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SANYO DENKI

FY2026 Consolidated Financial and Operating Results <IFRS>

(Overview – English translation of the Japanese original)

April 27, 2026

Company Name: SANYO DENKI CO., LTD.

Code Number: 6516 (Listed on the Tokyo Stock Exchange Prime Market)

(URL: <https://www.sanyodenki.co.jp/>)

Representative: Shigeo Yamamoto, Representative Director, Chairman of the Board & CEO

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Scheduled date for the Ordinary General Meeting of Shareholders: June 18, 2026

Scheduled date for commencement of dividend payments: June 19, 2026

Scheduled date for submitting the Securities Report: June 17, 2026

Availability of supplementary briefing material on annual results: Yes

Schedule of annual results briefing session: Yes

(Amounts below one million yen are truncated.)

1. Overview of the Consolidated Financial and Operating Results for FY2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(% indicates changes from the previous corresponding term)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
FY2026	107,346	9.7	10,885	37.2	11,747	46.8	8,661	53.6	8,661	53.6	17,677	273.3
FY2025	97,847	(13.3)	7,936	(32.8)	8,003	(39.9)	5,638	(46.2)	5,637	(46.2)	4,735	(76.3)

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent (ROE)	Ratio of profit before tax to total assets (ROA)	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
FY2026	243.89	243.76	7.2	7.5	10.1
FY2025	157.60	157.53	5.0	5.4	8.1

(Reference) Equity in earnings of affiliates: FY2026: ¥– million FY2025: ¥– million

The Company conducted a three-for-one split of its common shares, effective October 1, 2025. Accordingly, basic earnings per share and diluted earnings per share have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
	¥ Million	¥ Million	¥ Million	%	Yen
FY2026	166,367	127,861	127,860	76.9	3,602.66
FY2025	145,628	113,347	113,347	77.8	3,168.20

The Company conducted a three-for-one split of its common shares, effective October 1, 2025. Accordingly, equity attributable to owners of parent per share has been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	¥ Million	¥ Million	¥ Million	¥ Million
FY2026	10,829	(7,658)	(4,923)	28,719
FY2025	15,788	(3,734)	(9,690)	28,898

2. Dividends

	Annual cash dividend per share					Total amount of cash dividends (Annual)
	1Q	2Q	3Q	4Q	Annual	
	Yen	Yen	Yen	Yen	Yen	¥ Million
FY2025	—	75.00	—	90.00	165.00	1,968
FY2026	—	100.00	—	70.00	—	3,669
FY2027 (Forecast)	—	80.00	—	90.00	170.00	

	Payout ratio (Consolidated)	Dividend on equity attributable to owners of parent (Consolidated)
	%	%
FY2025	34.9	1.8
FY2026	42.4	3.1
FY2027 (Forecast)	50.3	

* The Company conducted a three-for-one stock split of its common shares, effective October 1, 2025. The dividend for the end of the second quarter of the fiscal year ending March 31, 2026, is stated in the amount prior to the said stock split. The total annual dividend for the fiscal year ending March 31, 2026, is indicated as "—" because a simple summation is not possible due to the stock split.

If the stock split were not taken into account, the year-end dividend for the fiscal year ending March 31, 2026, would be 210 yen, with an annual dividend of 310 yen. Furthermore, the dividend for the end of the second quarter of the fiscal year ending March 31, 2027, would be 240 yen, the year-end dividend would be 270 yen, and the annual dividend would be 510 yen.

3. Forecast for FY2027 (from April 1, 2026 to March 31, 2027)

(% indicates changes from the previous corresponding term)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	Yen
First half	62,750	23.6	7,570	56.1	7,770	57.4	5,600	59.6	157.79
Full year	128,850	20.0	16,290	49.6	16,690	42.1	12,000	38.6	338.12

4. Others

(1) Major change in scope of consolidation: None

(2) Changes in accounting policies and changes in accounting estimates

- 1) Changes in accounting policies required by IFRS: None
- 2) Changes in accounting policies other than 1): None
- 3) Changes in accounting estimates: None

(3) Number of issued shares (common shares)

1) Number of issued shares at the end of the period (including treasury shares)	FY2026	38,916,561 shares	FY2025	38,916,561 shares
2) Number of treasury shares at the end of the period	FY2026	3,401,520 shares	FY2025	3,121,725 shares
3) Average number of shares outstanding during the period	FY2026	35,511,663 shares	FY2025	35,772,390 shares

The Company conducted a three-for-one split of its common shares, effective October 1, 2025. Accordingly, the number of issued shares at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(Reference) Summary of the Non-consolidated Financial and Operating Results

1. Overview of the Non-consolidated Financial and Operating Results for FY2026
(from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(% indicates changes from the previous corresponding term)

	Net sales		Operating income		Ordinary income		Profit	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
FY2026	87,056	10.9	5,140	103.6	7,349	47.4	5,713	26.2
FY2025	78,503	(15.9)	2,525	(55.9)	4,985	(44.3)	4,527	(39.2)

	Net income per share	Diluted net income per share
	Yen	Yen
FY2026	160.79	—
FY2025	126.49	—

The Company conducted a three-for-one stock split of its common shares, effective October 1, 2025. Accordingly, net income per share has been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ Million	¥ Million	%	Yen
FY2026	94,269	68,114	72.3	1,917.90
FY2025	86,613	63,112	72.9	1,763.18

(Reference) Equity: FY2026: ¥68,114 million FY2025: ¥63,112 million

The Company conducted a three-for-one stock split of its common shares, effective October 1, 2025. Accordingly, net assets per share has been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* These consolidated financial results are outside the scope of audit by a certified public accountant or an auditing firm.

