

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 13, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Based on Japanese GAAP)

Company name: KANADEN CORPORATION  
 Listing: Tokyo Stock Exchange  
 Stock code: 8081  
 URL: <https://www.kanaden.co.jp/en/>  
 Representative: Futoshi Moriya, President and Representative Director  
 Inquiries: Nobuhiro Kuroda, Director and Senior General Manager, Administration Division  
 TEL: 03-6747-8805  
 Scheduled date of ordinary general meeting of shareholders: June 23, 2026  
 Scheduled date to commence dividend payments: June 2, 2026  
 Scheduled date to file Securities Report: June 22, 2026  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 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	145,614	15.9	5,332	18.5	5,784	22.3	3,966	0.6
March 31, 2025	125,665	8.1	4,499	(1.0)	4,730	(5.3)	3,942	13.4

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥4,569 million [48.8%]  
 For the fiscal year ended March 31, 2025: ¥3,071 million [(34.6)%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	177.94	—	8.0	6.2	3.7
March 31, 2025	169.31	—	8.2	5.4	3.6

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2026: ¥— million  
 For the fiscal year ended March 31, 2025: ¥— million

Note: For the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment pertaining to a business combination, and each figure for the fiscal year ended March 31, 2025 reflects the finalization of the provisional accounting treatment.

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	97,962	50,918	52.0	2,283.12
March 31, 2025	89,090	47,989	53.9	2,153.80

Reference: Equity

As of March 31, 2026: ¥50,903 million

As of March 31, 2025: ¥47,989 million

Note: For the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment pertaining to a business combination, and each figure for the fiscal year ended March 31, 2025 reflects the finalization of the provisional accounting treatment.

## (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	9,238	(159)	(1,696)	23,926
March 31, 2025	5,114	(1,905)	(3,992)	16,423

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	31.00	–	39.00	70.00	1,562	41.3	3.3
Fiscal year ended March 31, 2026	–	36.00	–	36.00	72.00	1,605	40.5	3.2
Fiscal year ending March 31, 2027 (Forecast)	–	50.00	–	50.00	100.00		55.7	

## 3. Forecast of consolidated financial results 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	63,000	2.2	1,700	1.4	1,800	(0.4)	1,200	0.2	53.82
Full year	150,000	3.0	5,900	10.7	6,000	3.7	4,000	0.9	179.41

\* **Notes**

- (1) Changes in significant subsidiaries during the fiscal year ended March 31, 2026 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: No
- (ii) Changes in accounting policies due to other reasons: No
- (iii) Changes in accounting estimates: No
- (iv) Restatement of prior period financial statements: No

(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	22,500,000 shares
As of March 31, 2025	22,500,000 shares

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

As of March 31, 2026	204,339 shares
As of March 31, 2025	218,700 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	22,290,184 shares
Fiscal year ended March 31, 2025	23,283,878 shares

**[Reference] Summary of non-consolidated financial results**

**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.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	132,809	13.3	4,672	15.5	5,091	(4.6)	3,106	(42.3)
March 31, 2025	117,176	8.6	4,043	0.1	5,339	5.9	5,383	38.9

	Earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	139.39	–
March 31, 2025	231.20	–

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	90,456	46,125	51.0	2,068.79
March 31, 2025	83,034	44,120	53.1	1,980.18

Reference: Equity

As of March 31, 2026: ¥46,125 million  
As of March 31, 2025: ¥44,120 million

(Reason of variance in non-consolidated financial results compared to the results in the previous fiscal year)

Net sales increased due to the rise in large-scale projects in the Infrastructure business. However, profit fell below that of the previous fiscal year due to the absence of special factors such as dividend income in the previous fiscal year.

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

\* Proper use of earnings forecasts, and other special matters

Earnings forecasts and other forward-looking statements stated in this document are based on information currently available to the Company. Please refer to page 5 for the assumptions and other related matters concerning the above forecasts.

(Method of accessing financial summary presentation material)

The Company plans to hold financial results meeting for institutional investors and analysts on May 20, 2026. Materials for the meeting will be provided on the Company's website after the meeting.

○ **Table of Contents**

**Index**

1. Overview of operating results and others .....	2
(1) Overview of operating results for the fiscal year under review.....	2
(2) Overview of financial position for the fiscal year under review .....	3
(3) Overview of cash flows for the fiscal year under review .....	4
(4) Future outlook .....	5
(5) Policy regarding determination of dividends of surplus.....	5
2. Basic policy regarding selection of accounting standards .....	6
3. Consolidated financial statements and significant notes thereto.....	7
(1) Consolidated balance sheets.....	7
(2) Consolidated statements of income and consolidated statements of comprehensive income .....	9
Consolidated statements of income .....	9
Consolidated statements of comprehensive income .....	10
(3) Consolidated statements of changes in equity.....	11
(4) Consolidated statements of cash flows.....	15
(5) Notes on consolidated financial statements.....	17
Notes on premise of going concern .....	17
Changes in the scope of consolidation or application of equity method .....	17
Notes on segment information, etc. ....	17
Business combinations .....	20
Per share information .....	20
Significant events after reporting period .....	20
4. Non-consolidated financial statements .....	21
(1) Non-consolidated balance sheets.....	21
(2) Non-consolidated statements of income.....	23
(3) Non-consolidated statements of changes in equity.....	24
5. Other .....	26
(1) Changes in officers.....	26

## 1. Overview of operating results and others

### (1) Overview of operating results for the fiscal year under review

The business environment surrounding the Group during the fiscal year under review showed a gradual recovery trend in the economy, supported by improvements in the employment and income environment, although uncertainty about the outlook further increased due to factors such as the impact of rising energy prices associated with heightened tensions in the Middle East.

