[Summary]

Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2027 [IFRS]

August 7, 2026

Company Name **Nihon Dempa Kogyo Co., Ltd.** Stock Exchange Listing: **Tokyo Stock Exchange, Prime Market**
Code **6779** **URL** https://www.ndk.com/en/index.html
Representative **Hiromi Katoh, Representative Director and President**
Contact person **Yuzuru Takeuchi , Director, Senior Corporate Officer and General Manager of Administration Division** Phone: **+81-3-5453-6711**

Scheduled date to commence dividend payments: －
Availability of supplementary material on financial results: **None**
Holding of financial results briefing: **None**

(Figures less than a million yen are omitted)

1. Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2027 (April 1, 2026 - June 30, 2026)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Income before income tax		Net income for the period		Net income attributable to owners of the parent		Total comprehensive income for the period	
Three Months ended	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
June 30, 2026	15,324	20.5	1,239	58.8	994	62.4	777	65.1	777	65.1	1,273	226.3
June 30, 2025	12,720	0.8	780	(34.9)	612	(36.9)	471	(30.0)	471	(30.0)	390	(72.7)

	Basic earnings per share	Diluted earnings per share
Three Months ended	Yen	Yen
June 30, 2026	33.93	－
June 30, 2025	20.43	－

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
As at	Million Yen	Million Yen	Million Yen	%
June 30, 2026	77,355	32,854	32,854	42.5
March 31, 2026	76,325	31,917	31,917	41.8

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	－	15.00	－	15.00	30.00
Fiscal year ending March 31, 2027	－				
Fiscal year ending March 31, 2027 (Forecast)		15.00	－	15.00	30.00

(Note) Revision of dividends forecast from the latest announcement : **None**

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

(% figures represent the changes from the same period of the previous year)

	Net sales		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Six Months ending September 30, 2026	31,000	16.2	2,500	74.7	2,000	92.2	1,500	87.0	1,500	87.0	65.42
Fiscal year ending March 31, 2027	62,500	14.4	5,200	55.0	4,300	68.4	3,200	54.9	3,200	54.9	139.56

(Note) Revision of consolidated financial forecast from the latest announcement : **Yes**

Notes

(1) Significant changes in the scope of consolidation during the period: **None**

(2) Changes in accounting policies and accounting estimates

i) Changes in accounting policies required by IFRS : **None**

ii) Changes in accounting policies other than i) : **None**

iii) Changes in accounting estimates : **None**

(3) Number of issued shares (Ordinary shares)

(shares)

i) Number of issued shares at the end of the period (including treasury shares)	June 30, 2026	23,128,605	March 31, 2026	23,128,605
ii) Number of treasury shares at the end of the period	June 30, 2026	198,830	March 31, 2026	201,035
iii) Average number of shares outstanding for the period (year-to-date)	June 30, 2026	22,928,479	June 30, 2025	23,059,472

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: **None**

* Explanation about appropriate use of consolidated financial forecast, other special notes

Forward-looking statements in this document about our future performance are based on the information that is available to us at the time of disclosure and certain assumptions deemed reasonable. Due to unforeseen circumstances, actual results may differ significantly from such estimates.

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1. Qualitative Information on the Financial Results for the Three Months ended June 30, 2026

(1) Operating Environment and Results of Operations

During the first quarter of the consolidated fiscal year under review (from April to June 2026), the world economy maintained its firm tone, centering at the U.S. economy, in the face of heightening geopolitical risk and continued inflationary pressure. In the electronic components markets, demand for products designed for AI data centers expanded, backed by increasing spread of the generative AI as well as large-scale investment made by American hyperscalers.

In such a market environment, referring to the Company's sales performance by application, sales of automotive electronics, which account for more than half of total sales, increased against the background of increased sophistication of the ADAS (Advanced Driver-Assistance Systems) and automated driving technology. Regarding sales of industrial equipment, sales of products used in optical transceivers and servers grew backed by the expanding demand for products related to AI data centers: Sales approximately doubled year-on-year. Among the sales of mobile communication, sales of products for high-end smartphones increased supported by the expanding demand for miniaturization. Meanwhile, sales of special equipment, which are used mainly for defense purposes, posted a decline as a reaction to the large sales seen in the fourth quarter of the preceding consolidated fiscal year. As a result, net sales for the first quarter of the consolidated fiscal year under review amounted to ¥15,324 million, up 20.5% year-on-year.

