

August 12, 2025

## Non-consolidated Financial Results for the Six Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: DAIWA INDUSTRIES LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 6459  
 URL: <https://www.drk.co.jp>  
 Representative: Atsushi Ozaki, President and Representative Director  
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 Scheduled date to file semi-annual securities report: August 13, 2025  
 Scheduled date to commence dividend payments: September 2, 2025  
 Preparation of supplementary material on financial results: None  
 Holding of financial results briefing: None

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

### 1. Non-consolidated financial results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

#### (1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	22,607	(0.9)	3,684	(5.6)	3,665	(4.6)	2,477	(4.8)
June 30, 2024	22,807	0.6	3,903	(3.8)	3,841	(3.7)	2,602	(3.5)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2025	50.19	-
June 30, 2024	52.72	-

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	92,727	69,054	74.5
December 31, 2024	93,566	68,284	73.0

Reference: Equity  
 As of June 30, 2025: ¥69,054 million  
 As of December 31, 2024: ¥68,284 million

### 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	-	15.00	-	35.00	50.00
Fiscal year ending December 31, 2025	-	25.00			
Fiscal year ending December 31, 2025 (Forecast)				25.00	50.00

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

### 3. Forecast of non-consolidated financial results for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2025	48,800	1.8	8,230	1.9	8,110	1.9	5,550	2.0	112.43

Note: Revisions to the earnings forecasts most recently announced: None

\* **Notes**

- (1) Adoption of accounting treatment specific to the preparation of semi-annual non-consolidated financial statements: None
- (2) 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

(3) Number of issued shares (common shares)

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

As of June 30, 2025	51,717,215 shares
As of December 31, 2024	51,717,215 shares

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

As of June 30, 2025	2,353,725 shares
As of December 31, 2024	2,353,592 shares

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

Six months ended June 30, 2025	49,363,513 shares
Six months ended June 30, 2024	49,364,005 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

The forecasts described above are based on information available at the time of publication and are subject to considerable uncertainties. Actual results may differ from the forecasts described above due to changes in business conditions and other factors. Matters related to the above forecasts are described in "1. Qualitative Information on the Interim Financial Results (3) Explanation of Forward-Looking Information such as Earnings Forecasts."

## Semi-annual balance sheet

(Thousands of yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	49,586,391	48,171,274
Notes and accounts receivable - trade, and contract assets	5,417,613	5,383,477
Securities	10,000,000	10,000,000
Merchandise and finished goods	2,282,019	2,671,086
Work in process	448,477	441,489
Raw materials and supplies	896,890	1,040,754
Service parts	221,778	226,398
Other	407,220	557,945
Allowance for doubtful accounts	(553)	(550)
Total current assets	69,259,838	68,491,876
Non-current assets		
Property, plant and equipment	12,599,833	12,842,491
Intangible assets	241,530	211,196
Investments and other assets		
Investment securities	546,569	575,336
Long-term time deposits	9,000,000	9,000,000
Other	1,978,179	1,664,735
Allowance for doubtful accounts	(59,335)	(58,603)
Total investments and other assets	11,465,413	11,181,468
Total non-current assets	24,306,777	24,235,156
Total assets	93,566,615	92,727,033
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,767,873	1,686,565
Income taxes payable	1,037,007	1,022,705
Contract liabilities	17,261,406	17,366,035
Provisions	447,976	459,602
Other	2,346,971	2,728,324
Total current liabilities	24,861,235	23,263,233
Non-current liabilities		
Other	421,086	409,276
Total non-current liabilities	421,086	409,276
Total liabilities	25,282,321	23,672,510
Net assets		
Shareholders' equity		
Share capital	9,907,039	9,907,039
Capital surplus	9,867,880	9,867,880
Retained earnings	50,799,192	51,549,008
Treasury shares	(2,438,656)	(2,438,855)
Total shareholders' equity	68,135,455	68,885,072
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	148,837	169,450
Total valuation and translation adjustments	148,837	169,450
Total net assets	68,284,293	69,054,523
Total liabilities and net assets	93,566,615	92,727,033

# Semi-annual statement of income

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Net sales	22,807,745	22,607,076
Cost of sales	9,656,090	9,726,263
Gross profit	13,151,654	12,880,812
Selling, general and administrative expenses	9,248,047	9,196,241
Operating profit	3,903,607	3,684,570
Non-operating income		
Interest income	7,508	47,354
Dividend income	9,857	11,170
Compensation income	29,975	22,007
Other	35,043	27,768
Total non-operating income	82,386	108,300
Non-operating expenses		
Loss on scrap sales	114,880	108,412
Other	29,375	19,074
Total non-operating expenses	144,255	127,486
Ordinary profit	3,841,737	3,665,384
Extraordinary income		
Gain on sale of non-current assets	46,730	-
Total extraordinary income	46,730	-
Extraordinary losses		
Loss on sale of non-current assets	44,886	-
Loss on retirement of non-current assets	407	9
Total extraordinary losses	45,294	9
Profit before income taxes	3,843,173	3,665,375
Income taxes - current	784,906	897,263
Income taxes - deferred	456,033	290,569
Total income taxes	1,240,939	1,187,832
Profit	2,602,233	2,477,542

# Semi-annual statement of cash flows

(Thousands of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	3,843,173	3,665,375
Depreciation	392,222	455,181
Increase (decrease) in allowance for doubtful accounts	(944)	(735)
Increase (decrease) in provision for bonuses	12,478	9,163
Increase (decrease) in provision for bonuses for directors (and other officers)	(5,450)	(4,950)
Increase (decrease) in provision for product warranties	(3,155)	7,413
Increase (decrease) in provision for retirement benefits	(4,833)	-
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(404,431)	-
Interest and dividend income	(17,366)	(58,524)
Loss (gain) on sale of property, plant and equipment	(1,843)	-
Loss on retirement of non-current assets	407	9
Decrease (increase) in accounts receivable - trade, and contract assets	(1,034,432)	34,108
Decrease (increase) in inventories	(458,684)	(530,562)
Increase (decrease) in trade payables	225,751	(2,081,308)
Increase (decrease) in accrued expenses	1,147,131	1,112,688
Other, net	(109,365)	(446,004)
Subtotal	3,580,659	2,161,854
Interest and dividends received	17,371	53,067
Income taxes paid	(1,188,791)	(901,933)
Net cash provided by (used in) operating activities	2,409,239	1,312,988
Cash flows from investing activities		
Payments into time deposits	(200,000)	(200,000)
Proceeds from withdrawal of time deposits	200,000	200,000
Purchase of property, plant and equipment	(1,978,381)	(999,544)
Proceeds from sale of property, plant and equipment	145,379	-
Purchase of intangible assets	(136,924)	(3,697)
Proceeds from sale and redemption of investment securities	1,180	934
Other, net	(44,196)	(43)
Net cash provided by (used in) investing activities	(2,012,942)	(1,002,350)
Cash flows from financing activities		
Purchase of treasury shares	(229)	(198)
Dividends paid	(737,574)	(1,725,437)
Net cash provided by (used in) financing activities	(737,804)	(1,725,636)
Effect of exchange rate change on cash and cash equivalents	190	(118)
Net increase (decrease) in cash and cash equivalents	(341,316)	(1,415,117)
Cash and cash equivalents at beginning of period	59,866,688	59,386,391
Cash and cash equivalents at end of period	59,525,372	57,971,274