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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]



May 8, 2026

Company name: RYODEN CORPORATION
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8084
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 Scheduled date of Annual General Meeting of Shareholders: June 25, 2026
 Scheduled date of filing annual securities report: June 24, 2026
 Scheduled date of commencing dividend payments: June 4, 2026
 Availability of supplementary briefing material on annual financial results: Yes
 Schedule of annual financial results briefing session: Yes (for institutional investors and securities analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

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

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|----------------------------------|-------------|--------|------------------|--------|-----------------|--------|---|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal year ended March 31, 2026 | 212,772 | (1.4) | 5,244 | (4.3) | 5,767 | (4.0) | 5,275 | 12.2 |
| Fiscal year ended March 31, 2025 | 215,790 | (16.7) | 5,483 | (34.1) | 6,010 | (27.0) | 4,700 | (18.1) |

(Note) Comprehensive income: Fiscal year ended March 31, 2026: ¥7,833 million [42.8%]
 Fiscal year ended March 31, 2025: ¥5,487 million [(39.3)%]

| | Profit per share | Diluted profit per share | Return on equity | Ordinary profit to total assets | Operating profit to net sales |
|----------------------------------|------------------|--------------------------|------------------|---------------------------------|-------------------------------|
| | Yen | Yen | % | % | % |
| Fiscal year ended March 31, 2026 | 244.84 | 244.17 | 5.7 | 3.9 | 2.5 |
| Fiscal year ended March 31, 2025 | 214.80 | 214.04 | 5.3 | 4.0 | 2.5 |

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

Fiscal year ended March 31, 2026: ¥50 million
 Fiscal year ended March 31, 2025: ¥65 million

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of March 31, 2026 | 154,303 | 94,533 | 61.2 | 4,380.05 |
| As of March 31, 2025 | 141,995 | 89,213 | 62.7 | 4,141.24 |

(Reference) Equity: As of March 31, 2026: ¥94,420 million
 As of March 31, 2025: ¥89,086 million

(3) Consolidated Cash Flows

| | Net cash provided by (used in) operating activities | Net cash provided by (used in) investing activities | Net cash provided by (used in) financing activities | Cash and cash equivalents at end of period |
|-------------------------------------|---|---|---|--|
| | Million yen | Million yen | Million yen | Million yen |
| Fiscal year ended March 31, 2026 | 6,067 | (2,985) | (3,003) | 33,457 |
| Fiscal year ended March 31, 2025 | 18,453 | (15) | (4,202) | 33,305 |

2. Dividends

| | Annual dividends | | | | | Total dividends | Payout ratio (consolidated) | Dividends to net assets (consolidated) |
|--|--------------------|--------------------|--------------------|----------|--------|--------------------|-----------------------------------|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| Fiscal year ended March 31, 2025 | — | 53.00 | — | 53.00 | 106.00 | 2,302 | 49.3 | 2.6 |
| Fiscal year ended March 31, 2026 | — | 68.00 | — | 70.00 | 138.00 | 2,974 | 56.4 | 3.2 |
| Fiscal year ending March 31, 2027 (Forecast) | — | 75.00 | — | 75.00 | 150.00 | | 68.8 | |

(Note) We have revised the dividend forecast announced on May 9, 2025. For details, see the “Notice of Revision of Dividend Forecast (Dividend Increase)” and the “Notice of Change in Dividend Policy (Introduction of Progressive Dividends)” released today.

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

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Profit per share |
|------------|-------------|------|------------------|------|-----------------|-----|--|--------|------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| First half | 115,500 | 13.2 | 2,700 | 11.0 | 2,800 | 5.0 | 2,300 | 5.9 | 106.75 |
| Full year | 237,000 | 11.4 | 6,000 | 14.4 | 6,000 | 4.0 | 4,700 | (10.9) | 218.14 |

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: No
- (2) 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: Yes
 - 3) Changes in accounting estimates: Yes
 - 4) Retrospective restatement: No

* We have changed our depreciation method from the beginning of the current fiscal year, which falls under the category of “cases where it is difficult to distinguish a change in accounting policy from a change in accounting estimates.”

- (3) Total number of issued shares (common stock)
- 1) Total number of issued shares at the end of the period (including treasury stock):
 - March 31, 2026: 21,612,037 shares
 - March 31, 2025: 21,612,037 shares
 - 2) Total number of treasury stock at the end of the period:
 - March 31, 2026: 55,063 shares
 - March 31, 2025: 100,078 shares
 - 3) Average number of shares during the period:
 - Fiscal year ended March 31, 2026: 21,545,851 shares
 - Fiscal year ended March 31, 2025: 21,884,152 shares

(Reference) Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

- (1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|----------------------------------|-------------|--------|------------------|--------|-----------------|--------|-------------|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal year ended March 31, 2026 | 173,981 | (3.1) | 3,711 | (11.0) | 5,141 | 3.1 | 5,164 | 26.2 |
| Fiscal year ended March 31, 2025 | 179,588 | (21.1) | 4,172 | (40.6) | 4,989 | (29.6) | 4,092 | (15.0) |

| | Profit per share | | Diluted profit per share | |
|----------------------------------|------------------|--|--------------------------|--|
| | Yen | | Yen | |
| Fiscal year ended March 31, 2026 | 239.72 | | 239.06 | |
| Fiscal year ended March 31, 2025 | 187.01 | | 186.35 | |

- (2) Non-consolidated Financial Position

| | Total assets | | Net assets | | Equity ratio | | Net assets per share | |
|----------------------|--------------|--|-------------|--|--------------|--|----------------------|--|
| | Million yen | | Million yen | | % | | Yen | |
| As of March 31, 2026 | 133,750 | | 77,360 | | 57.8 | | 3,584.15 | |
| As of March 31, 2025 | 121,370 | | 73,936 | | 60.8 | | 3,431.56 | |

- (Reference) Equity: As of March 31, 2026: ¥77,263 million
As of March 31, 2025: ¥73,819 million

* These financial results are outside the scope of audit by certified public accountant or audit firm.

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

The statements concerning future performance presented in this document are prepared based on currently available information and certain preconditions which the Company believes to be reasonable at this time. Actual results may be different from any projections presented herein due to various factors.

