

FOR IMMEDIATE RELEASE

(Correction / Numerical Data Correction)

**Notice of Partial Correction to Summary of Consolidated Financial Results
for the Year Ended March 31, 2026**

Tokyo, May 22, 2026—Maxell, Ltd. (TSE: 6810, hereinafter “the Company”) today announced that corrections have been made to the “Summary of Consolidated Financial Results for the Year Ended March 31, 2026” announced on April 27, 2026, as detailed below. In addition, as there were corrections of the numerical data, the corrected numerical data were also submitted.

1. Reason for the Correction

This correction reflects changes in the purchase price resulting from price adjustments related to the acquisition of the primary battery business from Murata Manufacturing Co., Ltd. and Tohoku Murata Manufacturing Co., Ltd.

2. Details of the Corrections

Corrected portions are underlined.

In addition, the full version of the corrected “Summary of Financial Results for the Fiscal Year Ended March 31, 2026” is attached.

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(Before Correction)

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	<u>8,925</u>	<u>(15,058)</u>	2,911	31,557
March 31, 2025	9,836	(8,025)	(7,749)	33,072

(After Correction)

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	<u>8,372</u>	<u>(14,505)</u>	2,911	31,557
March 31, 2025	9,836	(8,025)	(7,749)	33,072

<Page 4>

(Before Correction)

(2) Analysis of Financial Position and Cash Flow

1) Assets, liabilities and net assets

Assets

As of March 31, 2026, total assets amounted 180,467 million yen, increased by 9.7% from the previous consolidated fiscal year. Among this, current assets amounted 84,921 million yen, increased by 0.9%, mainly by increase of other of current assets. And the ratio of current assets among total assets has changed to 47.1% from 51.2% of the previous consolidated fiscal year. On the other hand, non-current assets amounted 95,546 million yen, increased by 19.0% mainly by record of goodwill following acquisition of Maxell Sakura Co., Ltd. and increase of construction in progress. And the ratio of non-current assets among total assets has changed to 52.9% from 48.8% of the previous consolidated fiscal year.

Liabilities

As of March 31, 2026, total liabilities amounted 90,284 million yen, increased by 28.3% from the previous consolidated fiscal year. Among this, current liabilities amounted 46,522 million yen, increased by 4.8%, mainly by increase of accounts payable - other, and the current ratio became 1.8 times, and the cash on hand which is the balance between current assets and current liabilities, became 38,399 million yen. Non-current liabilities amounted 43,762 million yen, increased by 68.6%, mainly by increase of long-term borrowings.

(After Correction)

(2) Analysis of Financial Position and Cash Flow

1) Assets, liabilities and net assets

Assets

As of March 31, 2026, total assets amounted 180,467 million yen, increased by 9.7% from the previous consolidated fiscal year. Among this, current assets amounted 85,474 million yen, increased by 1.5%, mainly by increase of other of current assets. And the ratio of current assets among total assets has changed to 47.4% from 51.2% of the previous consolidated fiscal year. On the other hand, non-current assets amounted 94,993 million yen, increased by 18.3% mainly by record of goodwill following acquisition of Maxell Sakura Co., Ltd. and increase of construction in progress. And the ratio of non-current assets among total assets has changed to 52.6% from 48.8% of the previous consolidated fiscal year.

Liabilities

As of March 31, 2026, total liabilities amounted 90,284 million yen, increased by 28.3% from the previous consolidated fiscal year. Among this, current liabilities amounted 46,522 million yen, increased by 4.8%, mainly by increase of accounts payable - other, and the current ratio became 1.8 times, and the cash on hand which is the balance between current assets and current liabilities, became 38,952 million yen. Non-current liabilities amounted 43,762 million yen, increased by 68.6%, mainly by increase of long-term borrowings.

<Page 4>

(Before Correction)

2) Cash flow

In this consolidated fiscal year, cash and cash equivalents (hereinafter referred to as “funds”) decreased by 1,515 million yen to 31,557 million yen. This total comes from income of 8,925 million yen as cash flows from operating activities, expenditure of 15,058 million yen as cash flows from investing activities and income of 2,911 million yen as cash flows from financing activities. Respective cash flows are as follows.

Cash Flows from Operating Activities

Net cash provided is 8,925 million yen in cash flows from operating activities in this consolidated fiscal year. This mainly derives from increase in funds includes 10,118 million yen of profit before income taxes, 5,293 million yen of depreciation and 1,953 million yen of decrease in inventories and 1,247 million yen of decrease in trade receivables, and deduction in funds includes 2,857 million yen of gain on sale of investment in affiliates, 2,418 million yen of decrease in trade payables and 2,411 million yen of payments of income taxes, etc.

Cash Flows from Investing Activities

Net cash used is 15,058 million yen in cash flows from investing activities in this consolidated fiscal year. This mainly derives from deduction in funds includes 7,955 million yen of purchase of shares of subsidiaries resulting in change in scope of consolidation and 7,840 million yen of purchase of property, plant and equipment.

