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May 12, 2026

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

Company name: OKUMA Corporation
Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
Securities code: 6103
URL: https://www.okuma.co.jp
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Scheduled date of annual general meeting of shareholders: June 24, 2026
Scheduled date to commence dividend payments: June 25, 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

(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	235,888	14.1	15,505	5.8	16,380	5.5	12,554	30.9
March 31, 2025	206,822	(9.3)	14,651	(42.2)	15,528	(39.2)	9,590	(50.5)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 28,910 million [283.5%]
For the fiscal year ended March 31, 2025: ¥ 7,537 million [(78.2)%]

	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	208.03	-	5.3	5.1	6.6
March 31, 2025	158.46	-	4.2	5.2	7.1

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

(Note) OKUMA (hereinafter, the "Company") implemented a 2-for-1 common stock split, effective October 1, 2024. Basic earnings per share were calculated on the assumption that the stock split had been implemented at the beginning of the previous fiscal year.

(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	340,386	255,919	72.0	4,133.69
March 31, 2025	298,168	238,065	76.3	3,760.22

Reference: Equity As of March 31, 2026: ¥ 245,008 million
As of March 31, 2025: ¥ 227,499 million

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Net assets per share were calculated on the assumption that the stock split had been implemented at the beginning of the previous fiscal year.

(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	23,821	(29,233)	2,925	47,764
March 31, 2025	17,802	(15,257)	(3,498)	48,276

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	-	100.00	-	50.00	-	6,050	63.1	2.7
Fiscal year ended March 31, 2026	-	50.00	-	50.00	100.00	5,989	48.1	2.5
Fiscal year ending March 31, 2027 (Forecast)	-	50.00	-	50.00	100.00		45.6	

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. The 2nd quarter-end dividend for the fiscal year ending March 31, 2025 is presented in an amount before the stock split. The year-end dividend per share for the fiscal year ending March 31, 2025 is presented in an amount that takes the impact of the stock split into consideration. The annual dividend for the fiscal year ending March 2025 is indicated as "-" in consideration of the impact of the stock split. The 2nd quarter-end dividend for the fiscal year ending March 31, 2025, taking the stock split into consideration, is 50 yen, and the annual dividend is 100 yen.

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
Six months ending September 30, 2026	117,000	11.2	8,000	32.1	8,500	36.8	5,500	20.8	92.79
Full year	245,000	3.9	19,000	22.5	19,500	19.0	13,000	3.5	219.33

*** Notes**

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

(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	67,510,308 shares
As of March 31, 2025	67,510,308 shares

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

As of March 31, 2026	8,239,079 shares
As of March 31, 2025	7,008,644 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	60,350,054 shares
Fiscal Year ended March 31, 2025	60,523,250 shares

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Average number of shares outstanding during the period were calculated on the assumption that the stock split had been implemented at the beginning of the previous fiscal year.

[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	173,495	7.6	7,888	(9.5)	11,106	(12.3)	9,461	2.2
March 31, 2025	161,291	(4.0)	8,712	(39.5)	12,658	(29.3)	9,256	(36.6)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	156.77	-
March 31, 2025	152.95	-

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Basic earnings per share were calculated on the assumption that the stock split had been implemented at the beginning of the previous fiscal year.

(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	237,248	167,733	70.7	2,829.93
March 31, 2025	210,929	161,438	76.5	2,668.33

Reference: Equity

As of March 31, 2026: ¥ 167,733 million

As of March 31, 2025: ¥ 161,438 million

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Net assets per share were calculated on the assumption that the stock split had been implemented at the beginning of the previous fiscal year.

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

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1. Overview of Operating Results, etc.

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

During the fiscal year ended March 31, 2026, the Group's business environment continued to face uncertainties in the global economy, such as the unpredictability of the U.S. tariff policies, increasing geopolitical risks resulting from continued military invasions in various parts of the world, and ongoing inflation. Under these circumstances, while the demand for machine tools remained firm for major corporations, medium- and small-sized businesses continued to take a cautious stance toward capital investments. Nevertheless, demand generally remained on a recovery track.