In addition, capital investment demand remained firm for measures such as automation to address labor shortages, technological innovation in AI, and DX. On the other hand, concerns about a slowdown in overseas economies due to geopolitical risks continued, including China's resource regulations and developments regarding U.S. trade policy, and uncertainty about the outlook persisted, including downward pressure on the domestic economy and the impact of rising prices.

Under these circumstances, the Group has been striving to enhance its technological and planning capabilities as part of its efforts in the final year of its five-year medium-term management plan, Electronics Solutions-Company 2025 (ES-C2025), with the aim of becoming an "Electronics Solutions Company" that contributes to solving social issues and achieving sustainable growth through its SDG initiatives.

As a result of these initiatives, in addition to steady performance in the module business of the Information & Communications Equipment business and the business for the medical field, large-scale projects increased in the Building Facilities business and the Infrastructure business.

As a result, net sales for the fiscal year under review increased ¥19,949 million year on year to ¥145,614 million, operating profit increased ¥832 million year on year to ¥5,332 million, ordinary profit increased ¥1,054 million year on year to ¥5,784 million, and profit attributable to owners of parent increased ¥23 million year on year to ¥3,966 million. Operating profit, ordinary profit, and profit attributable to owners of parent were all the highest on record.

#### Overview of operating results by segment

(Millions of yen)

		Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Factory Automation Systems business	Net sales	48,247	54,935	6,687
	Ordinary profit	2,280	2,205	(75)
Building Facilities business	Net sales	17,523	18,335	811
	Ordinary profit	318	307	(10)
Infrastructure business	Net sales	28,881	39,070	10,189
	Ordinary profit	186	765	578
Information & Communications Equipment business	Net sales	31,012	33,273	2,261
	Ordinary profit	1,897	2,150	252

**(i) Factory Automation Systems business**

In the factory automation field, although the impact of inventory adjustments continued for some products and drive control equipment remained sluggish, power distribution control devices showed a recovery trend, and, in addition, Takashima Electric, which joined the Group in the previous fiscal year, contributed to performance, resulting in steady results.

The industrial mechatronics field saw electric discharge machines remain steady, although projects for laser processing machines decreased. Performance in the industrial systems field was robust in instrumentation systems for the manufacturing sector, but overall it stayed flat year on year due to the absence of last fiscal year's large-scale projects.

As a result, although net sales increased by ¥6,687 million for the segment, ordinary profit decreased by ¥75 million due to decreased profit in the industrial mechatronics field and increase in selling, general and administrative expenses.

**(ii) Building Facilities business**

In the facilities equipment field, demand for power supply systems for information and communication operators continued and remained robust, but elevators were sluggish due to a limited number of projects.

In the air conditioning and refrigeration equipment field, refrigeration equipment was in line with the previous fiscal year, but air conditioning equipment remained sluggish.

As a result, net sales increased by ¥811 million but ordinary profit decreased by ¥10 million for the segment.

**(iii) Infrastructure business**

In the transportation field, wireless communication and substation equipment remained strong, helped by the recovery trend of capital investment of railway operators.

In the social systems field, the defense-related business progressed smoothly, and government projects also performed well.

As a result, net sales increased by ¥10,189 million and ordinary profit increased by ¥578 million for the segment.

**(iv) Information & Communications Equipment business**

In the telecommunications field, sales of image and video equipment were flat year on year, and electronic medical devices remained strong as the number of projects increased.

In the semiconductors and devices field, sales of industrial power devices struggled owing to the decreased demand, while sales of electronic devices used in office automation equipment and electronic devices for home appliances were robust.

As a result, net sales increased by ¥2,261 million and ordinary profit increased by ¥252 million for the segment.

**(2) Overview of financial position for the fiscal year under review**

Total assets at the end of the fiscal year under review were ¥97,962 million (an increase of ¥8,872 million from the end of the previous fiscal year).

Current assets were ¥80,395 million (an increase of ¥8,384 million from the end of the previous fiscal year). This was mainly due to a ¥661 million decrease in merchandise and finished goods and a ¥647 million decrease in notes receivable – trade, which were outweighed by increases of ¥7,403 million in cash and deposits, ¥1,266 million in electronically recorded monetary claims – operating, and ¥1,186 million in advance payments to suppliers, each compared to the end of the previous fiscal year.

