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**Consolidated Financial Results
for the Six Months Ended November 30, 2025
[Japanese GAAP]**



January 14, 2026

Company name: SATORI ELECTRIC CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 7420
 URL: <https://www.satori.co.jp/english/>
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 Scheduled date of filing semi-annual securities report: January 14, 2026
 Scheduled date of commencing dividend payments: February 13, 2026
 Preparation of supplementary material on financial results: Available
 Holding of financial results briefing: Scheduled (for securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended November 30, 2025 (June 1, 2025 to November 30, 2025)

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

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Six months ended	Million yen %	Million yen %	Million yen %	Million yen %
November 30, 2025	78,341 0.7	2,079 1.1	2,256 37.9	1,545 35.9
November 30, 2024	77,800 4.9	2,057 (23.2)	1,635 (16.0)	1,137 (11.0)

(Note) Comprehensive income: Six months ended November 30, 2025: ¥3,685 million [432.0%]

Six months ended November 30, 2024: ¥692 million [(70.6)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
November 30, 2025	107.64	—
November 30, 2024	79.34	—

(Note) The Company has finalized the provisional accounting treatment related to business combination during the three months ended May 31, 2025, and the figures for the six months ended November 30, 2024 reflect the details of the finalized provisional accounting treatment.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2025	86,950	36,355	40.6
As of May 31, 2025	79,150	33,306	40.8

(Reference) Equity: As of November 30, 2025: ¥35,300 million

As of May 31, 2025: ¥32,319 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended May 31, 2025	Yen —	Yen 40.00	Yen —	Yen 46.00	Yen 86.00
Fiscal year ending May 31, 2026	—	44.00			
Fiscal year ending May 31, 2026 (Forecast)			—	0.00	90.00

(Note) Revision to the forecast for dividends announced most recently: No

The Company and Hagiwara Electric Holdings Co., Ltd., at their respective meetings of the Board of Directors held on October 14, 2025, resolved to implement a business integration, with an effective date of April 1, 2026, subject to approval at the extraordinary general meetings of shareholders of both the Company and Hagiwara Electric Holdings Co., Ltd., and entered into a business integration agreement. The share transfer plan was subsequently approved at the extraordinary general meeting of shareholders held on December 11, 2025.

Furthermore, the Company plans to resolve at a meeting of the Board of Directors to be held in February 2026 to pay a extraordinary dividend of ¥46 per share, with a record date of March 31, 2026 — the day prior to the effective date of the business integration — in lieu of a year-end dividend for the fiscal year ending May 31, 2026.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2026 (June 1, 2025 to May 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share				
Full year	Million yen 160,000	% 2.4	Million yen 3,600	% (9.9)	Million yen 3,500	% 14.7	Million yen 2,600	% 3.0	Yen 180.96

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Significant changes in the scope of consolidation during the period: No

Newly included: — (Company name)

Excluded: — (Company name)

(2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements:
No

(3) 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

(4) Total number of issued shares (common shares)

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

November 30, 2025: 14,946,826 shares
May 31, 2025: 17,946,826 shares

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

November 30, 2025: 571,163 shares
May 31, 2025: 3,592,935 shares

3) Average number of shares during the period:

Six months ended November 30, 2025: 14,361,000 shares
Six months ended November 30, 2024: 14,332,585 shares

(Note) The total number of treasury shares at the end of the period includes the Company's shares held by a trust in connection with the stock compensation plan (485,400 shares as of November 30, 2025, 507,300 shares as of May 31, 2025). The Company's shares held by the trust have been included in the treasury shares deducted in calculation of the average number of shares during the period (500,114 shares for the six months ended November 30, 2025, 514,829 shares for the six months ended November 30, 2024).

* These semi-annual consolidated financial results are outside the scope of review by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended to guarantee the achievement of the forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. For the assumptions of financial results forecast and notes on using financial results forecast, please refer to "(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" in "1. Overview of Business Results, etc." on page 3 of the Attachments.

The Company plans to hold a financial results briefing session for securities analysts and institutional investors on January 16, 2026. The video of the financial results briefing session and explanatory materials used in the session will be available on the Company's website promptly following the briefing session.

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1. Overview of Business Results, etc.

