CITIZEN

Financial Results
for the Three months ended June 30, 2026
Presentation

CITIZEN WATCH CO., LTD.

August 14, 2026

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Key Points in the Period under Review

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1Q Consolidated Financial Results

(Apr.-Jun.) Sales and profit increased

- **Watches** — The performance of both finished watches and movements exceeded expectations and remained strong. Operating profit increased significantly. This was chiefly assisted by the higher net sales of finished watches in North America, in addition to an increase in sales in movements.
- **Machine Tools** — Revenue increased significantly, supported by a recovery in orders and growing semiconductor-related demand. Operating profit increased significantly, mainly due to higher net sales in overseas markets.

FY2026 Consolidated Financial and Dividend Forecasts

- The first half and full-year financial forecasts were revised.

	Forecast previously announced	Revised Forecast	Change (%)
Net Sales	362.0	395.0	+9.1%
Operating Profit	34.5	40.5	+17.4%
Ordinary Profit	37.5	43.5	+16.0%
Profit attributable to owners of parent	27.5	32.0	+16.4%

※ Assumed exchange rate for 2Q

1USD 150 yen ⇒ 155 yen
1EUR 175 yen ⇒ 180 yen

- The Company will increase annual dividends to 53 yen per share (a 3-yen increase from the previous forecast).
  <Reference> Second quarter-end 26.50 yen / Fiscal year-end 26.50 yen

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Financial Results for Three months ended June 30, 2026

Consolidated Financial Results for 1Q of FY2026

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1Q (Apr.-Jun.)　Sales and profit increased

(billions of yen)	FY2025 1Q(Apr-Jun) Result	FY2026 1Q(Apr-Jun) Result	YoY Change Amount	YoY Change %
Net sales	75.2	98.1	+ 22.8	＋ 30.3%
Operating profit	4.6	9.9	+ 5.2	+110.9%
Operating margin	6.2%	10.1%	-	-
Ordinary Profit	6.1	11.7	+ 5.6	＋ 90.8%
Profit attributable to owners of parent	9.1	8.9	(0.2)	(2.9%)
Exchange rate	¥146/USD ¥163/EUR	¥160/USD ¥185/EUR		

Financial results by Business Segments for 1Q of FY2026

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Net sales (billions of yen)	FY2025 1Q(Apr-Jun) Result	FY2026 1Q(Apr-Jun) Result	YoY Change Amount	YoY Change %
Watches	41.5	54.8	+ 13.3	＋ 32.1%
Machine Tools	18.9	25.6	+ 6.6	＋ 35.0%
Devices and Components	14.7	17.6	+ 2.8	＋ 19.5%
Consolidated Total	75.2	98.1	+ 22.8	＋ 30.3%

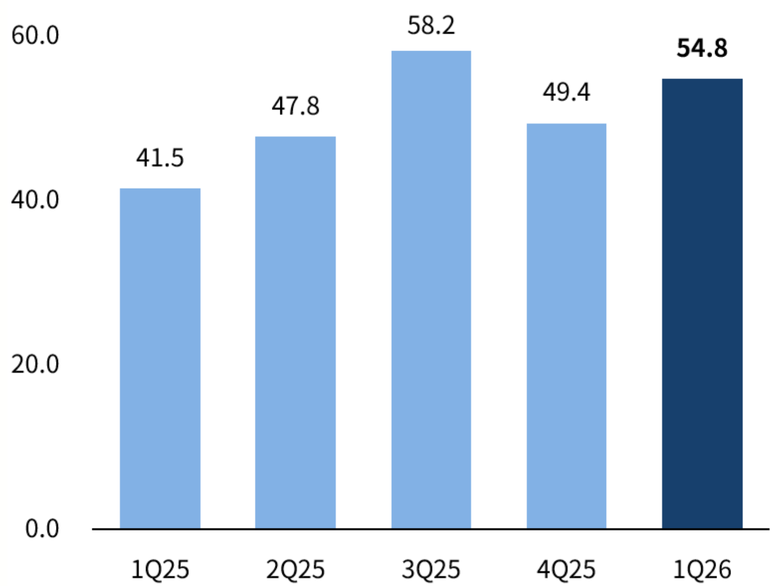
Operating Profit (Unit: billion yen, %:operating margin)	FY2025 1Q(Apr-Jun) Result	FY2026 1Q(Apr-Jun) Result	YoY Change Amount	YoY Change %
Watches	4.4 10.6%	7.1 13.0%	+ 2.7	＋ 62.1%
Machine Tools	1.5 8.0%	3.2 12.5%	+ 1.7	＋ 112.5%
Devices and Components	0.4 2.7%	1.3 7.7%	+ 0.9	＋ 235.9%
Eliminations or general corporate	(1.6)	(1.7)	(0.1)	-
Consolidated Total	4.6 6.2%	9.9 10.1%	+ 5.2	＋ 110.9%