Non-current assets were ¥17,567 million (an increase of ¥488 million from the end of the previous fiscal year). This was mainly due to increases of ¥869 million in investment securities and ¥56 million in property, plant and equipment, which outweighed decreases of ¥211 million in goodwill and ¥195 million in software, each compared to the end of the previous fiscal year.

Current liabilities were ¥46,236 million (an increase of ¥5,801 million from the end of the previous fiscal year). This was mainly due to increases of ¥2,591 million in advances received, ¥1,939 million in notes and accounts payable - trade, ¥938 million in income taxes payable, and ¥517 million in accounts payable - other, despite decreases of ¥433 million in electronically recorded obligations - operating and ¥78 million in accrued consumption taxes, each compared to the end of the previous fiscal year.

Non-current liabilities were ¥807 million (an increase of ¥142 million from the end of the previous fiscal year).

Net assets were ¥50,918 million (an increase of ¥2,929 million from the end of the previous fiscal year). This was mainly due to increases of ¥2,290 million in retained earnings due to the recording of ¥3,966 million in profit attributable to owners of parent and ¥1,671 million of dividends paid, ¥608 million in valuation difference on available-for-sale securities, and ¥15 million in non-controlling interests, as well as disposal of treasury shares of ¥20 million, which outweighed a decrease of ¥14 million in remeasurements of defined benefit plans, each compared to the end of the previous fiscal year.

As a result, the equity ratio at the end of the fiscal year under review was 52.0%, and net assets per share were ¥2,283.12.

### (3) Overview of cash flows for the fiscal year under review

At the end of the fiscal year under review, cash and cash equivalents were ¥23,926 million, an increase of ¥7,502 million (up 45.7% year on year).

The status and factors affecting each cash flow during the fiscal year are as follows:

#### Cash flows from operating activities

Net cash provided by operating activities for the fiscal year under review was ¥9,238 million (compared to ¥5,114 million in the previous fiscal year), mainly due to the securing of ¥5,981 million in profit before income taxes (¥5,838 million in the previous fiscal year), an increase of ¥2,590 million in advances received, an increase of ¥1,463 million in trade payables, and a ¥675 million decrease in inventories, which offset a ¥1,185 million increase in advance payments to suppliers, and ¥1,241 million in income taxes paid.

#### Cash flows from investing activities

Net cash used in investing activities for the fiscal year under review was ¥159 million (compared to ¥1,905 million in the previous fiscal year), primarily due to ¥282 million in proceeds from sale of investment securities, which was offset by ¥350 million in payments for purchase of property, plant and equipment and ¥147 million in payments for purchase of intangible assets.

#### Cash flows from financing activities

Net cash used in financing activities for the fiscal year under review was ¥1,696 million (compared to ¥3,992 million used in the previous fiscal year), mainly due to ¥1,670 million in dividends paid.

Trends in the Group's cash flow indicators are as follows:

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Equity ratio (%)	58.0	53.3	56.1	53.9	52.0
Equity ratio on a market value basis (%)	33.6	32.7	41.4	36.8	46.6
Interest-bearing debt to cash flow ratio	0.2	–	0.4	0.1	0.1
Interest coverage ratio (times)	290.5	–	280.5	304.9	1,072.8

Equity ratio: Equity/Total assets

Equity ratio on a market value basis: Market capitalization/Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt/Operating cash flow

Interest coverage ratio: Operating cash flow/Interest payment

Notes: 1. Each indicator is calculated based on consolidated financial figures.

2. Market capitalization is calculated as the closing stock price at fiscal year-end multiplied by the total number of issued shares at fiscal year-end (excluding treasury shares).
3. Operating cash flows are based on operating cash flows in the consolidated statement of cash flows. Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet on which interest is paid. Additionally, interest paid in the consolidated statement of cash flows is used for interest payment.
4. The interest-bearing debt to cash flow ratio and the interest coverage ratio are not stated if operating cash flows are negative.

#### **(4) Future outlook**

With respect to the future outlook, uncertain conditions due to geopolitical risks continue, including China's resource regulations and developments regarding U.S. trade policy, as well as energy price trends and disruption to logistics networks associated with heightened tensions in the Middle East.

Under these circumstances, the Group will leverage the strengths of its four business areas and create new solutions through the combination of technologies. In various fields, including manufacturing, primarily in Japan, there is an increasing appetite for investment in productivity-improving technologies such as automation, decarbonization, and AI/digital transformation (DX), and capital investment in related fields is generally expected to expand.

In order to continue contributing to the resolution of social issues, we will proceed with the strategic concentration of resources into high-growth fields such as defense and medical and nursing care, in addition to environmental and energy-related fields. Through these efforts, we will strengthen the development of high value-added solution businesses that are less susceptible to external environments and achieve sustainable corporate growth.

