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May 8, 2026

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

Company name: SHIMA SEIKI MFG.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 6222
URL: https://www.shimaseiki.co.jp/
Representative: Mitsuhiro Shima President and Representative Director
Inquiries: Shosaku Kitagawa Director, Managing Executive Officer General Manager of the Corporate Planning Division
Telephone: +81-73-471-0511
Scheduled date of annual general meeting of shareholders: June 25, 2026
Scheduled date to commence dividend payments: June 26, 2026
Scheduled date to file annual securities report: June 24, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(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.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	33,509	3.0	(1,720)	-	288	-	856	-
March 31, 2025	32,520	(9.4)	(11,914)	-	(11,481)	-	(14,275)	-

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 5,654 million [-%]
For the fiscal year ended March 31, 2025: ¥ (13,844) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	25.23	25.23	1.1	0.3	(5.1)
March 31, 2025	(413.58)	-	(16.8)	(11.1)	(36.6)

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

(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	109,531	82,382	75.2	2,427.45
March 31, 2025	99,405	77,740	78.2	2,251.04

Reference: Equity
As of March 31, 2026: ¥ 82,338 million
As of March 31, 2025: ¥ 77,701 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	408	(1,468)	5,470	15,617
March 31, 2025	(4,461)	(3,222)	5,376	10,363

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			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	5.00	-	5.00	10.00	345	(2.4)	0.4
Fiscal year ended March 31, 2026	-	10.00	-	10.00	20.00	674	79.3	0.9
Fiscal year ending March 31, 2027 (Forecast)	-	10.00	-	10.00	20.00		75.4	

3. Consolidated financial result forecasts 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	41,000	22.4	300	-	1,000	246.3	900	5.1	26.53

*** Notes**

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

Newly included: - companies( )

Excluded: - companies( )

(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	34,800,000 shares
As of March 31, 2025	35,800,000 shares

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

As of March 31, 2026	880,384 shares
As of March 31, 2025	1,281,734 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	33,953,029 shares
Fiscal Year ended March 31, 2025	34,517,858 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	27,579	6.6	(3,414)	-	(2,175)	-	(1,361)	-
March 31, 2025	25,873	(13.2)	(7,113)	-	(7,595)	-	(9,729)	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	(40.10)	-
March 31, 2025	(281.88)	-

(2) Non-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	92,680	57,919	62.5	1,707.12
March 31, 2025	88,135	59,212	67.2	1,715.01

Reference: Equity

As of March 31, 2026: ¥ 57,904 million

As of March 31, 2025: ¥ 59,199 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

(Cautions concerning the use of earnings forecasts)

Forward-looking statements provided in this document, including earnings forecasts, are based on the information currently available to the Company and certain assumptions considered reasonable.Actual business and other results may differ materially from the forecasts depending on various factors.

Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	14,129	21,295
Notes receivable - trade	14,654	17,988
Accounts receivable - trade	20,687	18,905
Merchandise and finished goods	12,428	11,689
Work in process	858	617
Raw materials and supplies	11,695	12,135
Other	1,364	1,415
Allowance for doubtful accounts	(1,612)	(1,204)
Total current assets	74,205	82,842
Non-current assets		
Property, plant and equipment		
Buildings and structures	27,739	27,302
Accumulated depreciation	(22,029)	(21,958)
Buildings and structures, net	5,709	5,343
Machinery, equipment and vehicles	5,951	6,276
Accumulated depreciation	(5,292)	(5,251)
Machinery, equipment and vehicles, net	658	1,024
Tools, furniture and fixtures	7,073	7,106
Accumulated depreciation	(6,162)	(6,066)
Tools, furniture and fixtures, net	911	1,040
Land	6,397	6,348
Leased assets	4,363	3,562
Accumulated depreciation	(3,907)	(3,098)
Leased assets, net	456	464
Construction in progress	51	41
Total property, plant and equipment	14,186	14,263
Intangible assets	78	168
Investments and other assets		
Investment securities	6,115	6,594
Distressed receivables	11,335	11,183
Retirement benefit asset	1,225	1,748
Deferred tax assets	303	253
Other	1,425	1,770
Allowance for doubtful accounts	(9,468)	(9,294)
Total investments and other assets	10,936	12,257
Total non-current assets	25,200	26,688
Total assets	99,405	109,531