Business Segments	Results
■ Watches	Sales and profit increased
■ Machine Tools	Sales and profit increased
■ Device and Components	Sales and profit increased

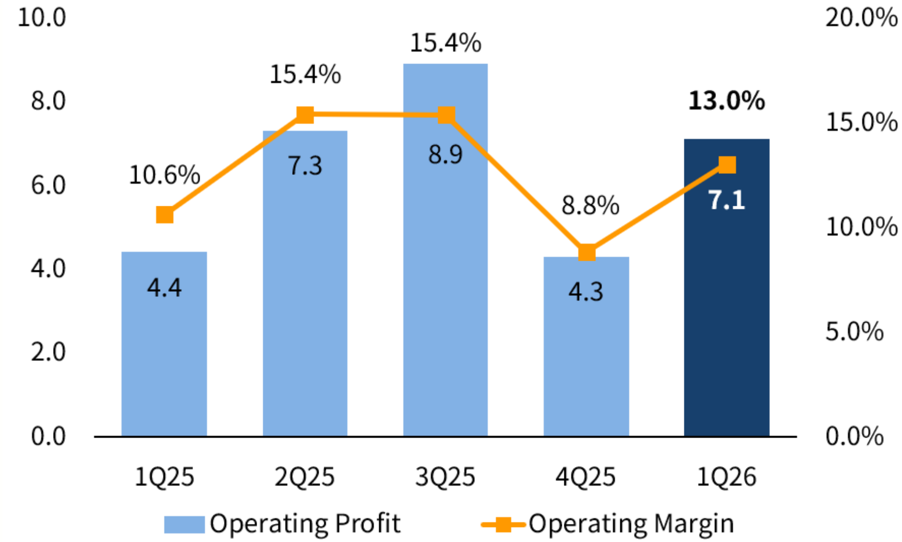
1Q (Apr.-Jun.) Sales and profit increased

- **Finished watch (CITIZEN)**: Revenue in the domestic market increased, supported by strong domestic demand. Revenue in overseas markets increased significantly, driven by sales growth in North America and strong sales in Europe and Asia.
- **Finished watch (BULOVA)**: Revenue increased significantly in the core North American market, driven by sales of department store and travel distribution channels, along with growth in the sales via in-house e-commerce.
- **Movements**: Revenue increased significantly, led by strong sales of mechanical movements.

Net Sales (billions of yen)



Operating Profit (billions of yen) and Margin (%)



Watches Net sales growth rate by region

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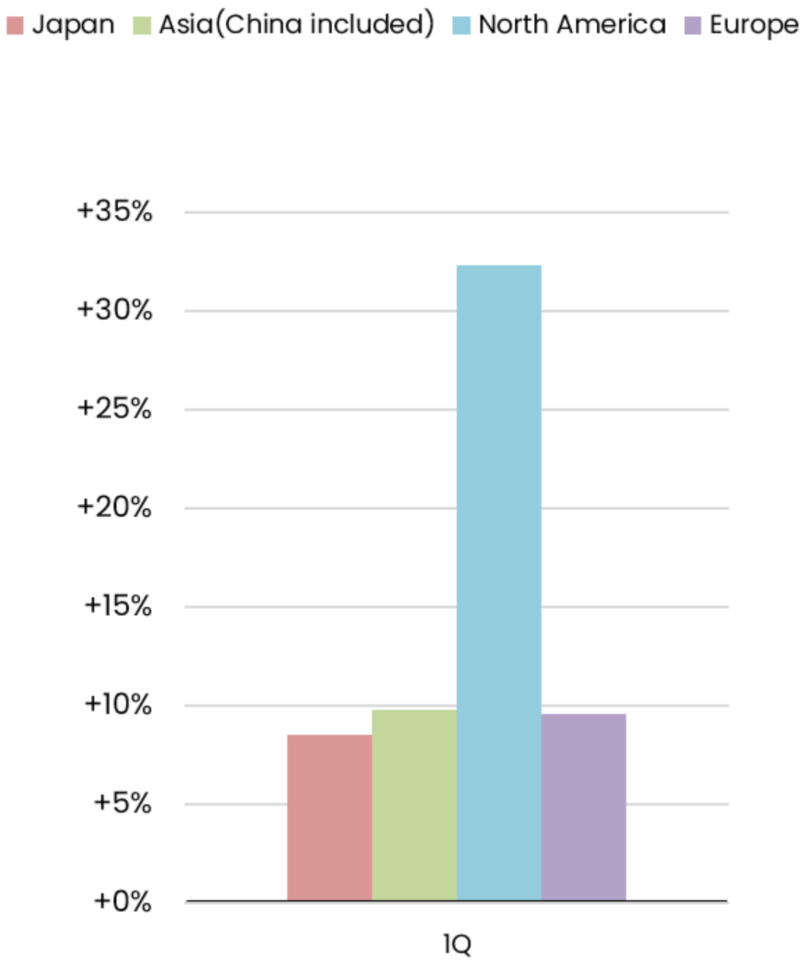
Rate of change year on year (LC base)



Sales by region (Apr.–Jun.)

