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May 14, 2026

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



Company name: Kyokuto Boeki Kaisha, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8093
 URL: <https://www.kbk.co.jp>
 Representative: Shinji Sakuma, President and Chief Executive Officer
 Inquiries: Tomohiko Kawashima, General Manager of Accounting Department
 Telephone: +81-3-3244-3558
 Scheduled date of annual general meeting of shareholders: June 23, 2026
 Scheduled date to commence dividend payments: June 24, 2026
 Scheduled date to file annual securities report: June 22, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

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.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	64,538	21.8	2,583	26.7	2,846	12.7	1,829	(50.8)
March 31, 2025	52,982	21.4	2,038	83.3	2,525	69.8	3,717	221.4

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥3,595 million [(27.8)%]
 For the fiscal year ended March 31, 2025: ¥4,976 million [59.6%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	151.69	-	6.0	4.8	4.0
March 31, 2025	301.69	-	13.5	4.7	3.8

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥138 million
 For the fiscal year ended March 31, 2025: ¥135 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	59,506	31,822	53.5	2,644.20
March 31, 2025	58,010	29,356	50.6	2,401.99

Reference: Equity
 As of March 31, 2026: ¥31,822 million
 As of March 31, 2025: ¥29,356 million

(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	5,091	394	(4,337)	9,807
March 31, 2025	(798)	245	1,120	8,439

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2025	-	35.00	-	35.00	70.00	859	23.2	3.1
March 31, 2026	-	35.00	-	39.00	74.00	890	48.8	2.9
March 31, 2027 (Forecast)	-	37.00	-	37.00	74.00		36.4	

Reference: Payout ratio (consolidated) for the fiscal year ended March 31, 2025, excluding gain on bargain purchase, is 54.6%.

Payout ratio (consolidated) for the fiscal year ending March 31, 2027 based on adjusted net income excluding gain on sale of investment securities, is 50.9%.

3. Consolidated financial results forecast 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	66,000	2.3	2,300	(11.0)	2,550	(10.4)	2,450	33.9	203.12

* **Notes**

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

Newly included: - companies

(Company name) -

Excluded: 1 company

(Company name) Vahle Japan Co., Ltd.

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(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	12,152,736 shares
As of March 31, 2025	12,471,836 shares

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

As of March 31, 2026	117,797 shares
As of March 31, 2025	250,074 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	12,061,613 shares
Fiscal year ended March 31, 2025	12,321,676 shares

[Reference] Overview 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.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	14,066	6.6	565	47.6	3,734	206.1	3,738	317.2
March 31, 2025	13,201	11.5	383	304.9	1,220	(1.1)	895	(34.6)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	309.91	-
March 31, 2025	72.72	-

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	45,173	20,114	44.5	1,671.30
March 31, 2025	42,926	16,399	38.2	1,341.80

Reference: Equity

As of March 31, 2026: ¥20,114 million

As of March 31, 2025: ¥16,399 million

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements such as the financial results forecast contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. These statements are not intended as a guarantee of future performance. Actual results may differ significantly from these forecasts due to various factors.

2. Consolidated Financial Statements and Principal Notes
(1) Consolidated Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	8,834	9,909
Notes and accounts receivable - trade, and contract assets	20,891	19,002
Electronically recorded monetary claims - operating	3,574	2,520
Merchandise and finished goods	6,749	7,646
Work in process	81	98
Raw materials and supplies	645	618
Advance payments to suppliers	1,513	2,000
Other	1,535	1,885
Allowance for doubtful accounts	(137)	(176)
Total current assets	43,688	43,505
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,954	1,997
Accumulated depreciation	(1,349)	(1,400)
Buildings and structures, net	604	597
Machinery, equipment and vehicles	856	862
Accumulated depreciation	(688)	(741)
Machinery, equipment and vehicles, net	168	120
Tools, furniture and fixtures	1,264	1,289
Accumulated depreciation	(1,073)	(1,099)
Tools, furniture and fixtures, net	190	189
Right of use assets	351	385
Accumulated depreciation	(140)	(205)
Right of use assets, net	211	179
Leased assets	74	74
Accumulated depreciation	(52)	(58)
Leased assets, net	21	15
Land	1,301	1,292
Construction in progress	3	49
Total property, plant and equipment	2,501	2,445
Intangible assets		
Goodwill	240	187
Other	201	212
Total intangible assets	442	399
Investments and other assets		
Investment securities	9,405	11,319
Other	1,988	1,850
Allowance for doubtful accounts	(15)	(13)
Total investments and other assets	11,377	13,155
Total non-current assets	14,321	16,000
Total assets	58,010	59,506