Under these business conditions, the Group has positioned our machine tools that autonomously achieve high precision, high efficiency production and energy-saving performance contributing to decarbonization as "Green-Smart Machines" based on the "Medium-Term Management Plan 2025." We rolled them out globally, along with automation and productivity improvement solutions and decarbonization solutions. Through such activities, we focused on obtaining orders as well as improving profitability and capital efficiency, and focused on enhancing corporate value by solving social issues concerning manufacturing services.

In terms of market conditions by region, in the U.S., demand remained solid, primarily from major corporations, in the aviation, space and satellites, defense-related, medical equipment, data center, and energy-related sectors, and a recovery trend became clear in the second half of the fiscal year. Although uncertainties in the tariff policies and the state of interest rates led to a continued cautious stance on capital investment among medium- and small-sized businesses, orders received in the U.S. for the second half of the fiscal year reached an all-time high.

This U.S. trend of expanded demand is showing signs of expanding worldwide. In the second half of the fiscal year, Japan also began to see active movements of capital investment in various industries, including aviation, space, and defense-related, as well as general industrial machinery, shipbuilding, power generation-related, and medical equipment sectors. On the other hand, medium- and small-sized businesses continued their cautious stance on capital investment, partly due to the impact of the U.S. tariff measures on automobiles.

In Europe, as the economic outlook remained uncertain due to factors such as the stagnation in the automotive industry, sluggish export industries, and the impact of the U.S. tariff policies, demand remained sluggish. Despite these circumstances, demand grew in the aircraft and defense-related sectors.

In China, industrial policies continued to support capital investment, and demand from sectors such as semiconductor manufacturing equipment, wind power generation, and general industrial machinery remained firm. In addition, we steadily secured large-scale orders from major EV manufacturers, resulting in solid overall order levels. In the fourth quarter, although orders for large-scale investment projects from major EV manufacturers eased off, demand has remained generally firm.

In Asia, excluding China, although there were differences in levels of strength by country and region, demand remained firm.

Under these market conditions, we exhibited at EMO Hannover 2025, Europe's leading manufacturing machinery trade fair held in Hanover, Germany, from September 22 to 26, 2025, and presented process-intensive machine tools such as 5-axis machining centers and multitasking machines, and automation systems, for which demand has grown. Additionally, at the Okuma Machine Fair 2025 held at the Headquarters Plant from November 11 to 14, 2025, we welcomed numerous customers both domestically and internationally. To solve issues such as labor shortages and a lack of skilled workers, we promoted the expansion of sales by proposing process-intensive and automation systems centered on smart machines such as 5-axis machining centers and multitasking machines, with ease of use as the concept, as well as specific solutions for enhancing productivity through their utilization.

Regarding profitability, amid rising material costs, persistently high transportation costs, and strengthened investment in human capital, we focused on reducing costs through measures such as improving production efficiency and expanding in-house manufacturing. We also worked to pass on cost increases and the burden of U.S. tariffs to sales prices. On the other hand, amid sluggish demand for machine tools, in addition to our failure to achieve a full-scale recovery in factory capacity utilization in the first half of the fiscal year, the concentration

of contracted delivery dates for ordered machines in the latter half of the fiscal year was another factor pushing down sales and profits for the first half. In the second half of the fiscal year, demand was generally on a recovery track, and steady production and shipments from our abundant order backlog helped to ensure sales and profits.

Regarding manufacturing, the Okuma PDC (Process Distribution Center), which combines logistics functions and distribution processing (unit assembly functions), was completed within the Kani Plant in September 2025 and commenced operations in January 2026. By consolidating warehouse functions and logistics at the Okuma PDC, we will enhance delivery efficiency. Furthermore, by co-locating high-value-added processes such as unit production, we will work to reduce logistics costs and greenhouse gas emissions under Scope 3.

As part of our initiatives under the Medium-Term Management Plan 2025, we proceeded with the redevelopment of our Konan Plant (Konan-shi, Aichi) to enable the development and provision of innovative automation technologies and to roll out businesses that will support customers' production reforms.

Construction of Dream Site Engineered Solutions was completed in January 2026, and it commenced operating. At this facility, we will conduct centralized production of automated lines for which we have received orders. It will also be available for customers to use to conduct test processing, build automated lines, and verify functionality in an environment that ensures the kind of confidentiality for which there has been a growing need in recent years. At the same time, with the centralized production of automated lines, we have expanded the machinery assembly space at our Headquarters Plant (Oguchi-cho, Aichi) and Kani Plant (Kani-shi, Gifu), further enhancing our production capabilities in our core strengths, such as 5-axis machining centers and multitasking machines. In this way, we are building a flexible production framework that is able to respond to demand.