Region	Net Sales growth YoY	Details
Japan	Increased	The sales of core ATTESA brand remained steady, while sales of premium The CITIZEN brand drove growth.
Asia *China included	Increased	Sales remained strong in Thailand and India, mainly driven by mechanical watches. Sales in Taiwan and Hong Kong also remained solid.
America	Increased	Sales of both the CITIZEN and BULOVA brands increased in department store channels. In-house e-commerce sales, grew significantly, with high-end ATTESA models and other products performing strongly.
Europe	Increased	Sales of mechanical watches were strong mainly due to the expansion of product line-up. Sales of PROMASTER, among other models, also grew.

* The rate of change in total sales of CITIZEN brand watches and BULOVA brand watches only for North America.
For other regions, the rate of change only in sales of CITIZEN brand watches.

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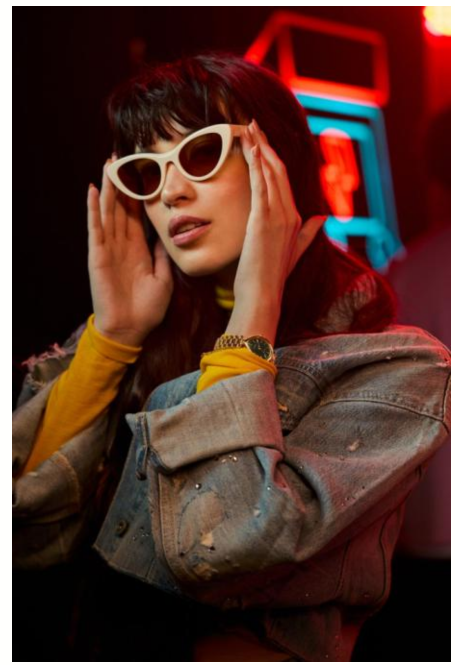
Eco-Drive 50th anniversary: The "Powered by Any Light" campaign

- Launch of a campaign in the core North American market to commemorate the 50th anniversary of Eco-Drive
- Captivating episodes expressing an innovation based on a technology powered by "Any Light " appeals to the Z and millennium generation users

Eco-Drive 50 YEARS OF INNOVATION



Video [Powered by Any Light | 50 Years of Eco-Drive Innovation]

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The CITIZEN launches of the 50th anniversary Eco-Drive model

- Featuring a Tosa washi paper dial dyed Chitose Midori, a deep, calm green.
- The model incorporates highly accurate Eco-Drive movements that have a variation of +/- 5 seconds per year, and the case and band use super Titanium™, a light scratch-resistant material.

The CITIZEN

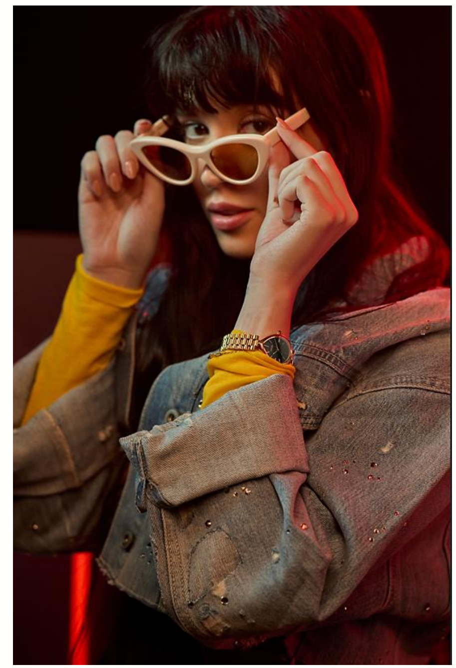
Release date: May 28, 2026
Recommended retail price: 462,000 yen (tax included)
Limited to 650 pieces worldwide

CITIZEN

Release of a new jewelry-inspired design collection of CITIZEN L to strengthen efforts aimed at capturing the ladies' watch market globally

- CITIZEN L is a line of jewelry-inspired watches that capture the radiance of nature and elevate the wearer.
- A collection featuring distinctive raindrop-inspired shapes that communicate the beauty and grace of rain

