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May 15, 2026

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)



Company name: Kyosan Electric Manufacturing Co.,Ltd.

Listing: Tokyo Stock Exchange

Securities code: 6742

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

Representative: Ryoji Kunisawa

Representative Director, President

Executive Officer

Financial Management Headquarters

General Manager of Finance & Accounting Dept.

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Scheduled date of annual general meeting of shareholders: June 24, 2026

Scheduled date to commence dividend payments: June 25, 2026

Scheduled date to file annual securities report: June 23, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	93,122	9.1	4,503	(26.3)	5,203	(21.7)	5,042	5.4
March 31, 2025	85,367	21.0	6,112	145.3	6,646	103.9	4,783	39.3

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 5,895 million [77.6%]
For the fiscal year ended March 31, 2025: ¥ 3,318 million [(26.8)%]

	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
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	81.37	-	9.4	4.2	4.8
March 31, 2025	76.28	-	9.4	5.2	7.2

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

For the fiscal year ended March 31, 2026: ¥ 445 million

For the fiscal year ended March 31, 2025: ¥ 466 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	119,208	55,668	46.7	901.92
March 31, 2025	126,005	51,711	41.0	824.52

Reference: Equity

As of March 31, 2026: ¥ 55,668 million

As of March 31, 2025: ¥ 51,711 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	3,391	(471)	(4,169)	6,898
March 31, 2025	3,743	(317)	(4,452)	8,132

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	5.00	-	18.00	23.00	1,443	30.2	2.8
Fiscal year ended March 31, 2026	-	5.00	-	20.00	25.00	1,543	30.7	2.9
Fiscal year ending March 31, 2027 (Forecast)	-	5.00	-	22.00	27.00		39.7	

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2026 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	31,970	0.5	(670)	-	(290)	-	(150)	-	(2.43)
Full year	90,200	(3.1)	5,600	24.4	6,000	15.3	4,200	(16.7)	68.05

* Notes

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

None

Newly included:	-	companies(-)
Excluded:	-	companies(-)

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026	62,844,251 shares
As of March 31, 2025	62,844,251 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	1,121,879 shares
As of March 31, 2025	127,015 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	61,964,603 shares
Fiscal Year ended March 31, 2025	62,717,254 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	83,988	11.1	2,562	(43.1)	3,665	(36.9)	4,025	(4.2)
March 31, 2025	75,617	22.1	4,502	154.2	5,808	119.0	4,200	32.1

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	64.93	-
March 31, 2025	66.94	-

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	107,896	46,066	42.7	746.02
March 31, 2025	115,256	43,730	37.9	696.97

Reference: Equity

As of March 31, 2026:	¥	46,066 million
As of March 31, 2025:	¥	43,730 million

* 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 forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable.

Actual results may differ materially from these forecasts due to various factors.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	8,170	6,938
Notes receivable - trade	311	55
Electronically recorded monetary claims - operating	2,682	1,354
Accounts receivable - trade	21,066	24,584
Contract assets	6,771	5,344
Finished goods	4,889	4,511
Semi-finished goods	11,947	10,019
Work in process	33,364	26,345
Raw materials and supplies	434	508
Other	3,195	4,533
Total current assets	92,833	84,195
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,406	9,034
Machinery, equipment and vehicles, net	636	606
Tools, furniture and fixtures, net	822	697
Land	2,527	2,527
Leased assets, net	604	514
Construction in progress	247	359
Total property, plant and equipment	14,245	13,741
Intangible assets	449	405
Investments and other assets		
Investment securities	11,991	12,430
Deferred tax assets	4,130	3,826
Retirement benefit asset	0	1,294
Other	2,363	3,323
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	18,477	20,865
Total non-current assets	33,171	35,013
Total assets	126,005	119,208

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,410	8,176
Electronically recorded obligations - operating	3,021	1,612
Contract liabilities	13,786	8,049
Short-term borrowings	15,700	17,400
Current portion of long-term borrowings	5,500	2,700
Income taxes payable	2,482	1,992
Provision for bonuses for directors (and other officers)	250	153
Provision for loss on orders received	1,223	1,106
Provision for product warranties	95	184
Other	6,967	6,788
Total current liabilities	58,437	48,162
Non-current liabilities		
Long-term borrowings	11,800	10,900
Retirement benefit liability	3,350	3,733
Asset retirement obligations	123	126
Provision for product warranties	31	28
Provision for share-based payments	-	98
Deferred tax liabilities	6	8
Other	543	481
Total non-current liabilities	15,855	15,377
Total liabilities	74,293	63,539
Net assets		
Shareholders' equity		
Share capital	6,270	6,270
Capital surplus	4,625	4,625
Retained earnings	36,400	40,004
Treasury shares	(45)	(545)
Total shareholders' equity	47,251	50,355
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,152	3,423
Foreign currency translation adjustment	614	681
Remeasurements of defined benefit plans	693	1,209
Total accumulated other comprehensive income	4,460	5,313
Total net assets	51,711	55,668
Total liabilities and net assets	126,005	119,208