Regarding profits, operating income amounted to ¥1,239 million (up 58.8% year-on-year), income before income taxes to ¥994 million (up 62.4% year-on-year), and net income to ¥777 million (up 65.1% year-on-year), with all profit categories exceeding the same period of the preceding fiscal year. Endeavoring to achieve the Vision 2030, the Company is promoting portfolio transformation (the "Five Pillars + One") under the medium-term management plan and continues to make upfront investments, including research and development investments, to support this transformation. In the first quarter of the consolidated fiscal year under review, such upfront investment costs were offset by the substantial increase in sales so that increases in both sales and profit were realized. The average foreign exchange rate during the period was ¥160.38 to the U.S. dollar (¥145.33 in the same period of the preceding consolidated fiscal year).

(2) Financial Condition

As at the first quarter-end (June 30, 2026), total assets stood at ¥77,355 million, a ¥1,030 million increase from the previous fiscal year-end, reflecting the following factors: an increase of ¥2,661 million in Cash and cash equivalents, an increase of ¥822 million in Trade receivables, a decrease of ¥800 million in Time deposits, a decrease of ¥1,767 million in Consumption taxes refund receivables included in Others of Current assets. Total liabilities amounted to ¥44,501 million, a ¥93 million increase from the previous fiscal year-end, owing mainly to a ¥844 million increase in Others of Current liabilities including Advances received and Deposits received etc., an increase of ¥637 million in Trade and other payables, a ¥1,312 million decrease in Loans and borrowings. Equity attributable to the Owners of the parent stood at ¥32,854 million, a ¥936 million increase from the year earlier, because of ¥1,273 million in Comprehensive income and ¥346 million in Dividends declared.

As a result, the ratio of equity attributable to the Owners of the parent was 42.5%, 0.7 percentage points higher than the previous fiscal year-end of 41.8%.

(3) Consolidated Financial Forecasts for the Year Ending March 31, 2027

The full-year consolidated financial forecast for the fiscal year ending March 2027 (April 1, 2026- March 31, 2027), which was announced on May 14, 2026, has been revised. For details regarding this revision, please refer to 'Notice of Revision to the Consolidated Financial Forecasts for the First Half and Full Fiscal Year Ending March 31, 2027' released today (August 7, 2026).

Forward-looking statements about our future performance are based on the information available to us at the time of disclosure and certain assumptions that are deemed to be reasonable. Due to unforeseen circumstances, actual results may differ significantly from such estimates.

2. Notes to Summary Information

(1) Significant Changes in the Scope of Consolidation During the Period

None

(2) Changes in Accounting Policies and Accounting Estimates

None

3. Condensed Quarterly Consolidated Financial Statements for the Three Months ended June 30, 2026

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	March 31, 2026	June 30, 2026
Assets		
Current assets:		
Cash and cash equivalents	10,805	13,467
Time deposits	800	—
Trade receivables	13,798	14,620
Inventories	12,443	12,751
Income taxes refundable	43	44
Others	6,086	3,482
Total current assets	43,977	44,366
Non-current assets:		
Property, plant and equipment	23,173	23,397
Intangible assets	3,241	3,241
Investments accounted for using the equity method	1,922	1,912
Other financial assets	1,867	2,108
Deferred tax assets	1,489	1,694
Others	653	632
Total non-current assets	32,347	32,988
Total assets	76,325	77,355
Liabilities		
Current liabilities:		
Loans and borrowings	1,328	200
Lease liabilities	884	922
Trade and other payables	10,329	10,966
Derivative liabilities	150	119
Provisions	54	16
Income taxes payable	419	592
Others	807	1,651
Total current liabilities	13,975	14,469
Non-current liabilities:		
Loans and borrowings	24,807	24,623
Lease liabilities	2,518	2,361
Deferred tax liabilities	0	0
Employee benefits	1,604	1,599
Provisions	347	352
Deferred government grants	1,032	947
Others	121	147
Total non-current liabilities	30,432	30,032
Total liabilities	44,407	44,501
Equity		
Equity attributable to Owners of the parent:		
Share capital	5,596	5,596
Share premium	3,147	3,157
Other components of equity	3,518	4,013
Retained earnings	19,655	20,086
Total equity attributable to Owners of the parent	31,917	32,854
Total equity	31,917	32,854
Total liabilities and equity	76,325	77,355

