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SAKAI
MASTERS OF COMPACTION

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

May 13, 2026

Company name	SAKAI HEAVY INDUSTRIES, LTD.			Stock exchange listings: Tokyo Prime
Securities code	6358	URL https://www.sakainet.co.jp/		
Representative	(Title)	President and Representing Director	(Name)Ichiro Sakai	
Inquiries	(Title)	Executive Officer, General Manager of Administration Division	(Name)Yasuyuki Fujikawa	Tel 03-3434-3401
Date of general shareholders' meeting (as planned)	June 26, 2026		Dividend payable date (as planned)	June 29, 2026
Annual securities report filing date (as planned)	June 25, 2026			

Supplemental material of annual results : Yes
Convening briefing of annual results : 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	27,541	(1.1)	1,588	0.3	1,581	5.8	1,763	22.8
March 31, 2025	27,854	(15.6)	1,583	(52.3)	1,494	(55.0)	1,435	(41.2)

	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	205.93	―	5.7	3.7	5.8
March 31, 2025	168.50	―	4.9	3.4	5.7

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	43,936	31,677	71.9	3,684.50
March 31, 2025	42,624	30,130	70.5	3,522.58

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	878	(561)	(1,517)	6,492
March 31, 2025	399	39	(1,220)	7,599

2. Cash dividends

	Dividend per share					Total dividend paid	Payout ratio (consolidated)	Ratio of total amount of dividends to net assets (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	―	85.00	―	60.50	―	878	61.1	3.0
Fiscal year ended March 31, 2026	―	45.00	―	62.00	107.00	917	52.0	3.0
Fiscal year ending March 31, 2027 (Forecast)	―	45.00	―	65.00	110.00		85.6	

3. Consolidated financial forecast 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	14,500	11.7	550	(19.6)	550	(15.1)	400	(7.3)	46.72
Fiscal year ending March 31, 2027	30,500	10.7	1,650	3.9	1,650	4.3	1,100	(37.6)	128.48

* 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)

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

As of March 31, 2026	8,890,434 shares	As of March 31, 2025	8,845,634 shares

Number of treasury shares at the end of the period

As of March 31, 2026	315,344 shares	As of March 31, 2025	314,718 shares

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

Fiscal year ended March 31, 2026	8,561,629 shares	Fiscal year ended March 31, 2025	8,521,891 shares

[Reference] Overview of non-consolidated financial results

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	19,098	0.1	(14)	—	368	(36.3)	947	18.2
March 31, 2025	19,075	(16.1)	90	(90.3)	577	(56.8)	801	(15.8)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	110.65	—
March 31, 2025	94.07	—

(2) Non-consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	26,506	19,453	73.4	2,268.62
March 31, 2025	26,196	18,921	72.2	2,217.98

Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	7,668,034	6,552,672
Notes and accounts receivable - trade	5,339,465	6,406,088
Electronically recorded monetary claims - operating	736,827	1,239,009
Merchandise and finished goods	5,267,680	4,797,586
Work in process	1,146,451	1,303,984
Raw materials and supplies	5,123,865	4,870,968
Other	1,329,016	2,375,501
Allowance for doubtful accounts	(58)	(675)
Total current assets	26,611,283	27,545,135
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,514,129	9,874,170
Accumulated depreciation	(6,325,290)	(6,655,354)
Buildings and structures, net	3,188,839	3,218,816
Machinery, equipment and vehicles	4,202,287	4,395,619
Accumulated depreciation	(3,499,810)	(3,652,151)
Machinery, equipment and vehicles, net	702,476	743,468
Land	3,521,819	3,521,469
Leased assets	402,123	577,823
Accumulated depreciation	(120,437)	(238,777)
Leased assets, net	281,685	339,045
Other	1,709,212	1,695,003
Accumulated depreciation	(1,519,203)	(1,565,962)
Other, net	190,008	129,040
Total property, plant and equipment	7,884,830	7,951,841
Intangible assets	518,753	528,179
Investments and other assets		
Investment securities	5,661,936	6,116,749
Deferred tax assets	301,760	263,291
Other	1,646,037	1,531,110
Total investments and other assets	7,609,734	7,911,151
Total non-current assets	16,013,317	16,391,172
Total assets	42,624,601	43,936,308

