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

May 12, 2026

Company name: Nippon Signal Co., Ltd.

Stock exchange listing: Tokyo

Code number: 6741

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

Representative: Ryuichi Goto

President and CEO and COO

Contact: Hiromasa Fujimoto

Executive Officer, General Manager, General Affairs Department

Phone: 03-3217-7200

Scheduled date of Annual General Meeting of Shareholders: June 19, 2026

Scheduled date of commencing dividend payments: June 15, 2026

Scheduled date of filing annual securities report: June 15, 2026

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(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 to 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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2026	114,071	6.7	11,701	18.1	13,024	20.7	11,594	36.3
March 31, 2025	106,859	8.4	9,906	45.2	10,789	36.7	8,503	59.1

(Note) Comprehensive income: Fiscal year ended March 31, 2026: ¥ 13,556 million [71.1%]
Fiscal year ended March 31, 2025: ¥ 7,922 million [(13.5)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	185.89	-	10.7	7.7	10.3
March 31, 2025	136.34	-	8.5	6.5	9.3

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	172,224	114,336	66.4	1,833.16
March 31, 2025	166,240	102,623	61.7	1,645.37

(Reference) Equity: As of March 31, 2026: ¥ 114,336 million
As of March 31, 2025: ¥ 102,623 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	7,874	(2,725)	(6,547)	10,894
March 31, 2025	5,783	(4,498)	(1,598)	11,248

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2025	-	10.00	-	33.00	43.00	2,681	31.5	2.7
March 31, 2026	-	13.00	-	43.00	56.00	3,492	30.1	3.2
Fiscal year ending March 31, 2027 (Forecast)	-	17.00	-	39.00	56.00		34.9	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to 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
Full year	120,000	5.2	12,000	2.5	13,200	1.3	10,000	(13.7)	160.33

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 6 companies (Company name) Nisshin Enterprise Co., Ltd. and other 5 companies
Excluded: - companies (Company name)

(Note) For details, please refer to “3. Consolidated Financial Statements and Principal Notes, (5) Notes to Consolidated Financial Statements, (Significant changes in the scope of consolidation)” on page 12 of the Attachments.

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(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: 68,339,704 shares
As of March 31, 2025: 68,339,704 shares

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

As of March 31, 2026: 5,968,757 shares
As of March 31, 2025: 5,968,536 shares

3) Average number of shares outstanding during the period:

Fiscal year ended March 31, 2026: 62,371,036 shares
Fiscal year ended March 31, 2025: 62,371,262 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

For the forecast of financial results, please refer to “1. Overview of Operating Results, etc., (4) Future Outlook” on page 4 of the Attachments.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

In the fiscal year under review (April 1, 2025 to March 31, 2026), the global economy continued to face challenges that required close monitoring, such as growing geopolitical risks due to Russia's prolonged invasion of Ukraine and military actions by the US and Israel against Iran.

In Japan, domestic demand has remained robust on the back of ongoing yen depreciation and the effects of the comprehensive economic package, while heightened tensions in the Middle East are threatening the stable domestic supply of energy and creating concerns over rising prices of various raw materials.

Under these circumstances, the Group has been working toward realization of its medium-term management plan, "Realize-EV100," with FY2028 as the final goal. In FY2025, the second year of the plan, the Group continued to expand sales of new products utilizing DX technology, established new business models, and developed the operation and maintenance business, while striving for sustainable growth primarily through further improvements in manufacturing productivity and promotion of human capital management. We have also proactively worked on IR and SR activities to broadly promote these initiatives to investors.

In addition, we are working to reduce the ratio of cross-shareholdings to total consolidated net assets to 20% or less as of the end of the medium-term management plan. As a result of the efforts in FY2025, the total amount of cross-shareholdings was 25,195 million yen, representing 22.0% of total consolidated net assets, despite the impact of higher stock prices. The sale of cross-shareholdings resulted in extraordinary income of 3,102 million yen. The Company will continue reduction efforts in FY2026 in line with the plan.

