FOR IMMEDIATE RELEASE

Meidensha Corporation Reports Earnings for the Fiscal Year Ended March 31, 2026

Company name : MEIDENSHA CORPORATION
Listing : Tokyo Stock Exchange / Nagoya Stock Exchange
Securities code : 6508
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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 (for institutional investors and analysts)

(Note: Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026

(April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	326,194	8.3	27,122	26.1	27,889	31.6	23,625	27.8
Fiscal year ended March 31, 2025	301,101	4.6	21,512	69.0	21,192	58.3	18,487	65.0

(Note) Comprehensive income:
Fiscal year ended March 31, 2026 42,778 million yen (157.1 %)
Fiscal year ended March 31, 2025 16,636 million yen (-20.0 %)

	Basic net income per share	Diluted net income per share	Return on equity	Return on total assets	Operating margin
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	520.78	-	15.1	7.8	8.3
Fiscal year ended March 31, 2025	407.51	-	13.9	6.3	7.1

(Reference) Equity in earnings of affiliates
As of March 31, 2026 - million yen
As of March 31, 2025 - million yen

(2) Consolidated Financial Position

	Total assets	Total equity	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
As of March 31, 2026	373,668	178,531	46.8	3,855.25
As of March 31, 2025	341,347	142,212	40.7	3,059.10

(Reference) Equity:
As of March 31, 2026 174,889 million yen
As of March 31, 2025 138,777 million yen

(3) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of March 31, 2026	17,498	(17,134)	(7,785)	23,639
As of March 31, 2025	35,454	(9,065)	(14,536)	29,091

2. Dividend Status

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	1Q-end	2Q-end	3Q-end	4Q-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	35.00	-	88.00	123.00	5,579	30.2	4.2
Fiscal year ended March 31, 2026	-	47.00	-	110.00	157.00	7,122	30.1	4.5
Fiscal year ending March 31, 2027 (Forecast)	-	-	-	-	-		-	

(Note) Dividends for the fiscal year ending March 31, 2027 are yet to be determined at the present time.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027
(April 1, 2026 to March 31, 2027)

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year	148,000	12.9	4,000	43.2	4,000	26.0	2,800	38.2	61.72
Full year	355,000	8.8	29,000	6.9	29,000	4.0	22,000	(6.9)	484.96

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly added: 1 company (REATEC CORPORATION)

Excluded: 1 company (SHANGHAI MEIDENSHA CHANGCHENG SWITCHGEAR CO., LTD.)

(2) Changes in accounting policies, changes in accounting estimates, and restatements

(i) Changes in accounting policies due to revisions to accounting standards: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(3) Number of shares issued (common stock)

(i) Number of shares issued at the end of the period (including treasury stock)

As of March 31, 2026 45,527,540 shares

As of March 31, 2025 45,527,540 shares

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

As of March 31, 2026 163,577 shares

As of March 31, 2025 162,152 shares

(iii) Average number of shares during the period

Fiscal year ended March 31, 2026 45,364,732 shares

Fiscal year ended March 31, 2025 45,365,972 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 2026

(April 1, 2025 to March 31, 2026)

(1) Non-Consolidated Financial Results

(Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	196,960	8.5	4,136	221.0	16,445	223.8	14,111	84.4
Fiscal year ended March 31, 2025	181,573	(1.5)	1,288	211.5	5,078	(1.6)	7,654	14.2

	Basic net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2026	311.07	-
Fiscal year ended March 31, 2025	168.73	-

(2) Non-Consolidated Financial Position

	Total assets	Total equity	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
As of March 31, 2026	277,984	113,177	40.7	2,494.89
As of March 31, 2025	258,641	95,798	37.0	2,111.71

(Reference) Equity:

As of March 31, 2026 113,177 million yen

As of March 31, 2025 95,798 million yen

* This report is not subject to audits by certified public accountants or an audit firm.

* Description concerning the appropriate use of earnings forecasts and other remarks
(Cautionary statement regarding forward-looking statements)
The forward-looking statements, including results forecasts, contained in this document are based on information currently available to the Company and certain assumptions that the Company believes are reasonable, and the Company does not make any assurances regarding the achievement thereof.
In addition, actual results, etc. may differ significantly from the forecast figures due to various factors. For information on the assumptions underlying the results forecasts and other important information regarding the use of forecasts, please refer to, "1. Operating Results (4) Future Outlook" on page 9 of the attached materials.

