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



May 12, 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
 Contact: Masanobu Ikee, Director and Executive Deputy President
 Telephone: +81-3-3785-1111
 Scheduled date of annual general meeting of shareholders: June 23, 2026
 Scheduled date of commencing dividend payments: June 24, 2026
 Scheduled date of filing annual securities report: June 22, 2026
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

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

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

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	48,204	0.3	430	—	1,243	126.3	56	—
March 31, 2025	48,051	3.3	(220)	—	549	142.9	(1,884)	—

(Note) Comprehensive income: Fiscal year ended March 31, 2026: ¥2,825million [—%]

Fiscal year ended March 31, 2025: ¥(2,282) million [—%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	8.87	—	0.2	2.2	0.9
March 31, 2025	(297.39)	—	(6.1)	0.9	(0.5)

(Reference) Share of profit (loss) of entities accounted for using equity method:

Fiscal year ended March 31, 2026: ¥152 million

Fiscal year ended March 31, 2025: ¥71 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	57,625	31,156	54.1	4,923.29
As of March 31, 2025	57,684	29,221	50.7	4,612.02

(Reference) Equity: As of March 31, 2026: ¥31,156 million

As of March 31, 2025: ¥29,221 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	Million yen	Million yen	Million yen	Million yen
March 31, 2026	2,023	(2,262)	(2,452)	9,594
March 31, 2025	2,439	(2,216)	286	10,415

2. Dividends

	Annual dividends					Total cash dividends (Total)	Payout Ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter- end	2nd quarter- end	3rd quarter- end	Year- end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	—	50.00	—	90.00	140.00	894	—	2.9
Fiscal year ended March 31, 2026	—	50.00	—	50.00	100.00	638	—	2.1
Fiscal year ending March 31, 2027 (Forecast)	—	50.00	—	50.00	100.00		—	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(% 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
First half	24,000	3.7	200	—	400	—	200	—	31.60
Full year	49,000	1.7	800	86.0	1,200	(3.5)	800	—	126.41

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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
- (3) 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):

March 31, 2026:	7,200,000 shares
March 31, 2025:	7,200,000 shares
 - 2) Total number of treasury stock at the end of the period:

March 31, 2026:	871,521 shares
March 31, 2025:	863,954 shares
 - 3) Average number of shares during the period:

Fiscal year ended March 31, 2026:	6,331,805 shares
Fiscal year ended March 31, 2025:	6,337,901 shares

(Notes) 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).

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 2026)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	22,533	(1.9)	(850)	—	1,995	86.6	215	—
March 31, 2025	22,973	1.0	(1,434)	—	1,069	—	(227)	—

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	33.92	—
March 31, 2025	(35.80)	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	44,405	23,436	52.8	3,694.27
As of March 31, 2025	46,747	23,459	50.2	3,694.01

(Reference) Equity: As of March 31, 2026: ¥23,436 million

As of March 31, 2025: ¥23,459 million

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

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

1. 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.
2. The Company plans to hold a briefing session on financial results for institutional investors and analysts on May 22, 2026. The explanatory materials on financial results to be used on the day of the session will be posted on the Company's website promptly after the meeting.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	10,475	9,673
Notes receivable - trade	4	1
Electronically recorded monetary claims - operating	2,710	2,427
Accounts receivable - trade	11,221	10,872
Merchandise and finished goods	2,909	2,715
Work in process	517	625
Raw materials and supplies	4,246	3,400
Other	1,151	1,191
Allowance for doubtful accounts	(85)	(62)
Total current assets	33,149	30,845
Non-current assets		
Property, plant and equipment		
Buildings and structures	21,036	21,798
Accumulated depreciation and impairment	(16,885)	(17,732)
Buildings and structures, net	4,151	4,066
Machinery, equipment and vehicles	22,609	24,058
Accumulated depreciation and impairment	(19,960)	(21,272)
Machinery, equipment and vehicles, net	2,649	2,785
Tools, furniture and fixtures	17,031	17,294
Accumulated depreciation and impairment	(16,009)	(16,142)
Tools, furniture and fixtures, net	1,022	1,152
Land	5,819	5,819
Leased assets	3	3
Accumulated depreciation and impairment	(0)	(1)
Leased assets, net	3	2
Right of use assets	2,257	2,434
Accumulated depreciation and impairment loss	(1,308)	(1,952)
Right of use assets, net	948	482
Construction in progress	159	114
Total property, plant and equipment	14,754	14,423
Intangible assets		
Other	202	242
Total intangible assets	202	242
Investments and other assets		
Investment securities	4,205	5,271
Long-term loans receivable	87	94
Retirement benefit asset	4,247	5,745
Deferred tax assets	241	85
Other	890	1,034
Allowance for doubtful accounts	(94)	(117)
Total investments and other assets	9,578	12,114
Total non-current assets	24,535	26,780
Total assets	57,684	57,625

