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FOR IMMEDIATE RELEASE

Meidensha Corporation Reports Earnings for the Nine Months Ended December 31, 2025

Company name : MEIDENSHA CORPORATION
 Listing : Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code : 6508
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 Scheduled date to commence dividend payments : -
 Preparation of supplementary material on financial results : Yes
 Holding of financial results briefing : None

(Note: Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025

(April 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	203,855	6.7	7,082	18.2	8,285	23.2	9,637	62.5
Nine months ended December 31, 2024	191,083	3.9	5,990	-	6,722	-	5,931	261.3

(Note) Comprehensive income:

Nine months ended December 31, 2025 20,854 million yen (244.6 %)
 Nine months ended December 31, 2024 6,051 million yen (-7.6 %)

	Basic net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2025	212.43	-
Nine months ended December 31, 2024	130.75	-

(2) Consolidated Financial Position

	Total assets	Total equity	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2025	356,717	156,701	43.0
As of March 31, 2025	341,347	142,212	40.7

(Reference) Equity:

As of December 31, 2025 153,245 million yen

As of March 31, 2025 138,777 million yen

2. Dividend Status

	Dividend per share				
	1Q-end	2Q-end	3Q-end	4Q-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	35.00	-	88.00	123.00
Fiscal year ending March 31, 2026	-	47.00	-		
Fiscal year ending March 31, 2026 (Forecast)				-	-

(Note) Revisions to the dividend forecasts announced most recently: None

The forecast for year-end dividends for the end of the fiscal year ending March 31, 2026 are yet to be determined at the present time.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026
(April 1, 2025 to March 31, 2026)

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	325,000	7.9	24,000	11.6	24,500	15.6	20,500	10.9	451.90

(Note) Revisions to the earnings forecasts announced most recently: Yes

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
- | | |
|--------------|--|
| Newly added: | 1 company (REATEC CORPORATION) |
| Excluded: | 1 company (SHANGHAI MEIDENSHA CHANGCHENG SWITCHGEAR CO., LTD.) |
- (2) Application of special accounting treatment for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
- | | |
|--|------|
| (i) Changes in accounting policies due to revisions to accounting standards: | None |
| (ii) Changes in accounting policies due to other reasons: | None |
| (iii) Changes in accounting estimates: | None |
| (iv) Restatements: | None |
- (4) Number of shares issued (common stock)
- | | |
|---|-------------------|
| (i) Number of shares issued at the end of the period (including treasury stock) | |
| As of December 31, 2025 | 45,527,540 shares |
| As of March 31, 2025 | 45,527,540 shares |
| (ii) Number of treasury stock at the end of the period | |
| As of December 31, 2025 | 163,058 shares |
| As of March 31, 2025 | 162,152 shares |
| (iii) Average number of shares during the period | |
| Nine months ended December 31, 2025 | 45,364,904 shares |
| Nine months ended December 31, 2024 | 45,366,135 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Description concerning the appropriate use of earnings forecasts and other remarks
(Cautionary statement regarding forward-looking statements)

The forward-looking statements, including results forecasts, contained in this document are based on information currently available to the Company and certain assumptions that the Company believes are reasonable, and the Company does not make any assurances regarding the achievement thereof. In addition, actual results, etc. may differ significantly from the forecast figures due to various factors. For information on the assumptions underlying the results forecasts and other important information regarding the use of forecasts, please refer to "1. Operating Results (3) Forecast of Consolidated Results" on page 6 of the attached materials.

(How to obtain supplementary materials on quarterly financial results)

Supplementary materials on quarterly financial results are disclosed on TDnet on the same day.

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1. Operating Results

(1) Analysis of Operating Results

The management environment surrounding the Meiden Group in the nine months ended December 31, 2025 continued to show strong demand for the heavy electrical products and systems we handle against a backdrop of aggressive investment in power infrastructure in Japan and overseas, in addition to government policy support for growth strategy areas such as generative AI and semiconductors, GX (Green Transformation) and energy security.

Meanwhile, there has continued to be delays in progress of some construction projects mainly due to the shortage of labor in the domestic construction sector. Furthermore, rising material and labor costs are factors contributing to increased construction costs, and their impact on project progress and profitability continues to present a challenge.

The consolidated results for the nine months under review are provided below.

(Unit: millions of yen)

	Nine months ended December 31, 2024 Result	Nine months ended December 31, 2025 Result	Change	Change (%)
Net sales	191,083	203,855	12,772	6.7
Operating income (loss)	5,990	7,082	1,091	18.2
Ordinary income (loss)	6,722	8,285	1,562	23.2
Net income (loss) attributable to owners of the parent	5,931	9,637	3,705	62.5

The results for each business segment are presented below, with sales figures including inter-segment sales.