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	1,475	1,388
Electronically recorded obligations - operating	587	425
Short-term borrowings	8,800	6,200
Current portion of long-term borrowings	-	3,332
Lease liabilities	511	325
Income taxes payable	206	262
Contract liabilities	1,536	1,278
Provision for bonuses	1,135	475
Provision for product warranties	292	103
Provision for loss on guarantees	38	32
Other	3,047	2,711
Total current liabilities	17,632	16,535
Non-current liabilities		
Long-term borrowings	-	6,667
Long-term accounts payable - other	44	44
Lease liabilities	670	505
Deferred tax liabilities	1,081	1,222
Deferred tax liabilities for land revaluation	18	15
Retirement benefit liability	2,016	1,953
Other	201	203
Total non-current liabilities	4,032	10,613
Total liabilities	21,665	27,149
Net assets		
Shareholders' equity		
Share capital	14,859	14,859
Capital surplus	23,420	21,724
Retained earnings	31,615	31,099
Treasury shares	(3,912)	(1,852)
Total shareholders' equity	65,983	65,830
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,542	3,728
Revaluation reserve for land	33	27
Foreign currency translation adjustment	9,781	12,927
Remeasurements of defined benefit plans	(638)	(176)
Total accumulated other comprehensive income	11,718	16,507
Share acquisition rights	13	14
Non-controlling interests	25	29
Total net assets	77,740	82,382
Total liabilities and net assets	99,405	109,531

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	32,520	33,509
Cost of sales	23,886	21,611
Gross profit	8,633	11,897
Selling, general and administrative expenses	20,548	13,617
Operating loss	(11,914)	(1,720)
Non-operating income		
Interest income	694	761
Dividend income	214	283
Rental income	57	51
Foreign exchange gains	-	942
Other	167	252
Total non-operating income	1,133	2,291
Non-operating expenses		
Interest expenses	48	192
Rental expenses on non-current assets	23	12
Foreign exchange losses	611	-
Provision of allowance for doubtful accounts	4	46
Commission for purchase of treasury shares	-	10
Other	13	19
Total non-operating expenses	701	282
Ordinary profit (loss)	(11,481)	288
Extraordinary income		
Gain on sale of non-current assets	-	91
Gain on sale of investment securities	-	1,229
Total extraordinary income	-	1,320
Extraordinary losses		
Loss on sale and retirement of non-current assets	51	-
Loss on valuation of investment securities	439	500
Impairment losses	1,495	-
Provision for product warranties	292	-
Total extraordinary losses	2,278	500
Profit (loss) before income taxes	(13,760)	1,109
Income taxes - current	232	185
Income taxes - deferred	280	64
Total income taxes	512	250
Profit (loss)	(14,272)	859
Profit attributable to non-controlling interests	2	2
Profit (loss) attributable to owners of parent	(14,275)	856

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit (loss)	(14,272)	859
Other comprehensive income		
Valuation difference on available-for-sale securities	839	1,186
Revaluation reserve for land	(0)	-
Foreign currency translation adjustment	(538)	3,146
Remeasurements of defined benefit plans, net of tax	128	461
Total other comprehensive income	428	4,794
Comprehensive income	(13,844)	5,654
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(13,847)	5,651
Comprehensive income attributable to non-controlling interests	2	2

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,859	23,422	46,236	(3,919)	80,599
Changes during period					
Dividends of surplus			(345)		(345)
Profit (loss) attributable to owners of parent			(14,275)		(14,275)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(1)		7	5
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					-
Reversal of revaluation reserve for land					-
Net changes in items other than shareholders' equity					
Total changes during period	-	(1)	(14,621)	7	(14,615)
Balance at end of period	14,859	23,420	31,615	(3,912)	65,983