Currently, the consolidated earnings forecast for the fiscal year ending March 31, 2027 is as follows:

##### Consolidated

Net sales	¥150,000 million (up 3.0% YoY)
Operating profit	¥5,900 million (up 10.7% YoY)
Ordinary profit	¥6,000 million (up 3.7% YoY)
Profit attributable to owners of parent	¥4,000 million (up 0.9% YoY)

#### **(5) Policy regarding determination of dividends of surplus**

The Company will continue to set a consolidated dividend payout ratio of 40% as a standard indicator. It will implement a progressive dividend policy in which we will not, in principle, reduce annual dividends but will maintain or increase them, recognizing that returning profits to shareholders serves as a key management priority. Meanwhile, we will continue to retain internal reserves necessary to fund future business development and strengthen the corporate structure in order to ensure promotion of "sound management" that combines consistency with growth potential.

In line with this policy, the year-end cash dividend for the fiscal year under review is set at ¥36 per share. With an interim dividend of ¥36 per share already paid, the annual dividend will total ¥72 per share.

In addition, from the fiscal year ending March 31, 2027, in order to realize stable dividends without being affected by short-term profit fluctuations, we will adopt a dividend on equity (DOE) of 4.5% as the benchmark indicator for dividends and continue progressive dividends. We will continue to promote management with a strong focus on improving capital efficiency (ROE) and strive to strengthen earnings power and enhance shareholder returns.

## **2. Basic policy regarding selection of accounting standards**

The Group applies the Japanese GAAP for accounting standards, as most of its stakeholders are domestic shareholders, creditors, and business partners, and it has little need to raise funds from overseas.

### 3. Consolidated financial statements and significant notes thereto

#### (1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	16,723	24,126
Notes receivable - trade	1,026	378
Electronically recorded monetary claims - operating	7,497	8,764
Accounts receivable - trade	35,262	34,702
Contract assets	374	202
Merchandise and finished goods	8,422	7,761
Raw materials and supplies	6	1
Accounts receivable - other	1,979	2,462
Other	732	2,001
Allowance for doubtful accounts	(14)	(6)
<b>Total current assets</b>	<b>72,011</b>	<b>80,395</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,011	6,285
Accumulated depreciation	(2,461)	(2,597)
Buildings and structures, net	3,549	3,687
Machinery, equipment and vehicles	184	185
Accumulated depreciation	(149)	(157)
Machinery, equipment and vehicles, net	34	28
Tools, furniture and fixtures	1,305	1,362
Accumulated depreciation	(972)	(1,066)
Tools, furniture and fixtures, net	333	296
Land	4,426	4,418
Construction in progress	65	1
Leased assets	300	372
Accumulated depreciation	(172)	(208)
Leased assets, net	128	163
<b>Total property, plant and equipment</b>	<b>8,538</b>	<b>8,595</b>
Intangible assets		
Software	1,314	1,118
Goodwill	1,611	1,400
Other	253	225
<b>Total intangible assets</b>	<b>3,179</b>	<b>2,743</b>
Investments and other assets		
Investment securities	4,358	5,227
Retirement benefit asset	456	449
Deferred tax assets	171	189
Other	408	394
Allowance for doubtful accounts	(33)	(33)
<b>Total investments and other assets</b>	<b>5,361</b>	<b>6,228</b>
<b>Total non-current assets</b>	<b>17,078</b>	<b>17,567</b>
<b>Total assets</b>	<b>89,090</b>	<b>97,962</b>

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	27,968	29,907
Electronically recorded obligations - operating	6,298	5,865
Income taxes payable	630	1,569
Advances received	1,092	3,684
Provision for bonuses	864	1,255
Provision for bonuses for directors (and other officers)	142	124
Other	3,437	3,829
Total current liabilities	40,434	46,236
Non-current liabilities		
Lease liabilities	77	78
Deferred tax liabilities	84	199
Deferred tax liabilities for land revaluation	172	172
Provision for retirement benefits for directors (and other officers)	26	31
Retirement benefit liability	277	304
Asset retirement obligations	15	15
Other	13	7
Total non-current liabilities	665	807
Total liabilities	41,100	47,044
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,576	5,576
Capital surplus	5,355	5,355
Retained earnings	34,688	36,978
Treasury shares	(312)	(291)
Total shareholders' equity	45,308	47,619
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,315	1,924
Revaluation reserve for land	373	373
Foreign currency translation adjustment	955	964
Remeasurements of defined benefit plans	36	22
Total accumulated other comprehensive income	2,681	3,284
Non-controlling interests	-	15
Total net assets	47,989	50,918
Total liabilities and net assets	89,090	97,962