(Unit: Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,641	13,671
Electronically recorded obligations - operating	2,050	1,345
Short-term borrowings	6,577	1,473
Lease liabilities	117	133
Income taxes payable	543	761
Contract liabilities	1,553	2,274
Provision for bonuses	380	390
Other	937	1,070
Total current liabilities	24,801	21,121
Non-current liabilities		
Bonds payable	100	1,700
Long-term borrowings	731	1,220
Lease liabilities	120	64
Long-term accounts payable - other	65	67
Deferred tax liabilities	1,562	2,382
Retirement benefit liability	1,265	1,121
Asset retirement obligations	6	6
Total non-current liabilities	3,852	6,561
Total liabilities	28,653	27,683
Net assets		
Shareholders' equity		
Share capital	5,496	5,496
Capital surplus	7,935	7,935
Retained earnings	10,760	11,335
Treasury shares	(277)	(151)
Total shareholders' equity	23,914	24,615
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,709	4,065
Deferred gains or losses on hedges	8	39
Foreign currency translation adjustment	2,707	2,963
Remeasurements of defined benefit plans	16	138
Total accumulated other comprehensive income	5,441	7,207
Total net assets	29,356	31,822
Total liabilities and net assets	58,010	59,506

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income

(Unit: Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	52,982	64,538
Cost of sales	42,050	52,682
Gross profit	10,931	11,855
Selling, general and administrative expenses		
Remuneration, salaries and allowances for directors (and other officers)	3,530	3,792
Employees' bonuses	329	369
Bad debt expenses	0	5
Provision for bonuses	291	305
Retirement benefit expenses	185	178
Depreciation	232	268
Provision of allowance for doubtful accounts	64	37
Other	4,258	4,313
Total selling, general and administrative expenses	8,892	9,271
Operating profit	2,038	2,583
Non-operating income		
Interest income	83	55
Dividend income	342	239
Share of profit of entities accounted for using equity method	135	138
Other	151	58
Total non-operating income	712	492
Non-operating expenses		
Interest expenses	66	104
Bond issuance costs	-	40
Foreign exchange losses	79	48
Commission expenses	17	-
Other	62	36
Total non-operating expenses	226	230
Ordinary profit	2,525	2,846
Extraordinary income		
Gain on sale of investment securities	246	270
Gain on bargain purchase	2,137	-
Total extraordinary income	2,384	270
Extraordinary losses		
Impairment losses	259	40
Loss on sale of investment securities	70	-
Total extraordinary losses	329	40
Profit before income taxes	4,580	3,077
Income taxes - current	870	1,126
Income taxes - deferred	(9)	120
Total income taxes	860	1,247
Profit	3,719	1,829
Profit attributable to non-controlling interests	2	-
Profit attributable to owners of parent	3,717	1,829

Consolidated Statement of Comprehensive Income

(Unit: Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	3,719	1,829
Other comprehensive income		
Valuation difference on available-for-sale securities	204	1,355
Deferred gains or losses on hedges	(10)	31
Foreign currency translation adjustment	1,005	233
Remeasurements of defined benefit plans, net of tax	(15)	121
Share of other comprehensive income of entities accounted for using equity method	72	22
Total other comprehensive income	1,257	1,765
Comprehensive income	4,976	3,595
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,974	3,595
Comprehensive income attributable to non-controlling interests	2	-

(3) Consolidated Statement of Changes in Net Assets

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,496	7,951	8,721	(669)	21,500
Changes during period					
Dividends of surplus			(1,122)		(1,122)
Profit attributable to owners of parent			3,717		3,717
Purchase of treasury shares				(198)	(198)
Disposal of treasury shares		9		12	22
Cancellation of treasury shares		(21)	(555)	577	-
Change in ownership interest of parent due to transactions with non-controlling interests		(4)			(4)
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity					
Total changes during period	-	(16)	2,039	391	2,413
Balance at end of period	5,496	7,935	10,760	(277)	23,914

