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November 6, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)



Company name: DaikyoNishikawa Corporation

Listing: Tokyo Stock Exchange

Securities code: 4246

URL: <https://www.daikyonishikawa.co.jp/>

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Scheduled date to file semi-annual securities report: November 6, 2025

Scheduled date to commence dividend payments: December 4, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	81,697	(2.2)	4,835	(15.1)	5,235	(1.8)	3,895	19.7
September 30, 2024	83,499	7.8	5,692	32.8	5,333	15.5	3,254	10.3

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 451 million [(93.0) %]
For the six months ended September 30, 2024: ¥ 6,463 million [34.1 %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	55.76	-
September 30, 2024	45.76	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	158,463	87,075	53.3
March 31, 2025	154,554	89,949	56.5

Reference: Equity

As of September 30, 2025: ¥ 84,523 million
As of March 31, 2025: ¥ 87,337 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	17.00	-	19.00	36.00
Fiscal year ending March 31, 2026	-	19.00			
Fiscal year ending March 31, 2026 (Forecast)			-	19.00	38.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	162,000	(3.9)	7,900	(21.0)	8,100	(16.4)	6,200	(4.6)	89.68

Note: Revisions to the financial result forecast most recently announced: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	70,997,800 shares
As of March 31, 2025	73,896,400 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2025	2,713,492 shares
As of March 31, 2025	2,754,608 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	69,856,827 shares
Six months ended September 30, 2024	71,120,580 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Caution concerning forward-looking statements)

The earnings forecasts and other descriptions of the future presented in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ substantially due to various factors.

(Supplementary materials for financial results)

Supplementary materials will be posted on our website later.

○Attachment

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

In terms of business results for the current interim consolidated accounting period(April 1, 2025 – September 30, 2025), net sales decreased on a cumulative basis. In the U.S., although sales were firm in line with an increase in the number of units produced by customers and new orders for exterior parts, overall sales decreased by 1.802 billion yen (2.2%) year-on-year to 81.697 billion yen due to a decrease in the number of units produced by major customers in Japan. Operating income decreased by 856 million yen (15.1%) to 4.835 billion yen compared to the same period of the previous fiscal year due to the impact of lower sales, actuarial differences in retirement benefits, and an increase in human capital investment with a view to sustainable growth, while the results of cost improvement activities are steadily appearing. Ordinary income decreased by 97 million yen (1.8%) year-on-year to 5.235 billion yen. Net income attributable to owners of the parent increased by ¥641 million, or 19.7%, year on year to ¥3.895 billion.

Results by segment are as follows.

(Japan)

In Japan, net sales decreased by 3.557 billion yen (6.6%) year-on-year to 50.018 billion yen due to a decrease in the number of units produced by major customers. Segment income (operating income) decreased by ¥2.323 billion, or 64.9%, to ¥1.256 billion compared with the same period of the previous fiscal year due to the impact of lower sales, actuarial differences in retirement benefits, and an increase in human capital investment with a view to sustainable growth, while the results of cost improvement activities are steadily appearing.

(North America)

In North America, net sales increased by 1.92 billion yen (8.2%) to 25.203 billion yen compared to the same period of the previous fiscal year, due to an increase in the number of units produced by customers in the U.S. and an increase in sales associated with new orders for exterior parts, despite a decrease in sales due to a decrease in the number of units produced by customers in Mexico and sales of essential parts. Segment profit (operating income) increased by 902 million yen (47.4%) year-on-year to 2.807 billion yen due to the effect of increased sales in the U.S. and the impact of the exchange rate in Mexico, despite the impact of decreased sales in Mexico.

(ASEAN)

In the ASEAN region, although there was a decrease in the number of vehicles produced by customers in Thailand, due to an increase in the number of vehicles produced by customers in Indonesia and an increase in sales of tools, net sales increased by 37 million yen (0.7%) year on year to 5.244 billion yen. Segment profit (operating income) decreased by 49 million yen (15.6%) to 269 million yen year-on-year mainly due to the impact of the decrease in sales in Thailand and the lump-sum recording of development costs in Indonesia.