(After Correction)

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In this consolidated fiscal year, cash and cash equivalents (hereinafter referred to as “funds”) decreased by 1,515 million yen to 31,557 million yen. This total comes from income of 8,372 million yen as cash flows from operating activities, expenditure of 14,505 million yen as cash flows from investing activities and income of 2,911 million yen as cash flows from financing activities. Respective cash flows are as follows.

Cash Flows from Operating Activities

Net cash provided is 8,372 million yen in cash flows from operating activities in this consolidated fiscal year. This mainly derives from increase in funds includes 10,118 million yen of profit before income taxes, 5,293 million yen of depreciation and 1,953 million yen of decrease in inventories and 1,247 million yen of decrease in trade receivables, and deduction in funds includes 2,857 million yen of gain on sale of investment in affiliates, 2,418 million yen of decrease in trade payables and 2,411 million yen of payments of income taxes, etc.

Cash Flows from Investing Activities

Net cash used is 14,505 million yen in cash flows from investing activities in this consolidated fiscal year. This mainly derives from deduction in funds includes 7,402 million yen of purchase of shares of subsidiaries resulting in change in scope of consolidation and 7,840 million yen of purchase of property, plant and equipment.

(Before Correction)

3. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	33,072	31,557
Notes and accounts receivable - trade	28,446	28,064
Lease investments assets	567	506
Inventories	19,190	20,137
Other	3,335	<u>5,157</u>
Allowance for doubtful accounts	(419)	(500)
Total current assets	<u>84,191</u>	<u>84,921</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,447	11,567
Machinery, equipment and vehicles, net	10,734	11,033
Land	28,955	28,985
Construction in progress	1,975	7,213
Other, net	1,877	2,073
Total property, plant and equipment	<u>54,988</u>	<u>60,871</u>
Intangible assets		
Goodwill	—	<u>6,734</u>
Other	4,367	3,980
Total intangible assets	<u>4,367</u>	<u>10,714</u>
Investments and other assets		
Investment securities	9,667	10,803
Net defined benefit asset	9,479	11,656
Deferred tax assets	1,163	929
Other	1,034	974
Allowance for doubtful accounts	(375)	(401)
Total investments and other assets	<u>20,968</u>	<u>23,961</u>
Total non-current assets	<u>80,323</u>	<u>95,546</u>
Total assets	<u>164,514</u>	<u>180,467</u>

(After Correction)

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	33,072	31,557
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Inventories	19,190	20,137
Other	3,335	<u>5,710</u>
Allowance for doubtful accounts	(419)	(500)
Total current assets	<u>84,191</u>	<u>85,474</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,447	11,567
Machinery, equipment and vehicles, net	10,734	11,033
Land	28,955	28,985
Construction in progress	1,975	7,213
Other, net	1,877	2,073
Total property, plant and equipment	<u>54,988</u>	<u>60,871</u>
Intangible assets		
Goodwill	—	<u>6,181</u>
Other	4,367	3,980
Total intangible assets	<u>4,367</u>	<u>10,161</u>
Investments and other assets		
Investment securities	9,667	10,803
Net defined benefit asset	9,479	11,656
Deferred tax assets	1,163	929
Other	1,034	974
Allowance for doubtful accounts	(375)	(401)
Total investments and other assets	<u>20,968</u>	<u>23,961</u>
Total non-current assets	<u>80,323</u>	<u>94,993</u>
Total assets	<u>164,514</u>	<u>180,467</u>

(Before Correction)

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2024 through March 31, 2025	April 1, 2025 through March 31, 2026
Cash flows from operating activities		
Profit before income taxes	6,168	10,118
Depreciation	5,344	5,293
Impairment losses	1,335	612
Gain on sales of investments in capital of subsidiaries and affiliates	—	(2,857)
Extra retirement payments	1,886	378
Increase (decrease) in retirement benefit liability	(536)	(261)
Increase (decrease) in allowance for doubtful accounts	122	107
Interest and dividend income	(769)	(509)
Interest expenses	146	249
Share of loss (profit) of entities accounted for using equity method	(78)	(398)
Loss (gain) on sale and retirement of non-current assets	416	345
Decrease (increase) in trade receivables	1,930	1,247
Decrease (increase) in inventories	333	1,953
Increase (decrease) in trade payables	(242)	(2,418)
Increase (decrease) in advances received	(2,182)	(1,138)
Increase (decrease) in accrued expenses	(511)	(1,069)
Increase (decrease) in accounts payable - other	(1,006)	849
Other, net	(1,328)	(1,522)
Subtotal	<u>11,028</u>	<u>10,979</u>
Interest and dividends received	882	570
Interest paid	(128)	(213)
Income taxes paid	(1,946)	(2,411)
Net cash provided by (used in) operating activities	<u>9,836</u>	<u>8,925</u>
Cash flows from investing activities		
Payments into time deposits	—	(800)
Proceeds from withdrawal of time deposits	—	800
Purchase of property, plant and equipment	(7,850)	(7,840)
Proceeds from sale of property, plant and equipment	35	77
Purchase of intangible assets	(360)	(480)
Proceeds from sale of investment securities	130	63
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(7,955)
Proceeds from sales of investments in capital of subsidiaries and associates resulting in change in scope of consolidation	—	998
Other, net	20	79
Net cash provided by (used in) investing activities	<u>(8,025)</u>	<u>(15,058)</u>