The Company's business results in the fiscal year under review were 142,622 million yen in orders received (up 42.0% year-on-year) and 114,071 million yen in net sales (up 6.7% year-on-year). Operating profit was 11,701 million yen (up 18.1% year-on-year), ordinary profit was 13,024 million yen (up 20.7% year-on-year), and profit attributable to owners of parent was 11,594 million yen (up 36.3% year-on-year).

An overview of the Company's business by segment is as follows.

[Transportation Infrastructure]

In Railway Signal Systems, we received orders for and recorded sales of Automatic Train Control systems, signal safe products including interlocking devices, wireless coordination systems, and other products in the Japanese market. Furthermore, we will continue to contribute to the realization of safe and comfortable travel by developing products that help reduce maintenance labor and improve inspection efficiency, and deploying these products throughout Japan. Such products include Communication-Based Train Control systems for local railways that simplify ground equipment, and "Traio," which collects, accumulates, and analyzes information on the status of railway equipment through cloud networks.

In overseas markets, including Taiwan, Egypt, and Argentina, we received orders for and recorded sales of Railway Signal Systems. We remain committed to supporting the development of safe and comfortable communities by meeting the infrastructure development demand of Asian countries, Africa, and the South American region, leveraging our established track record in these markets.

For Smart Mobility Systems, particularly Road Traffic Safety Systems, we received orders for and recorded sales of traffic control systems, traffic signal lights, parking meters, and other products. We have also actively participated in various autonomous driving demonstration projects. We aim to be a provider of products and technologies that support the "Vehicle-Infrastructure Cooperative System," linking autonomous vehicles with traffic signals and roadside sensors.

In overseas markets, we continued to receive orders for and record sales of traffic signals in Uganda, which is in need of solutions to chronic traffic congestion. We will continue contributing to addressing infrastructure issues in the African region.

As a result of the above, orders received were 87,870 million yen (up 72.2% year-on-year) and net sales were 59,171 million yen (up 4.6% year-on-year). Segment profit was 5,185 million yen (up 14.0% year-on-year).

[ICT Solutions]

In AFC, particularly Station Service Network Systems, we received orders for and recorded sales of platform screen doors, platform monitoring systems, passenger gates, various parking lot equipment, and other products in the Japanese market.

We are also actively working on a new cashless boarding service using cashless payments such as tap-to-pay payment with credit or debit cards and QR code authentication, which is expected to be introduced nationwide. As a result of these efforts, railroad operators in various parts of Japan have introduced boarding services based on tap-to-pay payment with credit cards, etc.

In the overseas markets, especially in India, Egypt, and Bangladesh, we received orders for and recorded sales of AFC systems and other products.

In R&S, which focuses on robotics and sensing, we received orders for and recorded sales of the “ZIZAI” multifunctional heavy machinery robot, 3D laser ranging image sensors for platform screen doors, security robots, and other products. The ZIZAI multifunctional heavy machinery robot was adopted by East Japan Railway Company in April 2026, following the adoption by West Japan Railway Company in July 2024. Based on the basic concept of fail-safe, we integrate the latest robotics technologies with our core technologies, such as sensors and image analysis that we have cultivated, and thus continue to promote efforts to realize a future society in which humans and robots work together.

As a result of the above, orders received were 54,751 million yen (up 10.8% year-on-year) and net sales were 54,900 million yen (up 9.2% year-on-year). Segment profit was 10,562 million yen (up 18.0% year-on-year).

(2) Overview of Financial Position for the Fiscal Year under Review

Total assets at the end of the fiscal year under review were 172,224 million yen, an increase of 5,983 million yen compared with the end of the previous fiscal year. This was mainly due to a 3,633 million yen increase in accounts receivable - trade and a 2,045 million yen increase in property, plant and equipment.

Liabilities decreased by 5,728 million yen compared with the end of the previous fiscal year to 57,888 million yen, due mainly to a 3,700 million yen decrease in short-term borrowings and a 1,696 million yen decrease in contract liabilities.

Net assets were 114,336 million yen, an increase of 11,712 million yen compared with the end of the previous fiscal year, mainly due to the recording of 11,594 million yen in profit attributable to owners of parent, an increase of 1,370 million yen in remeasurements of defined benefit plans, and an increase in retained earnings due to a change in scope of consolidation of 810 million yen, despite a 2,869 million yen decrease in retained earnings from dividends, etc.