* Explanation for the appropriate use of performance forecasts and other special notes

(Explanation for the appropriate use of forward-looking Information)

Statements in these reports regarding the next fiscal year and other future events are evaluations made based upon the information available at the time these reports were prepared and believed to be reasonable. Accordingly, actual results may vary significantly from the forecast results stated here for a number of factors. Please refer to "Overview of Operating Results, etc." on page 2 for assumptions for the performance forecasts and notes on precautions for the usage thereof.

(Dividends and performance forecasts following the stock split)

At the Board of Directors meeting held on August 20, 2025, the Company resolved to implement a three-for-one split of its common shares, effective October 1, 2025. In accordance with Article 184, Paragraph 2 of the Companies Act, Article 6 of the Company's Articles of Incorporation will be amended effective October 1, 2025, increasing the total number of authorized shares by 100,000,000 to 150,000,000 shares. Consequently, the projected year-end cash dividend per share for FY2026 and the basic earnings per share in the full-year consolidated earnings forecast reflect the impact of this stock split. The interim dividend for FY2026 will be paid based on the number of shares before the stock split.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for FY2026

During the fiscal year under review, the global economy showed signs of recovery in the second half despite the implementation of wide-ranging, extreme tariff policies by the United States, along with countermeasures by China.

The Japanese economy saw solid capital investment supported by stable corporate earnings, and some sectors of industrial production experienced a gradual economic recovery; however, escalating tensions in the Middle East heightened concerns about the economic outlook.

Under such circumstances, demand from the factory automation market, including ICT equipment, robots, and semiconductor manufacturing equipment, which is the Group's main target market, headed for a recovery, and the AI-related market remained robust, leading to an overall increase in orders received.

As a result, consolidated revenue totaled ¥107,346 million in the fiscal year under review, up 9.7% from the previous fiscal year. Consolidated operating profit increased by 37.2% to ¥10,885 million, consolidated profit before tax increased by 46.8% to ¥11,747 million, and profit attributable to owners of parent amounted to ¥8,661 million, up 53.6%.

Orders received increased by 30.1% to ¥116,332 million, and order backlog increased by 25.0% to ¥44,869 million.

The performance of each segment is as follows.

Statement of income by segment for the fiscal year ended March 31, 2026 (Million yen)

	San Ace Company	Electronics Company	Motion Company	Others	Adjustments (Note 2)	Total
Revenue (Note 1)	40,826	23,249	37,543	5,725	–	107,346
Cost of sales	25,216	17,562	29,737	4,554	321	77,392
Gross profit	15,610	5,687	7,805	1,171	(321)	29,953
Selling, general and administrative expenses	7,526	4,607	6,617	528	–	19,279
Other income and expenses	112	62	37	–	–	211
Operating profit	8,195	1,142	1,225	643	(321)	10,885

Notes: 1. This shows revenue from external customers for each segment.

2. Adjustments are elimination of intersegment transactions.

1) San Ace Company

Regarding “San Ace” products of San Ace Company, demand for network equipment and generative AI-related equipment remained strong. However, demand for control equipment used in servo amplifiers and inverters, and general machine tools was still in the process of recovering. In business for dealers, demand stayed solid in North America and Japan, while in Europe, the recovery was slow but signs of improvement began to emerge.

As a result, segment revenue amounted to ¥40,826 million, up 7.3% from the same period last year, and segment profit increased by 19.5% to ¥8,195 million. Orders received increased by 29.6% to ¥41,822 million, and order backlog increased by 7.9% to ¥13,565 million.

2) Electronics Company

Regarding “SANUPS” products of Electronics Company, demand was strong for social infrastructure such as information and communications, servers for data centers, and fire-fighting and police systems, as well as for defense systems. Demand for renewable energy-related products also remained stable, including solar, hydroelectric, and wind power systems. In the industrial field, demand for semiconductor manufacturing equipment increased.

Regarding “SANMOTION” products of Electronics Company, demand for metal processing machines, injection molding machines, and machine tools recovered and remained robust, supported by a recovery in capital investment in the Chinese market. Demand for semiconductor manufacturing equipment and wafer conveying robots increased significantly as AI-related capital investment gained momentum.

As a result, segment revenue amounted to ¥23,249 million, up 9.9% from the same period last year, and segment profit increased by 136.1% to ¥1,142 million. Orders received increased by 28.2% to ¥25,215 million, and order backlog increased by 19.7% to ¥11,959 million.

3) Motion Company

Regarding “SANMOTION” products of Motion Company, demand for electronic part surface mounters, metal processing machines, injection molding machines, and machine tools recovered and remained robust, supported by a recovery in capital investment in the Chinese market. Demand for semiconductor manufacturing equipment and wafer conveying robots increased significantly as AI-related capital investment gained momentum.

As a result, segment revenue amounted to ¥37,543 million, up 13.9% from the same period last year, and segment profit increased by 320.4% to ¥1,225 million. Orders received increased by 39.0% to ¥44,268 million, and order backlog increased by 57.5% to ¥18,411 million.