(China & Korea)

In China and South Korea, net sales decreased by ¥1.079 billion, or 22.4%, year on year to ¥3.743 billion due to a decrease in sales of essential instruments in China, despite new sales in the design business in South Korea. Segment profit (operating income) decreased by 172 million yen (76.6%) year-on-year to 52 million yen due to the impact of lower sales of essential equipment in China.

(2) Explanation of Financial Position

(Consolidated Financial Position)

Total assets at the end of the semi-annual of the current fiscal year increased by ¥3.908 billion (2.5%) from the end of the previous fiscal year to ¥158.463 billion. This was mainly due to a decrease in property, plant and equipment, while there was an increase in cash and deposits.

Liabilities increased by ¥6.782 billion (10.5%) from the previous fiscal year-end to ¥71.387 billion. This was mainly due to a increase in lease liabilities and retirement benefit liability.

Net assets decreased by ¥2.873 billion (3.2%) from the previous fiscal year-end to ¥87.075 billion. This was mainly due to a decrease in foreign currency translation adjustments.

(Overview of Consolidated Cash Flows)

Cash and cash equivalents at the end of semi-annual of the current fiscal year increased by 10,931 million yen (45.5%), from the end of the previous fiscal year to 34,931 million yen.

(Cash Flows from Operating Activities)

Net cash provided by operating activities was 10,091 million yen, compared with net cash provided of 6,874 million yen in the same period of the previous fiscal year. This was mainly due to 1,357 million yen in income taxes paid, while there was an increase 5,216 million yen in profit before income taxes and 5,085 million yen in depreciation.

(Cash Flows from Investing Activities)

Net cash used in investing activities was 4,210 million yen, compared with net cash used of 1,188 million yen in the same period of the previous fiscal year. This was mainly due to 3,608 million yen in purchase of property, plant and equipment and 805 million yen in purchases of intangible assets.

(Cash Flows from Financing Activities)

Net cash provided by financing activities was 6,605 million yen, compared with 5,765 million yen used in the same period of the previous fiscal year. This was mainly due to 2,451 million yen in repayments of long-term borrowings and 1,999 million yen in purchase of treasury shares and 1,345 million yen in dividends paid , while there was an increase 11,000 million yen in repayments of long-term borrowings and 2,643 million yen in proceeds from sale and leaseback transactions.

2.Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	30,922	41,930
Electronically recorded monetary claims - operating	2,666	2,413
Notes receivable - trade	-	49
Accounts receivable - trade	28,093	27,521
Contract assets	751	529
Merchandise and finished goods	2,443	1,357
Work in process	1,163	1,244
Raw materials and supplies	4,639	4,725
Accounts receivable - other	281	212
Other	2,175	2,388
Allowance for doubtful accounts	(41)	(39)
Total current assets	73,097	82,333
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,499	27,465
Machinery, equipment and vehicles, net	22,978	20,730
Tools, furniture and fixtures, net	2,443	2,501
Land	12,367	12,348
Leased assets, net	2,661	4,209
Construction in progress	5,893	3,431
Total property, plant and equipment	75,843	70,687
Intangible assets	1,555	2,187
Investments and other assets		
Investment securities	1,480	1,610
Deferred tax assets	1,077	830
Retirement benefit asset	28	16
Other	1,472	796
Total investments and other assets	4,058	3,254
Total non-current assets	81,457	76,129
Total assets	154,554	158,463

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	180	214
Notes and accounts payable - trade	23,232	23,046
Short-term borrowings	1,550	1,506
Current portion of long-term borrowings	5,052	5,704
Lease liabilities	1,589	2,425
Accounts payable - other	4,614	3,178
Accrued expenses	1,444	1,518
Income taxes payable	959	622
Contract liabilities	772	592
Provision for bonuses	2,241	2,213
Provision for product warranties	52	50
Notes payable - facilities	24	3
Electronically recorded obligations - facilities	47	63
Other	1,270	1,478
Total current liabilities	43,031	42,619
Non-current liabilities		
Long-term borrowings	18,106	24,568
Lease liabilities	724	1,613
Retirement benefit liability	1,894	1,791
Provision for retirement benefits for directors (and other officers)	2	3
Provision for share-based payments	3	3
Asset retirement obligations	170	169
Deferred tax liabilities	121	104
Other	551	512
Total non-current liabilities	21,573	28,767
Total liabilities	64,605	71,387
Net assets		
Shareholders' equity		
Share capital	5,426	5,426
Capital surplus	10,573	8,820
Retained earnings	65,302	66,506
Treasury shares	(3,996)	(2,876)
Total shareholders' equity	77,306	77,876
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21	91
Foreign currency translation adjustment	9,944	6,513
Remeasurements of defined benefit plans	65	40
Total accumulated other comprehensive income	10,031	6,646
Non-controlling interests	2,611	2,552
Total net assets	89,949	87,075
Total liabilities and net assets	154,554	158,463

