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Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

August 7, 2026

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 (Name) Ichiro Sakai
 Director
 Executive Officer, General
 Inquiries (Title) Manager of Administration (Name) Yasuyuki Fujikawa Tel 03-3434-3401
 Division
 Dividend payable date (as planned) —
 Supplemental material of results : Yes
 Convening briefing of results : None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	5,620	(2.2)	(72)	—	23	(85.1)	(16)	—
June 30, 2025	5,749	(14.3)	149	(66.7)	154	(69.3)	91	(86.7)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	(1.88)	—
June 30, 2025	10.72	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	43,350	31,790	73.1
March 31, 2026	43,936	31,677	71.9

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	45.00	—	62.00	107.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		45.00	—	65.00	110.00

3. Consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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
Six months ending September 30, 2026	14,500	11.7	550	(19.6)	550	(15.1)	400	(7.3)	46.72
Fiscal year ending March 31, 2027	30,500	10.7	1,650	3.9	1,650	4.3	1,100	(37.6)	128.48

* Notes

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

(2) Adoption of accounting treatment specific to the preparation of quarterly 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 June 30, 2026	8,890,434 shares	As of March 31, 2026	8,890,434 shares
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Number of treasury shares at the end of the period

As of June 30, 2026	315,396 shares	As of March 31, 2026	315,344 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	8,575,051 shares	Three months ended June 30, 2025	8,530,867 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	6,552,672	5,985,431
Notes and accounts receivable - trade	6,406,088	4,557,312
Electronically recorded monetary claims - operating	1,239,009	1,676,301
Merchandise and finished goods	4,797,586	5,979,001
Work in process	1,303,984	1,598,290
Raw materials and supplies	4,870,968	5,113,315
Other	2,375,501	1,392,540
Allowance for doubtful accounts	(675)	(661)
Total current assets	27,545,135	26,301,531
Non-current assets		
Property, plant and equipment	7,951,841	7,879,585
Intangible assets	528,179	604,086
Investments and other assets		
Investment securities	6,116,749	6,715,334
Other	1,794,402	1,849,812
Total investments and other assets	7,911,151	8,565,146
Total non-current assets	16,391,172	17,048,818
Total assets	43,936,308	43,350,349
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,247,082	1,636,070
Electronically recorded obligations - operating	1,316,195	969,865
Short-term borrowings	4,613,087	4,376,397
Income taxes payable	388,349	83,127
Provisions	403,764	390,932
Other	2,016,818	1,633,871
Total current liabilities	9,985,298	9,090,265
Non-current liabilities		
Long-term borrowings	78,848	70,819
Retirement benefit liability	255,984	268,742
Other	1,938,972	2,130,265
Total non-current liabilities	2,273,805	2,469,826
Total liabilities	12,259,103	11,560,092

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Net assets		
Shareholders' equity		
Share capital	3,425,058	3,425,058
Capital surplus	6,671,002	6,671,002
Retained earnings	15,297,436	14,749,623
Treasury shares	(412,617)	(412,727)
Total shareholders' equity	24,980,880	24,432,957
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,601,881	4,012,185
Foreign currency translation adjustment	3,027,499	3,278,246
Remeasurements of defined benefit plans	(15,328)	(17,943)
Total accumulated other comprehensive income	6,614,051	7,272,488
Non-controlling interests	82,272	84,811
Total net assets	31,677,204	31,790,257
Total liabilities and net assets	43,936,308	43,350,349

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	5,749,017	5,620,939
Cost of sales	4,133,478	4,096,621
Gross profit	1,615,539	1,524,317
Selling, general and administrative expenses		
Transportation costs	79,282	80,160
Salaries and bonuses	677,807	757,830
Technical research expenses	241,764	238,446
Other	467,004	520,314
Total selling, general and administrative expenses	1,465,858	1,596,751
Operating profit (loss)	149,680	(72,433)
Non-operating income		
Interest income	2,978	2,963
Dividend income	137,147	146,754
Other	2,163	12,361
Total non-operating income	142,289	162,078
Non-operating expenses		
Interest expenses	56,994	41,616
bank charge	16,198	16,488
Foreign exchange losses	59,968	7,678
Other	3,861	718
Total non-operating expenses	137,023	66,501
Ordinary profit	154,946	23,143
Extraordinary income		
Gain on sale of investment securities	35,227	443
Total extraordinary income	35,227	443
Extraordinary losses		
Loss on sale of non-current assets	—	268
Total extraordinary losses	—	268
Profit before income taxes	190,173	23,319
Income taxes	98,288	38,559
Profit (loss)	91,885	(15,240)
Profit attributable to non-controlling interests	420	916
Profit (loss) attributable to owners of parent	91,464	(16,157)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit (loss)	91,885	(15,240)
Other comprehensive income		
Valuation difference on available-for-sale securities	168,660	410,303
Foreign currency translation adjustment	(594,487)	252,369
Remeasurements of defined benefit plans, net of tax	(137)	(2,614)
Total other comprehensive income	(425,965)	660,059
Comprehensive income	(334,080)	644,818
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(330,293)	642,305
Comprehensive income attributable to non-controlling interests	(3,786)	2,513