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Consolidated Financial Results for the Nine Months Ended December 31, 2025 [Japanese GAAP]



January 27, 2026

Company name: SMK Corporation
 Stock exchange listing: Tokyo Stock Exchange Prime Market
 Securities code: 6798
 URL: <https://www.smk.co.jp/ja>
 Representative: Yasumitsu Ikeda, President, Chief Executive Officer and Chief Operating Officer
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 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (April 1, 2025 - December 31, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2025	35,187	1.6	472	—	1,122	(4.9)	738	8.5
December 31, 2024	34,630	1.1	(75)	—	1,180	—	680	—

(Note) Comprehensive income: Nine months ended December 31, 2025: ¥2,149 million [310.8%]
 Nine months ended December 31, 2024: ¥523 million [152.6%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	116.62	—
December 31, 2024	107.42	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2025	57,983	30,481	52.6
As of March 31, 2025	57,684	29,221	50.7

(Reference) Equity: As of December 31, 2025: ¥30,481 million
 As of March 31, 2025: ¥29,221 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	50.00	—	90.00	140.00
Fiscal year ending March 31, 2026	—	50.00	—		
Fiscal year ending March 31, 2026 (Forecast)				50.00	100.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	46,000	(4.3)	500	—	1,000	82.0	600	—	94.70

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued and outstanding shares (common stock)
- 1) Total number of issued and outstanding shares at the end of the period (including treasury stock):

December 31, 2025:	7,200,000 shares
March 31, 2025:	7,200,000 shares
 - 2) Total number of treasury stock at the end of the period:

December 31, 2025:	870,971 shares
March 31, 2025:	863,954 shares
 - 3) Average number of shares during the period:

Nine months ended December 31, 2025:	6,332,763 shares
Nine months ended December 31, 2024:	6,338,304 shares

(Note) The number of treasury stock includes the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets for the Board Benefit Trust (BBT).

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

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

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and actual results may differ significantly from these forecasts due to various factors. For preconditions for the financial results forecast, notes on the use thereof, etc., please refer to "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 3 of the attachment.

Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Position	3
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information ...	3
2. Quarterly Consolidated Financial Statements and Principal Notes	4
(1) Quarterly Consolidated Balance Sheets	4
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	6
(3) Notes to Quarterly Consolidated Financial Statements	8
(Notes on going concern assumption)	8
(Notes in case of significant changes in shareholders' equity)	8
(Segment information, etc.)	8
(Notes on consolidated statements of cash flows)	8
3. Supplementary Information	9
Status of Orders Received and Sales (by Market)	9

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

The Group established the Medium-Term Business Plan “SMK Next 100” that covers the period from FY2024 to FY2026 as the first milestone for achieving the Long-Term Vision FY2035 “Contribute to the next 100 years with our manufacturing capability that meets all manner of needs.” The period of the plan was positioned as a “period to accelerate structural reforms toward sustainable growth,” with the Group aiming to return to a growth trajectory in sales and profits through the strengthening of its management base, including resource investment, cost structural reforms, and transition to the integrated production and sales operation system. However, in the current situation, CS Division experienced only modest growth owing to the impact mainly of intensified competition in the ICT market, and SCI Division remained sluggish due to the impact mainly of slow growth in Europe and the U.S. home appliance markets. In addition, Innovation Center continued facing persisting losses caused by delays in the development of new products and new businesses.

As announced on March 25, 2025, the Company, in light of this situation, has formulated the “structural reform program” and has promoted initiatives toward further acceleration of structural reforms. Aiming to achieve the targets under the Long-Term Vision and the Medium-Term Business Plan, we accelerate our return to a growth trajectory by withdrawing or scaling down unprofitable businesses, and focusing and allocating our resources on areas with higher growth potential and profitability. Additional efforts are also underway to review cost structures by optimizing the number of personnel and talent portfolio, as well as improving scale efficiency.