(How to obtain supplementary briefing material on financial results)

A briefing session for institutional investors and analysts is scheduled to be held on Wednesday, May 20, 2026. The briefing material on financial results to be used on the day will be posted on the Company's website before the session

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Table of Contents - Attachments

| | |
|---|----|
| 1. Overview of Operating Results, etc. | 2 |
| (1) Overview of Operating Results for the Fiscal Year under Review | 2 |
| (2) Overview of Financial Position for the Fiscal Year under Review | 4 |
| (3) Overview of Cash Flows for the Fiscal Year under Review | 4 |
| (4) Future Outlook | 5 |
| 2. Basic Policy on Selection of Accounting Standards | 6 |
| 3. Consolidated Financial Statements and Principal Notes | 7 |
| (1) Consolidated Balance Sheets | 7 |
| (2) Consolidated Statements of Income and Comprehensive Income | 9 |
| Consolidated Statements of Income | 9 |
| Consolidated Statements of Comprehensive Income | 10 |
| (3) Consolidated Statements of Changes in Net Assets | 11 |
| (4) Consolidated Statements of Cash Flows | 13 |
| (5) Notes to Consolidated Financial Statements | 15 |
| (Notes on going concern assumption) | 15 |
| (Notes in case of significant changes in the amount of shareholders' equity) | 15 |
| (Changes in accounting policies that are difficult to be distinguished from changes in accounting estimates) | 15 |
| (Changes in presentation) | 15 |
| (Segment information, etc.) | 16 |
| (Per share information) | 20 |
| (Significant subsequent events) | 20 |
| 4. Non-consolidated Financial Statements and Principal Notes | 21 |
| (1) Non-consolidated Balance Sheets | 21 |
| (2) Non-consolidated Statements of Income | 23 |
| (3) Non-consolidated Statements of Changes in Net Assets | 24 |

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

The global economy for the fiscal year under review remained firm in the first half on the back of consumer spending and AI investment in the United States, but slowed down in the latter half of the year due to concerns about an economic downturn caused by tighter tariffs and heightened geopolitical risks.

In the United States, although consumer spending stayed robust against the backdrop of a favorable employment environment, the economy was restrained in the second half of the fiscal year by the effects of tariff policies and monetary tightening. In China, a sense of stagnation persisted due to prolonged adjustments in the real estate market and weak domestic demand. In Japan, although there was a sense of stagnation in some areas due to the effects of price increases and weak external demand, consumer spending picked up and a moderate recovery trend was maintained as domestic demand was supported by an improvement in the employment environment, wage increases, and various policy supports.

In the industries related to the Group's business transactions, despite robust demand for power semiconductors for automobiles and AI-related products in the electronic components and semiconductors fields, market conditions for industrial equipment applications remained sluggish due to inventory adjustments and continued instability in the Chinese market. In the FA field, although inventory adjustments were largely completed toward the end of the fiscal year owing to expanding demand for automation and labor saving, a full recovery did not materialize. In the cooling & heating and building field, although rising material prices and a shortage of engineers had some impact, overall sales were generally favorable due to energy-saving equipment upgrades and steady sales of environment-friendly equipment.

In the first year of the Medium- to Long-term Management Plan "ONE RYODEN Growth 2029 | 2034," the Group continued to make planned human resources investments and strategic investments in all segments to solidify the foundation for future growth. On the financial front, we are focusing on improving return on invested capital (ROIC) by thoroughly implementing management that is conscious of capital efficiency. By continuing to create new value together with all stakeholders through our corporate activities, we worked on the plan with our aim to enhance corporate value in a sustainable manner by harmonizing social and economic value.

As a result, for the consolidated fiscal year under review, the Group recorded net sales of ¥212,772 million (down 1.4% year-on-year), operating profit of ¥5,244 million (down 4.3% year-on-year), ordinary profit of ¥5,767 million (down 4.0% year-on-year), and profit attributable to owners of parent of ¥5,275 million (up 12.2% year-on-year).

Results by segment are as follows.

| (Million yen) | | | | |
|--|-------------------------|-------------------------------------|-------------------------------------|------------|
| | | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 | Change (%) |
| FA Systems | Net sales | 48,190 | 50,023 | 3.8 |
| | Operating profit | 1,359 | 963 | (29.2) |
| Cooling & Heating and Building Systems | Net sales | 32,429 | 36,779 | 13.4 |
| | Operating profit | 1,823 | 2,418 | 32.6 |
| X-Tech | Net sales | 8,687 | 8,496 | (2.2) |
| | Operating profit (loss) | (13) | 122 | – |
| Electronics | Net sales | 126,536 | 117,507 | (7.1) |
| | Operating profit | 3,269 | 3,345 | 2.3 |

Note) Consolidated net sales by business segment are rounded down to the nearest ¥1 million, while total amounts are displayed after aggregating all figures and rounding them down to the nearest ¥1 million. The figures also include the amount of intersegment internal transactions.

(i) FA Systems

In the FA field, sales to distributors and panel manufacturers remained firm, and demand for semiconductor equipment for set manufacturers was on a recovery trend. However, the recovery of sales to end users, etc. has been delayed, resulting in sluggish sales of our main products.

As a result, the FA Systems segment posted net sales of ¥50,023 million and operating profit of ¥963 million.

(ii) Cooling & Heating and Building Systems

In the Cooling & Heating field, sales of building air-conditioning systems and low-temperature equipment for major equipment suppliers were sluggish, but sales of air-conditioning systems for store equipment and facility areas were strong as a result of capturing demand for addressing social issues such as workplace environment improvements and measures against intense summer heat.

In the Building Systems field, although sales for energy-related facilities such as industrial storage batteries and sales of elevators contributed, sales remained sluggish mainly due to plan revisions accompanying soaring materials, equipment, and labor costs.

As a result, the Cooling & Heating and Building Systems segment posted net sales of ¥36,779 million and operating profit of ¥2,418 million.

(iii) X-Tech

In the Smart Agriculture field, we maintained our top market share in the plant factory business and vegetable sales. Orders for contracted research, consulting, test plants, etc., leveraging technology cultivated in this business to optimize photosynthesis, were also strong.

In the ICT field, sales of video management systems (FlaRevo) remained firm, but were affected by rising costs and supply problems of IT-related products caused by the sharp rise in memory prices.

In the Healthcare field, despite an increase in sales of equipment related to electronic medical records, overall sales in this business remained weak, affected by a slowdown in capital investment by medical institutions due to their deteriorating business conditions.

In the X-Tech business as a whole, our accumulated expertise in energy-saving technologies was effectively leveraged in business operations in the Smart Agriculture field, resulting in higher profits and a return to profitability for the full year.

As a result, the X-Tech segment posted net sales of ¥8,496 million and operating profit of ¥122 million.

(iv) Electronics

In Japan, business related to AI servers for data centers remained strong. In the industrial equipment market, our customers' business for China continues to undergo inventory adjustments due to declining sales. However, in some destinations and product models, as customers have begun to use up their parts inventories, demand has passed its lowest point, and orders, albeit still limited, are starting to come in. Performance in the in-vehicle equipment market was weak due to a slowdown in battery electric vehicles (BEVs) and ongoing production adjustments by most manufacturers, with a few exceptions, and the consumer-related market also remained sluggish.

Overseas, sales of electronics for OA equipment in the consumer-related market remained firm, but sales related to industrial and in-vehicle equipment were sluggish, mainly in China. The launch of a solution business for Taiwanese products contributed to overseas financial results overall.

As a result, the Electronics segment posted net sales of ¥117,507 million and operating profit of ¥3,345 million.