1) Power Infrastructure Business

Sales and income increased in the Power T&D business mainly operating overseas due to steady expansion of business in North America and Germany against the backdrop of robust demand. Sales and income also increased in the Power & Energy business mainly operating in Japan due to factors such as improvement of the operating rate of plants. As a result, net sales in the segment increased 17.3% year on year to ¥69,468 million, and operating income improved by ¥2,548 million to ¥7,694 million.

2) Public, Industrial & Commercial Sector Business

Sales and income increased in both the Social Infrastructure business and the Railways business due to steady capital investment associated with aging infrastructure, in addition to the contribution of increased sales in overseas projects. Meanwhile, although sales remained at almost the same level as the previous fiscal year in the Water Infrastructure business, there was a slight decrease in sales and a decrease in income due to deterioration in the income composition of projects. As a result, net sales in the segment increased 8.2% year on year to ¥60,828 million, and operating loss improved by ¥121 million to ¥1,707 million.

3) Mobility & Electrical Components Business

In the EV business, both sales and income declined, mainly due to lower sales volume for models equipped with our products. Furthermore, both sales and income declined in the Motor Drive Solutions business and Electronics Products business, which are facing a challenging order environment. Meanwhile, in the Mobility T&S business, both sales and income rose due to steady progress in construction projects and an improvement of the operating rate of plants. As a result, net sales in the segment decreased by 8.1% year on year to ¥47,371 million, and operating loss deteriorated by ¥1,257 million to ¥1,037 million.

4) Field Service Engineering Business

In addition to the continuation of steady demand for maintenance services, an increase in demand for projects with sales posted this fiscal year resulted in sales increasing by 12.6% to ¥29,492 million and operating income improving by ¥1,059 million to ¥3,966 million.

5) Real Estate Business

Net sales in the segment decreased 0.1% year on year to ¥2,424 million, and operating income deteriorated by ¥38 million to ¥1,059 million.

6) Other

In businesses not included in reportable segments, while net sales increased by 4.6% year on year to ¥6,284 million, operating loss deteriorated by ¥208 million to ¥13 million.

(2) Analysis of Financial Condition

Total assets at December 31, 2025 amounted to ¥356,717 million, an increase of ¥15,370 million from the end of the previous fiscal year (March 31, 2025).

Current assets rose ¥6,140 million to ¥223,257 million due to an increase in inventories, although collection of notes and accounts receivable-trade, and contract assets progressed.

Fixed assets increased by ¥9,229 million to ¥133,460 million due to an increase in investment securities caused by rising market prices of listed shares held by the Company.

Total liabilities were ¥200,015 million, an increase of ¥881 million from the end of the previous fiscal year, attributable to an increase in contract liabilities.

Total net assets rose ¥14,489 million to ¥156,701 million due to an increase in unrealized gains on available for-sale securities.

As a result, the equity ratio came to 43.0% as of December 31, 2025, compared with 40.7% at the end of the previous fiscal year.

(3) Forecast of Consolidated Results

With regard to the forecast of results for the year ending March 31, 2026, improvements in performance are expected to continue against the backdrop of robust demand primarily in the Power Infrastructure business and the Field Service Engineering business, despite a decline in demand in the EV business. Furthermore, as disclosed on December 25, 2025, net income attributable to owners of the parent is expected to significantly exceed the previously announced forecast because extraordinary income (gain on sales of fixed assets) was recorded due to the transfer of real estate holdings.

The current management forecast for consolidated financial results for the year ending March 31, 2026 is as follows.

Revision to the Consolidated Full-Year Earnings Forecast for the Fiscal Year Ending March 31, 2026
(April 1, 2025 – March 31, 2026)

	Net sales (Millions of yen)	Operating income (loss) (Millions of yen)	Ordinary income (loss) (Millions of yen)	Net income attributable to owners of the parent (Millions of yen)	Basic net income per share (yen)
Previous forecast (A)	330,000	22,500	22,500	16,500	363.72
Revised forecast (B)	325,000	24,000	24,500	20,500	451.90
Change (B – A)	(5,000)	1,500	2,000	4,000	—
Change (%)	(1.5)	6.7	8.9	24.2	—
(For reference) Actual results for the previous fiscal year Ending March 31, 2025	301,101	21,512	21,192	18,487	407.51