4) Others

Electrical equipment sales business and electrical works contracting business, etc. are classified and recorded under the “Others” segment.

For industrial electrical equipment, control equipment, and materials for electronic equipment, demand related to medical equipment, public infrastructure, and shipbuilding remained robust. During the fourth quarter, demand related to the semiconductor industry increased. On the other hand, demand related to solar power was sluggish.

The electrical works contracting business performed strongly, driven by increased demand from the steel industry, which is the Group’s major customer, but was sluggish in the fourth quarter due to reduced budgets for repair works and delays in capital investment. Demand for electrical facilities works for general industries saw a recovery trend.

As a result, segment revenue amounted to ¥5,725 million, up 1.1% from the same period last year, and segment profit increased by 132.7% to ¥643 million. Orders received decreased by 10.5% to ¥5,026 million, and order backlog decreased by 42.8% to ¥933 million.

Additionally, revenue from external customers by geographical area where we operate is as follows.

	(Million yen)					
	Japan	North America	Europe	East Asia	Southeast Asia	Total
Fiscal year ended March 31, 2026	65,278	23,377	6,657	10,629	1,403	107,346
Fiscal year ended March 31, 2025	59,945	20,990	6,970	8,679	1,261	97,847

1) Japan

Companies operating in Japan are the Company and its consolidated subsidiaries: SANYO KOGYO CO., LTD., SANYO DENKI Techno Service CO., LTD., and SANYO DENKI IT Solution CO., LTD.

2) North America

The Company has a consolidated subsidiary in North America: SANYO DENKI AMERICA, INC.

3) Europe

The Company’s consolidated subsidiaries operating in Europe are SANYO DENKI EUROPE S.A. and SANYO DENKI GERMANY GmbH.

4) East Asia

The Company's consolidated subsidiaries operating in East Asia include SANYO DENKI SHANGHAI CO., LTD., SANYO DENKI (H.K.) CO., LIMITED, SANYO DENKI TAIWAN CO., LTD., SANYO DENKI KOREA CO., LTD., SANYO DENKI ENGINEERING (Shanghai) CO., LTD., SANYO DENKI (Shenzhen) CO., LTD., SANYO DENKI (Zhongshan) CO., LTD., SANYO DENKI ENGINEERING (Shenzhen) CO., LTD., SANYO DENKI (Tianjin) CO., LTD., and SANYO DENKI (Chengdu) CO., LTD.

5) Southeast Asia

The Company's consolidated subsidiaries operating in Southeast Asia include SANYO DENKI PHILIPPINES, INC., SANYO DENKI VIETNAM CO., LTD., SANYO DENKI INDIA PRIVATE LIMITED, and SANYO DENKI (THAILAND) CO., LTD.

(2) Overview of Financial Position for FY2026

As for the financial position at the end of the fiscal year under review, total assets increased by ¥20,739 million from the end of the previous fiscal year, total liabilities increased by ¥6,225 million, and total equity increased by ¥14,513 million.

Major factors of changes in assets were an increase of ¥5,708 million in inventories, an increase of ¥4,138 million in retirement benefit assets, and an increase of ¥4,009 million in other financial assets (non-current assets).

Major factors of changes in liabilities were an increase of ¥3,121 million in trade and other payables, an increase of ¥2,547 million in deferred tax liabilities, and an increase of ¥1,656 million in income taxes payable.

Major factors of changes in equity were an increase of ¥8,972 million in retained earnings, an increase of ¥6,447 million in other components of equity, and an increase of ¥942 million in treasury shares.

The financial position by segment is as follows:

Statement of financial position by segment for the fiscal year ended March 31, 2026

(Million yen)

	San Ace Company	Electronics Company	Motion Company	Others (Note)	Total
Assets					
Current assets	30,093	24,985	45,830	6,411	107,320
Non-current assets	19,020	16,584	22,090	1,351	59,047
Total assets	49,114	41,569	67,920	7,763	166,367
Liabilities and equity					
Liabilities					
Current liabilities	10,116	5,286	9,592	2,855	27,851
Non-current liabilities	3,716	2,442	3,776	720	10,654
Total liabilities	13,833	7,728	13,368	3,575	38,506
Equity					
Total equity	35,281	33,841	54,552	4,187	127,861
Total liabilities and equity	49,114	41,569	67,920	7,763	166,367

(Note) Elimination of intersegment transactions is included in others.

(3) Overview of Cash Flows for FY2026

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the fiscal year under review decreased by ¥178 million from the end of previous fiscal year to ¥28,719 million. The conditions of each cash flow and factors thereof are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities during the fiscal year under review amounted to ¥10,829 million (net cash provided of ¥15,788 million in the previous fiscal year). This is mainly attributable to profit before tax of ¥11,747 million, depreciation and amortization expense of ¥5,376 million, and an increase of ¥4,248 million in inventories.

(Cash flows from investing activities)

Net cash used in investing activities during the fiscal year under review amounted to ¥7,658 million (net cash used of ¥3,734 million in the previous fiscal year). This is mainly attributable to other purchase of ¥5,140 million and purchase of property, plant and equipment of ¥1,467 million.