CITIZEN L

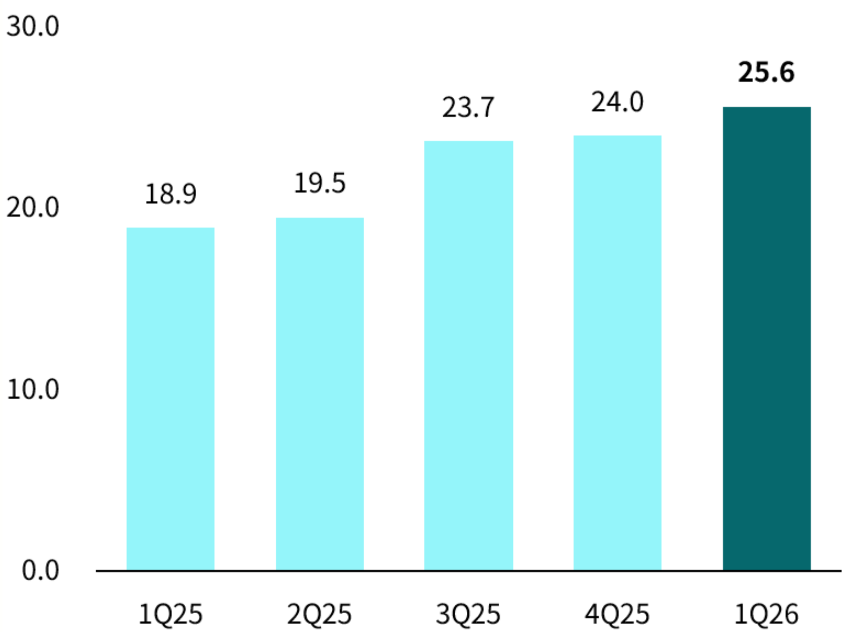


Release date: April 9, 2026
Recommended retail price: 53,900-61,600 yen (tax included)
4 models

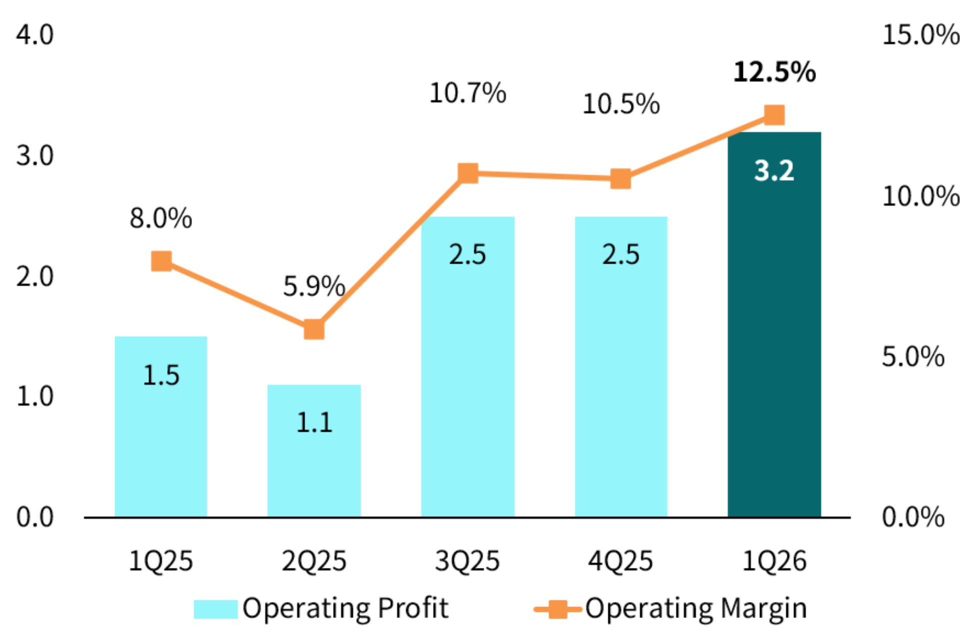
1Q (Apr.-Jun.) Sales and profit increased

- Domestic market: Revenue increased, driven by growth in AI and semiconductor-related sales, along with signs of recovery across other industries.
- Overseas markets: Revenue increased in all overseas markets. In the Americas, AI and semiconductor-related and medical-related sales remained solid. In Europe, watch-related and aerospace-related sales showed signs of recovery. In Asia, AI and semiconductor-related sales grew significantly in China.

Net Sales (billions of yen)



Operating Profit (billions of yen) and Margin (%)