The Company has finalized the provisional accounting treatment related to business combination during the three months ended May 31, 2025. Comparisons and analyses with the six months ended November 30, 2024 have been adjusted to reflect the finalized accounting treatment.

(1) Overview of Business Results for the Period Under Review

The Japanese economy during the six months ended November 30, 2025 was affected by uncertainties related to U.S. reciprocal tariff policies and prolonged geopolitical risks and the outlook remained unclear, although a gradual recovery continued, driven by the improved jobs environment and a recovery in demand from inbound tourists.

Amid this environment, regarding the financial results for the six months ended November 30, 2025, net sales amounted to ¥78,341 million (an increase of 0.7% year on year), attributed to a recovery in demand for control components for semiconductor manufacturing equipment and the business targeting the Indian market remaining strong, despite decreases in sales of unit products for office equipment, etc. Operating profit amounted to ¥2,079 million (an increase of 1.1% year on year). Ordinary profit amounted to ¥2,256 million (an increase of 37.9% year on year) as foreign exchange gains were recorded due to a cheaper yen, and profit attributable to owners of parent amounted to ¥1,545 million (an increase of 35.9% year on year).

The financial results of the segments are as follows.

We note that we reviewed our business management categories in the six months ended November 30, 2025, which resulted in MAGnetIC Holding B.V. being recategorized into the global business from the mobility business. In addition, some of the operations of SMET SINGAPORE PTE. LTD. that were previously categorized in the global business are now recategorized in the mobility business. The year-over-year comparisons mentioned below are made using the respective year-earlier figures that have been adjusted for the category changes.

1) Industrial Infrastructure business

Net sales amounted to ¥14,509 million (an increase of 5.3% year on year), due to a recovery in demand for control components for semiconductor manufacturing equipment and other factors. Segment profit amounted to ¥645 million (an increase of 7.2% year on year).

2) Enterprise business

Although sales in the Procurement Management Division have been on an uptrend, net sales amounted to ¥21,593 million (a decrease of 0.8% year on year) due mainly to decreased sales of unit products for office equipment. Segment profit amounted to ¥780 million (an increase of 53.9% year on year), driven by decreased selling, general and administrative expenses as a result of the transfer of the switch business.

3) Mobility business

Net sales amounted to ¥22,826 million (an increase of 7.9% year on year), driven by the strong performance of SM Electronic Technologies Pvt. Ltd. Segment profit amounted to ¥1,118 million (an increase of 13.3% year on year).

4) Global business

Net sales amounted to ¥22,934 million (a decrease of 7.4% year on year), and segment profit amounted to ¥229 million (a decrease of 37.4% year on year). This is mainly attributable to decreased sales of unit products for office equipment, among other factors.

(2) Overview of Financial Position for the Period Under Review

1) Assets, liabilities, and net assets

(Assets)

Total assets at the end of the six months ended November 30, 2025 were ¥86,950 million, an increase of ¥7,799 million compared with ¥79,150 million at the end of the previous fiscal year. This is mainly attributable to increases of ¥1,791 million in cash and deposits, ¥2,605 million in notes and accounts receivable - trade, and ¥2,109 million in merchandise and finished goods.

(Liabilities)

Liabilities at the end of the six months ended November 30, 2025 were ¥50,595 million, an increase of ¥4,750 million compared with ¥45,844 million at the end of the previous fiscal year. This is mainly attributable to increases of ¥1,157 million in notes and accounts payable - trade and ¥3,365 million in short-term borrowings.

(Net assets)

Net assets at the end of the six months ended November 30, 2025 were ¥36,355 million, an increase of ¥3,048 million compared with ¥33,306 million at the end of the previous fiscal year. This is mainly attributable to a decrease of ¥4,184 million in treasury shares and an increase of ¥1,618 million in foreign currency translation adjustment, despite a decrease of ¥3,184 million in retained earnings. Equity ratio changed to 40.6% from 40.8% at the end of the previous fiscal year.

2) Cash flows

Cash and cash equivalents (hereinafter referred to as “capital”) at the end of the six months ended November 30, 2025 increased by ¥1,765 million compared with the end of the previous fiscal year to ¥10,606 million.