(3) Overview of Cash Flows for the Fiscal Year under Review

The balance of cash and cash equivalents at the end of the fiscal year under review totaled 10,894 million yen, a decrease of 354 million yen from the end of the previous fiscal year.

Cash flows in each area of activity are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 7,874 million yen, compared with a cash inflow of 5,783 million yen in the previous fiscal year. The principal cash inflow factor was the recording of profit before income taxes, while the principal cash outflow factors were an increase in trade receivables and a decrease in trade payables.

(Cash flows from investing activities)

Net cash used in investing activities was 2,725 million yen, compared with a cash outflow of 4,498 million yen in the previous fiscal year. The principal cash outflow factor was the purchase of property, plant and equipment and intangible assets, while the principal cash inflow factor was sale of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities was 6,547 million yen, compared with a cash outflow of 1,598 million yen in the previous fiscal year. The principal cash outflow factors were repayment of short-term borrowings and dividend payments.

(4) Future Outlook

In terms of future initiatives, in Railway Signal Systems, we will work to develop products that address and take into account social issues of declining workforce, natural disasters, and decarbonization by further focusing on SPARCS, which helps reduce CO₂ emissions, as well as fields such as “remote monitoring and Condition Based Maintenance (CBM)” and “labor-saving” that contribute to reduction of fixed costs as well as operation costs.

In Smart Mobility Systems, we will continue to work on enabling Vehicle-Infrastructure Cooperative System and automatic operation services, and developing new solution business including communication-based equipment using MVNO (network provision service business).

In AFC, full-scale development of MaaS, a seamless mobility linkage between not only railroad services and automobiles but also diverse mobility options, is anticipated. We will provide new products that support the new smart mobility society and settlement systems and services to link various devices based on the “iDONEO” service linkage platform, and create new businesses.

In R&S, we will continue to develop 3D laser ranging image sensors to be installed in platform screen doors, construction and agricultural equipment as well as diverse solutions which support high-level security required in event venues and airports.

We are also putting our effort into enabling further labor-saving and higher efficiency for customers through our business offering various types of robots made available by integrating the latest robot technologies with our core technologies, such as sensors and image analysis.

In International Businesses, which we have positioned as one of our company's future growth drivers, we aim to improve our growth and profitability by providing project execution and ongoing maintenance services, receiving orders for further extension projects and new orders through market development, and strengthening our global capabilities through overseas localization.

Forecast amounts for the next fiscal year are as follows.

(Million yen)

	Net sales		Segment profit	
	Amount	Year-on-year change (%)	Amount	Year-on-year change (%)
Transportation Infrastructure	63,000	6.5	5,300	2.2
ICT Solutions	57,000	3.8	10,700	1.3
Sub-total	120,000	5.2	16,000	1.6
Adjustments	-	-	(4,000)	-
Total	120,000	5.2	12,000	2.5

Notes: Adjustments in segment profit (loss) represent corporate expenses that are not allocated to reportable segments.

Corporate expenses are primarily expenses of the administration divisions of the parent company's headquarters that are not attributable to any of the reportable segments.

2. Basic Policy on Selection of Accounting Standards

Taking into consideration the comparability of consolidated financial statements across periods and among companies, the Group will maintain its policy of preparing its consolidated financial statements under Japanese GAAP for the immediate future.

With regard to the application of International Financial Reporting Standards (IFRS), the Company's policy is to take appropriate measures after consideration of the situation in Japan and overseas.