Further, adjacent to Dream Site Engineered Solutions, we have built a Global Innovation Center for the co-creation of new solutions to realize next-generation automation and customers' production reforms. This facility commenced operating in May 2026.

As a result, consolidated orders received during the fiscal year under review were ¥240,844 million (up 11.7% year on year), consolidated net sales were ¥235,888 million (up 14.1% year on year), consolidated operating profit was ¥15,505 million (up 5.8% year on year), consolidated ordinary profit was ¥16,380 million (up 5.5% year on year), and profit attributable to owners of parent was ¥12,554 million (up 30.9% year on year).

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

The total assets at the end of the fiscal year under review increased by ¥42,218 million compared to the end of the previous fiscal year, reaching ¥340,386 million. This was mainly due to the increases of property, plant and equipment by ¥20,047 million, investment securities by ¥11,095 million, accounts receivable - trade by ¥7,987 million, retirement benefit asset by ¥3,798 million, and intangible assets by ¥2,095 million, and the decrease of inventories by ¥3,522 million.

In addition, the total liabilities at the end of the fiscal year under review increased by ¥24,364 million compared to the end of the previous fiscal year, reaching ¥84,467 million. This was mainly due to the increases of long-term borrowings by ¥15,000 million, deferred tax liabilities by ¥4,893 million, accounts payable - other by ¥1,922 million, income taxes payable by ¥1,045 million, and provision for bonuses by ¥671 million.

The total net assets increased by ¥17,853 million compared to the end of the previous fiscal year, reaching ¥255,919 million. This was mainly due to the increases of valuation difference on available-for-sale securities by ¥7,937 million, retained earnings by ¥6,504 million, foreign currency translation adjustment by ¥5,958 million, treasury shares by ¥4,972 million, and remeasurements of defined benefit plans by ¥2,065 million. As a result, the capital adequacy ratio at the end of the fiscal year under review was 72.0%.

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

Cash and cash equivalents at the end of the fiscal year under review was ¥47,764 million, a decrease of ¥511 million from the end of the previous fiscal year.

Net cash provided by operating activities was ¥23,821 million (¥17,802 million was provided in the previous fiscal year). Factors that increased cash flows included profit before income taxes of ¥17,057 million, depreciation of ¥9, 288 million, decrease in inventories of ¥7,225 million, and increase in retirement benefit

liability of ¥2,084 million. Meanwhile, factors that decreased cash flows included increase in trade receivables of ¥5,520 million, decrease in trade payables of ¥4,030 million, and income taxes paid of ¥2,513 million.

Net cash used in investing activities was ¥29, 233 million (¥15,257 million was used in the previous fiscal year). Factors that increased cash flows included proceeds from sale of investment securities of ¥1,842 million.

Meanwhile, factors that decreased cash flows included purchase of property, plant and equipment of ¥23,929 million, and purchase of intangible assets of ¥5,556 million.

Net cash provided by financing activities was ¥2,925 million (¥3,498 million was used in the previous fiscal year). Factors that increased cash flows included proceeds from long-term borrowings of ¥15,000 million. Meanwhile, factors that decreased cash flows included dividends paid of ¥6,050 million, purchase of treasury shares of ¥5,002 million, and repayments of lease liabilities of ¥971 million.

(Reference) Cash flow indicators

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Capital adequacy ratio (%)	76.6	76.3	72.0
Capital adequacy ratio at market value (%)	72.7	69.2	61.1
Interest-bearing debt to cash flow ratio (years)	1.4	0.7	1.1
Interest coverage ratio (times)	88.4	198.2	155.2

Capital adequacy ratio: Equity / total assets

Capital adequacy ratio at market price: Market capitalization / total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt / cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities / interest payment

(Notes) 1. All of the indicators are calculated using consolidated financial figures.
2. Market capitalization is calculated by multiplying the closing share price at fiscal year-end by the number of shares issued (after subtracting treasury stock).
3. The cash flows from operating activities used here is the cash flows from operating activities recorded in the Consolidated Statement of Cash Flows.
4. Interest-bearing debt means all liabilities in the Consolidated Balance Sheet for which interest is paid. Interest payment used here is the interest paid recorded in the Consolidated Statement of Cash Flows.