(Cash flows from operating activities)

Capital used in operating activities during the six months ended November 30, 2025 amounted to ¥1,521 million (compared with ¥1,489 million provided in the year-earlier period).

This is mainly attributable to a decrease in capital due to an increase in inventories.

(Cash flows from investing activities)

Capital provided by investing activities during the six months ended November 30, 2025 amounted to ¥540 million (compared with ¥51 million used in the year-earlier period).

This is mainly attributable to an increase in capital due to a transfer of business.

(Cash flows from financing activities)

Capital provided by financing activities during the six months ended November 30, 2025 amounted to ¥2,182 million (compared with ¥1,082 million used in the year-earlier period).

This is mainly attributable to an increase in capital due to an increase in short-term borrowings.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The Company has revised consolidated financial results forecast for full year of the fiscal year ending May 31, 2026, as stated in the Consolidated Financial Results for the Fiscal Year Ended May 31, 2025 (announced on July 14, 2025).

For details, please refer to the “Notice regarding the differences between the Consolidated Financial Results Forecasts and Actual Results for the Six Months Ended November 30, 2025 and the revision to Full-Year Consolidated Financial Results Forecasts” released today.

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of May 31, 2025	As of November 30, 2025
Assets		
Current assets		
Cash and deposits	9,128	10,919
Notes and accounts receivable - trade	42,688	45,293
Merchandise and finished goods	12,059	14,168
Work in process	294	476
Raw materials and supplies	1	7
Other	5,852	5,959
Allowance for doubtful accounts	(70)	(129)
Total current assets	69,954	76,696
Non-current assets		
Property, plant and equipment	2,747	2,727
Intangible assets		
Goodwill	1,605	1,631
Customer-related intangible assets	375	393
Technology-related intangible assets	237	231
Other	309	730
Total intangible assets	2,528	2,987
Investments and other assets		
Other	4,518	5,177
Allowance for doubtful accounts	(597)	(638)
Total investments and other assets	3,920	4,539
Total non-current assets	9,196	10,253
Total assets	79,150	86,950
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,783	21,940
Short-term borrowings	15,454	18,820
Current portion of long-term borrowings	23	1,727
Income taxes payable	403	637
Provision for bonuses	–	587
Provision for loss on transfer of business	127	–
Other	3,007	2,299
Total current liabilities	39,800	46,012
Non-current liabilities		
Bonds payable	1,400	1,400
Long-term borrowings	2,844	1,192
Provision for share awards for directors (and other officers)	99	72
Retirement benefit liability	1,337	1,371
Other	362	545
Total non-current liabilities	6,044	4,582
Total liabilities	45,844	50,595

(Million yen)

	As of May 31, 2025	As of November 30, 2025
Net assets		
Shareholders' equity		
Share capital	2,611	2,611
Capital surplus	2,988	2,927
Retained earnings	28,465	25,280
Treasury shares	(4,927)	(742)
Total shareholders' equity	29,138	30,077
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,085	1,566
Deferred gains or losses on hedges	6	(50)
Revaluation reserve for land	21	21
Foreign currency translation adjustment	2,067	3,685
Total accumulated other comprehensive income	3,181	5,223
Non-controlling interests	987	1,054
Total net assets	33,306	36,355
Total liabilities and net assets	79,150	86,950

(2) Semi-annual Consolidated Statements of Operations and Comprehensive Income

Semi-annual Consolidated Statements of Operations

(Million yen)

	For the six months ended November 30, 2024	For the six months ended November 30, 2025
Net sales	77,800	78,341
Cost of sales	69,971	70,468
Gross profit	7,829	7,872
Selling, general and administrative expenses	5,772	5,793
Operating profit	2,057	2,079
Non-operating income		
Interest income	31	58
Dividend income	46	66
Foreign exchange gains	—	376
Other	70	36
Total non-operating income	149	538
Non-operating expenses		
Interest expenses	238	261
Loss on sale of receivables	215	90
Foreign exchange losses	97	—
Other	19	8
Total non-operating expenses	571	361
Ordinary profit	1,635	2,256
Extraordinary income		
Gain on sale of businesses	1	115
Total extraordinary income	1	115
Extraordinary losses		
Impairment losses	19	—
Total extraordinary losses	19	—
Profit before income taxes	1,617	2,371
Income taxes - current	374	570
Income taxes - deferred	49	176
Total income taxes	424	746
Profit	1,193	1,624
Profit attributable to non-controlling interests	55	78
Profit attributable to owners of parent	1,137	1,545

Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended November 30, 2024	For the six months ended November 30, 2025
Profit	1,193	1,624
Other comprehensive income		
Valuation difference on available-for-sale securities	(327)	480
Deferred gains or losses on hedges	(4)	(65)
Foreign currency translation adjustment	(167)	1,645
Total other comprehensive income	(500)	2,061
Comprehensive income	692	3,685
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	674	3,588
Comprehensive income attributable to non-controlling interests	18	97

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended November 30, 2024	For the six months ended November 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,617	2,371
Depreciation	302	270
Increase (decrease) in allowance for doubtful accounts	(6)	43
Increase (decrease) in provision for share awards for directors (and other officers)	104	(26)
Increase (decrease) in retirement benefit liability	42	31
Interest and dividend income	(78)	(125)
Interest expenses	238	261
Decrease (increase) in trade receivables	(1,305)	(526)
Decrease (increase) in inventories	378	(1,785)
Increase (decrease) in trade payables	2,281	(853)
Decrease (increase) in account receivables	(635)	(835)
Increase (decrease) in accrued consumption taxes	313	396
Increase (decrease) in deposits received	(1,117)	(363)
Impairment losses	19	–
Loss (gain) on sale of businesses	(1)	(115)
Other, net	255	244
Subtotal	2,408	(1,012)
Interest and dividends received	78	125
Interest paid	(237)	(264)
Income taxes refund (paid)	(759)	(368)
Net cash provided by (used in) operating activities	1,489	(1,521)
Cash flows from investing activities		
Purchase of investment securities	(27)	(27)
Purchase of property, plant and equipment	(57)	(45)
Purchase of intangible assets	(38)	(495)
Payments into time deposits	–	(298)
Proceeds from withdrawal of time deposits	–	289
Proceeds from sale of businesses	100	1,180
Other, net	(27)	(62)
Net cash provided by (used in) investing activities	(51)	540
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(189)	2,966
Proceeds from long-term borrowings	5	142
Repayments of long-term borrowings	–	(96)
Purchase of treasury shares	(67)	(0)
Proceeds from disposal of treasury shares	67	–
Dividends paid	(774)	(681)
Other, net	(124)	(148)
Net cash provided by (used in) financing activities	(1,082)	2,182
Effect of exchange rate change on cash and cash equivalents	(154)	527
Net increase (decrease) in cash and cash equivalents	201	1,728
Cash and cash equivalents at beginning of period	9,243	8,840
Increase in cash and cash equivalents due to the merger with a non-consolidated subsidiary	–	36
Cash and cash equivalents at end of period	9,445	10,606

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in case of significant changes in shareholders' equity)

In accordance with a resolution carried at the Board of Directors meeting on July 14, 2025, the Company canceled 3,000,000 treasury shares on July 22, 2025. As this resulted in a negative balance of other capital surplus, a part of capital surplus, other capital surplus was set to zero, and the negative value was deducted from retained earnings. As a result, over the six months through November 30, 2025, capital surplus decreased by ¥61 million to ¥2,927 million, retained earnings decreased by ¥4,097 million to ¥25,280 million, and treasury shares decreased by ¥4,158 million to ¥742 million.

(Segment information, etc.)

I. For the six months ended November 30, 2024 (from June 1, 2024 to November 30, 2024)

1. Information on net sales and profit or loss by reportable segment and information on the disaggregation of revenue

(Million yen)

	Reportable segment					Reconciliation (Note) 1	Amount recorded in Semi-annual Consolidated Statements of Operations (Note) 2
	Industrial Infra- structure business	Enterprise business	Mobility business	Global business	Total		
Net sales							
Revenue from contracts with customers	13,630	18,535	20,898	24,736	77,800	–	77,800
Net sales to outside customers	13,630	18,535	20,898	24,736	77,800	–	77,800
Inter-segment net sales or transfers	147	3,237	255	38	3,678	(3,678)	–
Total	13,778	21,773	21,153	24,774	81,479	(3,678)	77,800
Segment profit	602	507	987	367	2,464	(406)	2,057

- (Notes) 1. The reconciliation of segment profit in an amount of ¥(406) million includes the elimination of inter-segment transactions.
2. Segment profit is reconciled with operating profit in the Semi-annual Consolidated Statements of Operations.
3. The Company has finalized the provisional accounting treatment related to business combination during the three months ended May 31, 2025. Accordingly, the segment information for the six months ended November 30, 2024 reflects the revised amounts resulting from a significant review of the initial allocation of acquisition costs following the finalization of provisional accounting treatment.