3. 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	11,291	10,963
Notes receivable - trade	157	147
Accounts receivable - trade	38,684	42,317
Contract assets	34,711	34,665
Electronically recorded monetary claims - operating	1,284	1,222
Merchandise and finished goods	6,732	7,649
Work in process	8,517	7,666
Raw materials and supplies	5,714	5,089
Other	3,105	3,544
Allowance for doubtful accounts	(0)	(45)
Total current assets	110,198	113,220
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,085	6,198
Machinery, equipment and vehicles, net	2,331	3,196
Tools, furniture and fixtures, net	2,147	2,760
Land	5,486	5,569
Leased assets, net	61	58
Construction in progress	2,621	2,995
Total property, plant and equipment	18,734	20,779
Intangible assets	3,059	3,022
Investments and other assets		
Investment securities	28,282	28,106
Long-term loans receivable	0	3
Retirement benefit asset	3,248	4,357
Deferred tax assets	768	800
Other	1,967	1,947
Allowance for doubtful accounts	(18)	(13)
Total investments and other assets	34,248	35,201
Total non-current assets	56,041	59,003
Total assets	166,240	172,224

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,743	10,572
Electronically recorded obligations - operating	5,431	3,947
Short-term borrowings	19,200	15,500
Lease liabilities	3	3
Income taxes payable	2,848	4,935
Contract liabilities	5,288	3,591
Provision for bonuses	2,953	3,349
Provision for loss on orders received	218	859
Other	6,332	6,765
Total current liabilities	54,019	49,524
Non-current liabilities		
Long-term deposits received	99	99
Long-term accounts payable - other	26	20
Lease liabilities	4	7
Deferred tax liabilities	725	947
Retirement benefit liability	8,741	7,288
Total non-current liabilities	9,597	8,363
Total liabilities	63,616	57,888
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	7,585	7,585
Retained earnings	78,243	87,993
Treasury shares	(6,571)	(6,571)
Total shareholders' equity	89,257	99,007
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,943	13,535
Remeasurements of defined benefit plans	422	1,792
Total accumulated other comprehensive income	13,366	15,328
Total net assets	102,623	114,336
Total liabilities and net assets	166,240	172,224

(2) Consolidated Statements of Income and Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	106,859	114,071
Cost of sales	81,180	85,112
Gross profit	25,679	28,958
Selling, general and administrative expenses	15,773	17,256
Operating profit	9,906	11,701
Non-operating income		
Interest income	1	1
Dividend income	717	655
Dividend income of life insurance	164	158
Foreign exchange gains	-	271
Rental income from real estate	312	310
Nursing services income	18	13
Other	143	178
Total non-operating income	1,357	1,589
Non-operating expenses		
Interest expenses	98	129
Foreign exchange losses	248	-
Rental expenses on real estate	55	56
Taxes and dues	21	35
Nursing services expense	31	29
Other	19	15
Total non-operating expenses	474	267
Ordinary profit	10,789	13,024
Extraordinary income		
Gain on sale of non-current assets	3	356
Gain on sale of investment securities	415	3,102
Gain on sale of golf club membership	0	0
Reversal of provision for contingent loss	545	-
Total extraordinary income	964	3,458
Extraordinary losses		
Loss on sale and retirement of non-current assets	79	10
Total extraordinary losses	79	10
Profit before income taxes	11,674	16,472
Income taxes - current	3,262	5,520
Income taxes - deferred	(91)	(642)
Total income taxes	3,171	4,878
Profit	8,503	11,594
(Details)		
Profit attributable to owners of parent	8,503	11,594

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Other comprehensive income		
Valuation difference on available-for-sale securities	(631)	592
Remeasurements of defined benefit plans, net of tax	50	1,370
Total other comprehensive income	(581)	1,962
Comprehensive income	7,922	13,556
(Details)		
Comprehensive income attributable to owners of parent	7,922	13,556

(3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2025

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	10,000	7,585	71,860	(6,571)	82,874	13,574	372	13,947	96,821
Changes during period									
Dividends of surplus			(2,120)		(2,120)				(2,120)
Profit attributable to owners of parent			8,503		8,503				8,503
Change resulting from merger between consolidated and unconsolidated subsidiaries					-				-
Change in scope of consolidation					-				-
Purchase of treasury shares				(0)	(0)				(0)
Net changes in items other than shareholders' equity						(631)	50	(581)	(581)
Total changes during period	-	-	6,382	(0)	6,382	(631)	50	(581)	5,801
Balance at end of period	10,000	7,585	78,243	(6,571)	89,257	12,943	422	13,366	102,623