(4) Future Outlook

Regarding the business environment surrounding the Group, the outlook for the global economy is expected to remain uncertain due to the unpredictability of U.S. tariff policy, increasing geopolitical risks resulting from continued military invasions in various parts of the world, ongoing inflation, and other factors.

However, demand for machine tools is expected to follow a moderate expansion track in the aviation, space and satellites, defense-related, data center and energy-related, and semiconductor manufacturing equipment sectors. In addition, amid initiatives being undertaken to address social issues, such as the declining labor force and decarbonization, in Japan and overseas, labor-saving, automation, and high-efficiency processing needs are expected to remain firm in the medium to long term.

With the basic strategy of providing Monozukuri solutions, such as 5-axis machining centers, multitasking machines, and other Green-Smart Machines, as well as automation solutions and decarbonization solutions, we will work to secure stable earnings by seizing the demand of growth industries without fail and by improving efficiency in production and operation.

Based on the above business environment and our initiatives, the consolidated financial results forecast for the fiscal year ending March 31, 2027, is as shown below.

	Consolidated			
	Six months ending September 30, 2026	(Year-on-year change)	Full year	(Year-on-year change)
	Millions of yen	%	Millions of yen	%
Net sales	117,000	11.2	245,000	3.9
Operating profit	8,000	32.1	19,000	22.5
Ordinary profit	8,500	36.8	19,500	19.0
Profit attributable to owners of parent	5,500	20.8	13,000	3.5

The financial results forecast assumes exchange rates of ¥150 per U.S. dollar and ¥180 per Euro.

The forward-looking statements, including the financial forecasts shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual performance and other results may differ materially from these forecasts due to various factors.

2. Basic Policy on Selection of Accounting Standards

The Group prepares its Consolidated Financial Statements in accordance with Japanese GAAP, in view of such factors as the burden involved in establishing a structure for preparing Consolidated Financial Statements under International Financial Reporting Standards (IFRS), comparability between companies, and others.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	53,079	53,014
Notes receivable - trade	964	991
Accounts receivable - trade	36,914	44,902
Electronically recorded monetary claims - operating	834	417
Inventories	85,631	82,108
Other	7,630	9,537
Allowance for doubtful accounts	(454)	(323)
Total current assets	184,600	190,649
Non-current assets		
Property, plant and equipment		
Buildings and structures	65,309	87,750
Accumulated depreciation	(36,915)	(39,484)
Buildings and structures, net	28,394	48,265
Machinery, equipment and vehicles	36,890	39,414
Accumulated depreciation	(28,943)	(30,613)
Machinery, equipment and vehicles, net	7,947	8,801
Land	10,116	10,252
Construction in progress	2,960	1,846
Other	23,663	25,456
Accumulated depreciation	(18,663)	(20,155)
Other, net	5,000	5,300
Total property, plant and equipment	54,419	74,466
Intangible assets		
Software	12,912	14,983
Other	1,962	1,986
Total intangible assets	14,874	16,970
Investments and other assets		
Investment securities	34,033	45,128
Retirement benefit asset	5,624	9,423
Deferred tax assets	1,275	497
Other	3,344	3,257
Allowance for doubtful accounts	(3)	(7)
Total investments and other assets	44,274	58,300
Total non-current assets	113,568	149,737
Total assets	298,168	340,386

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,510	14,710
Electronically recorded obligations - operating	5,621	4,688
Current portion of bonds payable	-	5,000
Accounts payable - other	7,642	9,565
Income taxes payable	1,127	2,172
Advances received	5,445	7,571
Provision for bonuses	3,576	4,247
Provision for bonuses for directors (and other officers)	110	189
Provision for product warranties	442	471
Other	3,261	3,586
Total current liabilities	42,737	52,203
Non-current liabilities		
Bonds payable	5,000	-
Long-term borrowings	5,000	20,000
Deferred tax liabilities	5,265	10,158
Retirement benefit liability	178	188
Other	1,922	1,917
Total non-current liabilities	17,365	32,264
Total liabilities	60,103	84,467
Net assets		
Shareholders' equity		
Share capital	18,000	18,000
Capital surplus	41,798	41,815
Retained earnings	156,362	162,866
Treasury shares	(17,805)	(22,778)
Total shareholders' equity	198,355	199,903
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,093	21,030
Foreign currency translation adjustment	15,619	21,578
Remeasurements of defined benefit plans	430	2,496
Total accumulated other comprehensive income	29,144	45,105
Non-controlling interests	10,565	10,910
Total net assets	238,065	255,919
Total liabilities and net assets	298,168	340,386