During the nine months ended December 31, 2025, the global economy was generally stable against a backdrop of the firmness of the U.S. economy. However, the uncertainty about the future economic outlook has increased mainly due to concerns over downward pressure on the economy arising from the U.S. tariff policy, the continued geopolitical risks caused by the prolonged Ukraine crisis and tensions in the Middle East, as well as the sluggishness of the Chinese economy. Given these factors and the Japan-U.S. interest rate gap, dollar-yen exchange rates also remain on a yen depreciation trend.

In the electronic components industry, the market conditions showed a moderate recovery trend overall. The car electronics market showed signs of stagnation due to the global slowdown in automobile sales and stalled sales of electric vehicles (EVs). In the ICT market, although a moderate recovery trend has emerged in sales of smartphones and tablets, the overall situation remained sluggish. Meanwhile, sales of artificial intelligence (AI) servers and data center-related areas continued to expand. In the home appliance market, sales of gaming-related devices performed well, and those of large home appliances, including air conditioners, also remained firm. In the industry market, inventory gradually moved to appropriate levels, and it started to show signs of recovery.

In the nine months ended December 31, 2025, sales in CS Division remained at the same level as the previous fiscal year due to sluggish performance in the ICT market, although sales in the car electronics, home appliance, and industry markets remained strong. Sales in SCI Division exceeded those of the previous fiscal year, supported by strong performance in the home appliance, car electronics, and industry markets, although sales in the ICT market decreased year on year. As a result, net sales amounted to ¥35,187 million (1.6% increase year on year), and operating profit was ¥472 million (compared to operating loss of ¥75 million in the same period of the previous fiscal year). Ordinary profit was ¥1,122 million (4.9% decrease year on year), and profit attributable to owners of parent was ¥738 million (8.5% increase year on year).

Results by segment are as follows.

[CS Division]

In the car electronics market, sales exceeded those of the previous fiscal year due to the expansion in battery-related products and products for two-wheeled vehicles, in addition to steady sales of camera-related and electrical component-related products. In the home appliance market, sales exceeded those of the previous fiscal year due to the expansion in amusement-related products, and in the industry market, sales also exceeded those of the previous fiscal year due to strong sales of renewable energy-related products. Meanwhile, in the ICT market, sales decreased year on year due to a decrease in products for smartphones.

As a result, net sales in CS Division as a whole were at the same level as the previous fiscal year, amounting

to ¥16,903 million (0.4% increase year on year), and operating profit was ¥1,027 million (22.1% decrease year on year).

[SCI Division]

In the home appliance market, sales of remote control units for home equipment decreased year on year, although those for sanitation, air conditioners, and smart home appliances were strong, and sales as a whole remained almost unchanged from those of the previous fiscal year. Meanwhile, in the car electronics market, sales exceeded those of the previous fiscal year due to the strong performance in camera modules for automotive applications, control units, E-Bike control units, and switches.

As a result, sales in SCI Division as a whole exceeded the level of the previous fiscal year. Net sales amounted to ¥18,261 million (3.6% increase year on year), and operating loss was ¥220 million (compared to operating loss of ¥1,036 million in the same period of the previous fiscal year).

[Innovation Center]

The Innovation Center has been promoting the selection and concentration of businesses as part of the initiatives to strengthen cost management and has decided to focus its resources on two businesses, “the speech-based head health analysis technology” and “EMG sensors,” but commercialization has been delayed. Meanwhile, the communication module business, which had been a core business, was transferred to SCI Division in June 2025 in consideration of company-wide efficiency.

As a result, net sales in Innovation Center amounted to ¥22 million (86.1% decrease year on year), and operating loss was ¥334 million (compared to operating loss of ¥356 million in the same period of the previous fiscal year).