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,590,956	1,247,082
Electronically recorded obligations - operating	1,884,375	1,316,195
Short-term borrowings	4,804,492	4,613,087
Income taxes payable	159,941	388,349
Provision for product warranties	387,684	403,764
Other	1,602,257	2,016,818
Total current liabilities	10,429,707	9,985,298
Non-current liabilities		
Long-term borrowings	117,260	78,848
Lease liabilities	495,758	518,514
Deferred tax liabilities	1,058,923	1,286,336
Retirement benefit liability	246,770	255,984
Other	145,676	134,121
Total non-current liabilities	2,064,388	2,273,805
Total liabilities	12,494,096	12,259,103
Net assets		
Shareholders' equity		
Share capital	3,381,692	3,425,058
Capital surplus	6,627,635	6,671,002
Retained earnings	14,436,335	15,297,436
Treasury shares	(411,297)	(412,617)
Total shareholders' equity	24,034,365	24,980,880
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,181,536	3,601,881
Foreign currency translation adjustment	2,846,230	3,027,499
Remeasurements of defined benefit plans	(11,325)	(15,328)
Total accumulated other comprehensive income	6,016,440	6,614,051
Non-controlling interests	79,697	82,272
Total net assets	30,130,504	31,677,204
Total liabilities and net assets	42,624,601	43,936,308

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	27,854,055	27,541,409
Cost of sales	20,179,460	19,856,242
Gross profit	7,674,595	7,685,167
Selling, general and administrative expenses		
Transportation costs	324,181	318,083
Salaries and bonuses	2,702,397	2,805,011
Technical research expenses	984,815	955,520
Other	2,079,433	2,018,407
Total selling, general and administrative expenses	6,090,829	6,097,023
Operating profit	1,583,765	1,588,144
Non-operating income		
Interest income	14,670	10,365
Dividend income	192,372	246,960
Foreign exchange gains	—	2,380
Other	46,605	51,073
Total non-operating income	253,648	310,779
Non-operating expenses		
Interest expenses	201,175	223,843
Foreign exchange losses	59,925	—
bank charge	73,997	74,610
Other	7,869	18,996
Total non-operating expenses	342,967	317,450
Ordinary profit	1,494,446	1,581,472
Extraordinary income		
Gain on sale of non-current assets	513	2,298
Gain on sale of investment securities	366,167	943,508
Total extraordinary income	366,681	945,806
Extraordinary losses		
Loss on sale of non-current assets	—	112
Total extraordinary losses	—	112
Profit before income taxes	1,861,128	2,527,166
Income taxes - current	450,801	717,774
Income taxes - deferred	(29,030)	41,289
Total income taxes	421,771	759,064
Profit	1,439,356	1,768,102
Profit attributable to non-controlling interests	3,402	4,987
Profit attributable to owners of parent	1,435,953	1,763,114

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	1,439,356	1,768,102
Other comprehensive income		
Valuation difference on available-for-sale securities	(198,479)	420,344
Foreign currency translation adjustment	826,929	180,488
Remeasurements of defined benefit plans, net of tax	4,552	(4,003)
Total other comprehensive income	633,002	596,830
Comprehensive income	2,072,359	2,364,932
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,061,033	2,360,765
Comprehensive income attributable to non-controlling interests	11,325	4,167

Consolidated statements of changes in equity
Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,337,367	6,583,310	14,191,837	(409,977)	23,702,538
Changes during period					
Issuance of new shares	44,325	44,325			88,650
Dividends of surplus			(1,191,456)		(1,191,456)
Profit attributable to owners of parent			1,435,953		1,435,953
Purchase of treasury shares				(1,319)	(1,319)
Net changes in items other than shareholders' equity					
Total changes during period	44,325	44,325	244,497	(1,319)	331,827
Balance at end of period	3,381,692	6,627,635	14,436,335	(411,297)	24,034,365