(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	206,822	235,888
Cost of sales	141,185	166,586
Gross profit	65,636	69,302
Selling, general and administrative expenses	50,985	53,796
Operating profit	14,651	15,505
Non-operating income		
Interest income	672	578
Dividend income	975	1,170
Rental income from land and buildings	160	177
Other	310	246
Total non-operating income	2,118	2,173
Non-operating expenses		
Interest expenses	89	152
Foreign exchange losses	582	345
Other	569	800
Total non-operating expenses	1,241	1,298
Ordinary profit	15,528	16,380
Extraordinary income		
Gain on sale of investment securities	394	1,374
Total extraordinary income	394	1,374
Extraordinary losses		
Loss on valuation of investment securities	-	100
Loss on retirement of non-current assets	-	415
Factory rebuilding expense	883	181
Total extraordinary losses	883	697
Profit before income taxes	15,039	17,057
Income taxes - current	4,658	3,293
Income taxes - deferred	618	1,135
Total income taxes	5,277	4,428
Profit	9,762	12,628
Profit attributable to non-controlling interests	171	73
Profit attributable to owners of parent	9,590	12,554

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	9,762	12,628
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,762)	7,940
Foreign currency translation adjustment	942	6,262
Remeasurements of defined benefit plans, net of tax	(403)	2,079
Total other comprehensive income	(2,224)	16,282
Comprehensive income	7,537	28,910
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,777	28,515
Comprehensive income attributable to non-controlling interests	760	394

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	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	18,000	41,777	152,835	(16,614)	195,999	15,855	15,251	850	31,957	9,890	237,846
Changes during period											
Dividends of surplus			(6,066)		(6,066)						(6,066)
Profit attributable to owners of parent			9,590		9,590						9,590
Purchase of treasury shares				(1,227)	(1,227)						(1,227)
Disposal of treasury shares		0		0	0						0
Restricted stock payment		20		36	57						57
Change in scope of consolidation			3		3						3
Net changes in items other than shareholders' equity						(2,761)	368	(419)	(2,813)	675	(2,137)
Total changes during period	-	20	3,526	(1,191)	2,356	(2,761)	368	(419)	(2,813)	675	218
Balance at end of period	18,000	41,798	156,362	(17,805)	198,355	13,093	15,619	430	29,144	10,565	238,065

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	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	18,000	41,798	156,362	(17,805)	198,355	13,093	15,619	430	29,144	10,565	238,065
Changes during period											
Dividends of surplus			(6,050)		(6,050)						(6,050)
Profit attributable to owners of parent			12,554		12,554						12,554
Purchase of treasury shares				(5,002)	(5,002)						(5,002)
Disposal of treasury shares											-
Restricted stock payment		16		29	46						46
Change in scope of consolidation											-
Net changes in items other than shareholders' equity						7,937	5,958	2,065	15,961	344	16,305
Total changes during period	-	16	6,504	(4,972)	1,548	7,937	5,958	2,065	15,961	344	17,853
Balance at end of period	18,000	41,815	162,866	(22,778)	199,903	21,030	21,578	2,496	45,105	10,910	255,919