(How to obtain supplementary materials on financial results)
Supplementary materials for the financial results will be disclosed on TDnet on the same day and are scheduled to be published on the Company's website promptly after the announcement of the financial results.

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1. Operating Results

(1) Analysis of Operating Results

In the year ended March 31, 2026, the Japanese economy saw continued improvement in the employment and income environment, driven by substantial wage increases in the annual spring labor negotiations, while government initiatives to implement growth investment and crisis-management investment served as a factor supporting the economy. Meanwhile, the outlook remains uncertain due to trends in U.S. tariff policies, geopolitical risks associated with heightened tensions in the Middle East, and the resulting rise in energy prices and surge in raw material prices.

In the markets related to the Company, demand in the domestic electric power market remained firm, driven by the need to replace aging equipment and by demand underpinned by disaster-prevention and national resilience policies. In addition, demand for SF6-free products is expanding, particularly in developed countries overseas, due to tighter environmental regulations, providing a tailwind for the Company's business. Meanwhile, the shift toward EVs in the automotive industry has temporarily slowed, which has had a certain impact on the performance of our EV business.

Against this backdrop, based on the policies set forth in Medium-Term Management Plan 2027, we have strategically implemented initiatives in the three areas of "products," "business," and "technology" as the first year of "Growth & Challenge." Furthermore, as the management foundation supporting our growth strategy, we have promoted the "deepening of green strategy," "strengthening of human capital," and "acceleration of internal DX," while also working to further strengthen our foundation for value creation.

Operating results for the year ended March 31, 2026 were as follows.

(Unit: millions of yen)

	Fiscal year ended March 31, 2025 Result	Fiscal year ended March 31, 2026 Result	Change	Change (%)
Net sales	301,101	326,194	25,092	8.3
Operating income (loss)	21,512	27,122	5,609	26.1
Ordinary income (loss)	21,192	27,889	6,697	31.6
Net income (loss) attributable to owners of the parent	18,487	23,625	5,138	27.8

The results for each business segment are presented below, with sales figures including inter-segment sales.

1) Power Infrastructure Business

Net sales in the segment increased 16.7% year on year to ¥100,844 million, and operating income improved by ¥4,596 million to ¥12,584 million, marking record highs for both net sales and operating income.

In the Power T&D business mainly operating overseas, sales and income increased due to growth in demand and efforts to improve profitability mainly in the U.S., Singapore and other regions. In the Power & Energy business mainly operating in Japan, both sales and income increased on the back of an increase in demand for projects for electric power companies.

2) Public, Industrial & Commercial Sector Business

Net sales in the segment increased 8.5% year on year to ¥104,555 million, and operating income improved by ¥1,057 million to ¥4,092 million.

The Social Infrastructure business posted increases in sales and income due to progress on ongoing construction projects exceeding expectations. In the Railways business, sales and income increased due to accelerated demand for certain ongoing construction projects and subsequent improvements in the profitability of overseas projects. In the Water Infrastructure business, while sales remained roughly on par with the previous year, income improved due to the expansion of high-margin projects accounted for based on progress of construction.

3) Mobility & Electrical Components Business

Net sales in the segment decreased 3.8% year on year to ¥69,308 million, while operating income deteriorated by ¥1,111 million to ¥21 million.

In the Mobility T&S business, sales and income increased due to steady sales from major projects secured in the previous fiscal year. In the Motor Drive Solutions business and the Electronics Products business, sales declined only slightly, while operating income decreased due to lower margins resulting from changes in product mix and equipment utilization rates. In the EV business, both sales and income declined, mainly due to a drop in sales volume for models equipped with our products.

4) Field Service Engineering Business

Net sales in the segment increased 15.0% to ¥57,007 million and operating income improved by ¥2,742 million to ¥12,673 million.

In addition to continued strong demand for maintenance services, an increase in projects to be recognized as sales in the current fiscal year resulted in record high net sales and operating income for the third consecutive year, realizing continued increases in sales and income.

5) Real Estate Business

Net sales in the segment decreased 0.1% year on year to ¥3,233 million, and operating income deteriorated by ¥29 million to ¥1,413 million.

6) Other

In businesses not included in reportable segments, while net sales increased by 2.9% year on year to ¥8,920 million, operating income deteriorated by ¥386 million to ¥91 million.