(2) Overview of Financial Position for the Fiscal Year under Review

Total assets as of the end of the fiscal year under review increased by ¥12,307 million from the end of the previous fiscal year to ¥154,303 million. This was primarily attributable to increases of ¥151 million in cash and deposits, ¥482 million in notes and accounts receivable - trade, and contract assets, and ¥6,248 million in accounts receivable - other, despite decreases of ¥775 million in electronically recorded monetary claims - operating and ¥28 million in merchandise and finished goods.

Total liabilities as of the end of the fiscal year under review increased by ¥6,988 million from the end of the previous fiscal year to ¥59,770 million. This was primarily attributable to increases of ¥4,986 million in notes and accounts payable - trade and ¥899 million in income taxes payable, despite decreases of ¥628 million in electronically recorded obligations - operating and ¥213 million in long-term borrowings.

Total net assets as of the end of the fiscal year under review increased by ¥5,319 million from the end of the previous fiscal year to ¥94,533 million. This was primarily attributable to a decrease in retained earnings due to the payment of ¥2,606 million in dividends, and increases of ¥258 million in foreign currency translation adjustment and ¥1,521 million in remeasurements of defined benefit plans, while profit attributable to owners of parent was recorded at ¥5,275 million.

As a result, the equity ratio decreased by 1.5 percentage points from the end of the previous fiscal year to 61.2%.

(3) Overview of Cash Flows for the Fiscal Year under Review

The Group conducts sound and efficient financing activities aimed at improving operating results and maintaining a stable financial position, while retaining a certain level of liquidity on hand to meet funding requirements.

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the fiscal year under review amounted to ¥33,457 million, an increase of ¥151 million from the end of the previous fiscal year.

(Cash flows from operating activities)

Net cash provided by operating activities in the fiscal year under review amounted to ¥6,067 million, an increase in cash outflows of ¥12,385 million compared with the previous fiscal year. This was mainly due to the recording of profit before income taxes of ¥7,314 million, an increase of ¥5,224 million in net cash due to decreases in trade receivables and inventories as well as an increase in trade payables, a decrease of ¥6,122 million in cash due to an increase in accounts receivable - other, and income taxes paid of ¥1,116 million.

(Cash flows from investing activities)

Net cash used in investing activities in the fiscal year under review amounted to ¥2,985 million, an increase in cash outflows of ¥2,970 million compared with the previous fiscal year. This was mainly due to purchase of property, plant and equipment of ¥1,185 million, purchase of intangible assets of ¥3,218 million, proceeds from sale of shares of subsidiaries and associates of ¥1,309 million, proceeds from sale of investment securities of ¥819 million, and purchases of investment securities of ¥434 million.

(Cash flows from financing activities)

Net cash used in financing activities in the fiscal year under review amounted to ¥3,003 million, an increase in cash inflows of ¥1,199 million compared with the previous fiscal year. This was mainly due to dividends paid of ¥2,600 million, repayments of short-term borrowings of ¥188 million, and repayments of long-term borrowings of ¥213 million.

Trends in cash flow indicators are shown below.

| | 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 (%) | 52.9 | 52.8 | 55.7 | 62.7 | 61.2 |
| Equity ratio at market value (%) | 26.3 | 27.0 | 38.0 | 38.1 | 45.8 |
| Ratio of interest-bearing debt to cash flows (%) | – | – | 40.8 | 18.6 | 51.4 |
| Interest coverage ratio (times) | – | – | 114.7 | 193.5 | 81.6 |

Notes:

Equity ratio: shareholders' equity / total assets

Equity ratio at market value: market capitalization / total assets

Ratio of interest-bearing debt to cash flows: interest-bearing debt / cash flows

Interest coverage ratio: cash flows / interest payments

- * The consolidated financial figures constitute the basis for calculating these indicators.
- * Market capitalization is calculated by multiplying the closing share price at the end of the period by the number of issued shares at the end of the period (after deduction of treasury shares).
- * The cash flows used for calculation are cash flows from operating activities in the consolidated statements of cash flows. Interest-bearing debt includes all debts recorded on the consolidated balance sheets on which interest is paid. Interest payments are based on interest paid in the consolidated statements of cash flows.
- * As cash flows for the fiscal years ended March 31, 2022 and March 31, 2023 were negative, the ratio of interest-bearing debt to cash flows and interest coverage ratio are not presented for those fiscal years.

(4) Future Outlook

The global economy was expected to remain firm, underpinned by monetary and fiscal policy as well as against a backdrop of growing AI-related demand. However, there are concerns about a prolonged downslide of economy as the surge in crude oil prices caused by the U.S. and Israeli attacks on Iran and the resulting closure of the Strait of Hormuz spills over into higher energy and commodity prices.

The U.S. economy is facing increasing uncertainty due to the outlook of the situation in Iran, rising prices, and their effect on the economic activity, as well as the impact of increased shale oil production. The European economy is expected to see a decline in economic activity due to soaring energy prices, while the Chinese economy is experiencing prolonged weakness in domestic consumption due to the slowdown of its growth rate triggered by the real estate market downturn. As such, uncertainty about the future is climbing to unprecedented levels in both Europe and China. In addition, the instability of the situation in Ukraine and geopolitical risks continue without a path to resolution in sight.

In the Japanese economy, there are favorable conditions, such as a pick-up in consumer spending due to higher wages, expansion of companies' appetite for capital investment, and an improvement in the employment situation and household finances due to the government's economic measures. However, the effects of high prices triggered by soaring energy prices may not be resolved in a short term, and downside risks are also a concern.

Regarding the industries related to the Group's business transactions, in the semiconductor field, while investment in cutting-edge fields, such as electric vehicles and generative AI, remains steady, there is a concern that difficulties in procuring semiconductor memories due to tight supply and demand may trigger a delay in production activities of customers, including those in the automotive industry. With regard to domestic capital investment, investments in equipment for data centers and in decarbonization and energy conservation, as well as investments in labor saving measures in the manufacturing industry and in measures against intense summer heat, etc. are expected to remain strong, leading to gradual recovery in FA-related demand and strong demand for cooling & heating and building systems.

Under these circumstances, the Group has set a vision of "An Excellent Company Co-Creating the Future" in the Medium- to Long-term Management Plan "ONE RYODEN Growth 2029 | 2034" launched in FYE2026, and we are advancing our transformation into a business creation company.

FYE2027 is positioned as the transition year to the “monetization and expansion phase” under the Plan.

We will continue to make investments to realize our growth strategy set forth in the Medium- to Long-term Management Plan, and we will also promote measures to strengthen our business centered on the investments for growth that we have made to date, including investments in DX, human resources, business development, and alliance, to ensure that they lead to positive results. In doing so, we will strive to monetize our growth investments and expand our earnings through growth investments, for the sustainable enhancement of corporate value.

In addition, in the system integration business, which is the core of this initiative, we newly established the System Integrate Promotion Department with the aim of expanding high-value-added businesses. By combining the strengths of each business division and proposing company-wide solutions, we aim to scale up our innovation strategy and establish a medium- to long-term earnings base.