(2) Explanation of Financial Position

Current assets decreased 2.7% from the end of the previous fiscal year to ¥32,256 million. This was mainly due to a decrease of ¥1,877 million in accounts receivable - trade and an increase of ¥807 million in cash and deposits. Non-current assets increased 4.9% from the end of the previous fiscal year to ¥25,727 million. This was mainly due to an increase of ¥1,084 million in investments and other assets.

As a result, total assets increased 0.5% from the end of the previous fiscal year to ¥57,983 million.

Current liabilities decreased 6.3% from the end of the previous fiscal year to ¥15,591 million. This was mainly due to decreases of ¥900 million in short-term borrowings and ¥466 million in accounts payable - other, despite an increase of ¥245 million in notes and accounts payable - trade. Non-current liabilities increased 0.8% from the end of the previous fiscal year to ¥11,911 million. This was mainly due to an increase of ¥390 million in long-term borrowings.

As a result, total liabilities decreased 3.4% from the end of the previous fiscal year to ¥27,502 million.

Total net assets increased 4.3% from the end of the previous fiscal year to ¥30,481 million. This was mainly due to an increase of ¥1,190 million in foreign currency translation adjustment.

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

No change has been made to the consolidated financial results forecast for the fiscal year ending March 31, 2026, announced on May 8, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	10,475	11,282
Notes receivable - trade	4	3
Electronically recorded monetary claims - operating	2,710	2,578
Accounts receivable - trade	11,221	9,344
Merchandise and finished goods	2,909	3,204
Work in process	517	671
Raw materials and supplies	4,246	3,981
Other	1,151	1,251
Allowance for doubtful accounts	(85)	(60)
Total current assets	33,149	32,256
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,151	4,049
Land	5,819	5,819
Other, net	4,783	4,933
Total property, plant and equipment	14,754	14,802
Intangible assets		
Other	202	262
Total intangible assets	202	262
Investments and other assets		
Other	9,672	10,777
Allowance for doubtful accounts	(94)	(115)
Total investments and other assets	9,578	10,662
Total non-current assets	24,535	25,727
Total assets	57,684	57,983

(Million yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,206	3,451
Electronically recorded obligations - operating	1,005	972
Short-term borrowings	7,040	6,140
Accounts payable - other	2,690	2,224
Income taxes payable	198	135
Provision for bonuses	581	548
Provision for bonuses for directors (and other officers)	3	—
Valuation reserve for inventory purchase commitments	6	—
Other	1,915	2,118
Total current liabilities	16,647	15,591
Non-current liabilities		
Long-term borrowings	7,282	7,672
Provision for retirement benefits for directors (and other officers)	124	123
Retirement benefit liability	297	290
Provision for share awards for directors (and other officers)	24	41
Other	4,086	3,782
Total non-current liabilities	11,815	11,911
Total liabilities	28,462	27,502
Net assets		
Shareholders' equity		
Share capital	7,996	7,996
Capital surplus	12,057	12,057
Retained earnings	10,731	10,577
Treasury shares	(3,032)	(3,029)
Total shareholders' equity	27,752	27,601
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	969	1,445
Deferred gains or losses on hedges	16	69
Foreign currency translation adjustment	(812)	378
Remeasurements of defined benefit plans	1,296	985
Total accumulated other comprehensive income	1,469	2,879
Total net assets	29,221	30,481
Total liabilities and net assets	57,684	57,983

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	34,630	35,187
Cost of sales	27,714	27,989
Gross profit	6,915	7,198
Selling, general and administrative expenses	6,991	6,725
Operating profit (loss)	(75)	472
Non-operating income		
Interest income	121	92
Dividend income	48	58
Rental income from real estate	766	789
Foreign exchange gains	733	33
Other	195	342
Total non-operating income	1,864	1,317
Non-operating expenses		
Interest expenses	154	184
Rental costs on real estate	426	451
Other	27	30
Total non-operating expenses	608	666
Ordinary profit	1,180	1,122
Extraordinary income		
Gain on sale of non-current assets	6	1
Gain on sale of investment securities	–	7
Total extraordinary income	6	8
Extraordinary losses		
Loss on sale of non-current assets	0	1
Loss on retirement of non-current assets	48	46
Impairment losses	80	–
Loss on valuation of investment securities	2	–
Total extraordinary losses	132	47
Profit before income taxes	1,055	1,084
Income taxes - current	233	370
Income taxes - deferred	140	(24)
Total income taxes	374	345
Profit	680	738
Profit attributable to owners of parent	680	738