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	83,499	81,697
Cost of sales	71,709	70,861
Gross profit	11,789	10,835
Selling, general and administrative expenses	6,097	6,000
Operating profit	5,692	4,835
Non-operating income		
Interest income	190	160
Dividend income	25	21
Share of profit of entities accounted for using equity method	18	0
Foreign exchange gains	-	344
Subsidy income	-	118
Revenue of development discontinuation	1,317	77
Other	94	101
Total non-operating income	1,646	825
Non-operating expenses		
Interest expenses	710	364
Expense of compensation for development discontinuation	862	0
Foreign exchange losses	425	-
Other	5	58
Total non-operating expenses	2,004	424
Ordinary profit	5,333	5,235
Extraordinary income		
Gain on sale of non-current assets	6	0
Total extraordinary income	6	0
Extraordinary losses		
Loss on sale and retirement of non-current assets	28	20
Total extraordinary losses	28	20
Profit before income taxes	5,311	5,216
Income taxes	1,859	1,236
Profit	3,452	3,979
Profit attributable to non-controlling interests	198	83
Profit attributable to owners of parent	3,254	3,895

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	3,452	3,979
Other comprehensive income		
Valuation difference on available-for-sale securities	(338)	70
Foreign currency translation adjustment	3,549	(3,602)
Remeasurements of defined benefit plans, net of tax	(254)	(23)
Share of other comprehensive income of entities accounted for using equity method	54	26
Total other comprehensive income	3,011	(3,527)
Comprehensive income	6,463	451
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,098	510
Comprehensive income attributable to non-controlling interests	364	(59)

(3)Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	5,311	5,216
Depreciation	5,614	5,085
Share-based payment expenses	12	13
Increase (decrease) in allowance for doubtful accounts	(0)	1
Increase (decrease) in provision for bonuses	(365)	(17)
Increase (decrease) in provision for share-based payments	1	0
Increase (decrease) in provision for product warranties	(1)	(1)
Increase or decrease in net defined benefit asset and liability	17	(65)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(19)	0
Interest and dividend income	(215)	(182)
Interest expenses	710	364
Share of loss (profit) of entities accounted for using equity method	(18)	(0)
Loss (gain) on sale and retirement of non-current assets	21	19
Subsidy income	(5)	(118)
Decrease (increase) in trade receivables	(2,254)	32
Decrease (increase) in inventories	(441)	648
Increase (decrease) in trade payables	1,329	580
Other, net	(294)	(92)
Subtotal	9,402	11,485
Interest and dividends received	219	177
Interest paid	(716)	(357)
Income taxes refund (paid)	(2,353)	(1,357)
Subsidies received	305	143
Proceeds from compensation	16	-
Net cash provided by (used in) operating activities	6,874	10,091
Cash flows from investing activities		
Net decrease (increase) in time deposits	1,216	227
Payments into long-term time deposits	(210)	-
Proceeds from withdrawal of long term deposit	1,052	-
Purchase of property, plant and equipment	(2,954)	(3,608)
Proceeds from sale of property, plant and equipment	7	0
Purchase of intangible assets	(282)	(805)
Proceeds from sale of intangible assets	0	-
Other, net	(17)	(24)
Net cash provided by (used in) investing activities	(1,188)	(4,210)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	11,000
Repayments of long-term borrowings	(3,025)	(2,451)
Proceeds from sale and leaseback transactions	58	2,643
Repayments of lease liabilities	(1,567)	(1,240)
Purchase of treasury shares	(0)	(1,999)
Dividends paid	(1,231)	(1,345)
Net cash provided by (used in) financing activities	(5,765)	6,605