(2) Analysis of Financial Condition

Total assets at March 31, 2026 amounted to ¥373,668 million, an increase of ¥32,321 million (9.5%) from the end of the previous fiscal year (March 31, 2025).

Current assets rose by ¥23,154 million (10.7%) from the end of the previous fiscal year to ¥240,271 million, driven by an increase in notes and accounts receivable-trade, and contract assets.

Fixed assets increased by ¥9,166 million (7.4%) to ¥133,396 million due to an increase in investment securities caused by rising market prices of listed shares held by the Company.

Total liabilities at March 31, 2026 were ¥195,136 million, a decrease of ¥3,997 million (2.0%) from the end of the previous fiscal year, attributable to a decrease in net retirement benefit liability.

Total net assets amounted to ¥178,531 million, an increase of ¥36,318 million (25.5%) from the end of the previous fiscal year, owing to the recording of net income attributable to owners of the parent and an increase in unrealized gains on available-for-sale securities.

As a result, the equity ratio came to 46.8% as of March 31, 2026, compared with 40.7% at the end of the previous fiscal year.

(3) Cash Flows

Cash and cash equivalents at March 31, 2026, amounted to ¥23,639 million, a decrease of ¥5,452 million from the previous fiscal year-end.

The following are the main factors affecting changes in cash flows during the fiscal year under review.

(Cash Flows from Operating Activities)

Net cash provided by operating activities in the fiscal year ended March 31, 2026 amounted to ¥17,498 million, compared with ¥35,454 million provided in the previous fiscal year.

The major inflows were income before income taxes of ¥30,820 million and depreciation and amortization of ¥11,174 million, while the major outflow was an increase in trade receivables of ¥14,125 million and income taxes paid of ¥7,699 million.

(Cash Flows from Investing Activities)

Net cash used in operating activities totaled ¥17,134 million, compared with ¥9,065 million used in the previous fiscal year.

The major outflow was purchase of property, plant and equipment and intangible assets of ¥15,241 million, while the major inflow was proceeds from sale of property, plant and equipment of ¥6,090 million.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to ¥7,785 million, compared with ¥14,536 million used in the previous fiscal year.

The major outflows were repayment of long-term debt of ¥7,246 million and cash dividends paid of ¥6,114 million, while the major inflow was proceeds from long-term debt of ¥4,550 million.

(Reference) Trends in Cash Flow-Related Indices

For the years ended March 31	2022	2023	2024	2025	2026
Equity ratio (%)	35.1	35.1	37.8	40.7	46.8
Equity ratio on a market capitalization basis (%)	39.6	28.4	39.8	57.3	91.1
Ratio of interest-bearing debt to cash flow (years)	4.8	4.1	6.8	1.4	2.9
Interest coverage ratio (times)	20.1	16.7	9.9	35.9	19.0

Equity ratio: Total equity / Total assets

Equity ratio on a market capitalization basis: Market capitalization / Total assets

Ratio of interest-bearing debt to cash flow: Interest-bearing debt / Cash flow

Interest coverage ratio: Cash flow / Interests paid

Note 1. All figures are based on consolidated financial results.
Note 2. Market capitalization is calculated based on the number of outstanding shares excluding treasury stock.
Note 3. Calculations involving cash flow use cash flows from operating activities.
Note 4. Interest-bearing debt includes all debt recorded on the consolidated balance sheets for which interest is paid.

(4) Future Outlook

Amid growing demands for solving social issues and achieving sustained economic and industrial development, it is anticipated that the environment surrounding companies and the nature of the value they should provide are expected to undergo significant and diverse changes in the future. Under these circumstances, the Group has positioned its Medium-Term Management Plan 2027 as a two-year period in which to achieve both "steady growth meeting needs" and "changes and challenges for the future," and will accelerate its efforts toward sustainable value creation while enhancing its ability to respond to further change.

The current management forecast for consolidated financial results for the year ending March 31, 2027 is as follows.

(Consolidated Financial Forecast) (Unit: millions of yen)

	Fiscal year ended March 31, 2026 Result	Fiscal year ending March 31, 2027 Forecast	Year-on-year change
Orders	358,239	375,000	16,760
Net sales	326,194	355,000	28,805
Operating income	27,122	29,000	1,877
Ordinary income	27,889	29,000	1,110
Net income attributable to owners of the parent	23,625	22,000	(1,625)

(5) Basic Policy on Dividend of Surplus and Dividends during the Current Fiscal Year and Next Fiscal Year

The Company positions appropriate returns to shareholders as an important management issue, and its basic policy is to increase shareholders' equity and enhance return on equity, in addition to paying appropriate dividends according to business performance.