In terms of financial results forecasts, we forecast consolidated net sales of ¥237.0 billion, operating profit of ¥6.0 billion, ordinary profit of ¥6.0 billion, and profit attributable to owners of parent of ¥4.7 billion.

2. Basic Policy on Selection of Accounting Standards

The Group’s policy is to prepare consolidated financial statements in conformity with the generally accepted accounting principles in Japan for the time being, taking into consideration comparability with other companies in the same industry in Japan.

Going forward, the Group intends to consider the adoption of the International Financial Reporting Standards (IFRS), taking into account trends in its overseas sales ratio and the status of adoption of IFRS in Japan.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 33,311 | 33,462 |
| Notes and accounts receivable - trade, and contract assets | 44,840 | 45,322 |
| Electronically recorded monetary claims - operating Securities | 13,806 | 13,031 |
| | — | 128 |
| Merchandise and finished goods | 27,296 | 27,268 |
| Accounts receivable - other | 3,143 | 9,391 |
| Other | 3,420 | 3,266 |
| Allowance for doubtful accounts | (16) | (15) |
| Total current assets | 125,802 | 131,855 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 4,204 | 4,361 |
| Accumulated depreciation | (2,456) | (2,280) |
| Buildings and structures, net | 1,748 | 2,081 |
| Machinery, equipment and vehicles | 1,434 | 1,474 |
| Accumulated depreciation | (880) | (994) |
| Machinery, equipment and vehicles, net | 554 | 479 |
| Tools, furniture and fixtures | 1,425 | 1,715 |
| Accumulated depreciation | (1,131) | (1,005) |
| Tools, furniture and fixtures, net | 294 | 709 |
| Land | 2,595 | 2,595 |
| Construction in progress | 4 | 81 |
| Total property, plant and equipment | 5,197 | 5,946 |
| Intangible assets | | |
| Software | 1,770 | 4,742 |
| Other | 209 | 412 |
| Total intangible assets | 1,979 | 5,155 |
| Investments and other assets | | |
| Investment securities | 6,850 | 7,206 |
| Long-term prepaid expenses | 33 | 36 |
| Deferred tax assets | 136 | 130 |
| Retirement benefit asset | — | 2,188 |
| Other | 2,261 | 2,042 |
| Allowance for doubtful accounts | (268) | (260) |
| Total investments and other assets | 9,013 | 11,344 |
| Total non-current assets | 16,190 | 22,446 |
| Deferred assets | 3 | 1 |
| Total assets | 141,995 | 154,303 |

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 25,722 | 30,709 |
| Electronically recorded obligations - operating | 13,911 | 13,283 |
| Short-term borrowings | 1,148 | 987 |
| Income taxes payable | 276 | 1,176 |
| Other | 8,236 | 9,471 |
| Total current liabilities | 49,296 | 55,629 |
| Non-current liabilities | | |
| Long-term borrowings | 1,468 | 1,255 |
| Retirement benefit liability | 279 | — |
| Deferred tax liabilities | 935 | 2,027 |
| Other | 802 | 858 |
| Total non-current liabilities | 3,486 | 4,141 |
| Total liabilities | 52,782 | 59,770 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 10,334 | 10,334 |
| Capital surplus | 7,355 | 7,410 |
| Retained earnings | 64,160 | 66,829 |
| Treasury shares | (128) | (71) |
| Total shareholders' equity | 81,721 | 84,502 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,282 | 3,055 |
| Foreign currency translation adjustment | 4,253 | 4,512 |
| Remeasurements of defined benefit plans | 828 | 2,349 |
| Total accumulated other comprehensive income | 7,364 | 9,917 |
| Share acquisition rights | 116 | 96 |
| Non-controlling interests | 10 | 15 |
| Total net assets | 89,213 | 94,533 |
| Total liabilities and net assets | 141,995 | 154,303 |

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|---|---|---|
| Net sales | 215,790 | 212,772 |
| Cost of sales | 188,246 | 183,016 |
| Gross profit | 27,543 | 29,756 |
| Selling, general and administrative expenses | 22,060 | 24,511 |
| Operating profit | 5,483 | 5,244 |
| Non-operating income | | |
| Interest income | 267 | 318 |
| Dividend income | 207 | 173 |
| Share of profit of entities accounted for using equity method | 65 | 50 |
| Rental income from non-current assets | 69 | 66 |
| Other | 272 | 123 |
| Total non-operating income | 881 | 732 |
| Non-operating expenses | | |
| Interest expenses | 90 | 71 |
| Loss on sale and retirement of non-current assets | 2 | 20 |
| Loss on sale of trade receivables | 4 | 0 |
| Foreign exchange losses | 176 | 21 |
| Loss on investments in investment partnerships | 11 | 25 |
| Other | 68 | 69 |
| Total non-operating expenses | 353 | 209 |
| Ordinary profit | 6,010 | 5,767 |
| Extraordinary income | | |
| Gain on sale of investment securities | 501 | 734 |
| Gain on sale of shares of subsidiaries and associates | — | 1,019 |
| Total extraordinary income | 501 | 1,754 |
| Extraordinary losses | | |
| Loss on valuation of investment securities | 37 | — |
| Loss on valuation of shares of subsidiaries and associates | — | 3 |
| Loss on liquidation of subsidiaries and associates | 1 | — |
| Loss on subsidy repayment | — | 16 |
| Head office relocation expenses | — | 188 |
| Total extraordinary losses | 38 | 207 |
| Profit before income taxes | 6,473 | 7,314 |
| Income taxes - current | 1,554 | 1,974 |
| Income taxes - deferred | 216 | 59 |
| Total income taxes | 1,770 | 2,034 |
| Profit | 4,703 | 5,280 |
| Profit attributable to non-controlling interests | 2 | 4 |
| Profit attributable to owners of parent | 4,700 | 5,275 |

Consolidated Statements of Comprehensive Income

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Profit | 4,703 | 5,280 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (441) | 772 |
| Foreign currency translation adjustment | 1,439 | 258 |
| Remeasurements of defined benefit plans, net of tax | (214) | 1,521 |
| Total other comprehensive income | 784 | 2,552 |
| Comprehensive income | 5,487 | 7,833 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 5,484 | 7,828 |
| Comprehensive income attributable to non-controlling interests | 2 | 4 |