(Cash flows from financing activities)

Net cash used in financing activities during the fiscal year under review amounted to ¥4,923 million (net cash used of ¥9,690 million in the previous fiscal year). This is mainly attributable to dividends paid of ¥2,248 million, repayments of long-term borrowings of ¥1,068 million, and purchase of treasury shares of ¥977 million.

(Reference) Changes in cash flow related indicators

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Ratio of equity attributable to owners of parent	62.7%	64.8%	73.2%	77.8%
Ratio of equity attributable to owners of parent based on fair value	46.3%	51.8%	55.8%	76.5%
Ratio of cash flow to interest-bearing debt	2.3 years	2.3 years	0.6 years	0.3 years
Interest coverage ratio	85.2	44.8	105.4	50.7

	Fiscal year ended March 31, 2026
Ratio of equity attributable to owners of parent	76.9%
Ratio of equity attributable to owners of parent based on fair value	93.1%
Ratio of cash flow to interest-bearing debt	0.4 years
Interest coverage ratio	280.4

Ratio of equity attributable to owners of parent: Total equity attributable to owners of parent/total assets

Ratio of equity attributable to owners of parent based on fair value:

Total market value of stock/total assets

Ratio of cash flow to interest-bearing debt: Interest-bearing debt/cash flow

Interest coverage ratio: Cash flow/interest paid

1. The indicators were calculated by using consolidated financial figures.
2. The total market value of stock was calculated based on the total number of shares outstanding, excluding the treasury stock.

3. The figures of cash flows from operating activities are used in the calculation.
4. Interest paid on the consolidated statements of cash flows is used in the calculation.
5. Interest-bearing debt includes all debts recorded on the consolidated statements of financial position for which interest is paid.

(4) Future Outlook

As for the outlook for the next fiscal year, the Japanese economy is expected to recover gradually, led by increased capital investment, as the impact of U.S. tariff hikes subsides and exports rebound, although the economic impact of escalating tensions in the Middle East and the resulting elevated crude oil prices remain unclear.

Under such circumstances, the Group will work to globalize all of its business activities and promote manufacturing and sales of industry-leading products with high performance and reliability.

For the next fiscal year, we expect revenue of ¥128,850 million, operating profit of ¥16,290 million, profit before tax of ¥16,690 million, and profit attributable to owners of parent of ¥12,000 million.

(5) Dividend Policy and Payments for the Current Fiscal Year and the Next Fiscal Year

Our fundamental policy is to focus on returning profits to shareholders while securing a stable management base and investing for future growth to achieve sustainable enhancement of corporate value. We consider the return of profits through dividends to be a core principle, and we aim to realize sustainable growth by balancing enhanced shareholder returns with strategic investments for the future.

In order to further enhance shareholder returns, we announced a new dividend policy on March 19, 2026, in the “Update on Initiatives to Strengthen Management Focused on Cost of Capital and Stock Performance.”

The Company paid a dividend for the end of the second quarter of ¥100 per share (on a pre-split basis). Following the three-for-one split of its common shares effective October 1, 2025, the year-end dividend for the fiscal year under review has been set at ¥70 per share (on a post-split basis).

As a result, the annual dividend will amount to ¥310 per share on a pre-split basis and ¥103.33 per share on a post-split basis.

As for the cash dividend for the next fiscal year, the Company plans to pay a dividend for the end of the second quarter of ¥80 per share and a year-end dividend of ¥90 per share, resulting in an annual dividend of ¥170 per share.

(Changes in annual cash dividend per share)

	121st term Fiscal year ended March 31, 2023	122nd term Fiscal year ended March 31, 2024	123rd term Fiscal year ended March 31, 2025	124th term Fiscal year ended March 31, 2026 (Plan)	125th term Fiscal year ending March 31, 2027 (Plan)
On a pre-split basis	135.00 yen	145.00 yen	165.00 yen	310.00 yen	510.00 yen
On a post-split basis	45.00 yen	48.33 yen	55.00 yen	103.33 yen	170.00 yen

2. Basic Policy on Selection of Accounting Standards

In its active pursuit of business development on a global basis, the Group has voluntarily adopted International Financial Reporting Standards (IFRS) to enhance convenience for various stakeholders, including shareholders and investors, by improving the international comparability of its financial information, starting from the Consolidated Financial Statements in the Securities Report for the fiscal year ended March 31, 2017.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Statements of Financial Position

(Million yen)

	Note	As of March 31, 2025	As of March 31, 2026
Assets			
Current assets			
Cash and cash equivalents		28,898	28,719
Trade and other receivables		29,143	32,044
Other financial assets		1,594	5,422
Inventories		34,151	39,860
Other current assets		1,074	1,273
Total current assets		94,862	107,320
Non-current assets			
Property, plant and equipment		24,592	23,263
Intangible assets		4,940	5,299
Right-of-use assets		2,699	3,493
Investment property		1,503	1,503
Other financial assets		11,845	15,854
Retirement benefit assets		4,423	8,561
Deferred tax assets		613	913
Other non-current assets		146	157
Total non-current assets		50,765	59,047
Total assets		145,628	166,367
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables		16,649	19,771
Borrowings		3,263	2,887
Lease liabilities		850	821
Other financial liabilities		36	70
Income taxes payable		368	2,025
Other current liabilities		2,364	2,275
Total current liabilities		23,533	27,851
Non-current liabilities			
Borrowings		1,537	1,025
Lease liabilities		1,631	1,261
Net defined benefit liability		557	743
Deferred tax liabilities		4,080	6,628
Other non-current liabilities		940	997
Total non-current liabilities		8,747	10,654
Total liabilities		32,280	38,506
Equity			
Share capital		9,926	9,926
Share premium		11,518	11,554
Retained earnings		84,726	93,698
Treasury shares		(3,500)	(4,442)
Other components of equity		10,674	17,122
Total equity attributable to owners of parent		113,347	127,860
Non-controlling interests		0	0
Total equity		113,347	127,861
Total liabilities and equity		145,628	166,367