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	As of March 31, 2025	As of December 31, 2025
	millions of yen	millions of yen
Assets		
Current assets		
Cash and time deposits	30,679	31,217
Notes and accounts receivable-trade, and contract assets	104,591	85,807
Electronically recorded monetary claims- operating	8,046	6,538
Merchandise and finished goods	8,730	9,540
Work in process	46,039	64,477
Raw materials and supplies	13,041	13,354
Other current assets	6,508	12,843
Allowance for doubtful accounts	(519)	(522)
Total current assets	217,116	223,257
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	38,339	38,764
Machinery, equipment and vehicles, net	14,470	15,589
Land	12,542	11,959
Construction in progress	4,463	5,835
Other property, plant and equipment, net	5,245	5,763
Total property, plant and equipment	75,061	77,912
Intangible assets		
Software	4,692	4,248
Goodwill	1,428	941
Other	571	546
Total intangible assets	6,693	5,736
Investments and other assets		
Investment securities	23,498	35,042
Long-term loans receivable	33	34
Deferred tax assets	16,467	11,194
Other assets	2,504	3,567
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	42,476	49,811
Total fixed assets	124,230	133,460
Total assets	341,347	356,717

	As of March 31, 2025	As of December 31, 2025
	millions of yen	millions of yen
Liabilities		
Current liabilities		
Notes and accounts payable-trade	34,504	30,011
Electronically recorded obligations-operating	2,536	3,439
Short-term borrowings	11,095	13,588
Commercial paper	6,000	12,000
Accounts payable-other	5,141	3,903
Accrued income taxes	4,768	1,165
Contract liabilities	21,559	30,199
Accrued bonuses for employees	9,992	5,372
Provision for product warranties	1,481	1,620
Provision for loss on orders	588	587
Other current liabilities	20,401	19,587
Total current liabilities	118,069	121,478
Long-term liabilities		
Long-term debt	27,470	24,186
Net defined benefit liability	48,579	49,269
Provision for environmental measures	79	37
Other long-term liabilities	4,935	5,043
Total long-term liabilities	81,064	78,536
Total liabilities	199,134	200,015
Net assets		
Shareholders' equity		
Common stock	17,070	17,070
Capital surplus	10,226	10,226
Retained earnings	93,273	96,785
Treasury stock	(202)	(207)
Total shareholders' equity	120,367	123,875
Accumulated other comprehensive income		
Unrealized gains on available-for-sale securities	11,081	19,133
Foreign currency translation adjustment	7,441	10,195
Remeasurements of defined benefit plans	(112)	40
Total accumulated other comprehensive income	18,409	29,369
Non-controlling interests	3,435	3,456
Total net assets	142,212	156,701
Total liabilities and net assets	341,347	356,717

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
	millions of yen	millions of yen
Net sales	191,083	203,855
Cost of sales	141,146	148,891
Gross profit	49,937	54,964
Selling, general and administrative expenses	43,946	47,882
Operating income (loss)	5,990	7,082
Non-operating income		
Interest income	232	212
Dividend income	790	905
Rent income	66	62
Foreign exchange gains	318	589
Other	727	756
Total non-operating income	2,135	2,527
Non-operating expenses		
Interest expenses	772	682
Secoded employee expenses	59	51
Other	572	591
Total non-operating expenses	1,404	1,324
Ordinary income (loss)	6,722	8,285
Extraordinary income		
Gain on sales of fixed assets	675	5,391
Gain on sales of investment securities	1,274	14
Gain on negative goodwill	19	-
Gain on liquidation of subsidiaries and associates	-	93
Insurance claim income	50	-
Total extraordinary income	2,019	5,498
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	-	218
Loss on liquidation of subsidiaries and associates	20	-
Loss on disaster	252	-
Total extraordinary loss	272	218
Income (loss) before income taxes	8,469	13,566
Income taxes		
Current	1,517	2,166
Deferred	768	1,579
Total income taxes	2,285	3,745
Net income (loss)	6,184	9,820
Net income (loss) attributable to the non-controlling interests	252	183
Net income (loss) attributable to owners of the parent	5,931	9,637

Consolidated Statements of Comprehensive Income

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
	millions of yen	millions of yen
Net income (loss)	6,184	9,820
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	(1,565)	8,052
Foreign currency translation adjustment	1,315	2,828
Remeasurements of defined benefit plans	117	153
Total other comprehensive income	(132)	11,034
Comprehensive income	6,051	20,854
Comprehensive income attributable to:		
Owners of the parent	5,755	20,597
Non-controlling interests	295	257