(3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2025

(Million yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 10,334 | 7,523 | 63,226 | (726) | 80,358 |
| Changes during period | | | | | |
| Dividends of surplus | | | (2,474) | | (2,474) |
| Profit attributable to owners of parent | | | 4,700 | | 4,700 |
| Purchase of treasury shares | | | | (1,021) | (1,021) |
| Disposal of treasury shares | | 100 | | 57 | 157 |
| Cancellation of treasury shares | | (1,561) | | 1,561 | — |
| Transfer from retained earnings to capital surplus | | 1,292 | (1,292) | | — |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | (168) | 933 | 597 | 1,362 |
| Balance at end of period | 10,334 | 7,355 | 64,160 | (128) | 81,721 |

| | Accumulated other comprehensive income | | | | Share acquisition rights | 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 | 2,724 | 2,814 | 1,042 | 6,580 | 135 | 8 | 87,083 |
| Changes during period | | | | | | | |
| Dividends of surplus | | | | | | | (2,474) |
| Profit attributable to owners of parent | | | | | | | 4,700 |
| Purchase of treasury shares | | | | | | | (1,021) |
| Disposal of treasury shares | | | | | | | 157 |
| Cancellation of treasury shares | | | | | | | — |
| Transfer from retained earnings to capital surplus | | | | | | | — |
| Net changes in items other than shareholders' equity | (441) | 1,439 | (214) | 784 | (18) | 2 | 767 |
| Total changes during period | (441) | 1,439 | (214) | 784 | (18) | 2 | 2,130 |
| Balance at end of period | 2,282 | 4,253 | 828 | 7,364 | 116 | 10 | 89,213 |

For the fiscal year ended March 31, 2026

(Million yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 10,334 | 7,355 | 64,160 | (128) | 81,721 |
| Changes during period | | | | | |
| Dividends of surplus | | | (2,606) | | (2,606) |
| Profit attributable to owners of parent | | | 5,275 | | 5,275 |
| Purchase of treasury shares | | | | (1) | (1) |
| Disposal of treasury shares | | 55 | | 58 | 113 |
| Cancellation of treasury shares | | | | | — |
| Transfer from retained earnings to capital surplus | | | | | — |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | 55 | 2,669 | 57 | 2,781 |
| Balance at end of period | 10,334 | 7,410 | 66,829 | (71) | 84,502 |

| | Accumulated other comprehensive income | | | | Share acquisition rights | 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 | 2,282 | 4,253 | 828 | 7,364 | 116 | 10 | 89,213 |
| Changes during period | | | | | | | |
| Dividends of surplus | | | | | | | (2,606) |
| Profit attributable to owners of parent | | | | | | | 5,275 |
| Purchase of treasury shares | | | | | | | (1) |
| Disposal of treasury shares | | | | | | | 113 |
| Cancellation of treasury shares | | | | | | | — |
| Transfer from retained earnings to capital surplus | | | | | | | — |
| Net changes in items other than shareholders' equity | 772 | 258 | 1,521 | 2,552 | (19) | 4 | 2,537 |
| Total changes during period | 772 | 258 | 1,521 | 2,552 | (19) | 4 | 5,319 |
| Balance at end of period | 3,055 | 4,512 | 2,349 | 9,917 | 96 | 15 | 94,533 |

(4) Consolidated Statements of Cash Flows

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 6,473 | 7,314 |
| Depreciation | 777 | 800 |
| Increase (decrease) in allowance for doubtful accounts | (21) | (1) |
| Increase (decrease) in retirement benefit liability | (380) | (246) |
| Interest and dividend income | (474) | (491) |
| Interest expenses | 90 | 71 |
| Share of loss (profit) of entities accounted for using equity method | (65) | (50) |
| Loss (gain) on sale and retirement of non-current assets | 1 | 49 |
| Loss (gain) on redemption of securities | 2 | — |
| Loss (gain) on sale of investment securities | (501) | (734) |
| Loss (gain) on valuation of investment securities | 37 | — |
| Loss (gain) on sale of shares of subsidiaries and associates | — | (1,019) |
| Loss on liquidation of subsidiaries and associates | 1 | — |
| Loss on valuation of shares of subsidiaries and associates | — | 3 |
| Loss on subsidy repayment | — | 16 |
| Head office relocation cost | — | 188 |
| Decrease (increase) in trade receivables | 23,137 | 898 |
| Decrease (increase) in inventories | 8,718 | 205 |
| Increase (decrease) in trade payables | (17,059) | 4,121 |
| Decrease (increase) in accounts receivable - other | (310) | (6,122) |
| Other, net | (53) | 1,179 |
| Subtotal | 20,373 | 6,182 |
| Interest and dividends received | 515 | 1,075 |
| Interest paid | (95) | (74) |
| Income taxes paid | (2,340) | (1,116) |
| Net cash provided by (used in) operating activities | 18,453 | 6,067 |
| Cash flows from investing activities | | |
| Proceeds from redemption of securities | 37 | — |
| Purchase of property, plant and equipment | (231) | (1,185) |
| Proceeds from sale of property, plant and equipment | 1 | 4 |
| Purchase of intangible assets | (931) | (3,218) |
| Purchase of investment securities | (43) | (434) |
| Proceeds from sale of investment securities | 795 | 819 |
| Net decrease (increase) in time deposits | 954 | — |
| Purchase of shares of subsidiaries and associates | (88) | — |
| Proceeds from sale of shares of subsidiaries and associates | — | 1,309 |
| Decrease (increase) in short-term loans receivable | — | (99) |
| Payments of leasehold and guarantee deposits | (482) | — |
| Refund of subsidies | — | (16) |
| Other, net | (26) | (164) |
| Net cash provided by (used in) investing activities | (15) | (2,985) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (427) | (188) |
| Repayments of long-term borrowings | (284) | (213) |
| Purchase of treasury shares | (1,021) | (1) |
| Proceeds from disposal of treasury shares | 0 | 0 |
| Dividends paid | (2,469) | (2,600) |
| Net cash provided by (used in) financing activities | (4,202) | (3,003) |
| Effect of exchange rate change on cash and cash equivalents | 647 | 72 |

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Net increase (decrease) in cash and cash equivalents | 14,882 | 151 |
| Cash and cash equivalents at beginning of period | 18,422 | 33,305 |
| Cash and cash equivalents at end of period | 33,305 | 33,457 |

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

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

Based on the resolution at the Board of Directors meeting held on June 24, 2025, the Company disposed of 34,000 shares of treasury stock as restricted stock compensation for Directors of Board and eligible employees. In addition, the Company disposed of 11,500 shares of treasury stock associated with the exercise of stock options. These resulted in a decrease of ¥58 million in treasury shares and an increase in capital surplus due to the recording of a gain on the disposal of treasury shares of ¥55 million, at the end of the fiscal year under review.

As a result, capital surplus was ¥7,410 million and treasury shares was ¥71 million at the end of the fiscal year under review.

(Changes in accounting policies that are difficult to be distinguished from changes in accounting estimates)

(Change in depreciation method for property, plant and equipment)

The Company has changed its depreciation method for property, plant and equipment (excluding leased assets) from the declining-balance method to the straight-line method from the beginning of the fiscal year under review.

The Company reviewed the depreciation method for property, plant and equipment in conjunction with the establishment of policies and strategies to accelerate the expansion of businesses that generate long-term stable income, such as subscription business that use property, plant and equipment, in the new Medium- to Long-term Management Plan "ONE RYODEN Growth 2029 | 2034," which started in the consolidated fiscal year under review, as well as the relocation of its head office in December 2025.

