daimler Truck and Toyota. Furthermore, ARCHION entered into a yen-denominated unsecured syndicated commitment line agreement totaling JPY 250 billion to optimize its current financing. In addition to establishing a stable funding structure, this will enable flexible Group-wide funding, efficient liquidity management, stronger financial governance and disciplined capital allocation.

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The ARCHION Group will continue to accelerate synergy realization from the integration and work toward sustainable growth and enhanced corporate value.

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This document contains financial forecasts and other forward-looking information. Such information is provided for informational purposes only. The Company may use terms such as “targets,” “assumptions,” “forecasts,” “plans,” “strategies,” “projections,” “outlook,” or “potential,” or similar expressions, in relation to future business activities, performance, events, and conditions; however, such expressions are not intended to be exhaustive. All forward-looking statements contained in this document are provisional in nature, are inherently subject to uncertainties, may change, and are based on assumptions that may not materialize. Accordingly, there can be no assurance that the Company’s actual results for the forecast period will not differ materially from these estimates.

ARCHION at a glance

ARCHION Corporation, a pioneer in commercial vehicles, became the holding company formed on April 1, 2026 through the business integration of Mitsubishi Fuso Truck and Bus Corporation and Hino Motors, Ltd. Guided by the shared vision of "Your trusted partner for all roads that lie ahead", ARCHION is dedicated to being a reliable presence for all stakeholders across every industrial segment, terrain, and challenge the future of mobility brings. Leveraging the robust customer bases and production and sales networks cultivated by both companies over many years, as well as the competitive advantages derived from collaboration with its major shareholders, Daimler Truck and Toyota Motor Corporation, ARCHION seeks to create synergies in advanced fields such as zero-emission technologies, including fuel cells, and autonomous driving. Driven by its mission of "Together, we deliver transportation that connects people and goods for a brighter tomorrow," ARCHION aims to contribute as a trusted partner in realizing sustainable transportation and building a prosperous society.

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