(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 before income taxes	15,039	17,057
Depreciation	9,209	9,288
Increase (decrease) in allowance for doubtful accounts	10	(163)
Increase (decrease) in provision for bonuses	(72)	575
Increase (decrease) in provision for bonuses for directors (and other officers)	(38)	71
Decrease (increase) in retirement benefit asset	(252)	(3,739)
Increase (decrease) in retirement benefit liability	(426)	2,084
Interest and dividend income	(1,647)	(1,749)
Interest expenses	89	152
Foreign exchange losses (gains)	141	57
Loss (gain) on sale of investment securities	(394)	(1,374)
Loss (gain) on valuation of investment securities	-	100
Decrease (increase) in trade receivables	5,378	(5,520)
Decrease (increase) in inventories	(3,648)	7,225
Increase (decrease) in trade payables	(1,098)	(4,030)
Factory rebuilding expense	883	181
Loss on retirement of non-current assets	-	415
Other, net	(477)	3,912
Subtotal	22,695	24,545
Interest and dividends received	1,654	1,749
Interest paid	(89)	(153)
Income taxes paid	(6,470)	(2,513)
Income taxes refund	12	193
Net cash provided by (used in) operating activities	17,802	23,821
Cash flows from investing activities		
Net decrease (increase) in time deposits	541	(309)
Purchase of property, plant and equipment	(6,629)	(23,929)
Proceeds from sale of property, plant and equipment	27	4
Payments for retirement of property, plant and equipment	-	(908)
Purchase of intangible assets	(6,970)	(5,556)
Purchase of investment securities	(2,182)	(54)
Proceeds from sale of investment securities	582	1,842
Other, net	(626)	(321)
Net cash provided by (used in) investing activities	(15,257)	(29,233)
Cash flows from financing activities		
Proceeds from long-term borrowings	5,000	15,000
Repayments of lease liabilities	(1,118)	(971)
Purchase of treasury shares	(1,227)	(5,002)
Dividends paid	(6,066)	(6,050)
Dividends paid to non-controlling interests	(84)	(50)
Net cash provided by (used in) financing activities	(3,498)	2,925
Effect of exchange rate change on cash and cash equivalents	(107)	1,974
Net increase (decrease) in cash and cash equivalents	(1,060)	(511)
Cash and cash equivalents at beginning of period	49,242	48,276
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	94	-
Cash and cash equivalents at end of period	48,276	47,764

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information, etc.)

[Segment information]

1. Description of reportable segments

The reportable segments of the Group are its components for which separate financial information is available and which are regularly reviewed by the Executive Officer Committee to make decisions about the allocation of management resources and assess operating results.

The Group extensively engages in manufacture and sale of machine tools, for which the Company and its consolidated subsidiaries are responsible in Japan and local companies in overseas locations are responsible outside Japan. Each local company is an independent management unit that develops comprehensive regional strategies for products handled by that company and implements its business activities.

Thus, the Group is composed of regional segments based on manufacture and sale structures, which are four reportable segments “Japan,” “Americas,” “Europe,” and “Asia/Pacific.”

2. Explanation of measurements of net sales, profit (loss), assets, liabilities, and other items by reportable segment

The accounting treatment for the reported business segments are the same as described in the “Significant accounting policies for preparation of consolidated financial statements” in the latest annual securities report (filed on June 20, 2025).

Profit of each reportable segment is operating profit (loss). Intersegment transactions are intercompany transactions and are based on market prices.

3. Information on net sales, profit (loss), assets, liabilities, and other items by reportable segment

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

(Millions of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Japan	Americas	Europe	Asia/Pacific	Total		
Net sales							
(1) Sales to outside customers	96,055	63,059	33,849	13,858	206,822	—	206,822
(2) Intersegment sales or transfers	71,580	108	139	9,122	80,951	(80,951)	—
Total	167,635	63,167	33,988	22,981	287,773	(80,951)	206,822
Segment profit (loss)	9,241	3,017	1,000	953	14,213	438	14,651
Segment assets	221,016	61,056	28,848	37,789	348,710	(50,542)	298,168
Other items							
Depreciation	6,785	544	669	870	8,871	(7)	8,864
Increase in property, plant and equipment and intangible assets	11,639	593	1,124	574	13,932	—	13,932

(Notes) 1. Adjustments represent the following:

(1) The ¥438 million adjustment in segment profit represents the elimination of unrealized profit, etc.

(2) The ¥(50,542) million adjustment in segment assets represents intersegment eliminations.

(3) The ¥(7) million adjustment in depreciation represents the elimination of unrealized profit.