(After Correction)

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2024 through March 31, 2025	April 1, 2025 through March 31, 2026
Cash flows from operating activities		
Profit before income taxes	6,168	10,118
Depreciation	5,344	5,293
Impairment losses	1,335	612
Gain on sales of investments in capital of subsidiaries and affiliates	—	(2,857)
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Increase (decrease) in accrued expenses	(511)	(1,069)
Increase (decrease) in accounts payable - other	(1,006)	849
Other, net	(1,328)	(2,075)
Subtotal	11,028	10,426
Interest and dividends received	882	570
Interest paid	(128)	(213)
Income taxes paid	(1,946)	(2,411)
Net cash provided by (used in) operating activities	9,836	8,372
Cash flows from investing activities		
Payments into time deposits	—	(800)
Proceeds from withdrawal of time deposits	—	800
Purchase of property, plant and equipment	(7,850)	(7,840)
Proceeds from sale of property, plant and equipment	35	77
Purchase of intangible assets	(360)	(480)
Proceeds from sale of investment securities	130	63
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(7,402)
Proceeds from sales of investments in capital of subsidiaries and associates resulting in change in scope of consolidation	—	998
Other, net	20	79
Net cash provided by (used in) investing activities	(8,025)	(14,505)

(Before Correction)

(Segment Information)

April 1, 2025 through March 31, 2026

(Millions of yen)

	Reportable segment					Other	Adjustment	Consolidated Total
	Energy	Functional Materials	Optics & Systems	Value Co-Creation Businesses	Total			
Sales								
Outside customers	42,458	32,614	36,413	17,944	129,429	—	—	129,429
Intersegment transactions	477	—	—	—	477	—	(477)	—
Total sales	42,935	32,614	36,413	17,944	129,906	—	(477)	129,429
Operating profit	2,065	1,467	3,540	819	7,891	—	—	7,891
Segment assets	42,514	40,732	34,789	19,693	137,728	42,739	—	180,467
Other items								
Depreciation	1,550	976	1,893	880	5,299	—	—	5,299
Increase in property, plant and equipment and intangible assets	<u>8,574</u>	1,810	1,448	815	<u>12,647</u>	—	—	<u>12,647</u>

Note: Other assets belong to the administrative department of the Company.

(After Correction)

(Segment Information)

April 1, 2025 through March 31, 2026

(Millions of yen)

	Reportable segment					Other	Adjustment	Consolidated Total
	Energy	Functional Materials	Optics & Systems	Value Co-Creation Businesses	Total			
Sales								
Outside customers	42,458	32,614	36,413	17,944	129,429	—	—	129,429
Intersegment transactions	477	—	—	—	477	—	(477)	—
Total sales	42,935	32,614	36,413	17,944	129,906	—	(477)	129,429
Operating profit	2,065	1,467	3,540	819	7,891	—	—	7,891
Segment assets	42,514	40,732	34,789	19,693	137,728	42,739	—	180,467
Other items								
Depreciation	1,550	976	1,893	880	5,299	—	—	5,299
Increase in property, plant and equipment and intangible assets	<u>8,021</u>	1,810	1,448	815	<u>12,094</u>	—	—	<u>12,094</u>

Note: Other assets belong to the administrative department of the Company.

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

April 27, 2026

Listed company: Maxell, Ltd. Stock exchange: Tokyo (Prime Market)
Code number: 6810 URL: <https://www2.maxell.co.jp/ir/>
Representative: Keiji Nakamura (President)
Contact person: Kensuke Taira (General Manager)
Planned date of Annual General Meeting of Shareholders: June 25, 2026 Planned date of beginning payment of dividends: June 8, 2026
Planned date of submittal of financial statement report: June 24, 2026

(Figures are rounded off to the nearest 1 million yen)

1. Consolidated Business Results and Financial Position for the Year Ended March 31, 2026
(April 1, 2025 through March 31, 2026)

(1) Consolidated Operating Results (% change compared with the same term of the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	129,429	(0.3)	7,891	(15.3)	8,601	(12.0)	8,260	102.0
March 31, 2025	129,806	0.5	9,318	15.3	9,770	(0.2)	4,090	(45.8)

Note: Comprehensive income: March 31, 2026 11,420 millions of yen (increased by 130.2%);
Comprehensive income: March 31, 2025 4,961 millions of yen (decreased by 62.5%)

	Net profit per share	Net profit per share (Diluted)	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	202.03	-	9.3	5.0	6.1
March 31, 2025	93.12	-	4.4	5.8	7.2

References: Equity in profits of affiliates: March 31, 2026 398 millions of yen; March 31, 2025 78 millions of yen

Note: The Company has introduced "performance-linked share-based remuneration system". And the shares of the Company held by the trust are included in the treasury shares deducted in the calculation of the average number of the shares during the term used in the calculation of "Net profit per share".

