

Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



August 5, 2025

Company name: DAIHEN Corporation

Stock exchange listing: Tokyo Stock Exchange, Fukuoka Stock Exchange

Stock exchange code: 6622

URL: <https://www.daihen.co.jp/>

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Scheduled date of commencing dividend payments: -

Availability of supplementary explanatory materials on financial results: Available

Schedule of financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	49,063	13.3	3,163	250.8	3,776	152.7	1,972	202.4
June 30, 2024	43,306	22.7	901	16.8	1,494	12.0	652	(5.3)

(Note) Comprehensive income: Three months ended June 30, 2025: 3,170 million yen [(21.4)%]

Three months ended June 30, 2024: 4,034 million yen [25.7%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	82.51	—
June 30, 2024	26.79	—

(Note) The provisional accounting treatment for the business combination was finalized during the six months ended September 30, 2024. Figures for the three months ended June 30, 2024 reflect the finalization of this provisional accounting treatment.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	288,902	154,328	48.1
As of March 31, 2025	290,234	153,285	47.7

(Reference) Equity: As of June 30, 2025: 139,091 million yen

As of March 31, 2025: 138,371 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	82.50	—	82.50	165.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		84.00	—	84.00	168.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	100,000	4.1	5,000	(1.3)	5,000	(13.3)	3,500	(17.0)	146.42
Full year	230,000	1.6	17,000	5.1	17,500	1.8	13,000	8.7	543.84

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (DAIHEN MEXICO S.A. de C.V.), Excluded: – ()
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
 - As of June 30, 2025: 25,203,291 shares
 - As of March 31, 2025: 25,203,291 shares
 - 2) Total number of treasury shares at the end of the period:
 - As of June 30, 2025: 1,298,613 shares
 - As of March 31, 2025: 1,299,159 shares
 - 3) Average number of shares during the period:
 - Three months ended June 30, 2025: 23,904,705 shares
 - Three months ended June 30, 2024: 24,340,550 shares
- (Note) The total number of treasury shares at the end of the period includes 112,800 shares of the Company as of June 30, 2025 and 113,500 shares of the Company as of March 31, 2025 held by the employee stock benefit trust.
- In addition, the treasury shares deducted for calculating the average number of shares during the period include shares of the Company held by the trust.
- * Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

*** Explanation of the proper use of financial results forecast and other notes**

The earnings forecasts and other forward-looking statements contained in this report are based on information available to the Company on the date of this report's release and certain premises that the Company deems to be reasonable. Actual financial results, etc. may differ significantly due to a wide range of factors.

Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	30,354	28,901
Notes and accounts receivable - trade	55,477	45,874
Merchandise and finished goods	31,329	36,334
Work in process	19,573	20,918
Raw materials and supplies	50,805	50,888
Other	7,283	8,702
Allowance for doubtful accounts	(1,255)	(1,339)
Total current assets	193,568	190,281
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	22,929	23,061
Machinery, equipment and vehicles, net	9,708	9,757
Tools, furniture and fixtures, net	2,309	2,437
Land	13,693	13,721
Leased assets, net	368	390
Construction in progress	4,011	5,244
Total property, plant and equipment	53,021	54,612
Intangible assets		
Goodwill	525	532
Software	2,354	2,345
Other	2,187	2,253
Total intangible assets	5,067	5,130
Investments and other assets		
Investment securities	15,980	16,810
Investments in capital	681	681
Long-term prepaid expenses	338	377
Retirement benefit asset	18,507	18,105
Deferred tax assets	1,387	1,170
Other	1,712	1,763
Allowance for doubtful accounts	(29)	(29)
Total investments and other assets	38,577	38,878
Total non-current assets	96,666	98,621
Total assets	290,234	288,902

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,581	18,686
Electronically recorded obligations - operating	15,264	16,130
Short-term borrowings	23,885	28,176
Current portion of long-term borrowings	6,037	5,845
Lease liabilities	122	127
Income taxes payable	3,510	1,450
Provision for bonuses	5,144	3,228
Provision for bonuses for directors (and other officers)	143	23
Provision for loss on construction contracts	165	175
Other	11,035	11,747
Total current liabilities	86,891	85,591
Non-current liabilities		
Long-term borrowings	38,668	37,859
Lease liabilities	232	289
Deferred tax liabilities	4,426	4,557
Provision for retirement benefits for directors (and other officers)	103	74
Provision for loss on guarantees	613	611
Provision for share awards	163	237
Provision for construction expenses related to earthquake resistance renovation	563	513
Provision for product safety measures	2	2
Retirement benefit liability	3,265	2,842
Asset retirement obligations	121	121
Other	1,897	1,874
Total non-current liabilities	50,057	48,983
Total liabilities	136,949	134,574
Net assets		
Shareholders' equity		
Share capital	10,596	10,596
Capital surplus	10,074	10,074
Retained earnings	101,796	101,751
Treasury shares	(4,926)	(4,920)
Total shareholders' equity	117,540	117,502
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,039	6,648
Foreign currency translation adjustment	9,293	9,562
Remeasurements of defined benefit plans	5,497	5,378
Total accumulated other comprehensive income	20,831	21,589
Non-controlling interests	14,913	15,236
Total net assets	153,285	154,328
Total liabilities and net assets	290,234	288,902

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	43,306	49,063
Cost of sales	30,839	34,394
Gross profit	12,466	14,669
Selling, general and administrative expenses	11,564	11,505
Operating profit	901	3,163
Non-operating income		
Interest and dividend income	469	607
Foreign exchange gains	264	95
Other	275	322
Total non-operating income	1,008	1,025
Non-operating expenses		
Interest expenses	203	233
Compensation expenses for damage	118	—
Other	94	180
Total non-operating expenses	416	413
Ordinary profit	1,494	3,776
Extraordinary income		
Reversal of provision for loss on guarantees	—	2
Total extraordinary income	—	2
Extraordinary losses		
Provision of allowance for doubtful accounts	—	81
Extra payments for early retirements	—	4
Provision for loss on guarantees	137	—
Total extraordinary losses	137	86
Profit before income taxes	1,357	3,692
Income taxes	582	1,339
Profit	774	2,352
Profit attributable to non-controlling interests	122	380
Profit attributable to owners of parent	652	1,972

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	774	2,352
Other comprehensive income		
Valuation difference on available-for-sale securities	764	624
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	2,626	246
Remeasurements of defined benefit plans, net of tax	(134)	(55)
Share of other comprehensive income of entities accounted for using equity method	2	0
Total other comprehensive income	3,259	817
Comprehensive income	4,034	3,170
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,863	2,712
Comprehensive income attributable to non-controlling interests	171	457