(2) Condensed Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three Months ended June 30, 2025	Three Months ended June 30, 2026
Net sales	12,720	15,324
Cost of sales	9,103	10,854
Gross profit	3,616	4,470
Selling, general and administrative expenses	2,265	2,654
Research and development expenses	627	823
Other operating income	67	303
Other operating expenses	10	56
Operating income	780	1,239
Financial income	51	29
Financial expenses	132	265
Share of loss of investments accounted for using the equity method	(87)	(9)
Income before income tax	612	994
Income tax expenses	141	216
Net income for the period	471	777
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Financial assets measured at fair value through other comprehensive income	18	234
Income tax relating to items that will not be reclassified	(5)	(72)
Subtotal	13	161
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(93)	339
Share of other comprehensive income of entities accounted for using equity method	(0)	—
Income tax relating to items that may be reclassified	—	(6)
Subtotal	(94)	333
Other comprehensive income for the period, net of income tax	(80)	495
Comprehensive income for the period	390	1,273
Net income attributable to:		
Owners of the parent	471	777
Comprehensive income attributable to:		
Owners of the parent	390	1,273

(Yen)

Earnings per share:		
Basic earnings per share	20.43	33.93

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Three Months ended June 30, 2025

(Millions of yen)

	Share Capital	Share premium		
		Additional paid-in capital	Treasury shares	Total share premium
Balance as at April 1, 2025	5,596	3,383	(92)	3,290
Comprehensive income for the period				
Net income				–
Other comprehensive income				
Net change in financial assets measured at fair value through other comprehensive income				–
Exchange differences on translation of foreign operations				–
Share of other comprehensive income of entities accounted for using equity method				–
Total comprehensive income for the period	–	–	–	–
Transactions with owners, recorded directly in equity				
Dividends declared				–
Share-based payment transactions		2		2
Purchase of treasury shares			(0)	(0)
Total transactions with owners	–	2	(0)	2
Balance as at June 30, 2025	5,596	3,385	(92)	3,293

	Other components of equity				Retained earnings	Attributable to owners of the parent	Total equity
	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share of other comprehensive income of entities accounted for using equity method	Total other components of equity			
Balance as at April 1, 2025	393	1,333	14	1,741	18,541	29,170	29,170
Comprehensive income for the period							
Net income				–	471	471	471
Other comprehensive income							
Net change in financial assets measured at fair value through other comprehensive income	13			13		13	13
Exchange differences on translation of foreign operations		(93)		(93)		(93)	(93)
Share of other comprehensive income of entities accounted for using equity method			(0)	(0)		(0)	(0)
Total comprehensive income for the period	13	(93)	(0)	(80)	471	390	390
Transactions with owners, recorded directly in equity							
Dividends declared				–	(346)	(346)	(346)
Share-based payment transactions				–		2	2
Purchase of treasury shares				–		(0)	(0)
Total transactions with owners	–	–	–	–	(346)	(344)	(344)
Balance as at June 30, 2025	406	1,240	13	1,660	18,666	29,216	29,216

Three Months ended June 30, 2026

(Millions of yen)

	Share Capital	Share premium		
		Additional paid-in capital	Treasury shares	Total share premium
Balance as at April 1, 2026	5,596	3,398	(250)	3,147
Comprehensive income for the period				
Net income				–
Other comprehensive income				
Net change in financial assets measured at fair value through other comprehensive income				–
Exchange differences on translation of foreign operations				–
Total comprehensive income for the period	–	–	–	–
Transactions with owners, recorded directly in equity				
Dividends declared				–
Share-based payment transactions		7		7
Purchase of treasury shares			(0)	(0)
Disposal of treasury shares			3	3
Total transactions with owners	–	7	3	10
Balance as at June 30, 2026	5,596	3,405	(247)	3,157