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	180,467	90,183	48.2	2,361.80
March 31, 2025	164,514	94,171	55.5	2,118.37

References: Shareholders' equity: March 31, 2026 87,059 millions of yen; March 31, 2025 91,356 millions of yen

Note: The Company has introduced "performance-linked share-based remuneration system". And the shares of the Company held by the trust are included in the treasury shares deducted in the calculation of the number of shares at the end of the year used in the calculation of "Net assets per share".

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	8,372	(14,505)	2,911	31,557
March 31, 2025	9,836	(8,025)	(7,749)	33,072

2. Dividend

	Dividend per share					Total dividend paid (Full year)	Consolidated dividend payout ratio	Dividend to net assets (consolidated)
	1Q	2Q	3Q	Year end	Full year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2025	-	25.00	-	25.00	50.00	2,157	53.7	2.4
March 31, 2026	-	25.00	-	25.00	50.00	2,001	24.7	2.2
March 31, 2027 (Forecast)	-	28.00	-	28.00	56.00		30.8	

3. Consolidated Business Forecast for the year ending March 31, 2027 (April 1, 2026 through March 31, 2027) (% change from the previous year)

	Net sales		Operating profit		Profit attributable to owners of parent		Net profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	143,000	10.5	10,000	26.7	6,700	(18.9)	181.76

Note: The Company has introduced “performance-linked share-based remuneration system”. And the shares of the Company held by the trust are included in the treasury shares deducted in the calculation of the average number of the shares during the term used in the calculation of “Net profit per share”.

Notes

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

Newly included: 1 company Maxell Sakura Co., Ltd.
Excluded: 1 company Wuxi Maxell Energy Co., Ltd.

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

1) Changes as a result of revision of accounting standards: None
2) Changes other than 1): None
3) Changes in accounting estimates: None
4) Restatement: None

(3) Number of shares issued (common stock)

1) Number of shares issued at end of period (Including treasury share):
March 31, 2026 46,956,200 shares; March 31, 2025 46,956,200 shares
2) Number of shares of treasury share at end of period:
March 31, 2026 10,094,968 shares; March 31, 2025 3,830,606 shares
3) Average number of shares during the term:
March 31, 2026 40,884,720 shares; March 31, 2025 43,923,911 shares

Note 1: The number of shares of treasury share at the end of period includes the shares of the Company held by the trust relating to “performance-linked share-based remuneration system” (15,700 shares at the end of consolidated fiscal year ended March 31, 2025 and 13,155 shares at the end of consolidated fiscal year ended March 31, 2026).

2: The average number of shares during the term is calculated by deducting the treasury shares and the shares of the Company held by the trust relating to “performance-linked share-based remuneration system” (15,700 shares for the consolidated fiscal year ended March 31, 2025 and 14,124 shares for the consolidated fiscal year ended March 31, 2026).

*** This Summary of Consolidated Financial Results falls outside the scope of audit procedures for financial statements**

*** Explanation regarding the appropriate use of forecasts of business results and other special instructions**

Forecasts of business results and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable. Actual business results may differ significantly due to a variety of factors about economic trend and exchange rate. For further information on the above-mentioned forecast preconditions and other related matters, please see page 3 “1. Business Performance (1) Analysis of Business Performance”.

1. Business Performance

(1) Analysis of Business Performance

1) Overview

(Unless otherwise stated, all comparisons are with operating results of the same period of the previous fiscal year, from April 1, 2024 to March 31, 2025.)

As for the global economy during this consolidated fiscal year, there has been a situation that requires close monitoring of impacts on economic conditions due to factors such as the U.S. tariff measures and the tensions in the Middle East. In terms of business overview of the Company, sales of primary batteries for medical devices and infrastructure applications and coated separators remained strong. However, there were impacts of surging costs for some raw materials, delays in the recovery of semiconductor related products, and U.S. tariff measures in health and beauty care products.

Under these circumstances, net sales decreased by 0.3% (377 million yen) to 129,429 million yen, due to sales decrease of rechargeable batteries, semiconductor related products and health and beauty care products, although sales for primary batteries and coated separators increased and licensing revenues increased. In terms of profitability, due to decreased sales of semiconductor related products and health and beauty products, together with the impact of surging raw material costs, operating profit decreased by 15.3% (1,427 million yen) to 7,891 million yen, ordinary profit decreased by 12.0% (1,169 million yen) to 8,601 million yen. Profit attributable to owners of parent increased by 102.0% (4,170 million yen) to 8,260 million yen due to record of extraordinary income associated with the transfer of equity interests in a consolidated subsidiary.