2. Information about impairment losses on non-current assets by reportable segment

Regarding corporate assets that do not belong to any reportable segment, the Company wrote off the carrying amount of land to its recoverable amount and recorded the difference as impairment losses. The impairment losses amounted to ¥19 million.

II. For the six months ended November 30, 2025 (from June 1, 2025 to November 30, 2025)

1. Information on net sales and profit or loss by reportable segment and information on the disaggregation of revenue

(Million yen)

	Reportable segment					Reconciliation (Note) 1	Amount recorded in Semi-annual Consolidated Statements of Operations (Note) 2
	Industrial Infra- structure business	Enterprise business	Mobility business	Global business	Total		
Net sales							
Revenue from contracts with customers	14,421	18,499	22,517	22,902	78,341	–	78,341
Net sales to outside customers	14,421	18,499	22,517	22,902	78,341	–	78,341
Inter-segment net sales or transfers	87	3,094	308	31	3,522	(3,522)	–
Total	14,509	21,593	22,826	22,934	81,863	(3,522)	78,341
Segment profit	645	780	1,118	229	2,775	(696)	2,079

- (Notes) 1. The reconciliation of segment profit in an amount of ¥(696) million includes the elimination of inter-segment transactions.
2. Segment profit is reconciled with operating profit in the Semi-annual Consolidated Statements of Operations.

2. Information about impairment losses on non-current assets by reportable segment

There is no relevant information.

3. Matters related to changes in reportable segments

We reviewed our business management categories in the six months ended November 30, 2025, which resulted in MAGnetIC Holding B.V. being recategorized into the global business from the mobility business. In addition, some of the operations of SMET SINGAPORE PTE. LTD. previously categorized in the global business are now recategorized in the mobility business. Due to this change, the segment information for the six months ended November 30, 2024 has been recategorized.

(Significant subsequent events)

(Absorption-type merger of a wholly owned subsidiary)

In accordance with a merger agreement signed on January 14, 2026, the Company will absorb SATORI PINICS CO., LTD., a wholly owned subsidiary of the Company, effective June 1, 2026.

For details, please refer to the “Notice Regarding Absorption-Type Merger of Consolidated Subsidiary” released today.

3. Others

(1) Information by Product and Service Line

For the six months ended November 30, 2024 (from June 1, 2024 to November 30, 2024)

(Million yen)

	Semiconductors	General electronic components	Electric equipment	Products	Total
Net sales to outside customers	28,357	32,257	14,734	2,451	77,800

For the six months ended November 30, 2025 (from June 1, 2025 to November 30, 2025)

(Million yen)

	Semiconductors	General electronic components	Electric equipment	Products	Total
Net sales to outside customers	30,258	33,282	13,929	870	78,341

(2) Net Sales by Region

For the six months ended November 30, 2024 (from June 1, 2024 to November 30, 2024)

(Million yen)

Japan	Overseas						Total
	China	India	Thailand	Other Asia	Other	Subtotal	
29,195	17,693	11,946	8,223	8,063	2,678	48,605	77,800

(Notes) 1. Net sales are distributed to each country or region based on the actual destinations of the products.

2. In the table above, the region “China” includes Hong Kong.

For the six months ended November 30, 2025 (from June 1, 2025 to November 30, 2025)

(Million yen)

Japan	Overseas						Total
	China	India	Thailand	Other Asia	Other	Subtotal	
28,909	15,670	14,744	9,089	7,902	2,024	49,431	78,341

(Notes) 1. Net sales are distributed to each country or region based on the actual destinations of the products.

2. In the table above, the region “China” includes Hong Kong.