Machine Tools　Orders received

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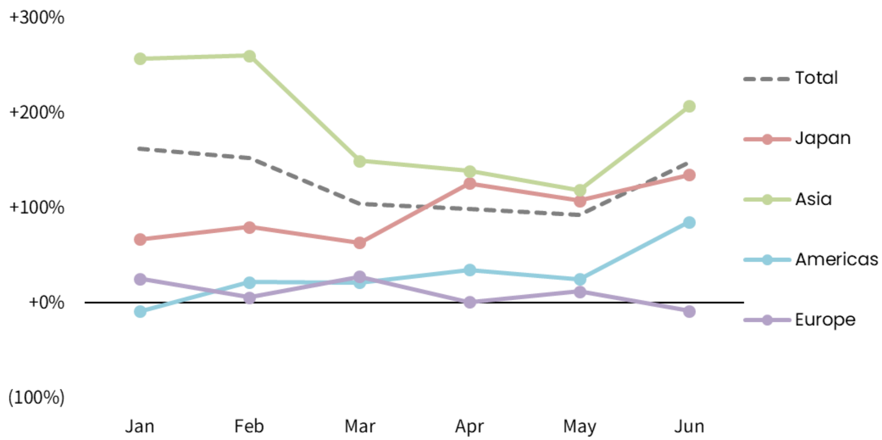
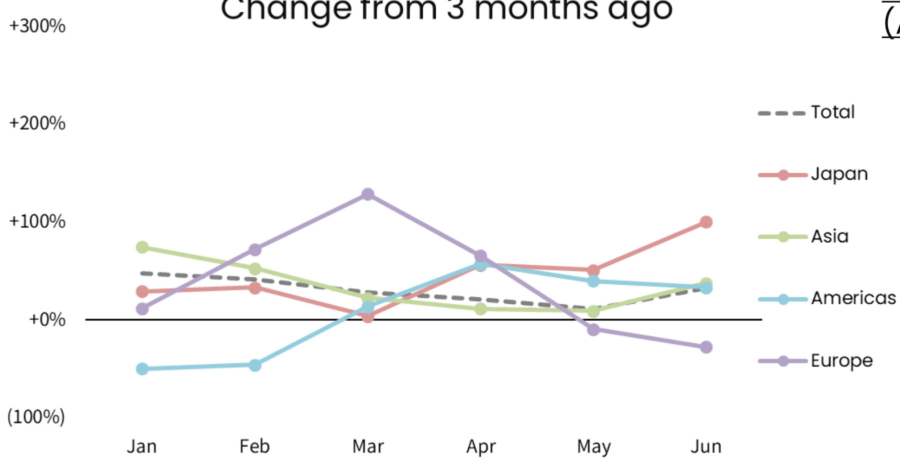
Number of units in orders received (3-month moving average) and trends in percent change

Year-on-year



	% Change (Apr.-Jun.)
Total	+148%
Japan	+135%
Asia	+207%
Americas	+86%
Europe	▲8%

Change from 3 months ago



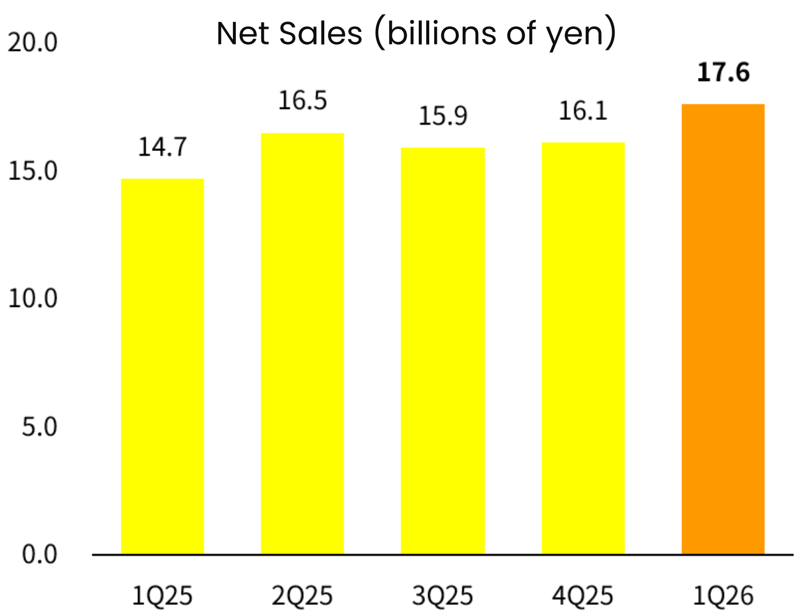
	% Change (Apr.-Jun.)
Total	+33%
Japan	+100%
Asia	+38%
Americas	+33%
Europe	▲28%