The average foreign exchange rate over the year under review was US\$1=151 yen.

Operating results by segment are as follows. The Company has changed the reporting segments from this consolidated fiscal year, and the analysis and comparisons are made based on the new segment.

Energy

Although sales of rechargeable batteries decreased due to the production discontinuation, as sales of primary batteries for medical devices and infrastructure applications were strong, total sales for Energy segment increased by 5 million yen to 42,458 million yen. Operating profit decreased by 13.5% (323 million yen) to 2,065 million yen due to surging costs for some raw materials and increase of development cost for all-solid-state batteries.

Functional Materials

Total sales for Functional Materials segment increased by 2.6% (824 million yen) to 32,614 million yen due to sales increase of adhesive tapes and industrial materials such as coated separators. Operating profit increased by 25.8% (301 million yen) to 1,467 million yen due to sales increase of adhesive tapes and industrial materials.

Optics & Systems

Total sales for Optics & Systems segment increased by 1.3% (481 million yen) to 36,413 million yen due to sales increase of automotive optical components and increase of licensing revenues, although sales of semiconductor related products decreased. Operating profit decreased by 19.9% (879 million yen) to 3,540 million yen due to the impacts of sales decrease of semiconductor related products and valuation loss on inventories.

Value Co-Creation Businesses

As sales of health and beauty care products struggled in the first half due to impact of the U.S. tariff measures, total sales for Value Co-Creation Businesses segment decreased by 8.6% (1,687 million yen) to 17,944 million yen, although sales of hydraulic tools increased mainly in Japan and North America. Operating profit decreased by 39.1% (526 million yen) to 819 million yen due to the impact of sales decrease of health and beauty care products.

2) Future Outlook

In the global economic environment for the fiscal year ending March 2027, uncertainty remains in the international situation, including U.S. tariff measures and geopolitical risks, and there are continuing concerns about the impact on the economy.

In particular, if the current situation in the Middle East continues, the Company predicts the risks such as increased costs due to surges in raw material costs, energy costs, and transportation costs, impacts on production due to shortages of raw materials, production goods and auxiliary materials, and a decrease in orders due to customers' production adjustments and market stagnation.

Under these circumstances, the Company will closely monitor the environment in the key markets and customer trends and respond swiftly to changes.

For the full-year business forecast for the fiscal year ending March 2027, the Company forecasts net sales of 143,000 million yen, operating profit of 10,000 million yen, and profit attributable to owners of parent of 6,700 million yen.

In the fiscal year ending March 2027, which is the final year of the Mid-Term Management Plan MEX26, the Company will improve profitability through the effects of portfolio reform, while achieving profit growth by strengthening growth businesses and securing an early contribution from new businesses centered on all-solid-state batteries on the Company's business performance.

These numbers are based on calculation using the average exchange rate over the fiscal year, 150 yen to the U.S. dollar. For projections of business performance by segment, please refer to the supplementary information on page 5.

(2) Analysis of Financial Position and Cash Flow

1) Assets, liabilities and net assets

Assets

As of March 31, 2026, total assets amounted 180,467 million yen, increased by 9.7% from the previous consolidated fiscal year. Among this, current assets amounted 85,474 million yen, increased by 1.5%, mainly by increase of other of current assets. And the ratio of current assets among total assets has changed to 47.4% from 51.2% of the previous consolidated fiscal year. On the other hand, non-current assets amounted 94,993 million yen, increased by 18.3% mainly by record of goodwill following acquisition of Maxell Sakura Co., Ltd. and increase of construction in progress. And the ratio of non-current assets among total assets has changed to 52.6% from 48.8% of the previous consolidated fiscal year.

Liabilities

As of March 31, 2026, total liabilities amounted 90,284 million yen, increased by 28.3% from the previous consolidated fiscal year. Among this, current liabilities amounted 46,522 million yen, increased by 4.8%, mainly by increase of accounts payable - other, and the current ratio became 1.8 times, and the cash on hand which is the balance between current assets and current liabilities, became 38,952 million yen. Non-current liabilities amounted 43,762 million yen, increased by 68.6%, mainly by increase of long-term borrowings.

Net Assets

As of March 31, 2026, total net assets amounted 90,183 million yen, decreased by 4.2% from the previous consolidated fiscal year. The decrease is mainly by purchase of treasury shares and payment of dividends although there was record of profit attributable to owners of parent amounted 8,260 million yen. And the equity ratio has changed to 48.2% from 55.5% of the previous consolidated fiscal year.

2) Cash flow

In this consolidated fiscal year, cash and cash equivalents (hereinafter referred to as "funds") decreased by 1,515 million yen to 31,557 million yen. This total comes from income of 8,372 million yen as cash flows from operating activities, expenditure of 14,505 million yen as cash flows from investing activities and income of 2,911 million yen as cash flows from financing activities. Respective cash flows are as follows.