2. Segment profit (loss) is adjusted with the operating profit in the consolidated statement of income.

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

(Millions of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Japan	Americas	Europe	Asia/Pacific	Total		
Net sales							
(1) Sales to outside customers	117,355	68,495	34,351	15,686	235,888	—	235,888
(2) Intersegment sales or transfers	63,765	29	139	8,919	72,852	(72,852)	—
Total	181,120	68,524	34,490	24,605	308,741	(72,852)	235,888
Segment profit (loss)	8,830	2,959	677	862	13,330	2,175	15,505
Segment assets	251,244	64,391	29,819	40,267	385,723	(45,336)	340,386
Other items							
Depreciation	6,818	538	718	834	8,909	(7)	8,902
Increase in property, plant and equipment and intangible assets	25,700	3,369	1,310	535	30,915	—	30,915

(Notes) 1. Adjustments represent the following:

(1) The ¥2,175 million adjustment in segment profit represents the elimination of unrealized profit, etc.

(2) The ¥(45,336) million adjustment in segment assets represents intersegment eliminations.

(3) The ¥(7) million adjustment in depreciation represents the elimination of unrealized profit.

2. Segment profit (loss) is adjusted with the operating profit in the consolidated statement of income.

(Per share information)

The amount and bases of calculation of net assets per share and the amount and bases of calculation of basic earnings per share are as follows:

	As of March 31, 2025	As of March 31, 2026
(1) Net assets per share (Yen)	3,760.22	4,133.69
(Basis of calculation)		
Total net assets (Millions of yen)	238,065	255,919
Amount subtracted from total net assets (Millions of yen)	10,565	10,910
(of which, non-controlling interests (Millions of yen)	(10,565)	(10,910)
Net assets relating to common shares at fiscal year-end (Millions of yen)	227,499	245,008
Number of common shares at fiscal year-end used for the calculation of net assets per share (Thousands of shares)	60,501	59,271

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
(2) Basic earnings per share (Yen)	158.46	208.03
(Basis of calculation)		
Profit attributable to owners of parent (Millions of yen)	9,590	12,554
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (Millions of yen)	9,590	12,554
Average number of common shares outstanding during the period (Thousands of shares)	60,523	60,350

(Notes) 1. Diluted earnings per share are not reported because the Company does not have dilutive shares.

2. The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Net assets per share and basic earnings per share were calculated on the assumption that the stock split had been implemented at the beginning of the previous fiscal year.

(Significant subsequent events)

Not applicable.

4. Other

(1) Order and Sales Status

1) Order status

(Millions of yen)

	For the fiscal year ended March 31, 2025		For the fiscal year ended March 31, 2026	
	Orders Received	Order Backlog	Orders Received	Order Backlog
NC lathes	33,833	17,780	37,730	21,207
Machining centers	115,753	58,807	126,889	53,387
Multitasking machines	56,792	18,106	66,714	24,057
NC grinders	2,067	807	2,775	1,159
Others	7,180	950	6,733	1,596
Total	215,627	96,452	240,844	101,407

2) Sales results

(Millions of yen)

	For the fiscal year ended March 31, 2025		For the fiscal year ended March 31, 2026	
	Net Sales	Composition (%)	Net Sales	Composition (%)
NC lathes	37,366	18.1	34,304	14.5
Machining centers	104,235	50.4	132,309	56.1
Multitasking machines	55,653	26.9	60,763	25.8
NC grinders	2,280	1.1	2,424	1.0
Others	7,287	3.5	6,087	2.6
Total	206,822	100.0	235,888	100.0

(2) Overseas Sales

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

(Millions of yen)

	US	Americas (other than the US)	Europe	China	Asia/Pacific (other than China)	Total
I Overseas sales	54,485	8,531	33,386	34,182	14,483	145,068
II Consolidated net sales	—	—	—	—	—	206,822
III Percentage of overseas sales in consolidated net sales (%)	26.3	4.1	16.1	16.6	7.0	70.1

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

(Millions of yen)

	US	Americas (other than the US)	Europe	China	Asia/Pacific (other than China)	Total
I Overseas sales	61,030	7,397	34,479	53,046	16,837	172,793
II Consolidated net sales	—	—	—	—	—	235,888
III Percentage of overseas sales in consolidated net sales (%)	25.9	3.1	14.6	22.5	7.2	73.3

(3) Changes in Members of the Board (to take effect on June 24, 2026)

1. Candidate for New Member of the Board

   Member of the Board, Senior Executive Officer: Satoshi Tanaka

   (Current position: Senior Executive Officer)

2. Member of the Board to Retire

   Member of the Board, Senior Executive Officer: Takeshi Yamamoto

   (Scheduled to be appointed as Advisor)