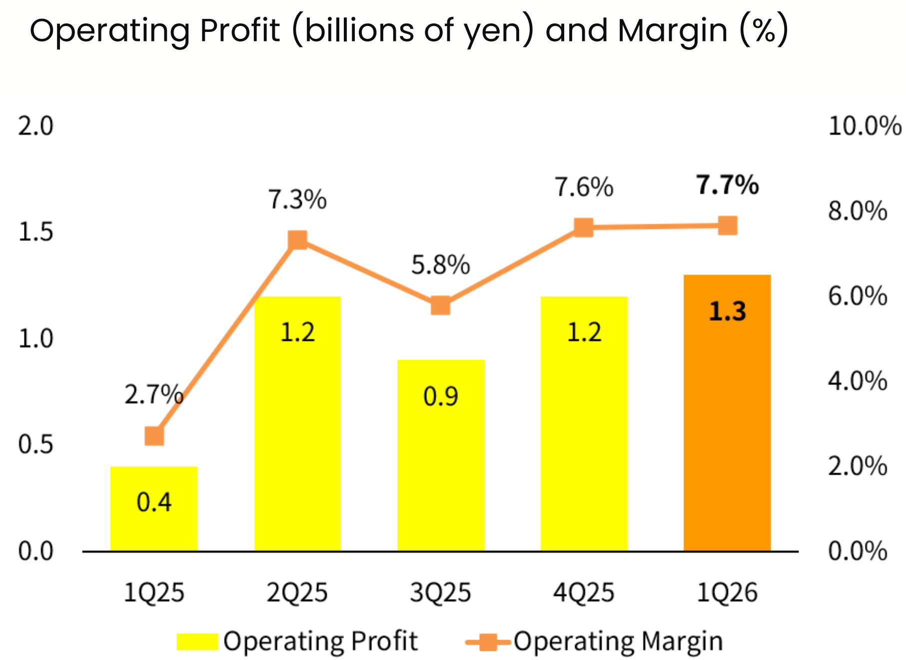
Orders received by region

Region	Details
Japan	Orders increased, supported by growing AI and semiconductor-related demand and signs of recovery in other industries.
Asia *China included	Orders for AI and semiconductor-related demand in China continued to grow. Demand in the same area is also trending upward in other Asian markets.
Americas	Medical-related orders remained solid. AI and semiconductor-related orders expanded, and aerospace-related orders also increased.
Europe	Demand for the core automotive-related products remained weak, but there were signs of a recovery in watch-related and aerospace-related orders.

1Q (Apr.-Jun.)　Sales and profit increased

Auto Components	Revenue remained on par with the previous year as the market recovery lacked momentum.
Small Motors	Revenue increased as market conditions gradually recovered and medical-related sales remained solid.
Ceramic parts	Revenue increased due to strong sales, particularly of submount products such as products for optical communication.
Printers	Revenue increased as photo printers continued to perform strongly, supported by stable demand.





The first half and full-year financial forecasts for FY2026

Consolidated Financial Forecast

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The first half and full-year financial forecasts for FY2026

(Unit：billion yen)	FY2026 5/13 Forecast 1H(Apr-Sep)	FY2026 5/13 Forecast Full Year	FY2026 8/14 Forecast 1H(Apr-Sep)	FY2026 8/14 Forecast Full Year	YoY Change Amount 1H	YoY Change Amount Full Year	YoY Change % 1H	YoY Change % Full Year
Net sales	175.5	362.0	196.0	395.0	+ 20.5	+ 33.0	＋ 11.7%	＋ 9.1%
Operating profit	16.5	34.5	20.5	40.5	+ 4.0	+ 6.0	＋ 24.2%	＋ 17.4%
Operating margir	9.4%	9.5%	10.5%	10.3%	-	-	-	-
Ordinary Profit	17.5	37.5	22.5	43.5	+ 5.0	+ 6.0	＋ 28.6%	＋ 16.0%
Profit attributable to owners of parent	13.0	27.5	17.0	32.0	+ 4.0	+ 4.5	＋ 30.8%	＋ 16.4%
Exchange rate	¥150/USD ¥175/EUR	¥150/USD ¥175/EUR	¥157/USD ¥183/EUR	¥156/USD ¥181/EUR				

＊ Exchange rate impact (1 weaker yen, Annual)

(Unit：billion yen)	USD	EUR
Net sales	+0.80	+0.27
Operating profit	+0.23	+0.15

Forecasts by Business Segments

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					Change			
Net sales	FY2026 5/13 Forecast		FY2026 8/14 Forecast		Amount		%	
(Unit : billion yen)	1H(Apr-Sep)	Full Year	1H(Apr-Sep)	Full Year	1H	Full Year	1H	Full Year
Watches	94.0	201.0	109.0	223.0	+ 15.0	+ 22.0	+ 16.0%	+ 10.9%
Machine Tools	47.5	95.0	51.5	104.0	+ 4.0	+ 9.0	+ 8.4%	+ 9.5%
Devices and Components	34.0	66.0	35.5	68.0	+ 1.5	+ 2.0	+ 4.4%	+ 3.0%
Consolidated Total	175.5	362.0	196.0	395.0	+ 20.5	+ 33.0	+ 11.7%	+ 9.1%