Cash Flows from Operating Activities

Net cash provided is 8,372 million yen in cash flows from operating activities in this consolidated fiscal year. This mainly derives from increase in funds includes 10,118 million yen of profit before income taxes, 5,293 million yen of depreciation and 1,953 million yen of decrease in inventories and 1,247 million yen of decrease in trade receivables, and deduction in funds includes 2,857 million yen of gain on sale of investment in affiliates, 2,418 million yen of decrease in trade payables and 2,411 million yen of payments of income taxes, etc.

Cash Flows from Investing Activities

Net cash used is 14,505 million yen in cash flows from investing activities in this consolidated fiscal year. This mainly derives from deduction in funds includes 7,402 million yen of purchase of shares of subsidiaries resulting in change in scope of consolidation and 7,840 million yen of purchase of property, plant and equipment.

Cash Flows from Financing Activities

Net cash provided is 2,911 million yen in cash flows from financing activities in this consolidated fiscal year. This mainly derives from increase in funds includes 20,000 million yen of proceeds from long-term borrowings, and deduction in funds includes 13,232 million yen of purchase of treasury shares, 2,158 million yen of dividends paid and 1,563 million yen of repayments of long-term borrowings.

Supplementary information

Consolidated Financial Results and Forecast

(Millions of yen)

	The Year ended: March 31, 2025	The Year ended: March 31, 2026	Change* (%)	March 31, 2027 Forecast	Change* (%)
Net sales	129,806	129,429	(0.3)	143,000	10.5
Operating profit	9,318	7,891	(15.3)	10,000	26.7
Profit attributable to owners of parent	4,090	8,260	102.0	6,700	(18.9)

* % change from the same term of the previous year

Sales and Operating Profit by Segment

(Millions of yen)

	The Year ended: March 31, 2025	The Year ended: March 31, 2026		Change* (%)	March 31, 2027 Forecast		Change* (%)
	Millions of yen	Millions of yen	Composition (%)		Millions of yen	Composition (%)	
Net sales	129,806	129,429	100.0	(0.3)	143,000	100.0	10.5
Energy	42,453	42,458	32.8	0.0	53,000	37.0	24.8
Functional Materials	31,790	32,614	25.2	2.6	34,700	24.3	6.4
Optics & Systems	35,932	36,413	28.1	1.3	35,700	25.0	(2.0)
Value Co-Creation Businesses	19,631	17,944	13.9	(8.6)	19,600	13.7	9.2
Operating profit	9,318	7,891	100.0	(15.3)	10,000	100.0	26.7
Energy	2,388	2,065	26.2	(13.5)	3,100	31.0	50.1
Functional Materials	1,166	1,467	18.6	25.8	1,900	19.0	29.5
Optics & Systems	4,419	3,540	44.8	(19.9)	3,900	39.0	10.2
Value Co-Creation Businesses	1,345	819	10.4	(39.4)	1,100	11.0	34.3

* % change from the same term of the previous year

Sales by Regional Segment

(Millions of yen)

	The Year ended: March 31, 2025	The Year ended: March 31, 2026		Change* (%)
	Millions of yen	Millions of yen	Composition (%)	
Overseas sales	66,203	69,089	53.4	4.4
America	16,868	16,274	12.6	(3.5)
Europe	12,319	12,817	9.9	4.0
Asia and other	37,016	39,998	30.9	8.1
Domestic sales	63,603	60,340	46.6	(5.1)
Total	129,806	129,429	100.0	(0.3)

* % change from the same term of the previous year

Capital investment, Depreciation, R&D expenses

(Millions of yen)

	The Year ended: March 31, 2025	The Year ended: March 31, 2026	Change* (%)	March 31, 2027 Forecast	Change* (%)
Capital investment	6,368	5,044	(20.8)	10,000	98.3
Depreciation	5,344	5,299	(0.8)	6,500	22.7
R&D expenses	5,679	6,058	6.7	6,000	(1.0)

* % change from the same term of the previous year

2. Basic rationale for selection of accounting standards

We are preparing the internal manuals and guidelines for future application of IFRS in advance, and considering about the application of IFRS.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	33,072	31,557
Notes and accounts receivable - trade	28,446	28,064
Lease investments assets	567	506
Inventories	19,190	20,137
Other	3,335	5,710
Allowance for doubtful accounts	(419)	(500)
Total current assets	84,191	85,474
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,447	11,567
Machinery, equipment and vehicles, net	10,734	11,033
Land	28,955	28,985
Construction in progress	1,975	7,213
Other, net	1,877	2,073
Total property, plant and equipment	54,988	60,871
Intangible assets		
Goodwill	—	6,181
Other	4,367	3,980
Total intangible assets	4,367	10,161
Investments and other assets		
Investment securities	9,667	10,803
Net defined benefit asset	9,479	11,656
Deferred tax assets	1,163	929
Other	1,034	974
Allowance for doubtful accounts	(375)	(401)
Total investments and other assets	20,968	23,961
Total non-current assets	80,323	94,993
Total assets	164,514	180,467