(3) Consolidated Statements of Cash Flows

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
	millions of yen	millions of yen
Cash flows from operating activities		
Income (loss) before income taxes	8,469	13,566
Depreciation and amortization	7,695	8,110
Amortization of goodwill	555	497
Increase (decrease) in provisions	(3,752)	(4,708)
Increase (decrease) in net defined benefit liability	1,381	871
Interest and dividend income	(1,023)	(1,118)
Interest expenses	772	682
Loss (gain) on sales of property, plant and equipment	(675)	(5,391)
Loss (gain) on sales of investment securities	(1,274)	(14)
Loss on valuation of shares of subsidiaries and associates	-	218
Insurance claim income	(50)	-
Decrease (increase) in trade receivables and contract assets	43,485	29,862
Decrease (increase) in inventories	(21,667)	(18,001)
Increase (decrease) in trade payables	(7,374)	(7,576)
Other	(1,820)	(2,257)
Sub total	24,723	14,740
Interest and dividends received	1,026	1,120
Interest expenses paid	(753)	(651)
Proceeds from insurance income	529	-
Payments for fire losses	(25)	-
Income taxes paid	(4,233)	(7,116)
Net cash provided by (used in) operating activities	21,266	8,093
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	993	6,186
Purchase of property, plant and equipment, and intangible assets	(7,268)	(11,758)
Proceeds from sales of investment securities	1,422	18
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(5)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	11	-
Other	(348)	(3,163)
Net cash provided by (used in) investing activities	(5,189)	(8,723)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,124)	2,686
Increase (decrease) in commercial paper	8,000	6,000
Repayment of long-term debt	(58)	(3,949)
Redemption of bonds	(6,000)	-
Cash dividends paid	(3,803)	(5,923)
Cash dividends paid to non-controlling interests	(51)	(100)
Other	(357)	(417)
Net cash provided by (used in) financing activities	(4,395)	(1,705)
Effect of exchange rate on cash and cash equivalents	673	2,283
Net increase (decrease) in cash and cash equivalents	12,355	(52)
Cash and cash equivalents at beginning of term	17,224	29,091
Cash and cash equivalents at end of term	29,579	29,039

(4)Notes on Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

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

Not applicable

(Changes to Significant Matters that Serve as the Basis for Preparation of Consolidated Financial Statements)

Significant Changes to Scope of Consolidation

During the nine months ended December 31, 2025, REATEC CORPORATION was included in the scope of consolidation due to the acquisition of its shares, and SHANGHAI MEIDENSHA CHANGCHENG SWITCHGEAR CO., LTD. was excluded from the scope of consolidation due to the completion of its liquidation.

(Notes on Segment and Other Information)

I. Nine months ended December 31, 2024 (April 1, 2024 to December 31, 2024)

Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment						Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated statements of income (Note 3)
	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Sub-total				
Net sales										
Sales to outside customers	58,336	52,591	50,454	24,837	2,397	188,617	2,465	191,083	-	191,083
Inter-segment sales and transfers	877	3,615	1,095	1,362	28	6,978	3,542	10,521	(10,521)	-
Total	59,213	56,207	51,549	26,199	2,426	195,596	6,008	201,604	(10,521)	191,083
Segment income (loss)	5,145	(1,829)	219	2,907	1,097	7,541	194	7,736	(1,745)	5,990

Notes: 1. "Other" comprises businesses such as sales of other products, employees' welfare services, and provision of chemical products, that are not included in the reportable segments.

2. Adjustment to segment income (loss), which amounted to minus ¥1,745 million, consists mainly of ¥487 million for elimination of inter-segment transactions among reportable segments, minus ¥126 million for adjustments of inventories, and minus ¥2,106 million for company-wide costs that do not belong to any reportable segments.

Company-wide costs are comprised mainly of expenses for research and development conducted by the research and development division and other units that are not included in the reportable segments.

3. Adjustment to segment income (loss) is based on operating income/loss reported in the quarterly consolidated statements of income for the corresponding period.

II. Nine months ended December 31, 2025 (April 1, 2025 to December 31, 2025)

Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment						Other (Note 1)	Total	Adjustments (Note 2)	Amounts on consolidated statements of income (Note 3)
	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Sub-total				
Net sales										
Sales to outside customers	69,068	55,566	46,492	27,673	2,396	201,196	2,658	203,855	-	203,855
Inter-segment sales and transfers	400	5,262	878	1,818	28	8,388	3,625	12,014	(12,014)	-
Total	69,468	60,828	47,371	29,492	2,424	209,585	6,284	215,869	(12,014)	203,855
Segment income (loss)	7,694	(1,707)	(1,037)	3,966	1,059	9,975	(13)	9,961	(2,879)	7,082

Notes: 1. "Other" comprises businesses such as sales of other products, employees' welfare services, and provision of chemical products, that are not included in the reportable segments.

2. Adjustment to segment income (loss), which amounted to minus ¥2,879 million, consists mainly of ¥391 million for elimination of inter-segment transactions among reportable segments, minus ¥29 million for adjustments of inventories, and minus ¥3,240 million for company-wide costs that do not belong to any reportable segments.

Company-wide costs are comprised mainly of expenses for research and development conducted by the research and development division and other units that are not included in the reportable segments.

3. Adjustment to segment income (loss) is based on operating income/loss reported in the quarterly consolidated statements of income for the corresponding period.