Operating Profit (Unit: billion yen, %:operating margin)	FY2026 5/13 Forecast 1H(Apr-Sep)	FY2026 5/13 Forecast Full Year	FY2026 8/14 Forecast 1H(Apr-Sep)	FY2026 8/14 Forecast Full Year	Change Amount 1H	Change Amount Full Year	Change % 1H	Change % Full Year
Watches	11.8 12.6%	25.5 12.7%	14.5 13.3%	29.0 13.0%	+ 2.7	+ 3.5	+ 22.9%	+ 13.7%
Machine Tools	5.7 12.0%	11.5 12.1%	6.5 12.6%	13.5 13.0%	+ 0.8	+ 2.0	+ 14.0%	+ 17.4%
Devices and Components	2.2 6.5%	4.0 6.1%	2.7 7.6%	4.5 6.6%	+ 0.5	+ 0.5	+ 22.7%	+ 12.5%
Eliminations or general corporate	(3.2)	(6.5)	(3.2)	(6.5)	+ 0.0	+ 0.0	-	-
Consolidated Total	16.5 9.4%	34.5 9.5%	20.5 10.5%	40.5 10.3%	+ 4.0	+ 6.0	+ 24.2%	+ 17.4%

Appendix

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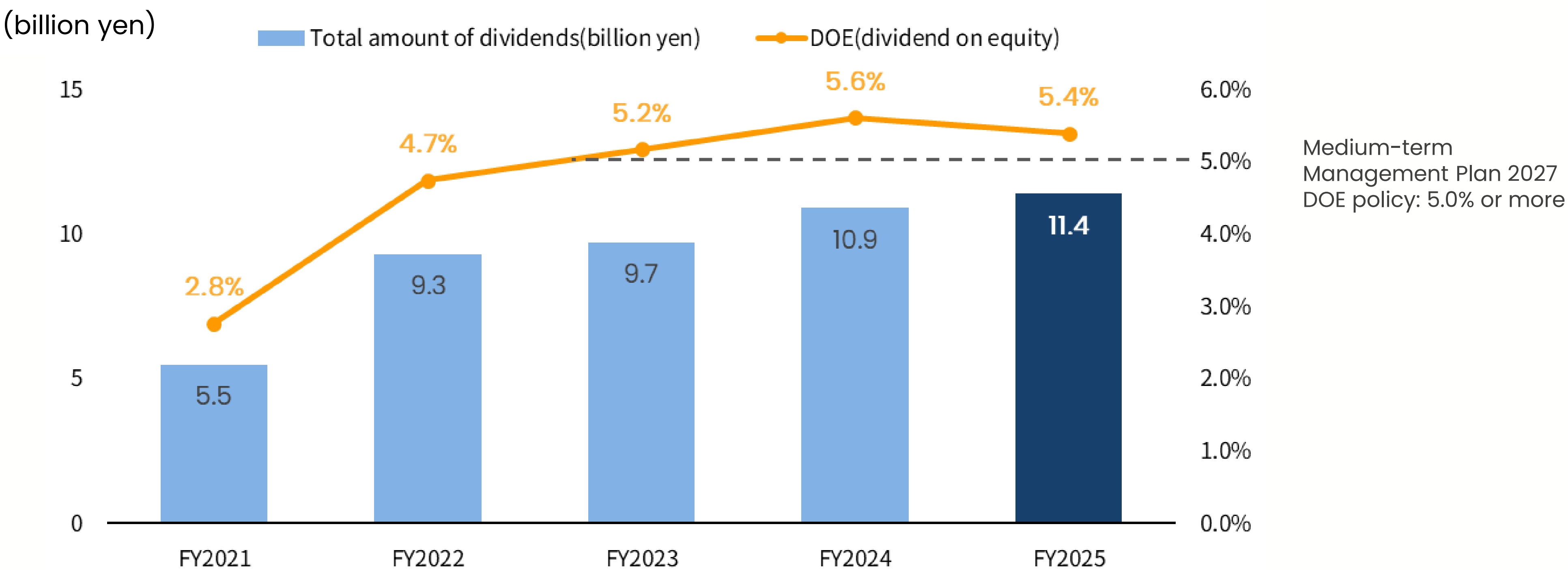
Shareholder return policy (FY2025-2027)

- Aim for DOE (dividend on equity)* of 5.0% or more
- Emphasis on continued payment of stable dividends, taking previous dividends into consideration.
- Acquisition of treasury stock to be judged flexibly depending on the situation, taking into account business performance, capital composition, investment plan, stock price and other market conditions.

* DOE = "Total amount of dividends" /Shareholders' equity (average of amounts at beginning and end of fiscal year)"