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,942	15,942
Current portion of long-term borrowings	1,563	2,559
Accounts payable - other	4,235	7,597
Accrued expenses	8,524	7,797
Income taxes payable	1,402	966
Lease obligations	63	81
Asset retirement obligations	103	—
Other	11,548	11,580
Total current liabilities	44,380	46,522
Non-current liabilities		
Long-term borrowings	17,059	34,500
Net defined benefit liability	4,902	5,051
Lease obligations	151	228
Deferred tax liabilities	3,347	3,502
Asset retirement obligations	297	300
Other	207	181
Total non-current liabilities	25,963	43,762
Total liabilities	70,343	90,284
Net assets		
Shareholders' equity		
Capital stock	12,203	12,203
Capital surplus	18,534	18,544
Retained earnings	60,357	66,459
Treasury shares	(6,189)	(19,374)
Total shareholders' equity	84,905	77,832
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	515	1,131
Foreign currency translation adjustment	4,741	5,650
Remeasurements of defined benefit plans	1,195	2,446
Total accumulated other comprehensive income	6,451	9,227
Non-controlling interests	2,815	3,124
Total net assets	94,171	90,183
Total liabilities and net assets	164,514	180,467

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

(Millions of yen)

	April 1, 2024 through March 31, 2025	April 1, 2025 through March 31, 2026
Net sales	129,806	129,429
Cost of sales	96,639	97,601
Gross profit	33,167	31,828
Selling, general and administrative expenses		
Packing and delivery expenses	2,323	2,267
Promotion expenses	452	347
Advertising expenses	421	277
Salaries and allowances	9,787	10,454
Retirement benefit expenses	231	248
License fees	52	56
Depreciation	1,311	1,404
Welfare expenses	1,547	1,581
Travel and transportation expenses	680	715
Rent expenses	1,133	1,042
Outsourcing expenses	1,318	1,307
Commission expenses	2,534	2,684
Sales commission	160	160
Taxes and dues	272	262
Other	1,628	1,133
Total selling, general and administrative expenses	23,849	23,937
Operating profit	9,318	7,891
Non-operating income		
Interest income	550	268
Dividend income	219	241
Share of profit of entities accounted for using equity method	78	398
Foreign exchange gains	—	212
Other	412	284
Total non-operating income	1,259	1,403
Non-operating expenses		
Interest expenses	146	249
Foreign exchange losses	305	—
Rental costs	112	131
Commission expenses	80	195
Other	164	118
Total non-operating expenses	807	693
Ordinary profit	9,770	8,601

(Millions of yen)

	April 1, 2024 through March 31, 2025	April 1, 2025 through March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	15	18
Gain on sales of investments in capital of subsidiaries and associates	—	2,857
Other	35	0
Total extraordinary income	50	2,875
Extraordinary losses		
Loss on sale and retirement of non-current assets	431	363
Impairment losses	1,335	612
Extra retirement payments	1,886	378
Other	—	5
Total extraordinary losses	3,652	1,358
Profit before income taxes	6,168	10,118
Income taxes - current	1,850	1,783
Income taxes - deferred	122	(58)
Total income taxes	1,972	1,725
Profit	4,196	8,393
Profit attributable to non-controlling interests	106	133
Profit attributable to owners of parent	4,090	8,260

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	April 1, 2024 through March 31, 2025	April 1, 2025 through March 31, 2026
Profit	4,196	8,393
Other comprehensive income		
Valuation difference on available-for-sale securities	92	629
Foreign currency translation adjustment	(542)	1,147
Remeasurements of defined benefit plans, net of tax	1,215	1,251
Total other comprehensive income	765	3,027
Comprehensive income	4,961	11,420
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,876	11,036
Comprehensive income attributable to non-controlling interests	85	384

(3) Consolidated Statements of Changes in Net Assets

April 1, 2024 through March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	12,203	22,953	58,721	(5,648)	88,229
Changes during period					
Dividends of surplus			(2,454)		(2,454)
Profit attributable to owners of parent			4,090		4,090
Purchase of treasury shares				(5,000)	(5,000)
Disposal of treasury shares		4		36	40
Cancellation of treasury shares		(4,423)		4,423	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(4,419)	1,636	(541)	(3,324)
Balance at end of period	12,203	18,534	60,357	(6,189)	84,905

	Accumulated other comprehensive income				Non-controlling interests	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	420	5,265	(20)	5,665	3,413	97,307
Changes of items during period						
Dividends of surplus						(2,454)
Profit attributable to owners of parent						4,090
Purchase of treasury shares						(5,000)
Disposal of treasury shares						40
Cancellation of treasury shares						—
Net changes of items other than shareholders' equity	95	(524)	1,215	786	(598)	188
Total changes of items during Period	95	(524)	1,215	786	(598)	(3,136)
Balance at end of period	515	4,741	1,195	6,451	2,815	94,171