**(2) Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	125,665	145,614
Cost of sales	107,662	125,471
Gross profit	18,002	20,143
Selling, general and administrative expenses	13,502	14,811
Operating profit	4,499	5,332
Non-operating income		
Interest income	85	36
Dividend income	84	109
Purchase discounts	35	83
Foreign exchange gains	–	163
Rental income from real estate	33	44
Other	59	60
Total non-operating income	297	498
Non-operating expenses		
Interest expenses	16	20
Donations	2	12
Foreign exchange losses	32	–
Other	15	13
Total non-operating expenses	66	46
Ordinary profit	4,730	5,784
Extraordinary income		
Gain on sale of non-current assets	–	20
Gain on sale of investment securities	119	177
Gain on sale of shares of subsidiaries and associates	51	–
Gain on transition to retirement benefit plan	952	–
Total extraordinary income	1,123	197
Extraordinary losses		
Loss on retirement of non-current assets	13	0
Loss on sale of investment securities	–	0
Loss on valuation of golf club membership	1	–
Total extraordinary losses	15	0
Profit before income taxes	5,838	5,981
Income taxes - current	1,359	2,177
Income taxes - deferred	531	(162)
Total income taxes	1,891	2,015
Profit	3,947	3,966
Profit attributable to non-controlling interests	5	–
Profit attributable to owners of parent	3,942	3,966

**Consolidated statements of comprehensive income**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	3,947	3,966
Other comprehensive income		
Valuation difference on available-for-sale securities	(454)	608
Foreign currency translation adjustment	387	8
Remeasurements of defined benefit plans, net of tax	(809)	(14)
Total other comprehensive income	(875)	603
Comprehensive income	3,071	4,569
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,066	4,569
Comprehensive income attributable to non-controlling interests	5	—

**(3) Consolidated statements of changes in equity**

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	5,576	5,361	33,710	(168)	44,479
Changes during period					
Dividends of surplus			(1,407)		(1,407)
Profit attributable to owners of parent			3,942		3,942
Purchase of treasury shares				(1,739)	(1,739)
Disposal of treasury shares		8		25	33
Cancellation of treasury shares		(1,570)		1,570	–
Transfer from retained earnings to capital surplus		1,556	(1,556)		–
Net changes in items other than shareholders' equity					–
Total changes during period	–	(5)	977	(144)	828
Balance at end of period	5,576	5,355	34,688	(312)	45,308

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,769	378	568	845	3,562	162	48,204
Changes during period							
Dividends of surplus							(1,407)
Profit attributable to owners of parent							3,942
Purchase of treasury shares							(1,739)
Disposal of treasury shares							33
Cancellation of treasury shares							–
Transfer from retained earnings to capital surplus							–
Net changes in items other than shareholders' equity	(454)	(4)	387	(809)	(880)	(162)	(1,042)
Total changes during period	(454)	(4)	387	(809)	(880)	(162)	(214)
Balance at end of period	1,315	373	955	36	2,681	–	47,989

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	5,576	5,355	34,688	(312)	45,308
Changes during period					
Dividends of surplus			(1,671)		(1,671)
Profit attributable to owners of parent			3,966		3,966
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(3)		20	17
Transfer from retained earnings to capital surplus		3	(3)		–
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	2,290	20	2,311
Balance at end of period	5,576	5,355	36,978	(291)	47,619

## KANADEN CORPORATION (8081)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,315	373	955	36	2,681	–	47,989
Changes during period							
Dividends of surplus							(1,671)
Profit attributable to owners of parent							3,966
Purchase of treasury shares							(0)
Disposal of treasury shares							17
Transfer from retained earnings to capital surplus							–
Net changes in items other than shareholders' equity	608	–	8	(14)	603	15	618
Total changes during period	608	–	8	(14)	603	15	2,929
Balance at end of period	1,924	373	964	22	3,284	15	50,918

**(4) Consolidated statements of cash flows**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	5,838	5,981
Depreciation	505	698
Amortization of goodwill	166	211
Increase (decrease) in allowance for doubtful accounts	(28)	(8)
Increase (decrease) in provision for bonuses	(421)	390
Increase (decrease) in provision for bonuses for directors (and other officers)	5	(17)
Decrease (increase) in retirement benefit asset	(261)	7
Increase (decrease) in retirement benefit liability	(1,138)	6
Interest and dividend income	(169)	(146)
Interest expenses	16	20
Loss (gain) on sale of investment securities	(119)	(177)
Loss (gain) on sale of shares of subsidiaries and associates	(51)	–
Gain on transition to retirement benefit plan	(952)	–
Decrease (increase) in accounts receivable - trade, and contract assets	(4,729)	150
Decrease (increase) in inventories	3,409	675
Decrease (increase) in advance payments to suppliers	(14)	(1,185)
Increase (decrease) in trade payables	3,150	1,463
Increase (decrease) in advances received	273	2,590
Increase (decrease) in accrued consumption taxes	(251)	(78)
Other, net	1,247	(201)
Subtotal	6,474	10,379
Interest and dividends received	169	120
Interest paid	(16)	(20)
Income taxes paid	(1,512)	(1,241)
Net cash provided by (used in) operating activities	5,114	9,238
<b>Cash flows from investing activities</b>		
Payments into time deposits	(100)	(130)
Proceeds from withdrawal of time deposits	110	229
Purchase of investment securities	(14)	(17)
Proceeds from sale of investment securities	131	282
Payments for investments in capital of subsidiaries and associates	–	(82)
Purchase of property, plant and equipment	(340)	(350)
Proceeds from sale of property, plant and equipment	–	29
Purchase of intangible assets	(118)	(147)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	118	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,711)	–
Other, net	19	26
Net cash provided by (used in) investing activities	(1,905)	(159)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Repayments of short-term borrowings	(110)	–
Repayments of long-term borrowings	(702)	–
Purchase of treasury shares	(1,739)	(0)
Dividends paid	(1,408)	(1,670)
Other, net	(31)	(25)
Net cash provided by (used in) financing activities	(3,992)	(1,696)
Effect of exchange rate change on cash and cash equivalents	259	119
Net increase (decrease) in cash and cash equivalents	(524)	7,502
Cash and cash equivalents at beginning of period	16,947	16,423
Cash and cash equivalents at end of period	16,423	23,926

**(5) Notes on consolidated financial statements****Notes on premise of going concern**

Not applicable.

