Consolidated Financial Results for the Three Months Ended June 30, 2026 [Japanese GAAP]

August 4, 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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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, 2026 (April 1, 2026 – June 30, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	55,507	13.1	4,079	28.9	4,733	25.3	2,779	40.9
June 30, 2025	49,063	13.3	3,163	250.8	3,776	152.7	1,972	202.4

(Note) Comprehensive income: Three months ended June 30, 2026: 5,126 million yen [61.7%]
Three months ended June 30, 2025: 3,170 million yen [(21.4)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	117.75	–
June 30, 2025	82.51	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	317,016	173,390	49.4
As of March 31, 2026	320,175	170,746	48.1

(Reference) Equity: As of June 30, 2026: 156,604 million yen
As of March 31, 2026: 154,030 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, 2026	–	84.00	–	96.00	180.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		105.00	–	21.00	–

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

* The Company plans to conduct a 5-for-1 share split of its common shares, effective October 1, 2026. The forecast year-end dividend per share for the fiscal year ending March 31, 2027 reflects the impact of this share split, with the total annual dividend indicated as "–." Excluding the impact of this share split, the year-end dividend would be 105.00 yen, and the total annual dividend would be 210.00 yen.

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	139.79

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

* The Company plans to conduct a 5-for-1 share split of its common shares, effective October 1, 2026. In the consolidated financial results forecast for the fiscal year ending March 31, 2027, basic earnings per share for the first half is presented at the amount before the share split, while that for the full year is presented at the amount after the share split. Excluding the impact of this share split, basic earnings per share for the full year would be 698.95 yen.

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: – ( ), 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, 2026:	24,903,291 shares
As of March 31, 2026:	24,903,291 shares

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

As of June 30, 2026:	1,295,315 shares
As of March 31, 2026:	1,296,477 shares

3) Average number of shares during the period:

Three months ended June 30, 2026:	23,608,067 shares
Three months ended June 30, 2025:	23,904,705 shares

(Note) The total number of treasury shares at the end of the period includes 110,600 shares of the Company as of June 30, 2026 and 112,100 shares of the Company as of March 31, 2026 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

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	34,160	33,524
Notes and accounts receivable - trade	58,508	44,916
Merchandise and finished goods	39,094	39,204
Work in process	22,483	30,017
Raw materials and supplies	47,634	47,336
Other	7,998	8,536
Allowance for doubtful accounts	(51)	(47)
Total current assets	209,829	203,489
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,218	26,607
Machinery, equipment and vehicles, net	13,129	12,826
Tools, furniture and fixtures, net	2,789	2,835
Land	13,891	13,899
Leased assets, net	380	376
Construction in progress	3,782	4,879
Total property, plant and equipment	60,192	61,425
Intangible assets		
Goodwill	517	499
Software	2,319	2,370
Other	2,445	2,415
Total intangible assets	5,282	5,286
Investments and other assets		
Investment securities	17,676	19,727
Investments in capital	509	509
Long-term prepaid expenses	348	348
Retirement benefit asset	23,026	22,870
Deferred tax assets	1,527	1,519
Other	4,343	4,412
Allowance for doubtful accounts	(2,562)	(2,574)
Total investments and other assets	44,870	46,814
Total non-current assets	110,346	113,526
Total assets	320,175	317,016

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,417	19,601
Electronically recorded obligations - operating	8,759	9,820
Short-term borrowings	39,939	38,346
Current portion of long-term borrowings	8,057	8,086
Lease liabilities	129	128
Income taxes payable	5,699	2,018
Provision for bonuses	5,459	3,731
Provision for bonuses for directors (and other officers)	151	22
Provision for loss on construction contracts	160	163
Other	13,052	14,656
Total current liabilities	101,828	96,575
Non-current liabilities		
Long-term borrowings	36,652	35,783
Lease liabilities	263	261
Deferred tax liabilities	4,516	4,973
Provision for retirement benefits for directors (and other officers)	88	69
Provision for loss on guarantees	–	27
Provision for share awards	476	558
Provision for construction expenses related to earthquake resistance renovation	282	282
Retirement benefit liability	2,885	2,877
Asset retirement obligations	179	179
Other	2,254	2,035
Total non-current liabilities	47,599	47,049
Total liabilities	149,428	143,625
Net assets		
Shareholders' equity		
Share capital	10,596	10,596
Capital surplus	10,074	10,074
Retained earnings	110,610	111,113
Treasury shares	(6,995)	(6,986)
Total shareholders' equity	124,286	124,797
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,572	9,032
Deferred gains or losses on hedges	–	(4)
Foreign currency translation adjustment	14,516	15,353
Remeasurements of defined benefit plans	7,654	7,426
Total accumulated other comprehensive income	29,743	31,807
Non-controlling interests	16,716	16,785
Total net assets	170,746	173,390
Total liabilities and net assets	320,175	317,016

(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, 2025	For the three months ended June 30, 2026
Net sales	49,063	55,507
Cost of sales	34,394	38,813
Gross profit	14,669	16,693
Selling, general and administrative expenses	11,505	12,614
Operating profit	3,163	4,079
Non-operating income		
Interest and dividend income	607	550
Foreign exchange gains	95	133
Other	322	349
Total non-operating income	1,025	1,034
Non-operating expenses		
Interest expenses	233	247
Other	180	133
Total non-operating expenses	413	380
Ordinary profit	3,776	4,733
Extraordinary income		
Reversal of allowance for doubtful accounts	–	9
Reversal of provision for loss on guarantees	2	–
Total extraordinary income	2	9
Extraordinary losses		
Loss on liquidation of subsidiaries and associates	–	81
Provision for loss on guarantees	–	27
Provision of allowance for doubtful accounts	81	19
Extra payments for early retirements	4	–
Total extraordinary losses	86	127
Profit before income taxes	3,692	4,615
Income taxes	1,339	1,515
Profit	2,352	3,099
Profit attributable to non-controlling interests	380	319
Profit attributable to owners of parent	1,972	2,779

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	2,352	3,099
Other comprehensive income		
Valuation difference on available-for-sale securities	624	1,431
Deferred gains or losses on hedges	–	(4)
Foreign currency translation adjustment	246	845
Remeasurements of defined benefit plans, net of tax	(55)	(245)
Share of other comprehensive income of entities accounted for using equity method	0	0
Total other comprehensive income	817	2,026
Comprehensive income	3,170	5,126
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,712	4,843
Comprehensive income attributable to non-controlling interests	457	283