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

November 13, 2025

Company name SAKAI HEAVY INDUSTRIES,LTD. Stock exchange listings: Tokyo Prime
Securities code 6358 URL <https://www.sakainet.co.jp/>
Representative (Title) President and Representing Director (Name)Ichiro Sakai
Executive Officer, General
Inquiries (Title) Manager of Administration (Name)Yasuyuki Fujikawa Tel 03-3434-3401
Division
Semi-annual statement filing date (as planned) November 13, 2025 Dividend payable date (as planned) December 10, 2025
Supplemental material of results : Yes
Convening briefing of results : 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	12,980	(9.8)	684	(44.4)	648	(45.0)	431	(66.9)
September 30, 2024	14,385	(14.3)	1,231	(37.4)	1,178	(44.1)	1,302	(15.1)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	50.45	—
September 30, 2024	152.97	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	43,452	30,117	69.1
March 31, 2025	42,624	30,130	70.5

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	85.00	—	60.50	—
Fiscal year ending March 31, 2026	—	45.00			
Fiscal year ending March 31, 2026 (Forecast)			—	60.00	105.00

3. Consolidated financial 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
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2026	28,000	0.5	1,250	(21.1)	1,250	(16.4)	900	(37.3)	105.61

* 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)

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

As of Sep 30, 2025	8,890,434 shares	As of March 31, 2025	8,845,634 shares
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Number of treasury shares at the end of the period

As of Sep 30, 2025	315,040 shares	As of March 31, 2025	314,718 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended Sep 30, 2025	8,549,982 shares	Three months ended June 30, 2024	8,514,096 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	7,668,034	7,531,018
Notes and accounts receivable - trade	5,339,465	5,557,917
Electronically recorded monetary claims - operating	736,827	1,376,432
Merchandise and finished goods	5,267,680	5,017,472
Work in process	1,146,451	1,516,341
Raw materials and supplies	5,123,865	4,608,697
Other	1,329,016	1,076,107
Allowance for doubtful accounts	(58)	—
Total current assets	26,611,283	26,683,987
Non-current assets		
Property, plant and equipment	7,884,830	7,718,208
Intangible assets	518,753	559,592
Investments and other assets		
Investment securities	5,661,936	6,706,744
Other	1,947,798	1,784,024
Total investments and other assets	7,609,734	8,490,769
Total non-current assets	16,013,317	16,768,570
Total assets	42,624,601	43,452,558
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,590,956	1,525,810
Electronically recorded obligations - operating	1,884,375	2,289,323
Short-term borrowings	4,804,492	4,908,004
Income taxes payable	159,941	227,895
Provisions	387,684	373,527
Other	1,602,257	1,578,470
Total current liabilities	10,429,707	10,903,032
Non-current liabilities		
Long-term borrowings	117,260	98,054
Retirement benefit liability	246,770	250,331
Other	1,700,358	2,083,265
Total non-current liabilities	2,064,388	2,431,650
Total liabilities	12,494,096	13,334,683

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Net assets		
Shareholders' equity		
Share capital	3,381,692	3,425,058
Capital surplus	6,627,635	6,671,002
Retained earnings	14,436,335	14,351,529
Treasury shares	(411,297)	(411,967)
Total shareholders' equity	24,034,365	24,035,622
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,181,536	3,918,630
Foreign currency translation adjustment	2,846,230	2,100,958
Remeasurements of defined benefit plans	(11,325)	(11,793)
Total accumulated other comprehensive income	6,016,440	6,007,795
Non-controlling interests	79,697	74,456
Total net assets	30,130,504	30,117,874
Total liabilities and net assets	42,624,601	43,452,558