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	12,203	18,534	60,357	(6,189)	84,905
Changes during period					
Dividends of surplus			(2,158)		(2,158)
Profit attributable to owners of parent			8,260		8,260
Purchase of treasury shares				(13,232)	(13,232)
Disposal of treasury shares		10		47	57
Net changes in items other than shareholders' equity					
Total changes during period	—	10	6,102	(13,185)	(7,073)
Balance at end of period	12,203	18,544	66,459	(19,374)	77,832

	Accumulated other comprehensive income				Non-controlling interests	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	515	4,741	1,195	6,451	2,815	94,171
Changes of items during period						
Dividends of surplus						(2,158)
Profit attributable to owners of parent						8,260
Purchase of treasury shares						(13,232)
Disposal of treasury shares						57
Net changes of items other than shareholders' equity	616	909	1,251	2,776	309	3,085
Total changes of items during Period	616	909	1,251	2,776	309	(3,988)
Balance at end of period	1,131	5,650	2,446	9,227	3,124	90,183

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2024 through March 31, 2025	April 1, 2025 through March 31, 2026
Cash flows from operating activities		
Profit before income taxes	6,168	10,118
Depreciation	5,344	5,293
Impairment losses	1,335	612
Gain on sales of investments in capital of subsidiaries and affiliates	—	(2,857)
Extra retirement payments	1,886	378
Increase (decrease) in retirement benefit liability	(536)	(261)
Increase (decrease) in allowance for doubtful accounts	122	107
Interest and dividend income	(769)	(509)
Interest expenses	146	249
Share of loss (profit) of entities accounted for using equity method	(78)	(398)
Loss (gain) on sale and retirement of non-current assets	416	345
Decrease (increase) in trade receivables	1,930	1,247
Decrease (increase) in inventories	333	1,953
Increase (decrease) in trade payables	(242)	(2,418)
Increase (decrease) in advances received	(2,182)	(1,138)
Increase (decrease) in accrued expenses	(511)	(1,069)
Increase (decrease) in accounts payable - other	(1,006)	849
Other, net	(1,328)	(2,075)
Subtotal	11,028	10,426
Interest and dividends received	882	570
Interest paid	(128)	(213)
Income taxes paid	(1,946)	(2,411)
Net cash provided by (used in) operating activities	9,836	8,372
Cash flows from investing activities		
Payments into time deposits	—	(800)
Proceeds from withdrawal of time deposits	—	800
Purchase of property, plant and equipment	(7,850)	(7,840)
Proceeds from sale of property, plant and equipment	35	77
Purchase of intangible assets	(360)	(480)
Proceeds from sale of investment securities	130	63
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(7,402)
Proceeds from sales of investments in capital of subsidiaries and associates resulting in change in scope of consolidation	—	998
Other, net	20	79
Net cash provided by (used in) investing activities	(8,025)	(14,505)

(Millions of yen)

	April 1, 2024 through March 31, 2025	April 1, 2025 through March 31, 2026
Cash flows from financing activities		
Proceeds from long-term borrowings	13,000	20,000
Repayments of long-term borrowings	(12,563)	(1,563)
Purchase of treasury shares	(5,000)	(13,232)
Dividends paid to non-controlling interests	(683)	(75)
Dividends paid	(2,454)	(2,158)
Repayments of lease liabilities	(49)	(61)
Net cash provided by (used in) financing activities	(7,749)	2,911
Effect of exchange rate change on cash and cash equivalents	345	1,707
Net increase (decrease) in cash and cash equivalents	(5,593)	(1,515)
Cash and cash equivalents at beginning of period	38,665	33,072
Cash and cash equivalents at end of period	33,072	31,557

(5) Notice to Consolidated Financial Statements**(Segment Information)**

April 1, 2025 through March 31, 2026

(Millions of yen)

	Reportable segment					Other	Adjustment	Consolidated Total
	Energy	Functional Materials	Optics & Systems	Value Co-Creation Businesses	Total			
Sales								
Outside customers	42,458	32,614	36,413	17,944	129,429	—	—	129,429
Intersegment transactions	477	—	—	—	477	—	(477)	—
Total sales	42,935	32,614	36,413	17,944	129,906	—	(477)	129,429
Operating profit	2,065	1,467	3,540	819	7,891	—	—	7,891
Segment assets	42,514	40,732	34,789	19,693	137,728	42,739	—	180,467
Other items								
Depreciation	1,550	976	1,893	880	5,299	—	—	5,299
Increase in property, plant and equipment and intangible assets	8,021	1,810	1,448	815	12,094	—	—	12,094

Note: Other assets belong to the administrative department of the Company.