Capital expenditures and Depreciation

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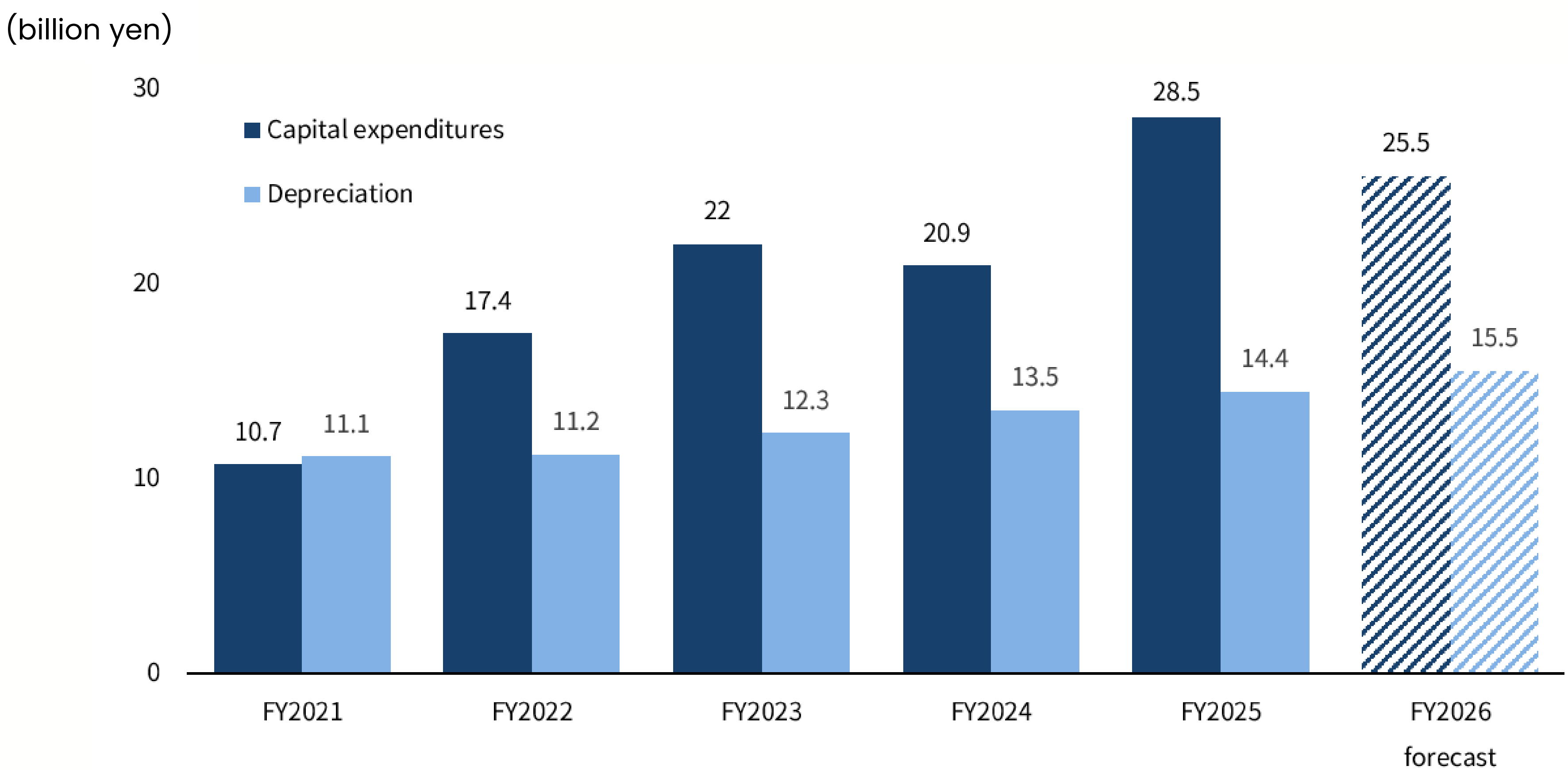
- Focus on growth and rationalization investments in the Watches segment based on Medium-term Management Plan 2027
- Image of investment distribution: Watches segment + Machine Tools segment 70% or more



Finished watch

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FREDERIQUE CONSTANT
GENEVE

BULOVA

Drive business growth and enhance profitability by elevating the value of our brands.

Movements

MIYOTA

MLP Manufacture LA JOUX-PERRET

Machine Tools　Major machining applications

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Cincom

Miyano

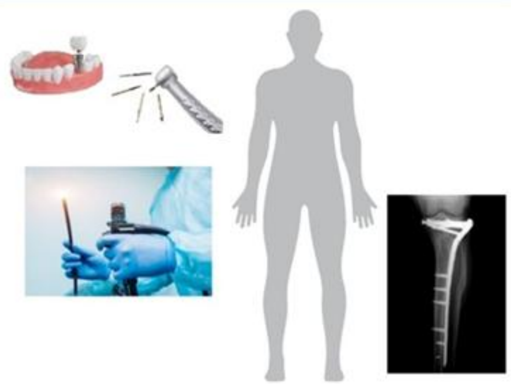
Sliding Headstock CNC Automatic Lathe	Fixed Headstock CNC Automatic Lathe

Small-diameter long parts

Middle-diameter short parts

Electronic / Precision

Medical



Automobile

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The forward-looking statements in this presentation material are based on information available as of the date of the announcement of this presentation material, and actual results may differ significantly due to various factors.
Note that amounts less than 100 million yen are rounded down.