For the fiscal year ended March 31, 2026

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	10,000	7,585	78,243	(6,571)	89,257	12,943	422	13,366	102,623
Changes during period									
Dividends of surplus			(2,869)		(2,869)				(2,869)
Profit attributable to owners of parent			11,594		11,594				11,594
Change resulting from merger between consolidated and unconsolidated subsidiaries			214		214				214
Change in scope of consolidation			810		810				810
Purchase of treasury shares				(0)	(0)				(0)
Net changes in items other than shareholders' equity						592	1,370	1,962	1,962
Total changes during period	-	-	9,750	(0)	9,749	592	1,370	1,962	11,712
Balance at end of period	10,000	7,585	87,993	(6,571)	99,007	13,535	1,792	15,328	114,336

(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	11,674	16,472
Depreciation	2,635	3,943
Loss (gain) on sale and retirement of non-current assets	75	(345)
Loss (gain) on sale of investment securities	(415)	(3,102)
Increase (decrease) in provision for contingent loss	(545)	-
Interest and dividend income	(718)	(657)
Interest expenses	98	129
Decrease (increase) in trade receivables	(1,530)	(2,768)
Decrease (increase) in inventories	1,569	659
Increase (decrease) in trade payables	(2,310)	(2,737)
Increase (decrease) in contract liabilities	(2,623)	(1,696)
Increase (decrease) in retirement benefit liability	(407)	(380)
Other, net	(88)	1,347
Subtotal	7,414	10,863
Interest and dividends received	668	657
Interest paid	(98)	(129)
Income taxes paid	(2,865)	(3,518)
Income taxes refund	664	1
Net cash provided by (used in) operating activities	5,783	7,874
Cash flows from investing activities		
Payments into time deposits	(42)	(68)
Proceeds from withdrawal of time deposits	42	68
Purchase of property, plant and equipment	(3,972)	(5,251)
Proceeds from sale of property, plant and equipment	5	397
Purchase of intangible assets	(908)	(1,043)
Purchase of investment securities	(15)	(18)
Proceeds from sale of investment securities	547	3,188
Other, net	(154)	1
Net cash provided by (used in) investing activities	(4,498)	(2,725)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	500	(3,700)
Proceeds from deposits received from an affiliated company	70	-
Proceeds from deposits received from an unaffiliated entity	(45)	23
Repayments of lease liabilities	(5)	(5)
Dividends paid	(2,117)	(2,864)
Decrease (increase) in treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(1,598)	(6,547)
Effect of exchange rate change on cash and cash equivalents	(198)	17
Net increase (decrease) in cash and cash equivalents	(512)	(1,380)
Cash and cash equivalents at beginning of period	11,760	11,248
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	721
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	305
Cash and cash equivalents at end of period	11,248	10,894

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable

(Change in presentation)

(Consolidated statements of income and comprehensive income)

“Taxes and dues” which were included in “Other” under “Non-operating expenses” in the previous fiscal year, exceeded 10% of the amounts of non-operating expenses, and therefore have been presented as a separate account in the fiscal year under review. The previous fiscal year’s consolidated financial statements have been reclassified to reflect this change in the presentation method.

As a result, 40 million yen presented as “Other” under “Non-operating expenses” in the consolidated statements of income and comprehensive income for the previous fiscal year is reclassified into 21 million yen presented as “Taxes and dues” and 19 million yen presented as “Other.”

(Significant changes in the scope of consolidation)

Nisshin Enterprise Co., Ltd., Nisshin TECHNO Engineering Co., Ltd., Nisshin Hutech Co., Ltd., Saitama Union Service Co., Ltd., Yokohama TECHNO Engineering Co., Ltd., and Nisshin Okabe Nikoh Co., Ltd., which were non-consolidated companies at the end of the previous fiscal year, have been included in the scope of consolidation beginning with the fiscal year under review due to their increased importance.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Company's reportable segments are segments for which discrete financial information is available and which are regularly reviewed by the Board of Directors to determine the allocation of management resources and assess business results.

The Company's business comprises segments by products and services provided. The Company classifies the two businesses of "Transportation Infrastructure" and "ICT Solutions" as reportable segments.