**Changes in the scope of consolidation or application of equity method**Significant changes in the scope of consolidation

Not applicable.

**Notes on segment information, etc.**Segment information

## 1. Overview of reportable segments

The Company's reportable segments are those for which separate financial information is available and which are subject to regular review by the Board of Directors and others for the purpose of evaluating business performance and allocating management resources.

As an Electronics Solutions Company, the Group organizes its business divisions under the Head Office by product and market segments, with each business division responsible for formulating comprehensive strategies for its domestic and overseas operations, and business activities are conducted in an integrated manner with district offices and branch offices acting in regional strategy roles.

Accordingly, the Group's segments are structured by business based on products and markets and include four reportable segments: Factory Automation Systems business, Building Facilities business, Infrastructure business, and Information & Communications Equipment business.

The Factory Automation Systems business sells factory automation equipment, industrial systems, and automation/IoT solutions that improve quality and productivity in manufacturing lines, as well as mechatronics products like laser processing machines and electric discharge machines for precision machining.

The Building Facilities business sells uninterruptible power supplies (UPS), elevators, and energy efficient products such as air conditioning equipment, residential and refrigeration equipment, and energy management systems.

The Infrastructure business sells substation power systems, LED equipment, telecommunications equipment, and electrical components for vehicles to railway operators, as well as systems contributing to social infrastructure such as traffic safety systems, solar power systems, and regional disaster prevention systems.

The Information & Communications Equipment business sells semiconductors essential to telecommunications, automobiles, and industrial equipment; electronic components; and solution systems for imaging, security, and electronic medical care systems tailored to diverse needs and challenges.

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

The accounting methods for the reportable segments are the same as those used to prepare the consolidated financial statements. Segment profit figures are based on ordinary profit.

Intersegment sales and transfers are calculated based on current market prices.

3. Information of net sales, profit (loss), assets, liabilities, and other items for each reportable segment  
Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments				
	Factory Automation Systems business	Building Facilities business	Infrastructure business	Information & Communications Equipment business	Total
Net sales					
Net sales to external customers	48,247	17,523	28,881	31,012	125,665
Intersegment sales or transfers	64	102	11	49	228
Total	48,312	17,626	28,892	31,061	125,893
Segment profit	2,280	318	186	1,897	4,683
Segment assets	25,644	7,095	10,811	15,159	58,711
Other items					
Depreciation	62	0	0	41	104
Amortization of goodwill	166	–	–	–	166
Increase in property, plant and equipment, and intangible assets	406	–	0	11	418

## Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments				
	Factory Automation Systems business	Building Facilities business	Infrastructure business	Information & Communications Equipment business	Total
Net sales					
Net sales to external customers	54,935	18,335	39,070	33,273	145,614
Intersegment sales or transfers	–	–	–	–	–
Total	54,935	18,335	39,070	33,273	145,614
Segment profit	2,205	307	765	2,150	5,428
Segment assets	26,254	6,762	11,546	14,610	59,172
Other items					
Depreciation	92	0	0	43	136
Amortization of goodwill	211	–	–	–	211
Increase in property, plant and equipment, and intangible assets	247	4	–	117	369

4. Differences between total reportable segment amounts and the amount recorded in consolidated financial statements and main items of the differences (matters relating to reconciliation)

(Millions of yen)

Net sales	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total of reportable segments	125,893	145,614
Elimination of intersegment transactions	(228)	–
Net sales in the consolidated financial statement	125,665	145,614

(Millions of yen)

Profit	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total of reportable segments	4,683	5,428
Company-wide expenses (Note)	46	355
Ordinary profit in the consolidated financial statement	4,730	5,784

Note: Company-wide expenses mainly consist of general and administrative expenses as well as non-operating income (expenses) not attributable to any reportable segment.

(Millions of yen)

Assets	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total of reportable segments	58,711	59,172
Company-wide assets (Note)	30,378	38,790
Total assets in the consolidated financial statement	89,090	97,962

Note: Company-wide assets mainly consist of surplus operating funds (cash and deposits), long-term investment funds (investment securities), and assets related to the Head Office and district offices/branch offices, including land, buildings, and assets for management divisions.