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,702	33	10,319	(766)	11,290	16	21	91,926
Changes during period								
Dividends of surplus								(345)
Profit (loss) attributable to owners of parent								(14,275)
Purchase of treasury shares								(0)
Disposal of treasury shares								5
Cancellation of treasury shares								-
Transfer from retained earnings to capital surplus								-
Reversal of revaluation reserve for land								-
Net changes in items other than shareholders' equity	839	(0)	(538)	128	428	(3)	4	429
Total changes during period	839	(0)	(538)	128	428	(3)	4	(14,186)
Balance at end of period	2,542	33	9,781	(638)	11,718	13	25	77,740

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,859	23,420	31,615	(3,912)	65,983
Changes during period					
Dividends of surplus			(507)		(507)
Profit (loss) attributable to owners of parent			856		856
Purchase of treasury shares				(938)	(938)
Disposal of treasury shares		(442)		872	430
Cancellation of treasury shares		(2,125)		2,125	-
Transfer from retained earnings to capital surplus		870	(870)		-
Reversal of revaluation reserve for land			5		5
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,696)	(516)	2,059	(152)
Balance at end of period	14,859	21,724	31,099	(1,852)	65,830

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	2,542	33	9,781	(638)	11,718	13	25	77,740
Changes during period								
Dividends of surplus								(507)
Profit (loss) attributable to owners of parent								856
Purchase of treasury shares								(938)
Disposal of treasury shares								430
Cancellation of treasury shares								-
Transfer from retained earnings to capital surplus								-
Reversal of revaluation reserve for land								5
Net changes in items other than shareholders' equity	1,186	(5)	3,146	461	4,788	1	4	4,794
Total changes during period	1,186	(5)	3,146	461	4,788	1	4	4,641
Balance at end of period	3,728	27	12,927	(176)	16,507	14	29	82,382

(4) Consolidated Statement of Cash Flows

(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 (loss) before income taxes	(13,760)	1,109
Depreciation	1,189	1,081
Increase (decrease) in allowance for doubtful accounts	4,660	(1,141)
Increase (decrease) in provision for bonuses	(192)	(660)
Increase (decrease) in provision for product warranties	292	(188)
Increase (decrease) in retirement benefit liability	127	38
Interest and dividend income	(908)	(1,045)
Interest expenses	48	192
Foreign exchange losses (gains)	60	444
Loss (gain) on sale and retirement of non-current assets	51	(91)
Loss (gain) on sale of investment securities	-	(1,229)
Loss (gain) on valuation of investment securities	439	500
Impairment losses	1,495	-
Decrease (increase) in trade receivables	895	376
Decrease (increase) in inventories	1,135	785
Increase (decrease) in other current assets	174	135
Increase (decrease) in trade payables	(546)	(660)
Increase in other current liabilities	(227)	8
Other, net	(43)	120
Subtotal	(5,108)	(223)
Interest and dividends received	927	956
Interest paid	(53)	(130)
Income taxes refund (paid)	(226)	(193)
Net cash provided by (used in) operating activities	(4,461)	408
Cash flows from investing activities		
Payments into time deposits	(5,908)	(12,126)
Proceeds from withdrawal of time deposits	3,922	10,514
Purchase of property, plant and equipment	(1,405)	(1,296)
Proceeds from sale of property, plant and equipment	324	156
Proceeds from sale of investment securities	-	1,425
Other, net	(156)	(141)
Net cash provided by (used in) investing activities	(3,222)	(1,468)

(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	6,300	(2,600)
Proceeds from long-term borrowings	-	10,000
Repayments of finance lease liabilities	(577)	(473)
Purchase of treasury shares	(0)	(949)
Dividends paid	(344)	(507)
Other, net	0	0
Net cash provided by (used in) financing activities	5,376	5,470
Effect of exchange rate change on cash and cash equivalents	(138)	843
Net increase (decrease) in cash and cash equivalents	(2,446)	5,253
Cash and cash equivalents at beginning of period	12,809	10,363
Cash and cash equivalents at end of period	10,363	15,617