	Other components of equity			Retained earnings	Attributable to owners of the parent	Total equity
	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Total other components of equity			
Balance as at April 1, 2026	660	2,857	3,518	19,655	31,917	31,917
Comprehensive income for the period						
Net income			–	777	777	777
Other comprehensive income						
Net change in financial assets measured at fair value through other comprehensive income	161		161		161	161
Exchange differences on translation of foreign operations		333	333		333	333
Total comprehensive income for the period	161	333	495	777	1,273	1,273
Transactions with owners, recorded directly in equity						
Dividends declared			–	(346)	(346)	(346)
Share-based payment transactions			–		7	7
Purchase of treasury shares			–		(0)	(0)
Disposal of treasury shares			–		3	3
Total transactions with owners	–	–	–	(346)	(336)	(336)
Balance as at June 30, 2026	822	3,191	4,013	20,086	32,854	32,854

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three Months ended June 30, 2025	Three Months ended June 30, 2026
Operating activities:		
Income before income tax	612	994
Depreciation and amortisation	871	1,054
Share of loss of investments accounted for using equity method	87	9
Government grant income	—	(19)
Decrease/(increase) in trade receivables	192	(654)
Decrease/(increase) in inventories	(544)	(218)
Decrease/(increase) in consumption tax/value-added tax receivables	1,858	1,731
Increase/(decrease) in trade payables	148	735
Increase/(decrease) in accounts payable - other	175	(216)
Increase/(decrease) in accrued bonus	(482)	(507)
Increase/(decrease) in trade payables - other	268	686
Interest and dividend income	(21)	(26)
Interest expense	130	150
Interest and dividends received	21	26
Interest paid	(114)	(133)
Income tax refunded/(paid), net	(275)	(255)
Decrease/(increase) in derivative assets	58	—
Increase/(decrease) in derivative liabilities	31	(30)
Other, net	76	57
Net cash provided by/(used in) operating activities	3,093	3,383
Investing activities:		
Purchase of property, plant and equipment	(837)	(501)
Purchase of intangible assets	(202)	(396)
Proceeds from withdrawal of time deposits	—	800
Proceeds from government grants	—	1,108
Other, net	(0)	0
Net cash provided by/(used in) investing activities	(1,040)	1,011
Financing activities:		
Repayment of long-term loans and borrowings	(10)	(1,328)
Repayments of lease liabilities	(219)	(235)
Dividends paid	(298)	(301)
Purchase of treasury shares	(0)	(0)
Proceeds from disposal of treasury shares	—	3
Net cash provided by/(used in) by financing activities	(528)	(1,862)
Net increase/(decrease) in cash and cash equivalents	1,524	2,532
Cash and cash equivalents at beginning of year	15,881	10,805
Net effect of currency translation on cash and cash equivalents	(35)	128
Cash and cash equivalents at end of period	17,370	13,467

(5) Notes to Condensed Quarterly Consolidated Financial Statements

(Going Concern Assumption)

None

(Change in Classification)

(Consolidated Statements of Cash Flows)

"Increase/(decrease) in trade payables - other", which was included in "Other, net" in "Operating activities" for the three months ended June 30, 2025, is separately presented for the three months ended June 30, 2026, due to its increased monetary significance. Reflecting this change, comparative consolidated statements of cash flows for the three months ended June 30, 2025 have been reclassified.

As a result, "Other, net" of ¥344 million in "Operating activities" for the three months ended June 30, 2025 is reclassified as "Increase/(decrease) in trade payables - other" of ¥268 million and "Other, net" of ¥76 million.

(Segment Information)

(a) General information

The main activities of the Group are the integrated manufacture and sale of crystal related products, such as crystal units, crystal oscillators, other crystal devices, ultrasonic transducers, synthetic quartz crystals, and crystal elements, and there are no separate operating segments. Therefore, the Group has a single reportable segment.

(b) Information about products and services

Net sales by type of products are as follows.

(Millions of yen)

	Three Months ended June 30, 2025		Three Months ended June 30, 2026		Increase/(decrease)	
	Amount	Composition (%)	Amount	Composition (%)	Amount	Change (%)
Quartz crystal units	9,431	74.1	10,886	71.0	1,455	15.4
Crystal oscillators	1,905	15.0	3,141	20.5	1,235	64.8
Others	1,383	10.9	1,297	8.5	(86)	(6.2)
Total	12,720	100.0	15,324	100.0	2,604	20.5