(Millions of yen)

Other items	Total of reportable segments		Adjustment		Amount recorded in consolidated financial statements	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Depreciation	104	136	400	561	505	698
Amortization of goodwill	166	211	–	–	166	211
Interest income	–	–	85	36	85	36
Interest expenses	–	–	16	20	16	20
Increase in property, plant and equipment, and intangible assets	418	369	329	167	747	537

Note: Adjustments for depreciation and increases in property, plant and equipment and intangible assets relate to company-wide assets.

## Business combinations

### Finalization of provisional accounting treatment for a business combination

The business combination with Takashima Electric Corporation and its subsidiary Takashima Engineering Corporation, which took place on December 2, 2024, was accounted for provisionally in the previous fiscal year but was finalized during the fiscal year under review.

As a result, the goodwill amount of ¥318 million that had been provisionally calculated was reduced by ¥19 million upon finalization, resulting in goodwill of ¥298 million. The decrease in goodwill was due to increases of ¥28 million in intangible assets (customer-related intangible assets) and ¥8 million in deferred tax liabilities.

Due to the finalization of accounting treatment, we have made revisions to the consolidated financial statements for the previous fiscal year that are presented as comparative information. The impact on profit and loss is minor.

## Per share information

(Yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Net assets per share	2,153.80	2,283.12
Earnings per share	169.31	177.94

Notes: 1. Information on diluted earnings per share is omitted due to an absence of potential shares.

2. The basis for calculation of earnings per share is as follows:

	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	3,942	3,966
Amounts not attributable to common shareholders (Millions of yen)	–	–
Profit attributable to owners of parent related to common shares (Millions of yen)	3,942	3,966
Average number of common shares during the period (Thousands of shares)	23,283	22,290

## Significant events after reporting period

Not applicable.

**4. Non-consolidated financial statements****(1) Non-consolidated balance sheets**

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	12,026	18,097
Notes receivable - trade	797	235
Electronically recorded monetary claims - operating	7,104	8,226
Accounts receivable - trade	33,992	33,038
Contract assets	372	202
Merchandise and finished goods	6,565	6,235
Raw materials and supplies	1	1
Advance payments to suppliers	374	1,562
Prepaid expenses	238	321
Accounts receivable - other	1,934	2,385
Short-term loans receivable from subsidiaries and associates	48	215
Other	37	91
Allowance for doubtful accounts	(7)	(6)
Total current assets	63,487	70,606
Non-current assets		
Property, plant and equipment		
Buildings	3,452	3,318
Machinery and equipment	31	26
Tools, furniture and fixtures	287	255
Land	4,331	4,331
Leased assets	92	83
Total property, plant and equipment	8,195	8,016
Intangible assets		
Software	1,264	1,072
Other	28	28
Total intangible assets	1,293	1,101
Investments and other assets		
Investment securities	4,068	4,878
Shares of subsidiaries and associates	4,388	4,485
Long-term loans receivable from subsidiaries and associates	1,166	1,065
Long-term prepaid expenses	0	0
Prepaid pension costs	403	416
Deferred tax assets	65	-
Other	148	148
Allowance for doubtful accounts	(33)	(33)
Allowance for doubtful accounts of subsidiaries and associates	(150)	(230)
Total investments and other assets	10,058	10,731
Total non-current assets	19,547	19,849
Total assets	83,034	90,456

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable - trade	121	23
Electronically recorded obligations - operating	6,161	5,443
Accounts payable - trade	26,647	28,404
Lease liabilities	33	39
Accounts payable - other	1,873	2,381
Income taxes payable	582	1,308
Advances received	1,050	3,661
Deposits received	165	51
Provision for loss on business of subsidiaries and associates	–	443
Provision for bonuses	735	1,072
Provision for bonuses for directors (and other officers)	114	105
Guarantee deposits received	626	646
Other	532	441
<b>Total current liabilities</b>	<b>38,644</b>	<b>44,023</b>
<b>Non-current liabilities</b>		
Lease liabilities	68	53
Deferred tax liabilities	–	66
Deferred tax liabilities for land revaluation	172	172
Long-term income taxes payable	13	–
Asset retirement obligations	14	14
<b>Total non-current liabilities</b>	<b>269</b>	<b>307</b>
<b>Total liabilities</b>	<b>38,914</b>	<b>44,331</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	5,576	5,576
<b>Capital surplus</b>		
Legal capital surplus	5,359	5,359
<b>Total capital surplus</b>	<b>5,359</b>	<b>5,359</b>
<b>Retained earnings</b>		
Legal retained earnings	588	588
<b>Other retained earnings</b>		
General reserve	16,740	16,740
Retained earnings brought forward	14,538	15,969
<b>Total retained earnings</b>	<b>31,866</b>	<b>33,298</b>
Treasury shares	(312)	(291)
<b>Total shareholders' equity</b>	<b>42,489</b>	<b>43,941</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	1,256	1,809
Revaluation reserve for land	373	373
<b>Total valuation and translation adjustments</b>	<b>1,630</b>	<b>2,183</b>
<b>Total net assets</b>	<b>44,120</b>	<b>46,125</b>
<b>Total liabilities and net assets</b>	<b>83,034</b>	<b>90,456</b>