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	14,385,936	12,980,135
Cost of sales	10,056,447	9,264,399
Gross profit	4,329,488	3,715,735
Selling, general and administrative expenses		
Transportation costs	179,877	168,178
Salaries and bonuses	1,399,967	1,365,384
Technical research expenses	490,545	476,097
Other	1,027,421	1,021,782
Total selling, general and administrative expenses	3,097,812	3,031,443
Operating profit	1,231,676	684,292
Non-operating income		
Interest income	8,708	5,172
Dividend income	108,510	140,367
Other	16,697	15,025
Total non-operating income	133,915	160,565
Non-operating expenses		
Interest expenses	100,173	111,079
bank charge	37,742	37,356
Foreign exchange losses	42,557	34,251
Other	6,332	14,140
Total non-operating expenses	186,806	196,827
Ordinary profit	1,178,785	648,029
Extraordinary income		
Gain on sale of non-current assets	513	2,284
Gain on sale of investment securities	288,407	35,227
Total extraordinary income	288,921	37,511
Extraordinary losses		
Loss on retirement of non-current assets	—	60
Total extraordinary losses	—	60
Profit before income taxes	1,467,707	685,480
Income taxes	163,926	251,272
Profit	1,303,780	434,208
Profit attributable to non-controlling interests	1,399	2,893
Profit attributable to owners of parent	1,302,380	431,314

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	1,303,780	434,208
Other comprehensive income		
Valuation difference on available-for-sale securities	(415,025)	737,093
Foreign currency translation adjustment	821,758	(751,774)
Remeasurements of defined benefit plans, net of tax	(5,027)	(467)
Total other comprehensive income	401,705	(15,148)
Comprehensive income	1,705,485	419,059
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,695,011	422,673
Comprehensive income attributable to non-controlling interests	10,473	(3,613)

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,467,707	685,480
Depreciation	352,921	359,351
Increase (decrease) in allowance for doubtful accounts	6,320	57
Increase (decrease) in provision for product warranties	(2,265)	(14,156)
Increase (decrease) in retirement benefit liability	37,081	18,679
Interest and dividend income	(117,218)	(145,540)
Interest expenses	100,173	111,079
Loss (gain) on sale of investment securities	(288,407)	(35,227)
Loss (gain) on sale of non-current assets	(513)	(2,284)
Loss on retirement of non-current assets	—	60
Decrease (increase) in trade receivables	927,506	(1,014,371)
Decrease (increase) in inventories	(1,039,150)	143,206
Decrease (increase) in prepaid expenses	(114,453)	17,174
Decrease (increase) in accounts receivable - other	(245,452)	244,391
Increase (decrease) in trade payables	(982,649)	449,281
Increase (decrease) in accrued expenses	(148,525)	(78,535)
Other, net	(184,506)	309,950
Subtotal	(231,434)	1,048,598
Interest and dividends received	101,118	147,205
Interest paid	(97,843)	(111,234)
Income taxes paid	(163,970)	(192,821)
Net cash provided by (used in) operating activities	(392,128)	891,748
Cash flows from investing activities		
Purchase of property, plant and equipment	(91,438)	(414,692)
Proceeds from sale of property, plant and equipment	513	6,975
Purchase of intangible assets	(51,114)	(9,444)
Proceeds from sale of investment securities	332,991	40,584
Proceeds from collection of loans receivable	337	295
Net cash provided by (used in) investing activities	191,289	(376,280)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(845,840)	160,981
Proceeds from long-term borrowings	100,000	100,000
Repayments of long-term borrowings	(119,206)	(119,206)
Purchase of treasury shares	(984)	(669)
Dividends paid	(828,886)	(516,120)
Dividends paid to non-controlling interests	(3,571)	(1,632)
Other, net	(79,434)	(98,641)
Net cash provided by (used in) financing activities	(1,777,923)	(475,288)
Effect of exchange rate change on cash and cash equivalents	163,877	(177,162)
Net increase (decrease) in cash and cash equivalents	(1,814,884)	(136,982)
Cash and cash equivalents at beginning of period	8,244,531	7,599,293
Cash and cash equivalents at end of period	6,429,646	7,462,311