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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]



May 11, 2026

Company name: DAIHEN Corporation
 Stock exchange listing: Tokyo Stock Exchange, Fukuoka Stock Exchange
 Stock exchange code: 6622
 URL: <https://www.daihen.co.jp/>
 Representative: Shoichiro Minomo, President
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 Phone: +81-6-6390-5506
 Scheduled date of annual general meeting of shareholders: June 24, 2026
 Scheduled date of commencing dividend payments: June 25, 2026
 Scheduled date of filing securities report: June 19, 2026
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 -March 31, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	237,735	5.0	18,778	16.1	20,100	17.0	14,108	18.0
March 31, 2025	226,375	20.0	16,174	6.8	17,182	6.8	11,961	(27.5)

(Note) Comprehensive income: Fiscal year ended March 31, 2026: 24,945 million yen [100.7 %]

Fiscal year ended March 31, 2025: 12,430 million yen [(51.5) %]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	591.35	—	9.7	6.6	7.9
March 31, 2025	493.31	—	8.8	6.1	7.1

(Reference) Share of profit (loss) of entities accounted for using equity method:

Fiscal year ended March 31, 2026: 42 million yen

Fiscal year ended March 31, 2025: 7 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	320,175	170,746	48.1	6,524.83
As of March 31, 2025	290,234	153,285	47.7	5,788.62

(Reference) Equity: As of March 31, 2026: 154,030 million yen

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

(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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	4,944	(10,842)	7,473	32,626
March 31, 2025	24,010	(9,601)	(5,981)	28,855

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	—	82.50	—	82.50	165.00	3,995	33.4	2.9
Fiscal year ended March 31, 2026	—	84.00	—	96.00	180.00	4,294	30.4	2.9
Fiscal year ending March 31, 2027 (Forecast)	—	105.00	—	105.00	210.00		30.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(% 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	125,000	18.8	9,000	29.8	9,500	20.3	6,000	16.0	254.16
Full year	280,000	17.8	25,000	33.1	25,500	26.9	16,500	16.9	698.95

* 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) 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: Yes

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Total number of issued shares (common shares)

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

As of March 31, 2026: 24,903,291 shares

As of March 31, 2025: 25,203,291 shares

2) Total number of treasury shares at the end of the period:

As of March 31, 2026: 1,296,477 shares

As of March 31, 2025: 1,299,159 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2026: 23,858,478 shares

Fiscal year ended March 31, 2025: 24,246,649 shares

(Note) The total number of treasury shares at the end of the period includes 112,100 shares of the Company as of March 31, 2026 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.

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 2026)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	158,152	4.9	4,880	(11.2)	8,391	16.3	8,707	38.2
March 31, 2025	150,697	12.6	5,498	(15.6)	7,215	(11.2)	6,302	(12.0)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	364.97	—
March 31, 2025	259.94	—

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2026	186,463	64,452	34.6	2,730.27
March 31, 2025	170,369	62,015	36.4	2,594.36

(Reference) Equity: As of March 31, 2026: 64,452 million yen
As of March 31, 2025: 62,015 million yen

<Reasons for the discrepancy between latest results and those of the previous fiscal year on a non-consolidated basis>

The discrepancy between latest results and those of the previous fiscal year is mainly due to the recording of a gain on sale of investment securities as extraordinary income resulting from the sale of strategic shareholdings in the fiscal year ended March 31, 2026.

* These consolidated financial results are outside the scope of audits by certified public accountants or an audit firm.

* 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.

Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	30,354	34,160
Notes and accounts receivable - trade	55,477	58,508
Merchandise and finished goods	31,329	39,094
Work in process	19,573	22,483
Raw materials and supplies	50,805	47,634
Other	7,283	7,998
Allowance for doubtful accounts	(1,255)	(51)
Total current assets	193,568	209,829
Non-current assets		
Property, plant and equipment		
Buildings and structures	60,626	65,416
Accumulated depreciation	(37,696)	(39,197)
Buildings and structures, net	22,929	26,218
Machinery, equipment and vehicles	59,514	65,489
Accumulated depreciation	(49,806)	(52,360)
Machinery, equipment and vehicles, net	9,708	13,129
Tools, furniture and fixtures	18,056	19,413
Accumulated depreciation	(15,747)	(16,623)
Tools, furniture and fixtures, net	2,309	2,789
Land	13,693	13,891
Leased assets	1,577	1,682
Accumulated depreciation	(1,208)	(1,302)
Leased assets, net	368	380
Construction in progress	4,011	3,782
Total property, plant and equipment	53,021	60,192
Intangible assets		
Goodwill	525	517
Software	2,354	2,319
Other	2,187	2,445
Total intangible assets	5,067	5,282
Investments and other assets		
Investment securities	15,980	17,676
Investments in capital	681	509
Long-term prepaid expenses	338	348
Retirement benefit asset	18,507	23,026
Deferred tax assets	1,387	1,527
Other	1,712	4,343
Allowance for doubtful accounts	(29)	(2,562)
Total investments and other assets	38,577	44,870
Total non-current assets	96,666	110,346
Total assets	290,234	320,175

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,581	20,417
Electronically recorded obligations - operating	15,264	8,759
Short-term borrowings	23,885	39,939
Current portion of long-term borrowings	6,037	8,057
Lease liabilities	122	129
Income taxes payable	3,510	5,699
Provision for bonuses	5,144	5,459
Provision for bonuses for directors (and other officers)	143	151
Provision for loss on construction contracts	165	160
Other	11,035	13,052
Total current liabilities	86,891	101,828
Non-current liabilities		
Long-term borrowings	38,668	36,652
Lease liabilities	232	263
Deferred tax liabilities	4,426	4,516
Provision for retirement benefits for directors (and other officers)	103	88
Provision for loss on guarantees	613	—
Provision for share awards	163	476
Provision for construction expenses related to earthquake resistance renovation	563	282
Provision for product safety measures	2	—
Retirement benefit liability	3,265	2,885
Asset retirement obligations	121	179
Other	1,897	2,254
Total non-current liabilities	50,057	47,599
Total liabilities	136,949	149,428
Net assets		
Shareholders' equity		
Share capital	10,596	10,596
Capital surplus	10,074	10,074
Retained earnings	101,796	110,610
Treasury shares	(4,926)	(6,995)
Total shareholders' equity	117,540	124,286
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,039	7,572
Foreign currency translation adjustment	9,293	14,516
Remeasurements of defined benefit plans	5,497	7,654
Total accumulated other comprehensive income	20,831	29,743
Non-controlling interests	14,913	16,716
Total net assets	153,285	170,746
Total liabilities and net assets	290,234	320,175

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

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	226,375	237,735
Cost of sales	162,515	169,218
Gross profit	63,860	68,517
Selling, general and administrative expenses		
Freight and packing costs	5,841	5,780
Travel, transportation and communication expenses	1,356	1,387
Salaries and allowances and welfare expenses	16,040	16,446
Provision for bonuses	2,449	2,510
Provision for bonuses for directors (and other officers)	143	151
Provision for retirement benefits for directors (and other officers)	19	20
Retirement benefit expenses	(269)	(404)
Depreciation	1,892	2,035
Research and development expenses	6,153	6,465
Amortization of goodwill	68	73
Other	13,989	15,271
Total selling, general and administrative expenses	47,686	49,738
Operating profit	16,174	18,778
Non-operating income		
Interest income	189	204
Dividend income	586	769
Share of profit of entities accounted for using equity method	7	42
Foreign exchange gains	47	969
Rental income from land and buildings	231	237
Gain on sale of scraps	337	415
Subsidy income	779	320
Other	569	616
Total non-operating income	2,749	3,576
Non-operating expenses		
Interest expenses	904	1,106
Loss on retirement of non-current assets	94	166
Compensation expenses for damage	124	—
Other	618	981
Total non-operating expenses	1,740	2,254
Ordinary profit	17,182	20,100