Dividends of surplus for the fiscal year under review are scheduled to be ¥110 per share for the year-end dividend considering the above basic policy and consolidated performance for the fiscal year. Along with the ¥47 interim dividend, the dividends of surplus per share for the fiscal year under review will be ¥157.

Dividends for the next fiscal year are yet to be determined at the present time.

2. Basic Approach to the Selection of Accounting Standards

The Meiden Group's policy for the time being is to prepare its consolidated financial statements based on the Japanese accounting standards after taking into account the comparability of the consolidated financial statements between terms and with other companies.

The Group plans to respond appropriately to the application of the International Financial Reporting Standards (IFRS) by considering the situation prevailing in Japan and abroad.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	As of March 31, 2025 millions of yen	As of March 31, 2026 millions of yen
Assets		
Current assets		
Cash and time deposits	30,679	31,826
Notes and accounts receivable-trade, and contract assets	104,591	121,733
Electronically recorded monetary claims-operating	8,046	7,865
Merchandise and finished goods	8,730	10,197
Work in process	46,039	45,690
Raw materials and supplies	13,041	13,811
Other current assets	6,508	9,695
Allowance for doubtful accounts	(519)	(548)
Total current assets	217,116	240,271
Fixed assets		
Property, plant and equipment		
Buildings and structures	102,731	106,266
Accumulated depreciation and accumulated impairment loss	(64,392)	(68,094)
Buildings and structures, net	38,339	38,172
Machinery, equipment and vehicles,	73,459	77,873
Accumulated depreciation and accumulated impairment loss	(58,989)	(63,799)
Machinery, equipment and vehicles, net	14,470	14,074
Land	12,542	11,959
Construction in progress	4,463	5,584
Other property, plant and equipment	29,731	31,420
Accumulated depreciation and accumulated impairment loss	(24,485)	(25,639)
Other property, plant and equipment, net	5,245	5,780
Total property, plant and equipment	75,061	75,571
Intangible assets		
Software	4,692	4,523
Goodwill	1,428	775
Other	571	515
Total intangible assets	6,693	5,815
Investments and other assets		
Investment securities	23,498	36,928
Long-term loans receivable	33	34
Deferred tax assets	16,467	11,425
Other assets	2,504	3,648
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	42,476	52,009
Total fixed assets	124,230	133,396
Total assets	341,347	373,668

	As of March 31, 2025	As of March 31, 2026
	millions of yen	millions of yen
Liabilities		
Current liabilities		
Notes and accounts payable-trade	34,504	33,556
Electronically recorded obligations-operating	2,536	4,664
Short-term borrowings	11,095	16,340
Commercial paper	6,000	5,000
Accounts payable-other	5,141	3,502
Accrued income taxes	4,768	6,343
Contract liabilities	21,559	23,294
Accrued bonuses for employees	9,992	10,332
Provision for product warranties	1,481	2,666
Provision for loss on orders	588	531
Other current liabilities	20,401	20,156
Total current liabilities	118,069	126,388
Long-term liabilities		
Long-term debt	27,470	23,064
Net defined benefit liability	48,579	40,807
Provision for environmental measures	79	32
Other long-term liabilities	4,935	4,844
Total long-term liabilities	81,064	68,747
Total liabilities	199,134	195,136
Net assets		
Shareholders’ equity		
Common stock	17,070	17,070
Capital surplus	10,226	10,140
Retained earnings	93,273	110,774
Treasury stock	(202)	(210)
Total shareholders’ equity	120,367	137,774
Accumulated other comprehensive income		
Unrealized gains on available-for-sale securities	11,081	20,480
Foreign currency translation adjustment	7,441	10,810
Remeasurements of defined benefit plans	(112)	5,823
Total accumulated other comprehensive income	18,409	37,114
Non-controlling interests	3,435	3,642
Total net assets	142,212	178,531
Total liabilities and net assets	341,347	373,668