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Effect of exchange rate change on cash and cash equivalents	1,411	(1,555)
Net increase (decrease) in cash and cash equivalents	1,330	10,931
Cash and cash equivalents at beginning of period	32,123	23,999
Cash and cash equivalents at end of period	33,453	34,931

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

(1) Acquisition of the Company's Own Shares

At the Board of Directors meeting held on May 13, 2025, the Company resolved to acquire treasury shares pursuant to Article 156 of the Companies Act, as applied mutatis mutandis under Article 165, Paragraph 3 of the same Act. Based on this resolution, the Company acquired treasury shares during the period from May 14, 2025 to August 25, 2025 (on a contract basis). As a result, 2,898,600 shares of treasury stock were acquired during the current consolidated interim accounting period, increasing the balance by ¥1,999 million.

(2) Cancellation of the Company's Own Shares

At the Board of Directors meeting held on September 22, 2025, the Company resolved to cancel treasury shares pursuant to Article 178 of the Companies Act. On September 30, 2025, the Company cancelled 2,898,600 shares of treasury stock, amounting to ¥3,072 million.

As a result, capital surplus decreased by ¥1,732 million, retained earnings decreased by ¥1,340 million, and treasury stock decreased by ¥1,072 million. At the end of the current consolidated interim accounting period, capital surplus stood at ¥8,820 million, retained earnings at ¥66,506 million, and treasury stock at ¥2,876 million.

(Application of Special Accounting Methods for Quarterly Consolidated Financial Statements)

(Calculation of Tax Expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after the application of tax effect accounting to net income before income taxes for the fiscal year including the first quarter of the fiscal year under review, and multiplying net income before income taxes by the estimated effective tax rate. However, if the calculation of tax expenses using the estimated effective tax rate is significantly unreasonable, the recoverability of deferred tax assets is considered in the amount obtained by multiplying net income before income taxes or net loss before income taxes by the statutory effective tax rate.

(Notes on Segment Information)

【Segment Information】

I. Six months of the fiscal year ended March 31, 2025 (from April 1, 2024 to September 30, 2024)

1 Information on net sales and income (loss) by reportable segment and disaggregation of revenue

(Millions of yen)

	Reportable Segments				Total
	Japan	North America	ASEAN	China & Korea	
Net sales					
Product sales	47,917	22,271	5,005	2,748	77,942
Tool sales	2,783	932	123	1,092	4,931
Other sales	423	61	10	129	625
Revenue from contracts with customers	51,124	23,264	5,139	3,970	83,499
Sales to external customers	51,124	23,264	5,139	3,970	83,499
Inter segment sales or transfers	2,452	18	67	852	3,390
Total	53,576	23,283	5,206	4,822	86,889
Segment income	3,579	1,904	319	225	6,029

2 Differences between the total amounts of reportable segments and the amounts stated in the consolidated financial statements and the main contents of the differences (matters related to the adjustment of differences)

(Millions of yen)

Income	Amount
Total amount of reportable segments	6,029
Elimination of inter-segment transaction	(337)
Operating profit in the consolidated financial statements	5,692

II. Six months of the fiscal year ended March 31, 2026 (from April 1, 2025 to September 30, 2025)

1 Information on net sales and income (loss) by reportable segment and disaggregation of revenue

(Millions of yen)

	Reportable Segments				Total
	Japan	North America	ASEAN	China & Korea	
Net sales					
Product sales	45,330	23,479	4,703	2,713	76,227
Tool sales	2,651	1,618	425	48	4,744
Other sales	469	103	27	126	725
Revenue from contracts with customers	48,451	25,201	5,156	2,887	81,697
Sales to external customers	48,451	25,201	5,156	2,887	81,697
Inter segment sales or transfers	1,566	2	88	855	2,512
Total	50,018	25,203	5,244	3,743	84,209
Segment income	1,256	2,807	269	52	4,387

2 Differences between the total amounts of reportable segments and the amounts stated in the consolidated financial statements and the main contents of the differences (matters related to the adjustment of differences)

(Millions of yen)

Income	Amount
Total amount of reportable segments	4,387
Elimination of inter-segment transaction	447
Operating profit in the consolidated financial statements	4,835