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of investment securities	1,111	3,324
Reversal of provision for loss on guarantees	151	613
Total extraordinary income	1,263	3,938
Extraordinary losses		
Provision of allowance for doubtful accounts	477	1,340
Loss on liquidation of subsidiaries and associates	—	351
Extra payments for early retirements	38	180
Loss on valuation of investments in capital of subsidiaries and associates	—	172
Loss on valuation of shares of subsidiaries and associates	—	134
Impairment losses	—	116
Loss on revision of retirement benefit plan	96	—
Total extraordinary losses	612	2,295
Profit before income taxes	17,833	21,743
Income taxes - current	5,192	8,162
Income taxes - deferred	(281)	(2,065)
Total income taxes	4,910	6,096
Profit	12,922	15,646
Profit attributable to non-controlling interests	961	1,537
Profit attributable to owners of parent	11,961	14,108

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	12,922	15,646
Other comprehensive income		
Valuation difference on available-for-sale securities	(167)	1,687
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	68	5,216
Remeasurements of defined benefit plans, net of tax	(395)	2,387
Share of other comprehensive income of entities accounted for using equity method	2	7
Total other comprehensive income	(491)	9,298
Comprehensive income	12,430	24,945
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,565	23,003
Comprehensive income attributable to non-controlling interests	864	1,942

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2025

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,596	10,010	94,767	(2,349)	113,025
Changes during period					
Dividends of surplus			(4,028)		(4,028)
Profit attributable to owners of parent			11,961		11,961
Adjustments due to change in the fiscal period of consolidated subsidiaries			(173)		(173)
Purchase of treasury shares				(3,900)	(3,900)
Disposal of treasury shares		13		8	22
Cancellation of treasury shares		(1,315)		1,315	—
Changes in equity of parent from transaction of non controlling interest		2			2
Transfer to capital surplus from retained earnings		1,302	(1,302)		—
Change in scope of consolidation			571		571
Additional purchase of shares of consolidated subsidiaries		61			61
Net changes in items other than shareholders' equity					
Total changes during period	—	63	7,028	(2,576)	4,515
Balance at end of period	10,596	10,074	101,796	(4,926)	117,540

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	6,208	(0)	9,104	5,798	21,110	14,459	148,595
Changes during period							
Dividends of surplus							(4,028)
Profit attributable to owners of parent							11,961
Adjustments due to change in the fiscal period of consolidated subsidiaries							(173)
Purchase of treasury shares							(3,900)
Disposal of treasury shares							22
Cancellation of treasury shares							—
Changes in equity of parent from transaction of non controlling interest							2
Transfer to capital surplus from retained earnings							—
Change in scope of consolidation							571
Additional purchase of shares of consolidated subsidiaries							61
Net changes in items other than shareholders' equity	(168)	0	189	(301)	(279)	454	174
Total changes during period	(168)	0	189	(301)	(279)	454	4,689
Balance at end of period	6,039	—	9,293	5,497	20,831	14,913	153,285

For the fiscal year ended March 31, 2026

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,596	10,074	101,796	(4,926)	117,540
Changes during period					
Dividends of surplus			(3,999)		(3,999)
Profit attributable to owners of parent			14,108		14,108
Adjustments due to change in the fiscal period of consolidated subsidiaries					—
Purchase of treasury shares				(3,560)	(3,560)
Disposal of treasury shares		8		23	31
Cancellation of treasury shares		(1,468)		1,468	—
Changes in equity of parent from transaction of non controlling interest					—
Transfer to capital surplus from retained earnings		1,460	(1,460)		—
Change in scope of consolidation			165		165
Additional purchase of shares of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	8,814	(2,068)	6,745
Balance at end of period	10,596	10,074	110,610	(6,995)	124,286