**(2) Non-consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	117,176	132,809
Cost of sales	102,607	116,670
Gross profit	14,568	16,138
Selling, general and administrative expenses	10,524	11,466
Operating profit	4,043	4,672
Non-operating income		
Interest income	16	22
Dividend income	1,288	165
Purchase discounts	35	83
Rental income from real estate	59	70
Foreign exchange gains	–	168
Other	26	32
Total non-operating income	1,426	542
Non-operating expenses		
Interest expenses	12	19
Donations	1	12
Provision of allowance for doubtful accounts for subsidiaries and associates	74	80
Foreign exchange losses	28	–
Other	14	11
Total non-operating expenses	131	123
Ordinary profit	5,339	5,091
Extraordinary income		
Gain on sale of investment securities	119	156
Gain on sale of shares of subsidiaries and associates	704	–
Gain on transition to retirement benefit plan	952	–
Total extraordinary income	1,776	156
Extraordinary losses		
Loss on retirement of non-current assets	12	0
Provision for loss on business of subsidiaries and associates	–	443
Total extraordinary losses	12	443
Profit before income taxes	7,103	4,804
Income taxes - current	1,217	1,815
Income taxes - deferred	503	(117)
Total income taxes	1,720	1,697
Profit	5,383	3,106

**(3) Non-consolidated statements of changes in equity**

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
						General reserve	Retained earnings brought forward			
Balance at beginning of period	5,576	5,359	5	5,364	588	16,740	12,119	29,447	(168)	40,221
Changes during period										
Dividends of surplus							(1,407)	(1,407)		(1,407)
Profit							5,383	5,383		5,383
Purchase of treasury shares									(1,739)	(1,739)
Disposal of treasury shares			8	8					25	33
Cancellation of treasury shares			(1,570)	(1,570)					1,570	-
Transfer from retained earnings to capital surplus			1,556	1,556			(1,556)	(1,556)		-
Net changes in items other than shareholders' equity										-
Total changes during period	-	-	(5)	(5)	-	-	2,418	2,418	(144)	2,268
Balance at end of period	5,576	5,359	-	5,359	588	16,740	14,538	31,866	(312)	42,489

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	1,762	378	2,141	42,362
Changes during period				
Dividends of surplus				(1,407)
Profit				5,383
Purchase of treasury shares				(1,739)
Disposal of treasury shares				33
Cancellation of treasury shares				-
Transfer from retained earnings to capital surplus				-
Net changes in items other than shareholders' equity	(505)	(4)	(510)	(510)
Total changes during period	(505)	(4)	(510)	1,758
Balance at end of period	1,256	373	1,630	44,120

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
						General reserve	Retained earnings brought forward			
Balance at beginning of period	5,576	5,359	–	5,359	588	16,740	14,538	31,866	(312)	42,489
Changes during period										
Dividends of surplus							(1,671)	(1,671)		(1,671)
Profit							3,106	3,106		3,106
Purchase of treasury shares									(0)	(0)
Disposal of treasury shares			(3)	(3)					20	17
Transfer from retained earnings to capital surplus			3	3			(3)	(3)		–
Net changes in items other than shareholders' equity										–
Total changes during period	–	–	–	–	–	–	1,431	1,431	20	1,451
Balance at end of period	5,576	5,359	–	5,359	588	16,740	15,969	33,298	(291)	43,941

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	1,256	373	1,630	44,120
Changes during period				
Dividends of surplus				(1,671)
Profit				3,106
Purchase of treasury shares				(0)
Disposal of treasury shares				17
Transfer from retained earnings to capital surplus				–
Net changes in items other than shareholders' equity	552	–	552	552
Total changes during period	552	–	552	2,004
Balance at end of period	1,809	373	2,183	46,125

## 5. Other

### (1) Changes in officers

#### (i) Changes in Representative Directors

Not applicable.

#### (ii) Other changes in officers

- Candidates for newly appointed Directors

Director (Outside)	Hajime Oshita
--------------------	---------------

- Directors scheduled to retire

Director (Outside)	Yoshiro Nagashima
--------------------	-------------------

#### (iii) Scheduled date of change

June 23, 2026

(Reference) Directors and Audit & Supervisory Board Members (scheduled) as of June 23, 2026

President (Representative Director)		Futoshi Moriya
Managing Director	Senior General Manager, Business Management Office; in charge of Building Facilities Division, Transportation Division, and Defense & Medical Division	Harumi Nakatake
Director (Outside)		Yayoi Ito
Director (Outside)		Tomoe Imado
Director (Outside)		Hajime Oshita (newly appointed)
Director	Senior General Manager, Kansai District Office	Takanori Sugai
Director	Senior General Manager, Administration Division; in charge of Management Division	Nobuhiro Kuroda
Audit & Supervisory Board Member (Standing)		Kazuhiro Tsukada
Audit & Supervisory Board Member (Outside)		Yoshikuni Noguchi
Audit & Supervisory Board Member (Outside)		Chieko Ogawa