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

(Million yen)

	Note	From April 1, 2024 to March 31, 2025	From April 1, 2025 to March 31, 2026
Revenue		97,847	107,346
Cost of sales		72,721	77,392
Gross profit		25,125	29,953
Selling, general and administrative expenses		17,760	19,279
Other income		594	223
Other expenses		23	12
Operating profit		7,936	10,885
Finance income		644	906
Finance costs		577	45
Profit before tax		8,003	11,747
Income tax expense		2,365	3,086
Profit		5,638	8,661
Profit attributable to:			
Owners of parent		5,637	8,661
Non-controlling interests		0	0
Profit		5,638	8,661
Earnings per share			
Basic earnings per share (yen)		157.60	243.89
Diluted earnings per share (yen)		157.53	243.76

Note: The Company conducted a three-for-one split of its common shares, effective October 1, 2025. Accordingly, basic earnings per share and diluted earnings per share have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

Consolidated Statements of Comprehensive Income

(Million yen)

	Note	From April 1, 2024 to March 31, 2025	From April 1, 2025 to March 31, 2026
Profit		5,638	8,661
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income		(1,291)	2,663
Remeasurements of defined benefit plans		999	2,553
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(609)	3,799
Total other comprehensive income		(902)	9,016
Comprehensive income		4,735	17,677
Comprehensive income attributable to:			
Owners of parent		4,735	17,677
Non-controlling interests		0	0
Comprehensive income		4,735	17,677

(3) Consolidated Statements of Changes in Equity

The fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Note	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	
						Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at April 1, 2024		9,926	11,494	79,373	(3,518)	5,767	–
Profit		–	–	5,637	–	–	–
Other comprehensive income		–	–	–	–	(1,291)	999
Comprehensive income		–	–	5,637	–	(1,291)	999
Purchase of treasury shares		–	–	–	(6)	–	–
Dividends		–	–	(1,789)	–	–	–
Share-based payment expenses		–	25	–	24	–	–
Transfer to retained earnings		–	–	1,505	–	(506)	(999)
Changes in ownership interests in subsidiaries		–	(0)	–	–	–	–
Total transactions with owners and other		–	24	(283)	18	(506)	(999)
Balance at March 31, 2025		9,926	11,518	84,726	(3,500)	3,969	–

	Note	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
		Exchange differences on translation of foreign operations	Total			
Balance at April 1, 2024		7,314	13,082	110,358	14	110,373
Profit		–	–	5,637	0	5,638
Other comprehensive income		(609)	(902)	(902)	(0)	(902)
Comprehensive income		(609)	(902)	4,735	0	4,735
Purchase of treasury shares		–	–	(6)	–	(6)
Dividends		–	–	(1,789)	(0)	(1,790)
Share-based payment expenses		–	–	50	–	50
Transfer to retained earnings		–	(1,505)	–	–	–
Changes in ownership interests in subsidiaries		–	–	(0)	(13)	(14)
Total transactions with owners and other		–	(1,505)	(1,746)	(14)	(1,761)
Balance at March 31, 2025		6,705	10,674	113,347	0	113,347

The fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Note	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	
						Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at April 1, 2025		9,926	11,518	84,726	(3,500)	3,969	–
Profit		–	–	8,661	–	–	–
Other comprehensive income		–	–	–	–	2,663	2,553
Comprehensive income		–	–	8,661	–	2,663	2,553
Purchase of treasury shares		–	–	–	(977)	–	–
Dividends		–	–	(2,257)	–	–	–
Share -based payment expenses		–	36	–	35	–	–
Transfer to retained earnings		–	–	2,568	–	(14)	(2,553)
Changes in ownership interests in subsidiaries		–	–	–	–	–	–
Total transactions with owners and other		–	36	311	(942)	(14)	(2,553)
Balance at March 31, 2026		9,926	11,554	93,698	(4,442)	6,618	–

	Note	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
		Exchange differences on translation of foreign operations	Total			
Balance at April 1, 2025		6,705	10,674	113,347	0	113,347
Profit		–	–	8,661	0	8,661
Other comprehensive income		3,798	9,016	9,016	0	9,016
Comprehensive income		3,798	9,016	17,677	0	17,677
Purchase of treasury shares		–	–	(977)	–	(977)
Dividends		–	–	(2,257)	(0)	(2,257)
Share -based payment expenses		–	–	71	–	71
Transfer to retained earnings		–	(2,568)	–	–	–
Changes in ownership interests in subsidiaries		–	–	–	–	–
Total transactions with owners and other		–	(2,568)	(3,163)	(0)	(3,163)
Balance at March 31, 2026		10,504	17,122	127,860	0	127,861