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

	Year ended March 31, 2025	Year ended March 31, 2026
	millions of yen	millions of yen
Net sales	301,101	326,194
Cost of sales	219,509	233,647
Gross profit	81,592	92,546
Selling, general and administrative expenses		
Freightage and packing expenses	1,068	1,229
Sales commission	1,246	1,672
Employees' salaries and allowances	17,458	18,441
Bonuses and accrued bonuses for employees	7,249	8,080
Provision for employees' severance and retirement benefits	1,549	1,657
Depreciation and amortization	3,084	3,147
Rent expenses	1,546	1,587
Correspondence and transportation expenses	2,340	2,588
Research expenses	5,063	5,957
Other	19,472	21,060
Total selling, general and administrative expenses	60,080	65,424
Operating income (loss)	21,512	27,122
Non-operating income		
Interest and dividend income	1,100	1,181
Rent income	88	82
Foreign exchange gains	-	772
Gain on sale of raw materials	460	617
Other	520	588
Total non-operating income	2,170	3,242
Non-operating expenses		
Interest expenses	986	928
Loss on foreign exchange	201	-
Loss on abandonment of fixed assets	249	472
Seconded employee expenses	83	72
Other	968	1,001
Total non-operating expenses	2,490	2,475
Ordinary income (loss)	21,192	27,889

	Year ended March 31, 2025 millions of yen	Year ended March 31, 2026 millions of yen
Extraordinary income		
Gain on sales of fixed assets	640	5,391
Gain on sales of investment securities	1,274	967
Gain on negative goodwill	19	-
Gain on liquidation of subsidiaries and associates	-	93
Insurance claim income	1,165	-
Total extraordinary income	3,100	6,451
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	-	218
Loss on liquidation of subsidiaries and associates	19	-
Impairment loss	-	3,303
Loss on disaster	354	-
Other	83	-
Total extraordinary loss	456	3,521
Income (loss) before income taxes	23,836	30,820
Income taxes		
Current	6,448	8,831
Deferred	(1,486)	(2,016)
Total income taxes	4,961	6,814
Net income (loss)	18,874	24,005
Net income (loss) attributable to the non-controlling interests	387	380
Net income (loss) attributable to owners of the parent	18,487	23,625

Consolidated Statements of Comprehensive Income

	Year ended March 31, 2025	Year ended March 31, 2026
	millions of yen	millions of yen
Net income (loss)	18,874	24,005
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	(2,216)	9,399
Foreign currency translation adjustment	(150)	3,437
Remeasurements of defined benefit plans	129	5,936
Total other comprehensive income	(2,237)	18,773
Comprehensive income	16,636	42,778
Comprehensive income attributable to:		
Owners of the parent	16,231	42,330
Non-controlling interests	405	448

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	17,070	10,226	78,642	(197)	105,741
Changes during term					
Cash dividends			(3,856)		(3,856)
Net income (loss) attributable to owners of the parent			18,487		18,487
Purchase of treasury stock				(5)	(5)
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in other than shareholders' equity					
Total changes during term	-	-	14,631	(5)	14,626
Balance at end of term	17,070	10,226	93,273	(202)	120,367

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Unrealized gains on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	13,297	7,610	(241)	20,665	3,081	129,488
Changes during term						
Cash dividends						(3,856)
Net income (loss) attributable to owners of the parent						18,487
Purchase of treasury stock						(5)
Change in ownership interest of parent due to transactions with non-controlling interests						-
Net changes in other than shareholders' equity	(2,216)	(169)	129	(2,256)	354	(1,901)
Total changes during term	(2,216)	(169)	129	(2,256)	354	12,724
Balance at end of term	11,081	7,441	(112)	18,409	3,435	142,212

Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	17,070	10,226	93,273	(202)	120,367
Changes during term					
Cash dividends			(6,124)		(6,124)
Net income (loss) attributable to owners of the parent			23,625		23,625
Purchase of treasury stock				(8)	(8)
Change in ownership interest of parent due to transactions with non-controlling interests		(86)			(86)
Net changes in other than shareholders' equity					
Total changes during term	-	(86)	17,500	(8)	17,406
Balance at end of term	17,070	10,140	110,774	(210)	137,774

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Unrealized gains on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	11,081	7,441	(112)	18,409	3,435	142,212
Changes during term						
Cash dividends						(6,124)
Net income (loss) attributable to owners of the parent						23,625
Purchase of treasury stock						(8)
Change in ownership interest of parent due to transactions with non-controlling interests						(86)
Net changes in other than shareholders' equity	9,399	3,369	5,936	18,705	206	18,912
Total changes during term	9,399	3,369	5,936	18,705	206	36,318
Balance at end of term	20,480	10,810	5,823	37,114	3,642	178,531

