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

February 13, 2026

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: Kyosan Electric Manufacturing Co.,Ltd.
Listing: Tokyo Stock Exchange
Securities code: 6742
URL: https://www.kyosan.co.jp

Representative: Ryoji Kunisawa, Representative Director, President
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	49,373	6.8	(771)	-	(96)	-	262	(5.5)
December 31, 2024	46,240	19.2	(433)	-	119	-	277	-

Note: Comprehensive income
For the nine months ended December 31, 2025: ¥ 1,128 million [-%]
For the nine months ended December 31, 2024: ¥ (1,069) million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	4.23	-
December 31, 2024	4.43	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	127,517	50,901	39.9
March 31, 2025	126,005	51,711	41.0

Reference: Equity
As of December 31, 2025: ¥ 50,901 million
As of March 31, 2025: ¥ 51,711 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	5.00	-	18.00	23.00
Fiscal year ending March 31, 2026	-	5.00	-		
Fiscal year ending March 31, 2026 (Forecast)				18.00	23.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the third quarter dividend for the fiscal year ending March 31, 2026 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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	86,000	0.7	4,700	(23.1)	5,000	(24.8)	3,500	(26.8)	55.81

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies(-)

Excluded: - companies(-)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) 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

(4) Number of issued shares (common shares)

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

As of December 31, 2025	62,844,251 shares
As of March 31, 2025	62,844,251 shares

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

As of December 31, 2025	1,121,879 shares
As of March 31, 2025	127,015 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	62,045,346 shares
Nine months ended December 31, 2024	62,717,260 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

The forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable.

Actual results may differ materially from these forecasts due to various factors.

Quarterly Consolidated Financial Statements

(1)Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	8,170	8,333
Notes and accounts receivable - trade, and contract assets	28,149	19,454
Electronically recorded monetary claims - operating	2,682	896
Finished goods	4,889	4,881
Semi-finished goods	11,947	11,694
Work in process	33,364	40,974
Raw materials and supplies	434	468
Other	3,195	5,791
Total current assets	92,833	92,494
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,406	9,097
Other, net	4,838	4,678
Total property, plant and equipment	14,245	13,776
Intangible assets	449	410
Investments and other assets		
Investment securities	11,991	13,152
Deferred tax assets	4,130	3,745
Retirement benefit asset	0	641
Other	2,363	3,306
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	18,477	20,836
Total non-current assets	33,171	35,023
Total assets	126,005	127,517

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,410	7,033
Electronically recorded obligations - operating	3,021	3,026
Contract liabilities	13,786	12,553
Short-term borrowings	15,700	27,400
Current portion of long-term borrowings	5,500	2,700
Income taxes payable	2,482	680
Provision for bonuses for directors (and other officers)	250	89
Provision for loss on orders received	1,223	1,409
Provision for product warranties	95	245
Other	6,967	5,040
Total current liabilities	58,437	60,179
Non-current liabilities		
Long-term borrowings	11,800	11,600
Retirement benefit liability	3,350	4,065
Asset retirement obligations	123	126
Provision for product warranties	31	28
Provision for share-based payments	-	78
Deferred tax liabilities	6	8
Other	543	528
Total non-current liabilities	15,855	16,436
Total liabilities	74,293	76,615
Net assets		
Shareholders' equity		
Share capital	6,270	6,270
Capital surplus	4,625	4,625
Retained earnings	36,400	35,224
Treasury shares	(45)	(545)
Total shareholders' equity	47,251	45,575
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,152	3,970
Foreign currency translation adjustment	614	799
Remeasurements of defined benefit plans	693	556
Total accumulated other comprehensive income	4,460	5,326
Total net assets	51,711	50,901
Total liabilities and net assets	126,005	127,517

(2)Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the nine months ended December 31, 2025

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	46,240	49,373
Cost of sales	37,560	40,321
Gross profit	8,680	9,052
Selling, general and administrative expenses		
Salaries and allowances	2,605	2,695
Bonuses	808	933
Provision for bonuses for directors (and other officers)	56	115
Provision for share-based payments	-	78
Retirement benefit expenses	124	114
Depreciation	259	252
Packing and delivery expenses	872	871
Other	4,387	4,762
Total selling, general and administrative expenses	9,113	9,823
Operating loss	(433)	(771)
Non-operating income		
Dividend income	177	193
Insurance claim income	172	189
Share of profit of entities accounted for using equity method	243	291
Foreign exchange gains	79	192
Other	147	174
Total non-operating income	819	1,040
Non-operating expenses		
Interest expenses	176	271
Financing expenses	66	62
Other	22	31
Total non-operating expenses	265	366
Ordinary profit (loss)	119	(96)
Extraordinary income		
Gain on sale of non-current assets	0	2
Gain on sale of investment securities	175	689
Total extraordinary income	175	692
Extraordinary losses		
Loss on sale and retirement of non-current assets	9	8
Loss on sale of investment securities	2	-
Total extraordinary losses	11	8
Profit before income taxes	283	586
Income taxes	5	324
Profit	277	262
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	277	262

Quarterly Consolidated Statement of Comprehensive Income

For the nine months ended December 31, 2025

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	277	262
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,357)	817
Foreign currency translation adjustment	65	155
Remeasurements of defined benefit plans, net of tax	(92)	(137)
Share of other comprehensive income of entities accounted for using equity method	37	29
Total other comprehensive income	(1,347)	865
Comprehensive income	(1,069)	1,128
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,069)	1,128
Comprehensive income attributable to non-controlling interests	-	-

(3)Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	283	586
Depreciation	1,412	1,401
Increase (decrease) in retirement benefit liability	(66)	194
Share of loss (profit) of entities accounted for using equity method	(243)	(291)
Loss (gain) on sale of investment securities	(173)	(689)
Interest and dividend income	(242)	(249)
Interest expenses	176	271
Decrease (increase) in trade receivables	5,236	10,543
Decrease (increase) in inventories	(9,797)	(7,320)
Increase (decrease) in trade payables	(2,533)	(2,419)
Increase (decrease) in contract liabilities	1,667	(1,234)
Other, net	(2,421)	(4,679)
Subtotal	(6,699)	(3,886)
Interest and dividends received	256	275
Interest paid	(180)	(285)
Income taxes paid	(1,883)	(2,100)
Net cash provided by (used in) operating activities	(8,508)	(5,997)
Cash flows from investing activities		
Payments into time deposits	(1,328)	(1,069)
Proceeds from withdrawal of time deposits	306	37
Purchase of investment securities	(14)	(17)
Proceeds from sale of investment securities	265	1,114
Purchase of property, plant and equipment	(620)	(536)
Proceeds from sale of property, plant and equipment	2	0
Purchase of intangible assets	(28)	(81)
Other, net	1	(979)
Net cash provided by (used in) investing activities	(1,414)	(1,531)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,800	11,700
Proceeds from long-term borrowings	10,000	2,000
Repayments of long-term borrowings	(7,000)	(5,000)
Dividends paid	(1,254)	(1,438)
Other, net	(139)	(673)
Net cash provided by (used in) financing activities	6,405	6,588
Effect of exchange rate change on cash and cash equivalents	25	45
Net increase (decrease) in cash and cash equivalents	(3,492)	(894)
Cash and cash equivalents at beginning of period	9,183	8,132
Cash and cash equivalents at end of period	5,691	7,238