(4) Consolidated Statements of Cash Flows

(Million yen)

	Note	From April 1, 2024 to March 31, 2025	From April 1, 2025 to March 31, 2026
Cash flows from operating activities			
Profit before tax		8,003	11,747
Depreciation and amortization expense		5,959	5,376
Interest and dividend income		(634)	(616)
Interest expenses		299	35
Decrease (increase) in trade and other receivables		2,878	(1,813)
Decrease (increase) in inventories		2,507	(4,248)
Increase (decrease) in trade and other payables		176	1,927
Other, net		(936)	(688)
Subtotal		18,253	11,718
Interest received		332	289
Dividend received		290	303
Interest paid		(311)	(38)
Income taxes paid		(2,776)	(1,443)
Net cash flows from operating activities		15,788	10,829
Cash flows from investing activities			
Purchase of property, plant and equipment		(2,666)	(1,467)
Purchase of intangible assets		(1,135)	(1,390)
Proceeds from sales of property, plant and equipment and intangible assets		204	3
Proceeds from sales of other financial assets		1,006	336
Other, net		(1,142)	(5,140)
Net cash flows from investing activities		(3,734)	(7,658)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings		(3,435)	52
Proceeds from long-term borrowings		–	100
Repayments of long-term borrowings		(3,710)	(1,068)
Purchase of treasury shares		(6)	(977)
Dividends paid		(1,786)	(2,248)
Other, net		(749)	(780)
Net cash flows from financing activities		(9,690)	(4,923)
Effect of exchange rate changes on cash and cash equivalents		(152)	1,573
Net increase (decrease) in cash and cash equivalents		2,211	(178)
Cash and cash equivalents at beginning of period		26,687	28,898
Cash and cash equivalents at end of period		28,898	28,719

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no relevant information.

(Segment Information, etc.)

1 Overview of reportable segments

The Group's business segments are determined on the basis that separate financial information of such segments are available and examined periodically by the Board of Directors to make decisions regarding the allocation of management resources and assess the business performances of such segments.

Based on the characteristics of the businesses we operate, the Group has established four reportable segments, namely San Ace Company, Electronics Company, Motion Company, and Others.

Segment	Main business
San Ace Company	Design, manufacturing, and sales of cooling fans, etc.
Electronics Company	Design, manufacturing, and sales of power supplies, servo amplifiers, and stepping drivers, etc.
Motion Company	Design, manufacturing, and sales of servo motors and stepping motors, etc.
Others	Electrical equipment sales and electrical works contracting, etc.

2 Information on reportable segments

The fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment						Consolidated
	San Ace Company	Electronics Company	Motion Company	Others	Total	Adjustments (Note 2)	
Revenue							
Revenue from external customers	38,062	21,149	32,971	5,663	97,847	–	97,847
Intersegment revenue or transfers (Note 1)	–	–	–	1,868	1,868	(1,868)	–
Total	38,062	21,149	32,971	7,532	99,715	(1,868)	97,847
Segment profit	6,856	483	291	276	7,908	28	7,936
Finance income	–	–	–	–	–	–	644
Finance costs	–	–	–	–	–	–	577
Profit before tax	–	–	–	–	–	–	8,003
Profit	–	–	–	–	–	–	5,638
Segment assets	42,718	39,982	55,744	7,476	145,922	(293)	145,628
Segment liabilities	11,664	6,631	10,733	3,255	32,284	(3)	32,280
Other items							
Depreciation and amortization expense	2,055	1,509	2,284	109	5,959	–	5,959
Capital expenditure (including intangible assets)	1,238	838	941	1	3,020	(97)	2,923

Notes: 1. Intersegment transaction prices are based on prevailing market prices.

2. Adjustments are as follows:

- (1) Adjustments of segment profit of ¥28 million are elimination of intersegment transactions.
- (2) Adjustments of segment assets of ¥(293) million are elimination of intersegment transactions.
- (3) Adjustments of segment liabilities of ¥(3) million are elimination of intersegment transactions.
- (4) Depreciation of right-of-use assets is included in depreciation and amortization expense.
- (5) Adjustments of capital expenditure (including intangible assets) of ¥(97) million are elimination of intersegment transactions.

The fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Reportable segment						
	San Ace Company	Electronics Company	Motion Company	Others	Total	Adjustments (Note 2)	Consolidated
Revenue							
Revenue from external customers	40,826	23,249	37,543	5,725	107,346	–	107,346
Intersegment revenue or transfers (Note 1)	–	–	–	2,673	2,673	(2,673)	–
Total	40,826	23,249	37,543	8,398	110,019	(2,673)	107,346
Segment profit	8,195	1,142	1,225	643	11,206	(321)	10,885
Finance income	–	–	–	–	–	–	906
Finance costs	–	–	–	–	–	–	45
Profit before tax	–	–	–	–	–	–	11,747
Profit	–	–	–	–	–	–	8,661
Segment assets	49,114	41,569	67,920	8,226	166,831	(463)	166,367
Segment liabilities	13,833	7,728	13,368	3,582	38,513	(6)	38,506
Other items							
Depreciation and amortization expense	2,053	1,385	1,829	107	5,376	–	5,376
Capital expenditure (including intangible assets)	1,312	729	1,126	56	3,224	(224)	2,999

Notes: 1. Intersegment transaction prices are based on prevailing market prices.