(4) Consolidated Statements of Cash Flows

	Year ended March 31, 2025	Year ended March 31, 2026
	millions of yen	millions of yen
Cash flows from operating activities		
Income (loss) before income taxes	23,836	30,820
Depreciation and amortization	10,463	11,174
Impairment loss	-	3,303
Amortization of goodwill	699	661
Increase (decrease) in provisions	1,832	1,238
Increase (decrease) in net defined benefit liability	1,322	859
Interest and dividend income	(1,100)	(1,181)
Interest expenses	986	928
Loss (gain) on sales of property, plant and equipment	(640)	(5,391)
Loss (gain) on sales of investment securities	(1,274)	(967)
Loss on valuation of shares of subsidiaries and associates	-	218
Insurance claim income	(1,165)	-
Decrease (increase) in trade receivables and contract assets	5,159	(14,125)
Decrease (increase) in inventories	(777)	(2)
Increase (decrease) in trade payables	(4,433)	(3,902)
Other	3,121	1,306
Sub total	38,029	24,939
Interest and dividends received	1,104	1,180
Interest expenses paid	(988)	(921)
Proceeds from insurance income	1,644	-
Payments for fire losses	(25)	-
Income taxes paid	(4,309)	(7,699)
Net cash provided by (used in) operating activities	35,454	17,498
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	947	6,090
Purchase of property, plant and equipment, and intangible assets	(10,547)	(15,241)
Proceeds from sales of investment securities	1,422	1,048
Decrease (increase) in time deposits	161	(6,557)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(5)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	11	-
Other	(1,060)	(2,468)
Net cash provided by (used in) investing activities	(9,065)	(17,134)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4,623)	2,903
Redemption of bonds	(6,000)	-
Increase (decrease) in commercial paper	(4,000)	(1,000)
Proceeds from long-term debt	5,900	4,550
Repayment of long-term debt	(1,271)	(7,246)
Cash dividends paid	(3,851)	(6,114)
Cash dividends paid to non-controlling interests	(51)	(100)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(86)
Other	(638)	(692)
Net cash provided by (used in) financing activities	(14,536)	(7,785)
Effect of exchange rate on cash and cash equivalents	13	1,969
Net increase (decrease) in cash and cash equivalents	11,867	(5,452)
Cash and cash equivalents at beginning of term	17,224	29,091
Cash and cash equivalents at end of term	29,091	23,639

(5) Notes on Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

(Significant Matters that Serve as the Basis for Preparation of Consolidated Financial Statements)

Significant Changes to Scope of Consolidation

During the year ended March 31, 2026, REATEC CORPORATION was included in the scope of consolidation due to the acquisition of its shares, and SHANGHAI MEIDENSHA CHANGCHENG SWITCHGEAR CO., LTD. was excluded from the scope of consolidation due to the completion of its liquidation.

(Segment and Other Information)

[Segment information]

1. Overview of reportable segment

Method of determining reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available. These segments are subject to periodic examinations to enable the Company's Board of Directors to decide how to allocate resources and assess performance.

The Company has business divisions based on product and service categories and operates under a comprehensive strategy formulated for products and services handled.

The Company's operations are, therefore, classified based on product and service categories into five reportable segments, namely "Power Infrastructure," "Public, Industrial & Commercial Sector," "Mobility & Electrical Components," "Field Service Engineering," and "Real Estate."

Reportable segment	Description of businesses
Power Infrastructure	This business provides heavy electrical equipment and systems for the generation and transmission of electricity to electric power and other companies
Public, Industrial & Commercial Sector	This business provides heavy electrical equipment and systems to users of electricity such as public agencies, railway operators, and private-sector companies
Mobility & Electrical Components	This business provides components for the semiconductor, general industrial, and electric vehicle fields, as well as automotive R&D systems
Field Service Engineering	This business operates the maintenance business.
Real Estate	This business operates related to the rental of real estates.

2. Calculation method for net sales, income/loss, assets, liabilities and other items by reportable segment

The accounting methods for reported business segments are generally the same as those stated in "Significant Matters that Serve as the Basis for Preparation of Consolidated Financial Statements."

Segment income (loss) is based on operating income (loss).

Inter-segment sales and transfers are based on market price.