The Transportation Infrastructure segment mainly conducts the manufacture, sale, and maintenance services of railway signal safety equipment and facilities and road traffic safety systems.

The ICT Solutions segment mainly conducts the manufacture, sale, and maintenance services of AFC equipment and parking lot equipment.

2. Method of calculation of net sales, profit (loss), assets, liabilities, and other items by reportable segment

The method of accounting for reported business segments is stated with the amounts based on the accounting standards adopted for the preparation of the consolidated financial statements.

Profit figures for reportable segments are based on operating profit.

3. Information on net sales, profit (loss), assets, liabilities, and other items by reportable segment and classification of revenues

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

	Reportable segment			Adjustments	Consolidated Financial Statement Amount
	Transportation Infrastructure	ICT Solutions	Total		
Net sales					
Net sales to external customers	56,570	50,288	106,859	-	106,859
Intersegment internal sales or transfers	-	-	-	-	-
Total	56,570	50,288	106,859	-	106,859
Goods or services transferred at a point in time	16,699	20,402	37,102	-	37,102
Goods or services transferred over time	39,871	29,886	69,757	-	69,757
Total	56,570	50,288	106,859	-	106,859
Segment profit	4,547	8,950	13,497	(3,591)	9,906
Segment assets	84,510	49,027	133,537	32,702	166,240
Other items					
Depreciation	1,487	835	2,323	312	2,635
Increase in property, plant and equipment and intangible assets	3,629	785	4,414	652	5,067

- Notes: 1. Adjustments in segment profit represent corporate expenses that are not allocated to reportable segments. Corporate expenses are primarily expenses of the administration divisions of the parent company's headquarters that are not attributable to any of the reportable segments.
2. Segment profit is profit after adjustment of operating profit in the consolidated financial statements.
3. Adjustments of segment assets are primarily surplus operating funds (cash and deposits), long-term investment assets (investment securities), and assets of the administration divisions of the parent company.
4. Adjustments of depreciation are insignificant.
5. Adjustments of increase in property, plant and equipment and intangible assets are insignificant.

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

(Million yen)

	Reportable segment			Adjustments	Consolidated Financial Statement Amount
	Transportation Infrastructure	ICT Solutions	Total		
Net sales					
Net sales to external customers	59,171	54,900	114,071	-	114,071
Intersegment internal sales or transfers	-	-	-	-	-
Total	59,171	54,900	114,071	-	114,071
Goods or services transferred at a point in time	18,527	18,338	36,866	-	36,866
Goods or services transferred over time	40,643	36,561	77,205	-	77,205
Total	59,171	54,900	114,071	-	114,071
Segment profit	5,185	10,562	15,748	(4,046)	11,701
Segment assets	84,459	54,349	138,809	33,414	172,224
Other items					
Depreciation	2,538	1,051	3,589	354	3,943
Increase in property, plant and equipment and intangible assets	4,274	1,616	5,891	392	6,284

- Notes: 1. Adjustments in segment profit represent corporate expenses that are not allocated to reportable segments. Corporate expenses are primarily expenses of the administration divisions of the parent company's headquarters that are not attributable to any of the reportable segments.
2. Segment profit is profit after adjustment of operating profit in the consolidated financial statements.
3. Adjustments of segment assets are primarily surplus operating funds (cash and deposits), long-term investment assets (investment securities), and assets of the administration divisions of the parent company.
4. Adjustments of depreciation are insignificant.
5. Adjustments of increase in property, plant and equipment and intangible assets are insignificant.

[Related information]

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

Information by region

Net sales

(Million yen)

Japan	Asia	Other	Total
93,849	12,092	918	106,859

Note: Net sales are classified by region based on the location of the customer.

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

Information by region

Net sales

(Million yen)

Japan	Asia	Other	Total
101,143	9,938	2,989	114,071

Note: Net sales are classified by region based on the location of the customer.

(Per share information)

	For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Net assets per share	1,645.37 yen	1,833.16 yen
Basic earnings per share	136.34 yen	185.89 yen

Note: Data on diluted earnings per share is not presented above, as there were no potential shares with a dilutive effect.

(Significant subsequent events)

Not applicable