As a result, the Company determined that adopting the straight-line method is reasonable from the viewpoint of cost allocation, as the future effect of the investments is expected to occur evenly over the depreciation period.

With this change, compared with the previous method, depreciation decreased by ¥77 million, and operating profit, ordinary profit, and profit before income taxes increased by the same amount for the fiscal year under review.

(Changes in presentation)

(Consolidated Balance Sheet)

"Accounts receivable - other," which was included in "Other" under "Current assets" in the previous fiscal year, and "Deferred tax liabilities," which was included in "Other" under "Non-current liabilities" in the previous fiscal year, have been presented separately from the fiscal year under review due to their increased monetary significance. The consolidated financial statements for the previous fiscal year have been reclassified to reflect this change in presentation.

As a result, ¥6,563 million previously presented in "Other" under "Current assets" in the consolidated balance sheet for the previous fiscal year has been reclassified as "Accounts receivables - other" of ¥3,143 million and "Other" of ¥3,420 million, and ¥1,737 million previously presented in "Other" under "Non-current liabilities" has been reclassified as "Deferred tax liabilities" of ¥935 million and "Other" of ¥802 million.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

(1) Method of determining reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate their performance.

The Company consists of product-based segments on the basis of its business divisions and has four reportable segments: FA Systems, Cooling & Heating and Building Systems, X-Tech, and Electronics.

(2) Products and services in each reportable segment

The main products in each reportable segment are as follows:

FA Systems: servo systems, inverters, numerical control (NC) devices

Cooling & Heating and Building Systems: packaged air conditioners, chilling units, refrigerating machines, elevators

X-Tech: video and image-data information systems, medical facilities, plant factory systems

Electronics: semiconductor memories, microcontrollers, power devices, raw materials, shaped materials

2. Method of calculating the amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

The accounting method for the reportable business segments is generally the same as that described in "Significant Basis for the Preparation of Consolidated Financial Statements."

Reportable segment profit is based on operating profit.

Inter-segment revenue and transfers are based on prevailing market prices.

3. Information on the amounts of net sales, profit or loss, assets, and other items by reportable segment
For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

| | Reportable segment | | | | | Other (Note 1) | Total | Adjustment (Note 2) | Amount recorded in Consolidated Financial Statements |
|---|--------------------|--|--------|-------------|---------|-------------------|---------|------------------------|--|
| | FA Systems | Cooling & Heating and Building Systems | X-Tech | Electronics | Total | | | | |
| Net sales | | | | | | | | | |
| Net sales to outside customers | 48,190 | 32,429 | 8,687 | 126,481 | 215,790 | – | 215,790 | – | 215,790 |
| Intersegment sales or transfers | – | – | – | 54 | 54 | – | 54 | (54) | – |
| Total | 48,190 | 32,429 | 8,687 | 126,536 | 215,845 | – | 215,845 | (54) | 215,790 |
| Segment profit (loss) (Operating profit or operating loss) | 1,359 | 1,823 | (13) | 3,269 | 6,440 | – | 6,440 | (956) | 5,483 |
| Segment assets | 24,182 | 17,325 | 4,465 | 70,149 | 116,122 | 838 | 116,960 | 25,035 | 141,995 |
| Other items | | | | | | | | | |
| Depreciation | 143 | 88 | 308 | 191 | 731 | – | 731 | 45 | 777 |
| Increase in property, plant and equipment, and intangible assets | 415 | 308 | 152 | 544 | 1,421 | – | 1,421 | – | 1,421 |

Notes:

1. “Other” refers to business segments that are not included in the reportable segments.
2. Adjustments are as follows.

Adjustment to segment profit (loss) of ¥(956) million includes corporate expenses of ¥(953) million that are not allocated to each reportable segment. Corporate expenses are general and administrative expenses related to new business development that are not attributable to any reportable segment.

Adjustment to segment assets of ¥25,035 million is company-wide assets not allocated to each reportable segment, which mainly consist of surplus operating funds and long-term investment funds.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

| | Reportable segment | | | | | Other (Note 1) | Total | Adjustment (Note 2) | Amount recorded in Consolidated Financial Statements |
|---|--------------------|--|--------|-------------|---------|-------------------|---------|------------------------|--|
| | FA Systems | Cooling & Heating and Building Systems | X-Tech | Electronics | Total | | | | |
| Net sales | | | | | | | | | |
| Net sales to outside customers | 50,023 | 36,779 | 8,496 | 117,471 | 212,772 | – | 212,772 | – | 212,772 |
| Intersegment sales or transfers | – | – | – | 35 | 35 | – | 35 | (35) | – |
| Total | 50,023 | 36,779 | 8,496 | 117,507 | 212,807 | – | 212,807 | (35) | 212,772 |
| Segment profit (Operating profit) | 963 | 2,418 | 122 | 3,345 | 6,849 | – | 6,849 | (1,604) | 5,244 |
| Segment assets | 28,969 | 19,198 | 4,875 | 74,246 | 127,289 | – | 127,289 | 27,013 | 154,303 |
| Other items | | | | | | | | | |
| Depreciation | 166 | 105 | 251 | 223 | 746 | – | 746 | 53 | 800 |
| Increase in property, plant and equipment, and intangible assets | 1,620 | 1,064 | 294 | 1,786 | 4,766 | – | 4,766 | – | 4,766 |

Notes:

1. “Other” refers to business segments that are not included in the reportable segments.
2. Adjustments are as follows.

Adjustment to segment profit of ¥(1,604) million includes corporate expenses of ¥(1,608) million that are not allocated to each reportable segment. Corporate expenses are general and administrative expenses related to new business development that are not attributable to any reportable segment.

Adjustment to segment assets of ¥27,013 million is company-wide assets not allocated to each reportable segment, which mainly consist of surplus operating funds and long-term investment funds.

[Related information]

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

1. Information by product/service

This information is omitted as similar information is disclosed in the segment information.

2. Information by geographical area

(1) Net sales

(Million yen)

| Japan | Overseas | | | | | Consolidated Total |
|--------------------|-------------------|------------------|-----------------|-----------------|-------------------|---------------------|
| | Asia | | North America | Europe | Overseas Total | |
| | China | Other | | | | |
| (77.8%) 167,936 | (11.9%) 25,660 | (7.0%) 15,007 | (2.5%) 5,489 | (0.8%) 1,697 | (22.2%) 47,854 | (100.0%) 215,790 |

Note: Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

This information is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment in the consolidated balance sheet.

3. Information by major customer

This is not stated as, among the net sales to outside customers, none of the customers accounts for 10% or more of net sales in the consolidated statement of income.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

1. Information by product/service

This information is omitted as similar information is disclosed in the segment information.