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	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	3,380,016	2,027,177	(15,878)	5,391,315	72,012	29,165,866
Changes during period						
Issuance of new shares						88,650
Dividends of surplus						(1,191,456)
Profit attributable to owners of parent						1,435,953
Purchase of treasury shares						(1,319)
Net changes in items other than shareholders' equity	(198,479)	819,052	4,552	625,125	7,684	632,810
Total changes during period	(198,479)	819,052	4,552	625,125	7,684	964,637
Balance at end of period	3,181,536	2,846,230	(11,325)	6,016,440	79,697	30,130,504

Fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,381,692	6,627,635	14,436,335	(411,297)	24,034,365
Changes during period					
Issuance of new shares	43,366	43,366			86,732
Dividends of surplus			(902,013)		(902,013)
Profit attributable to owners of parent			1,763,114		1,763,114
Purchase of treasury shares				(1,320)	(1,320)
Net changes in items other than shareholders' equity					
Total changes during period	43,366	43,366	861,101	(1,320)	946,514
Balance at end of period	3,425,058	6,671,002	15,297,436	(412,617)	24,980,880

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	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	3,181,536	2,846,230	(11,325)	6,016,440	79,697	30,130,504
Changes during period						
Issuance of new shares						86,732
Dividends of surplus						(902,013)
Profit attributable to owners of parent						1,763,114
Purchase of treasury shares						(1,320)
Net changes in items other than shareholders' equity	420,344	181,268	(4,003)	597,610	2,575	600,185
Total changes during period	420,344	181,268	(4,003)	597,610	2,575	1,546,700
Balance at end of period	3,601,881	3,027,499	(15,328)	6,614,051	82,272	31,677,204

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	1,861,128	2,527,166
Depreciation	713,484	733,233
Increase (decrease) in allowance for doubtful accounts	(5,321)	696
Increase (decrease) in provision for product warranties	36,865	16,080
Increase (decrease) in retirement benefit liability	46,870	8,111
Interest and dividend income	(207,043)	(257,325)
Interest expenses	201,175	223,843
Loss (gain) on sale of investment securities	(366,167)	(943,508)
Loss (gain) on disposal of non-current assets	(513)	(2,185)
Decrease (increase) in trade receivables	2,558,148	(1,517,503)
Decrease (increase) in inventories	(632,157)	822,821
Decrease (increase) in prepaid expenses	(96,809)	(1,129)
Decrease (increase) in accounts receivable - other	17,408	156,863
Increase (decrease) in trade payables	(2,731,291)	(976,627)
Increase (decrease) in accrued expenses	(132,034)	337,413
Other, net	(179,083)	215,739
Subtotal	1,084,658	1,343,689
Interest and dividends received	160,484	225,633
Interest paid	(203,816)	(213,686)
Income taxes refund (paid)	(641,958)	(477,606)
Net cash provided by (used in) operating activities	399,367	878,030
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	—	8,993
Purchase of property, plant and equipment	(324,544)	(555,047)
Proceeds from sale of property, plant and equipment	513	6,905
Purchase of intangible assets	(86,820)	(63,378)
Proceeds from sale of investment securities	449,411	40,584
Proceeds from collection of loans receivable	627	665
Net cash provided by (used in) investing activities	39,188	(561,276)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	175,344	(373,009)
Proceeds from long-term borrowings	100,000	100,000
Repayments of long-term borrowings	(138,412)	(138,412)
Purchase of treasury shares	(1,319)	(1,320)
Dividends paid	(1,191,456)	(902,013)
Dividends paid to non-controlling interests	(3,571)	(1,632)
Other, net	(161,014)	(201,302)
Net cash provided by (used in) financing activities	(1,220,429)	(1,517,689)
Effect of exchange rate change on cash and cash equivalents	136,635	94,493
Net increase (decrease) in cash and cash equivalents	(645,237)	(1,106,441)
Cash and cash equivalents at beginning of period	8,244,531	7,599,293
Cash and cash equivalents at end of period	7,599,293	6,492,851