2. Adjustments are as follows:

- (1) Adjustments of segment profit of ¥(321) million are elimination of intersegment transactions.
- (2) Adjustments of segment assets of ¥(463) million are elimination of intersegment transactions.
- (3) Adjustments of segment liabilities of ¥(6) million are elimination of intersegment transactions.
- (4) Depreciation of right-of-use assets is included in depreciation and amortization expense.
- (5) Adjustments of capital expenditure (including intangible assets) of ¥(224) million are elimination of intersegment transactions.

(Per Share Information)

Basic earnings per share, diluted earnings per share, and the basis for their calculation are as follows:

Items	The fiscal year ended March 31, 2025	The fiscal year ended March 31, 2026
Profit attributable to owners of parent (million yen)	5,637	8,661
Profit used to calculate basic earnings per share (million yen)	5,637	8,661
Profit used to calculate diluted earnings per share (million yen)	5,637	8,661
Average number of common shares outstanding (shares)	35,772,390	35,511,663
Dilutive effects of restricted stock compensation (shares)	15,117	19,336
Average number of diluted shares outstanding (shares)	35,787,507	35,530,999
Basic earnings per share (yen)	157.60	243.89
Diluted earnings per share (yen)	157.53	243.76

(Notes) 1. The Company conducted a three-for-one split of its common shares, effective October 1, 2025.

Accordingly, basic earnings per share and diluted earnings per share have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

2. Basic earnings per share are calculated by dividing profit attributable to owners of parent by average number of common shares outstanding during the reporting period.

3. Diluted earnings per share are calculated by dividing profit attributable to owners of parent by average number of diluted shares outstanding during the reportable period.

(Material Subsequent Events)

There is no relevant information.

4. Non-consolidated Financial Statements and Primary Notes
(1) Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and bank deposits	8,317	3,519
Notes receivable - trade	142	32
Electronically recorded monetary claims - operating	6,318	6,627
Accounts receivable-trade	21,042	23,656
Finished goods	3,473	4,309
Raw materials	10,455	11,221
Work in process	2,885	3,674
Supplies	62	70
Prepaid expense	187	213
Others	1,684	2,513
Allowance for doubtful accounts	(2)	(3)
Total current assets	54,569	55,835
Fixed assets		
Property, plant and equipment		
Buildings	6,801	6,625
Structures	259	251
Machinery and equipment	2,107	1,448
Vehicles	21	23
Tools, furniture and fixtures	655	664
Land	6,048	6,048
Construction in progress	198	269
Total property, plant and equipment	16,091	15,330
Intangible fixed assets		
Software	1,925	2,222
Others	7	7
Total intangible fixed assets	1,933	2,229
Investments and other assets		
Investments in securities	7,673	11,210
Stocks of subsidiaries and affiliates	2,934	2,934
Investments in capital of subsidiaries and affiliates	927	4,126
Long-term loans receivable	3	1
Long-term prepaid expenses	23	77
Others	2,456	2,523
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	14,018	20,873
Total fixed assets	32,043	38,434
Total assets	86,613	94,269

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable - trade	369	–
Electronically recorded obligations - operating	2,877	3,242
Accounts payable - trade	6,046	7,455
Short-term debt	4,797	4,449
Long-term debt due within one year	1,063	607
Accounts payable - other	1,046	540
Accrued expenses	2,208	3,138
Accrued income taxes	37	1,437
Advances received	14	13
Deposits received	582	826
Notes payable - facilities	74	230
Reserve for bonuses to directors and corporate auditors	45	45
Total current liabilities	19,163	21,987
Non-current liabilities		
Long-term debt	1,537	1,025
Deferred tax liabilities	390	1,485
Deferred tax liabilities - revaluation	849	849
Reserve for retirement benefits	939	205
Long-term accounts payable - other	618	602
Total non-current liabilities	4,336	4,168
Total liabilities	23,500	26,155
Net assets		
Shareholders' equity		
Common stock	9,926	9,926
Capital surplus		
Legal capital surplus	11,458	11,458
Other capital surplus	72	116
Total capital surplus	11,531	11,575
Retained earnings		
Legal retained earnings	1,032	1,032
Other retained earnings	40,434	43,890
Reserve for retirement allowances	900	900
Reserve for dividends	790	790
Reserve for advanced depreciation of fixed assets	62	62
General reserve	1,500	1,500
Retained earnings brought forward	37,182	40,638
Total retained earnings	41,466	44,922
Treasury stock	(3,989)	(4,932)
Total shareholders' equity	58,934	61,492
Valuation and translation adjustments		
Unrealized holding gain on securities	3,302	5,745
Revaluation reserve for land, net of tax	876	876
Total valuation and translation adjustments	4,178	6,621
Total net assets	63,112	68,114
Total liabilities and net assets	86,613	94,269