2. Information by geographical area

(1) Net sales

(Million yen)

| Japan | Overseas | | | | | Consolidated Total |
|--------------------|-------------------|------------------|-----------------|-----------------|-------------------|---------------------|
| | Asia | | North America | Europe | Overseas Total | |
| | China | Other | | | | |
| (76.4%) 162,614 | (13.0%) 27,615 | (7.4%) 15,833 | (2.6%) 5,417 | (0.6%) 1,291 | (23.6%) 50,158 | (100.0%) 212,772 |

Note: Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

This information is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment in the consolidated balance sheet.

3. Information by major customer

This is not stated as, among the net sales to outside customers, none of the customers accounts for 10% or more of net sales in the consolidated statement of income.

(Per share information)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--------------------------|---|---|
| Net assets per share | ¥4,141.24 | ¥4,380.05 |
| Profit per share | ¥214.80 | ¥244.84 |
| Diluted profit per share | ¥214.04 | ¥244.17 |

Notes:

1. The basis for calculation of profit per share and diluted profit per share is as follows.

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|---|---|---|
| Profit per share | | |
| Profit attributable to owners of parent (Million yen) | 4,700 | 5,275 |
| Amount not attributable to common shareholders (Million yen) | – | – |
| Profit attributable to owners of parent pertaining to common shares (Million yen) | 4,700 | 5,275 |
| Average number of common shares during the period (Thousand shares) | 21,884 | 21,545 |
| Diluted profit per share | | |
| Adjustment to profit attributable to owners of parent (Million yen) | – | – |
| Increase in the number of common shares (Thousand shares) | 77 | 59 |
| (of which, share acquisition rights) (Thousand shares) | (77) | (59) |
| Overview of dilutive shares not included in the calculation of diluted profit per share because there is no dilutive effect | – | – |

2. The basis for calculation of net assets per share is as follows.

| | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| Total net assets (Million yen) | 89,213 | 94,533 |
| Amount deducted from total net assets (Million yen) | 127 | 112 |
| (of which, share acquisition rights) (Million yen) | (116) | (96) |
| (of which, non-controlling interests) (Million yen) | (10) | (15) |
| Net assets pertaining to common shares at the end of the period (Million yen) | 89,086 | 94,420 |
| Number of common shares at the end of the period used for the calculation of net assets per share (Thousand shares) | 21,511 | 21,556 |

(Significant subsequent events)

Not applicable.

4. Non-consolidated Financial Statements and Principal Notes

(1) Non-consolidated Balance Sheets

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 22,979 | 23,367 |
| Notes receivable - trade | 1,215 | 284 |
| Electronically recorded monetary claims - operating | 13,610 | 12,849 |
| Accounts receivable - trade | 40,038 | 41,434 |
| Contract assets | 103 | 412 |
| Securities | — | 128 |
| Merchandise and finished goods | 19,845 | 19,843 |
| Advance payments to suppliers | 1,519 | 1,436 |
| Prepaid expenses | 83 | 99 |
| Short-term loans receivable | 326 | 350 |
| Accounts receivable - other | 3,320 | 9,623 |
| Other | 530 | 1,260 |
| Allowance for doubtful accounts | (17) | (16) |
| Total current assets | 103,554 | 111,072 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 552 | 941 |
| Machinery and equipment | 185 | 194 |
| Vehicles | 0 | 0 |
| Tools, furniture and fixtures | 231 | 620 |
| Land | 2,524 | 2,524 |
| Leased assets | 9 | 4 |
| Construction in progress | 4 | 79 |
| Total property, plant and equipment | 3,506 | 4,365 |
| Intangible assets | | |
| Software | 1,761 | 4,732 |
| Other | 107 | 318 |
| Total intangible assets | 1,868 | 5,050 |
| Investments and other assets | | |
| Investment securities | 5,254 | 6,407 |
| Shares of subsidiaries and associates | 2,434 | 2,353 |
| Investments in other securities of subsidiaries and associates | 5 | — |
| Long-term loans receivable from subsidiaries and associates | 693 | 598 |
| Long-term prepaid expenses | 33 | 36 |
| Deferred tax assets | 276 | — |
| Other | 3,837 | 3,961 |
| Allowance for doubtful accounts | (95) | (95) |
| Total investments and other assets | 12,440 | 13,262 |
| Total non-current assets | 17,815 | 22,678 |
| Total assets | 121,370 | 133,750 |

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes payable - trade | 128 | — |
| Electronically recorded obligations - operating | 13,911 | 13,283 |
| Accounts payable - trade | 21,864 | 28,205 |
| Short-term borrowings | 650 | 650 |
| Lease liabilities | 5 | 8 |
| Accounts payable - other | 1,587 | 2,340 |
| Accrued expenses | 1,338 | 1,443 |
| Income taxes payable | 156 | 1,016 |
| Advances received | 1,818 | 2,000 |
| Deposits received | 548 | 873 |
| Provision for bonuses for directors (and other officers) | 28 | 33 |
| Other | 1,211 | 2,158 |
| Total current liabilities | 43,250 | 52,013 |
| Non-current liabilities | | |
| Lease liabilities | 5 | 19 |
| Provision for retirement benefits | 3,392 | 3,413 |
| Long-term guarantee deposits | 744 | 764 |
| Asset retirement obligations | 28 | 28 |
| Deferred tax liabilities | — | 151 |
| Other | 12 | — |
| Total non-current liabilities | 4,183 | 4,376 |
| Total liabilities | 47,434 | 56,390 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 10,334 | 10,334 |
| Capital surplus | | |
| Legal capital surplus | 7,355 | 7,355 |
| Other capital surplus | — | 55 |
| Total capital surplus | 7,355 | 7,410 |
| Retained earnings | | |
| Legal retained earnings | 788 | 788 |
| Other retained earnings | | |
| Reserve for tax purpose reduction entry of land | 235 | 235 |
| General reserve | 11,100 | 11,100 |
| Retained earnings brought forward | 41,851 | 44,410 |
| Total retained earnings | 53,976 | 56,535 |
| Treasury shares | (128) | (71) |
| Total shareholders' equity | 71,536 | 74,208 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 2,282 | 3,055 |
| Total valuation and translation adjustments | 2,282 | 3,055 |
| Share acquisition rights | 116 | 96 |
| Total net assets | 73,936 | 77,360 |
| Total liabilities and net assets | 121,370 | 133,750 |