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,206	2,887
Electronically recorded obligations - operating	1,005	317
Short-term borrowings	7,040	6,140
Lease liabilities	462	471
Accounts payable - other	2,690	2,246
Income taxes payable	198	209
Provision for bonuses	581	628
Provision for bonuses for directors (and other officers)	3	18
Valuation reserve for inventory purchase commitments	6	—
Other	1,452	1,496
Total current liabilities	16,647	14,417
Non-current liabilities		
Long-term borrowings	7,282	7,141
Lease liabilities	830	460
Deferred tax liabilities	2,575	3,347
Provision for retirement benefits for directors (and other officers)	124	133
Retirement benefit liability	297	362
Provision for share awards for directors (and other officers)	24	49
Other	679	557
Total non-current liabilities	11,815	12,051
Total liabilities	28,462	26,468
Net assets		
Shareholders' equity		
Share capital	7,996	7,996
Capital surplus	12,057	12,057
Retained earnings	10,731	9,894
Treasury shares	(3,032)	(3,030)
Total shareholders' equity	27,752	26,918
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	969	1,545
Deferred gains or losses on hedges	16	96
Foreign currency translation adjustment	(812)	643
Remeasurements of defined benefit plans	1,296	1,952
Total accumulated other comprehensive income	1,469	4,238
Total net assets	29,221	31,156
Total liabilities and net assets	57,684	57,625

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	48,051	48,204
Cost of sales	38,800	38,793
Gross profit	9,250	9,410
Selling, general and administrative expenses	9,470	8,980
Operating profit (loss)	(220)	430
Non-operating income		
Interest income	172	148
Dividend income	52	58
Rental income from real estate	1,023	1,060
Foreign exchange gains	54	118
Other	362	347
Total non-operating income	1,665	1,734
Non-operating expenses		
Interest expenses	221	250
Rental costs on real estate	593	634
Provision of allowance for doubtful accounts	—	7
Other	80	28
Total non-operating expenses	895	921
Ordinary profit	549	1,243
Extraordinary income		
Gain on sale of non-current assets	7	1
Gain on sale of investment securities	—	12
Total extraordinary income	7	14
Extraordinary losses		
Loss on sale of non-current assets	0	1
Loss on retirement of non-current assets	83	65
Impairment losses	497	314
Loss on valuation of investment securities	69	7
Provision of allowance for doubtful accounts	—	1
Business structure reform expenses	869	—
Total extraordinary losses	1,520	391
Profit (loss) before income taxes	(963)	867
Income taxes - current	366	494
Income taxes for prior periods	65	—
Income taxes - deferred	489	316
Total income taxes	921	810
Profit (loss)	(1,884)	56
Profit (loss) attributable to owners of parent	(1,884)	56

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit (loss)	(1,884)	56
Other comprehensive income		
Valuation difference on available-for-sale securities	(190)	576
Deferred gains or losses on hedges	86	80
Foreign currency translation adjustment	(315)	1,455
Remeasurements of defined benefit plans, net of tax	21	656
Total other comprehensive income	(397)	2,769
Comprehensive income	(2,282)	2,825
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,282)	2,825

(3) Consolidated Statements of Changes in Equity

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at beginning of period	7,996	12,057	13,253	(3,030)	30,276
Changes during period					
Dividends of surplus			(637)		(637)
Profit (loss) attributable to owners of parent			(1,884)		(1,884)
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares				2	2
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(2,522)	(1)	(2,524)
Balance at end of period	7,996	12,057	10,731	(3,032)	27,752