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,504	18	1,629	31	4,184	5	25,690
Changes during period							
Dividends of surplus							(1,122)
Profit attributable to owners of parent							3,717
Purchase of treasury shares							(198)
Disposal of treasury shares							22
Cancellation of treasury shares							-
Change in ownership interest of parent due to transactions with non-controlling interests							(4)
Transfer from retained earnings to capital surplus							-
Net changes in items other than shareholders' equity	204	(10)	1,078	(15)	1,257	(5)	1,252
Total changes during period	204	(10)	1,078	(15)	1,257	(5)	3,666
Balance at end of period	2,709	8	2,707	16	5,441	-	29,356

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

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,496	7,935	10,760	(277)	23,914
Changes during period					
Dividends of surplus			(848)		(848)
Profit attributable to owners of parent			1,829		1,829
Purchase of treasury shares				(302)	(302)
Disposal of treasury shares		3		428	432
Cancellation of treasury shares		(3)	(406)		(409)
Change in ownership interest of parent due to transactions with non-controlling interests					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	574	126	700
Balance at end of period	5,496	7,935	11,335	(151)	24,615

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,709	8	2,707	16	5,441	-	29,356
Changes during period							
Dividends of surplus							(848)
Profit attributable to owners of parent							1,829
Purchase of treasury shares							(302)
Disposal of treasury shares							432
Cancellation of treasury shares							(409)
Change in ownership interest of parent due to transactions with non-controlling interests							-
Transfer from retained earnings to capital surplus							-
Net changes in items other than shareholders' equity	1,355	31	256	121	1,765	-	1,765
Total changes during period	1,355	31	256	121	1,765	-	2,466
Balance at end of period	4,065	39	2,963	138	7,207	-	31,822

(4) Consolidated Statement of Cash Flows

(Unit: Millions of 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	4,580	3,077
Depreciation	349	398
Impairment losses	259	40
Amortization of goodwill	21	53
Gain on bargain purchase	(2,137)	-
Increase (decrease) in allowance for doubtful accounts	29	35
Increase (decrease) in provision for bonuses	60	9
Interest and dividend income	(425)	(295)
Share of loss (profit) of entities accounted for using equity method	(135)	(138)
Interest expenses	66	104
Loss (gain) on sale of investment securities	(176)	(270)
Decrease (increase) in trade receivables	(578)	3,002
Decrease (increase) in inventories	(809)	(742)
Decrease (increase) in advance payments to suppliers	1,167	(521)
Decrease (increase) in accounts receivable - other	298	(285)
Increase (decrease) in retirement benefit liability	(71)	(27)
Decrease (increase) in other current assets	(139)	59
Increase (decrease) in trade payables	(1,483)	193
Increase (decrease) in accounts payable - other	(6)	32
Increase (decrease) in contract liabilities	(1,111)	726
Increase (decrease) in other current liabilities	(228)	109
Other, net	68	99
Subtotal	(403)	5,660
Interest and dividends received	421	448
Interest paid	(66)	(104)
Income taxes paid	(750)	(912)
Net cash provided by (used in) operating activities	(798)	5,091
Cash flows from investing activities		
Payments into time deposits	(472)	(97)
Proceeds from withdrawal of time deposits	1,746	392
Purchase of investment securities	(4)	(18)
Proceeds from sale of investment securities	649	395
Purchase of non-current assets	(243)	(314)
Proceeds from sale of non-current assets	22	4
Decrease (increase) in guarantee deposits	20	0
Proceeds from liquidation of subsidiaries	10	-
Proceeds from redemption of securities	100	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,866)	-
Other, net	283	33
Net cash provided by (used in) investing activities	245	394

(Unit: Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,761	(5,288)
Proceeds from long-term borrowings	700	1,100
Repayments of long-term borrowings	(918)	(430)
Proceeds from issuance of bonds	-	1,559
Purchase of treasury shares	(198)	(302)
Dividends paid	(1,116)	(850)
Other, net	(107)	(125)
Net cash provided by (used in) financing activities	1,120	(4,337)
Effect of exchange rate change on cash and cash equivalents	806	218
Net increase (decrease) in cash and cash equivalents	1,374	1,367
Cash and cash equivalents at beginning of period	7,065	8,439
Cash and cash equivalents at end of period	8,439	9,807