(2) Non-consolidated Statements of Income

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Net sales | 179,588 | 173,981 |
| Cost of sales | 156,668 | 149,351 |
| Gross profit | 22,920 | 24,629 |
| Selling, general and administrative expenses | 18,747 | 20,917 |
| Operating profit | 4,172 | 3,711 |
| Non-operating income | | |
| Interest and dividend income | 808 | 1,371 |
| Foreign exchange gains | — | 24 |
| Other | 295 | 149 |
| Total non-operating income | 1,104 | 1,546 |
| Non-operating expenses | | |
| Interest expenses | 23 | 27 |
| Foreign exchange losses | 192 | — |
| Other | 71 | 89 |
| Total non-operating expenses | 287 | 116 |
| Ordinary profit | 4,989 | 5,141 |
| Extraordinary income | | |
| Gain on sale of investment securities | 501 | 734 |
| Gain on sale of shares of subsidiaries and associates | — | 1,243 |
| Total extraordinary income | 501 | 1,977 |
| Extraordinary losses | | |
| Loss on valuation of investment securities | 37 | — |
| Loss on valuation of shares of subsidiaries and associates | — | 58 |
| Head office relocation expenses | — | 188 |
| Total extraordinary losses | 37 | 247 |
| Profit before income taxes | 5,453 | 6,872 |
| Income taxes - current | 1,234 | 1,617 |
| Income taxes - deferred | 126 | 90 |
| Total income taxes | 1,360 | 1,707 |
| Profit | 4,092 | 5,164 |

(3) Non-consolidated Statements of Changes in Net Assets
For the fiscal year ended March 31, 2025

(Million yen)

| | Shareholders' equity | | | |
|---|----------------------|-----------------------|-----------------------|-----------------------|
| | Share capital | Capital surplus | | |
| | | Legal capital surplus | Other capital surplus | Total capital surplus |
| Balance at beginning of period | 10,334 | 7,355 | 168 | 7,523 |
| Changes during period | | | | |
| Dividends of surplus | | | | |
| Reversal of reserve for tax purpose reduction entry of land | | | | |
| Profit | | | | |
| Purchase of treasury shares | | | | |
| Disposal of treasury shares | | | 100 | 100 |
| Cancellation of treasury shares | | | (1,561) | (1,561) |
| Transfer from retained earnings to capital surplus | | | 1,292 | 1,292 |
| Net changes in items other than shareholders' equity | | | | |
| Total changes during period | — | — | (168) | (168) |
| Balance at end of period | 10,334 | 7,355 | — | 7,355 |

| | Shareholders' equity | | | | |
|---|-------------------------|-------------------------|-----------------------------------|---------|-------------------------|
| | Retained earnings | | | | |
| | Legal retained earnings | Other retained earnings | | | Total retained earnings |
| Reserve for tax purpose reduction entry of land | | General reserve | Retained earnings brought forward | | |
| Balance at beginning of period | 788 | 238 | 11,100 | 41,522 | 53,650 |
| Changes during period | | | | | |
| Dividends of surplus | | | | (2,474) | (2,474) |
| Reversal of reserve for tax purpose reduction entry of land | | (3) | | 3 | |
| Profit | | | | 4,092 | 4,092 |
| Purchase of treasury shares | | | | | |
| Disposal of treasury shares | | | | | |
| Cancellation of treasury shares | | | | | |
| Transfer from retained earnings to capital surplus | | | | (1,292) | (1,292) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | (3) | — | 328 | 325 |
| Balance at end of period | 788 | 235 | 11,100 | 41,851 | 53,976 |

(Million yen)

| | Shareholders' equity | | Valuation and translation adjustments | | Share acquisition rights | Total net assets |
|---|----------------------|----------------------------|---|---|--------------------------|------------------|
| | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments | | |
| Balance at beginning of period | (726) | 70,782 | 2,724 | 2,724 | 135 | 73,642 |
| Changes during period | | | | | | |
| Dividends of surplus | | (2,474) | | | | (2,474) |
| Reversal of reserve for tax purpose reduction entry of land | | — | | | | — |
| Profit | | 4,092 | | | | 4,092 |
| Purchase of treasury shares | (1,021) | (1,021) | | | | (1,021) |
| Disposal of treasury shares | 57 | 157 | | | | 157 |
| Cancellation of treasury shares | 1,561 | — | | | | — |
| Transfer from retained earnings to capital surplus | | — | | | | — |
| Net changes in items other than shareholders' equity | | | (441) | (441) | (18) | (460) |
| Total changes during period | 597 | 754 | (441) | (441) | (18) | 293 |
| Balance at end of period | (128) | 71,536 | 2,282 | 2,282 | 116 | 73,936 |

For the fiscal year ended March 31, 2026

(Million yen)

| | Shareholders' equity | | | |
|---|----------------------|-----------------------|-----------------------|-----------------------|
| | Share capital | Capital surplus | | |
| | | Legal capital surplus | Other capital surplus | Total capital surplus |
| Balance at beginning of period | 10,334 | 7,355 | — | 7,355 |
| Changes during period | | | | |
| Dividends of surplus | | | | |
| Reversal of reserve for tax purpose reduction entry of land | | | | |
| Profit | | | | |
| Purchase of treasury shares | | | | |
| Disposal of treasury shares | | | 55 | 55 |
| Cancellation of treasury shares | | | | |
| Transfer from retained earnings to capital surplus | | | | |
| Net changes in items other than shareholders' equity | | | | |
| Total changes during period | — | — | 55 | 55 |
| Balance at end of period | 10,334 | 7,355 | 55 | 7,410 |

| | Shareholders' equity | | | | |
|---|-------------------------|---|-----------------|-----------------------------------|-------------------------|
| | Retained earnings | | | | |
| | Legal retained earnings | Other retained earnings | | | Total retained earnings |
| | | Reserve for tax purpose reduction entry of land | General reserve | Retained earnings brought forward | |
| Balance at beginning of period | 788 | 235 | 11,100 | 41,851 | 53,976 |
| Changes during period | | | | | |
| Dividends of surplus | | | | (2,606) | (2,606) |
| Reversal of reserve for tax purpose reduction entry of land | | | | | |
| Profit | | | | 5,164 | 5,164 |
| Purchase of treasury shares | | | | | |
| Disposal of treasury shares | | | | | |
| Cancellation of treasury shares | | | | | |
| Transfer from retained earnings to capital surplus | | | | | |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | — | — | 2,558 | 2,558 |
| Balance at end of period | 788 | 235 | 11,100 | 44,410 | 56,535 |

(Million yen)

| | Shareholders' equity | | Valuation and translation adjustments | | Share acquisition rights | Total net assets |
|---|----------------------|----------------------------|---|---|--------------------------|------------------|
| | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments | | |
| Balance at beginning of period | (128) | 71,536 | 2,282 | 2,282 | 116 | 73,936 |
| Changes during period | | | | | | |
| Dividends of surplus | | (2,606) | | | | (2,606) |
| Reversal of reserve for tax purpose reduction entry of land | | — | | | | — |
| Profit | | 5,164 | | | | 5,164 |
| Purchase of treasury shares | (1) | (1) | | | | (1) |
| Disposal of treasury shares | 58 | 113 | | | | 113 |
| Cancellation of treasury shares | | — | | | | — |
| Transfer from retained earnings to capital surplus | | — | | | | — |
| Net changes in items other than shareholders' equity | | | 772 | 772 | (19) | 752 |
| Total changes during period | 57 | 2,671 | 772 | 772 | (19) | 3,423 |
| Balance at end of period | (71) | 74,208 | 3,055 | 3,055 | 96 | 77,360 |