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	6,039	—	9,293	5,497	20,831	14,913	153,285
Changes during period							
Dividends of surplus							(3,999)
Profit attributable to owners of parent							14,108
Adjustments due to change in the fiscal period of consolidated subsidiaries							—
Purchase of treasury shares							(3,560)
Disposal of treasury shares							31
Cancellation of treasury shares							—
Changes in equity of parent from transaction of non controlling interest							—
Transfer to capital surplus from retained earnings							—
Change in scope of consolidation							165
Additional purchase of shares of consolidated subsidiaries							—
Net changes in items other than shareholders' equity	1,532	—	5,223	2,156	8,912	1,802	10,715
Total changes during period	1,532	—	5,223	2,156	8,912	1,802	17,461
Balance at end of period	7,572	—	14,516	7,654	29,743	16,716	170,746

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	17,833	21,743
Depreciation	6,497	6,871
Impairment losses	—	116
Amortization of goodwill	68	73
Increase (decrease) in allowance for doubtful accounts	453	1,315
Increase (decrease) in provision for bonuses	1,857	297
Increase (decrease) in provision for loss on construction contracts	43	(5)
Increase (decrease) in provision for loss on guarantees	(151)	(613)
Increase (decrease) in provision for construction expenses related to earthquake resistance renovation	(14)	(280)
Increase (decrease) in provision for product safety measures	(0)	(2)
Increase (decrease) in retirement benefit liability	370	(256)
Decrease (increase) in retirement benefit asset	(1,495)	(1,114)
Interest and dividend income	(775)	(973)
Interest expenses	904	1,106
Share of loss (profit) of entities accounted for using equity method	(7)	(42)
Loss (gain) on sale of investment securities	(1,111)	(3,324)
Loss on valuation of investments in capital of subsidiaries and associates	—	172
Loss (gain) on liquidation of subsidiaries and associates	—	351
Loss on valuation of shares of subsidiaries and associates	—	134
Compensation expenses for damage	124	—
Subsidy income	(779)	(320)
Decrease (increase) in trade receivables	2,505	(1,246)
Decrease (increase) in inventories	(1,751)	(4,917)
Increase (decrease) in trade payables	932	(9,344)
Other, net	1,454	1,260
Subtotal	26,956	10,999
Interest and dividends received	790	906
Interest paid	(902)	(1,103)
Subsidies received	779	320
Payment for compensatory damages cost	(124)	—
Income taxes paid	(3,490)	(6,178)
Net cash provided by (used in) operating activities	24,010	4,944
Cash flows from investing activities		
Net decrease (increase) in time deposits	31	(34)
Purchase of property, plant and equipment	(7,950)	(12,374)
Proceeds from sale of property, plant and equipment	78	75
Purchase of intangible assets	(792)	(793)
Purchase of investment securities	(8)	(9)
Proceeds from sale of investment securities	1,457	4,107
Net decrease (increase) in short-term loans receivable	(359)	(468)
Long-term loan advances	(60)	(1,275)
Purchase of shares of subsidiaries	(1,990)	(15)
Other, net	(7)	(53)
Net cash provided by (used in) investing activities	(9,601)	(10,842)

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(6,367)	15,387
Proceeds from long-term borrowings	14,068	6,009
Repayments of long-term borrowings	(5,302)	(6,114)
Repayments of lease liabilities	(117)	(160)
Purchase of treasury shares	(3,900)	(3,560)
Dividends paid	(4,023)	(3,987)
Other, net	(336)	(99)
Net cash provided by (used in) financing activities	(5,981)	7,473
Effect of exchange rate change on cash and cash equivalents	(600)	2,087
Net increase (decrease) in cash and cash equivalents	7,826	3,662
Cash and cash equivalents at beginning of period	22,077	28,855
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	164	108
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	(1,213)	—
Cash and cash equivalents at end of period	28,855	32,626