Quarterly Consolidated Statements of Comprehensive Income
 Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	680	738
Other comprehensive income		
Valuation difference on available-for-sale securities	(94)	476
Deferred gains or losses on hedges	40	53
Foreign currency translation adjustment	139	1,190
Remeasurements of defined benefit plans, net of tax	(242)	(310)
Total other comprehensive income	(157)	1,410
Comprehensive income	523	2,149
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	523	2,149

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

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

Not applicable.

(Segment information, etc.)

(Segment information)

Information on amounts of net sales and profit (loss) by reportable segment

For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(Million yen)

	Reportable segment				Amount recorded in Quarterly Consolidated Statements of Income
	CS (Connection System) Division	SCI (Sensing, Communications and Interface) Division	Innovation Center	Total	
Net sales					
Net sales to outside customers	16,841	17,624	163	34,630	34,630
Inter-segment net sales or transfers	—	—	—	—	—
Total	16,841	17,624	163	34,630	34,630
Segment profit (loss) (operating loss)	1,318	(1,036)	(356)	(75)	(75)

For the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(Million yen)

	Reportable segment				Amount recorded in Quarterly Consolidated Statements of Income
	CS (Connection System) Division	SCI (Sensing, Communications and Interface) Division	Innovation Center	Total	
Net sales					
Net sales to outside customers	16,903	18,261	22	35,187	35,187
Inter-segment net sales or transfers	—	—	—	—	—
Total	16,903	18,261	22	35,187	35,187
Segment profit (loss) (operating profit)	1,027	(220)	(334)	472	472

(Notes on consolidated statements of cash flows)

Quarterly consolidated statements of cash flows are not prepared for the nine months ended December 31, 2025. Depreciation (including amortization of intangible assets) for the nine months ended December 31 is as follows.

(Million yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Depreciation	1,745	1,732

3. Supplementary Information

Status of Orders Received and Sales (by Market)

1) Orders received

(Million yen)

Market	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)		Nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)		Change	
	Amount	Contribution (%)	Amount	Contribution (%)	Amount	Change (%)
ICT	5,010	14.3	4,483	12.6	(527)	(10.5)
Home appliance	14,989	42.9	14,850	41.7	(138)	(0.9)
Car electronics	11,247	32.2	12,292	34.5	1,044	9.3
Industry and other	3,713	10.6	3,995	11.2	281	7.6
Total	34,961	100.0	35,621	100.0	660	1.9

Market	(Reference) Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)	
	Amount	Contribution (%)
ICT	6,552	13.9
Home appliance	19,745	41.8
Car electronics	16,242	34.4
Industry and other	4,675	9.9
Total	47,215	100.0

2) Sales

(Million yen)

Market	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)		Nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)		Change	
	Amount	Contribution (%)	Amount	Contribution (%)	Amount	Change (%)
ICT	5,503	15.9	4,576	13.0	(926)	(16.8)
Home appliance	14,647	42.3	14,782	42.0	134	0.9
Car electronics	10,911	31.5	12,220	34.7	1,309	12.0
Industry and other	3,567	10.3	3,607	10.3	39	1.1
Total	34,630	100.0	35,187	100.0	557	1.6

Market	(Reference) Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)	
	Amount	Contribution (%)
ICT	6,949	14.5
Home appliance	19,820	41.2
Car electronics	16,100	33.5
Industry and other	5,180	10.8
Total	48,051	100.0