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	85,367	93,122
Cost of sales	66,641	75,322
Gross profit	18,725	17,799
Selling, general and administrative expenses		
Salaries and allowances	3,454	3,572
Bonuses	1,254	1,283
Provision for bonuses for directors (and other officers)	222	183
Provision for share-based payments	-	98
Retirement benefit expenses	170	169
Depreciation	350	340
Packing and delivery expenses	1,186	1,203
Other	5,974	6,446
Total selling, general and administrative expenses	12,613	13,296
Operating profit	6,112	4,503
Non-operating income		
Dividend income	180	197
Insurance claim income	172	189
Share of profit of entities accounted for using equity method	466	445
Foreign exchange gains	-	213
Other	208	235
Total non-operating income	1,027	1,281
Non-operating expenses		
Interest expenses	276	414
Financing expenses	71	68
Foreign exchange losses	101	-
Other	43	97
Total non-operating expenses	493	580
Ordinary profit	6,646	5,203
Extraordinary income		
Gain on sale of non-current assets	16	2
Gain on sale of investment securities	253	1,101
Compensation income for damage	-	450
Total extraordinary income	270	1,554
Extraordinary losses		
Loss on sale and retirement of non-current assets	20	33
Loss on sale of investment securities	2	-
Loss on valuation of shares of subsidiaries and associates	7	-
Impairment losses	29	-
Total extraordinary losses	59	33
Profit before income taxes	6,857	6,723

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Income taxes - current	2,440	1,832
Income taxes - deferred	(366)	(150)
Total income taxes	2,073	1,681
Profit	4,783	5,042
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	4,783	5,042

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	4,783	5,042
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,539)	271
Foreign currency translation adjustment	(88)	94
Remeasurements of defined benefit plans, net of tax	215	515
Share of other comprehensive income of entities accounted for using equity method	(52)	(28)
Total other comprehensive income	(1,465)	853
Comprehensive income	3,318	5,895
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,318	5,895
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,270	4,625	32,871	(45)	43,722
Changes during period					
Dividends of surplus			(1,254)		(1,254)
Profit attributable to owners of parent			4,783		4,783
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,529	(0)	3,529
Balance at end of period	6,270	4,625	36,400	(45)	47,251

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	4,691	755	478	5,925	49,647
Changes during period					
Dividends of surplus					(1,254)
Profit attributable to owners of parent					4,783
Purchase of treasury shares					(0)
Net changes in items other than shareholders' equity	(1,539)	(141)	215	(1,465)	(1,465)
Total changes during period	(1,539)	(141)	215	(1,465)	2,063
Balance at end of period	3,152	614	693	4,460	51,711

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,270	4,625	36,400	(45)	47,251
Changes during period					
Dividends of surplus			(1,438)		(1,438)
Profit attributable to owners of parent			5,042		5,042
Purchase of treasury shares				(500)	(500)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,603	(500)	3,103
Balance at end of period	6,270	4,625	40,004	(545)	50,355

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,152	614	693	4,460	51,711
Changes during period					
Dividends of surplus					(1,438)
Profit attributable to owners of parent					5,042
Purchase of treasury shares					(500)
Net changes in items other than shareholders' equity	271	66	515	853	853
Total changes during period	271	66	515	853	3,957
Balance at end of period	3,423	681	1,209	5,313	55,668

(4) Consolidated Statement of Cash Flows

(Millions of 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	6,857	6,723
Depreciation	1,925	1,880
Impairment losses	29	-
Increase (decrease) in allowance for doubtful accounts	0	(0)
Increase (decrease) in retirement benefit liability	(74)	159
Loss (gain) on sale and retirement of non-current assets	3	31
Loss (gain) on sale of investment securities	(251)	(1,101)
Share of loss (profit) of entities accounted for using equity method	(466)	(445)
Interest and dividend income	(266)	(270)
Interest expenses	276	414
Decrease (increase) in trade receivables	740	(500)
Decrease (increase) in inventories	(156)	9,314
Increase (decrease) in trade payables	(3,165)	(2,668)
Increase (decrease) in contract liabilities	(363)	(5,737)
Compensation for damage income	-	(450)
Other, net	693	(1,984)
Subtotal	5,781	5,365
Interest and dividends received	280	295
Interest paid	(267)	(416)
Income taxes paid	(2,050)	(2,303)
Proceeds from compensation for damage	-	450
Net cash provided by (used in) operating activities	3,743	3,391
Cash flows from investing activities		
Payments into time deposits	(1,353)	(1,069)
Proceeds from withdrawal of time deposits	1,622	1,069
Purchase of investment securities	(19)	(23)
Proceeds from sale of investment securities	376	1,559
Purchase of property, plant and equipment	(958)	(844)
Proceeds from sale of property, plant and equipment	3	0
Purchase of intangible assets	(44)	(134)
Other, net	57	(1,029)
Net cash provided by (used in) investing activities	(317)	(471)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,300)	1,700
Proceeds from long-term borrowings	10,000	2,000
Repayments of long-term borrowings	(7,700)	(5,700)
Dividends paid	(1,254)	(1,438)
Other, net	(197)	(731)
Net cash provided by (used in) financing activities	(4,452)	(4,169)
Effect of exchange rate change on cash and cash equivalents	(24)	16
Net increase (decrease) in cash and cash equivalents	(1,051)	(1,234)
Cash and cash equivalents at beginning of period	9,183	8,132
Cash and cash equivalents at end of period	8,132	6,898