	Accumulated other comprehensive income					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	1,159	(70)	(497)	1,274	1,866	32,143
Changes during period						
Dividends of surplus						(637)
Profit (loss) attributable to owners of parent						(1,884)
Purchase of treasury shares						(3)
Disposal of treasury shares						2
Net changes in items other than shareholders' equity	(190)	86	(315)	21	(397)	(397)
Total changes during period	(190)	86	(315)	21	(397)	(2,921)
Balance at end of period	969	16	(812)	1,296	1,469	29,221

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

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at beginning of period	7,996	12,057	10,731	(3,032)	27,752
Changes during period					
Dividends of surplus			(892)		(892)
Profit (loss) attributable to owners of parent			56		56
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares				5	5
Net changes in items other than shareholders' equity					
Total changes during period	—	—	(836)	1	(834)
Balance at end of period	7,996	12,057	9,894	(3,030)	26,918

	Accumulated other comprehensive income					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	969	16	(812)	1,296	1,469	29,221
Changes during period						
Dividends of surplus						(892)
Profit (loss) attributable to owners of parent						56
Purchase of treasury shares						(3)
Disposal of treasury shares						5
Net changes in items other than shareholders' equity	576	80	1,455	656	2,769	2,769
Total changes during period	576	80	1,455	656	2,769	1,934
Balance at end of period	1,545	96	643	1,952	4,238	31,156

(4) Consolidated Statements of Cash Flows

(Million 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	(963)	867
Depreciation	2,347	2,626
Impairment losses	497	314
Restructuring expenses	869	—
Increase (decrease) in provision for bonuses	10	33
Increase (decrease) in valuation reserve for inventory purchase commitments	(100)	(6)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(8)	8
Increase (decrease) in provision for share awards for directors (and other officers)	(2)	24
Increase (decrease) in net defined benefit asset and liability	(133)	(460)
Interest and dividend income	(224)	(207)
Interest expenses	221	250
Loss (gain) on sale of investment securities	—	(12)
Loss (gain) on sale of non-current assets	(6)	(0)
Loss (gain) on valuation of investment securities	69	7
Loss on retirement of non-current assets	83	65
Decrease (increase) in trade receivables	(932)	1,017
Decrease (increase) in inventories	1,599	1,184
Increase (decrease) in trade payables	(420)	(1,902)
Decrease (increase) in accounts receivable - other	4	3
Increase (decrease) in accounts payable - other	(4)	99
Other, net	(68)	(576)
Subtotal	2,835	3,335
Interest and dividends received	226	211
Interest paid	(228)	(257)
Income taxes paid	(387)	(475)
Income taxes refund	—	31
Payment for business restructuring expenses	(7)	(820)
Net cash provided by (used in) operating activities	2,439	2,023
Cash flows from investing activities		
Payments into time deposits	(40)	(75)
Proceeds from withdrawal of time deposits	40	57
Purchase of property, plant and equipment	(2,080)	(2,185)
Proceeds from sale of property, plant and equipment	19	5
Purchase of intangible assets	(126)	(86)
Purchase of investment securities	(34)	(0)
Proceeds from sale of investment securities	—	29
Loan advances	(9)	(25)
Proceeds from collection of loans receivable	16	18
Other, net	0	—
Net cash provided by (used in) investing activities	(2,216)	(2,262)

(Million 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	800	(1,300)
Proceeds from long-term borrowings	2,000	2,000
Repayments of long-term borrowings	(1,340)	(1,740)
Repayments of lease liabilities	(535)	(520)
Purchase of treasury shares	(1)	(1)
Dividends paid	(636)	(890)
Net cash provided by (used in) financing activities	286	(2,452)
Effect of exchange rate change on cash and cash equivalents	(291)	1,869
Net increase (decrease) in cash and cash equivalents	217	(821)
Cash and cash equivalents at beginning of period	10,197	10,415
Cash and cash equivalents at end of period	10,415	9,594