(2) Non-consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	78,503	87,056
Cost of sales	65,237	70,455
Gross profit	13,266	16,601
Selling, general and administrative expenses	10,740	11,461
Operating income	2,525	5,140
Other income		
Interest and dividend income	2,369	1,752
Foreign exchange gain	–	277
Subsidy income	100	100
Rent income	100	99
Others	109	51
Total other income	2,680	2,282
Other expenses		
Interest expense	65	72
Foreign exchange loss	150	–
Loss on sales of notes payable	0	0
Others	2	0
Total other expenses	220	73
Ordinary income	4,985	7,349
Extraordinary income		
Gain on sales of fixed assets	0	0
Gain on sales of investment securities	827	28
Total extraordinary income	828	29
Extraordinary loss		
Loss on sales of fixed assets	83	–
Loss on retirement of property, plant and equipment	0	1
Loss on valuation of investment securities	100	–
Total extraordinary loss	184	1
Income before income taxes	5,629	7,377
Income taxes - current	726	1,671
Income taxes - deferred	375	(8)
Total income taxes	1,101	1,663
Profit	4,527	5,713

(3) Non-consolidated Statements of Changes in Net Assets
The fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of the year	9,926	11,458	47	11,506	1,032
Changes of items during the year					
Cash dividends	–	–	–	–	–
Profit	–	–	–	–	–
Reversal of reserve for advanced depreciation of fixed assets	–	–	–	–	–
Reversal of revaluation reserve for land	–	–	–	–	–
Acquisition of treasury stock	–	–	–	–	–
Share-based payment expenses	–	–	24	24	–
Net changes of items other than shareholders' equity	–	–	–	–	–
Total changes of items during the year	–	–	24	24	–
Balance at the end of the year	9,926	11,458	72	11,531	1,032

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Balance at the beginning of the year	900	790	62	1,500	34,408	38,693
Changes of items during the year						
Cash dividends	–	–	–	–	(1,789)	(1,789)
Profit	–	–	–	–	4,527	4,527
Reversal of reserve for advanced depreciation of fixed assets	–	–	(0)	–	0	–
Reversal of revaluation reserve for	–	–	–	–	35	35

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
land						
Acquisition of treasury stock	–	–	–	–	–	–
Share-based payment expenses	–	–	–	–	–	–
Net changes of items other than shareholders' equity	–	–	–	–	–	–
Total changes of items during the year	–	–	(0)	–	2,773	2,773
Balance at the end of the year	900	790	62	1,500	37,182	41,466

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gain on securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at the beginning of the year	(4,008)	56,118	5,049	936	5,985	62,104
Changes of items during the year						
Cash dividends	–	(1,789)	–	–	–	(1,789)
Profit	–	4,527	–	–	–	4,527
Reversal of reserve for advanced depreciation of fixed assets	–	–	–	–	–	–
Reversal of revaluation reserve for land	–	35	–	–	–	35
Acquisition of treasury stock	(6)	(6)	–	–	–	(6)
Share-based payment expenses	24	49	–	–	–	49
Net changes of items other than shareholders' equity	–	–	(1,747)	(60)	(1,807)	(1,807)
Total changes of items during the year	18	2,816	(1,747)	(60)	(1,807)	1,008
Balance at the end of the year	(3,989)	58,934	3,302	876	4,178	63,112

The fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of the year	9,926	11,458	72	11,531	1,032
Changes of items during the year					
Cash dividends	–	–	–	–	–
Profit	–	–	–	–	–
Reversal of reserve for advanced depreciation of fixed assets	–	–	–	–	–
Reversal of revaluation reserve for land	–	–	–	–	–
Acquisition of treasury stock	–	–	–	–	–
Share-based payment expenses	–	–	44	44	–
Net changes of items other than shareholders' equity	–	–	–	–	–
Total changes of items during the year	–	–	44	44	–
Balance at the end of the year	9,926	11,458	116	11,575	1,032

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Balance at the beginning of the year	900	790	62	1,500	37,182	41,466
Changes of items during the year						
Cash dividends	–	–	–	–	(2,257)	(2,257)
Profit	–	–	–	–	5,713	5,713
Reversal of reserve for advanced depreciation of fixed assets	–	–	–	–	–	–
Reversal of revaluation reserve for land	–	–	–	–	–	–

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Acquisition of treasury stock	–	–	–	–	–	–
Share-based payment expenses	–	–	–	–	–	–
Net changes of items other than shareholders' equity	–	–	–	–	–	–
Total changes of items during the year	–	–	–	–	3,456	3,456
Balance at the end of the year	900	790	62	1,500	40,638	44,922

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gain on securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at the beginning of the year	(3,989)	58,934	3,302	876	4,178	63,112
Changes of items during the year						
Cash dividends	–	(2,257)	–	–	–	(2,257)
Profit	–	5,713	–	–	–	5,713
Reversal of reserve for advanced depreciation of fixed assets	–	–	–	–	–	–
Reversal of revaluation reserve for land	–	–	–	–	–	–
Acquisition of treasury stock	(977)	(977)	–	–	–	(977)
Share-based payment expenses	35	79	–	–	–	79
Net changes of items other than shareholders' equity	–	–	2,443	–	2,443	2,443
Total changes of items during the year	(942)	2,558	2,443	–	2,443	5,001
Balance at the end of the year	(4,932)	61,492	5,745	876	6,621	68,114

(4) Notes on Non-consolidated Financial Statements
(Notes on Going Concern Assumption)

There is no relevant information.

5. Others

(1) Changes in Directors and Corporate Auditors

1. Changes in Representative Directors

There is no relevant information.

2. Changes in Other Directors and Corporate Auditors

There is no relevant information.