3. Net sales, income/loss, assets, liabilities, and other items by reportable segment

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment						Other (note)	Total	Adjustments	Amounts on consolidated financial statements
	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Sub-total				
Net sales										
Sales to outside customers	85,417	90,617	70,473	47,679	3,197	297,385	3,716	301,101	-	301,101
Inter-segment sales and transfers	1,020	5,705	1,605	1,887	37	10,256	4,956	15,213	(15,213)	-
Total	86,437	96,323	72,079	49,567	3,235	307,642	8,672	316,315	(15,213)	301,101
Segment income (loss)	7,988	3,034	1,132	9,931	1,443	23,530	477	24,008	(2,496)	21,512
Segment assets	91,675	84,446	58,563	39,541	10,295	284,523	8,745	293,268	48,078	341,347
Other items										
Depreciation/ amortization	3,042	1,175	2,929	363	551	8,062	232	8,295	2,167	10,463
Amortization of goodwill	697	2	-	-	-	699	-	699	-	699
Increase in PP&E and intangible assets	5,394	1,370	1,420	198	75	8,458	223	8,682	3,270	11,953

Note: "Other" comprises businesses such as sales of other products, employees' welfare services, and provision of chemical products, that are not included in the reportable segments.

Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment						Other (note)	Total	Adjustments	Amounts on consolidated financial statements
	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Sub-total				
Net sales										
Sales to outside customers	100,295	96,602	67,833	54,501	3,195	322,428	3,766	326,194	-	326,194
Inter-segment sales and transfers	548	7,953	1,475	2,506	37	12,521	5,154	17,676	(17,676)	-
Total	100,844	104,555	69,308	57,007	3,233	334,949	8,920	343,870	(17,676)	326,194
Segment income (loss)	12,584	4,092	21	12,673	1,413	30,786	91	30,877	(3,755)	27,122
Segment assets	112,239	92,712	56,242	41,507	10,862	313,563	8,977	322,541	51,126	373,668
Other items										
Depreciation/ amortization	3,843	1,186	2,784	385	527	8,727	281	9,008	2,165	11,174
Amortization of goodwill	655	2	-	2	-	660	-	660	1	661
Increase in PP&E and intangible assets	5,469	3,060	1,750	478	281	11,040	225	11,265	6,816	18,082

Note: "Other" comprises businesses such as sales of other products, employees' welfare services, and provision of chemical products, that are not included in the reportable segments.

4. Adjustments of differences between the total amounts of reportable segments and amounts on consolidated financial statements

(Millions of yen)

Net sales	Year ended March 31, 2025	Year ended March 31, 2026
Total reportable segments	307,642	334,949
Net sales under “Other”	8,672	8,920
Elimination of inter-segment transactions	(15,213)	(17,676)
Net sales on the consolidated financial statements	301,101	326,194

(Millions of yen)

Income	Year ended March 31, 2025	Year ended March 31, 2026
Total reportable segments	23,530	30,786
Income under “Other”	477	91
Elimination of inter-segment transactions	589	610
Adjustments for inventories	(96)	(8)
Other adjustments (Note)	(2,988)	(4,358)
Operating income on the consolidated financial statements	21,512	27,122

Note: Other adjustments comprise mainly expenses for research and development conducted by the research and development division and other units that are not included in the reportable segments.

(Millions of yen)

Assets	Year ended March 31, 2025	Year ended March 31, 2026
Total reportable segments	284,523	313,563
Assets under “Other”	8,745	8,977
Corporate assets (Note)	92,042	94,362
Other adjustments	(43,963)	(43,235)
Total assets on the consolidated financial statements	341,347	373,668

Note: Corporate assets consist of surplus funds (cash and time deposits) held by the Company, long-term investment funds, and assets attributable to the research and development division, etc.

(Millions of yen)

Other items	Total reportable segments		Other		Adjustments		Amounts on consolidated financial statements	
	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025
Depreciation/ amortization	8,062	8,727	232	281	2,167	2,165	10,463	11,174
Amortization of goodwill	699	660	-	-	-	1	699	661
Increase in PP&E and intangible assets	8,458	11,040	223	225	3,270	6,816	11,953	18,082

Note: Adjustments for increase in PP&E and intangible assets consist mainly of capital investment in information systems for the whole company.

[Related information]

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

1. Information by product and service
   Information is omitted because the same information is provided in “Segment information.”

2. Information by geographic area
(1) Net sales

(Millions of yen)

Japan	Asia	Other region	Total
213,906	61,926	25,268	301,101

Note: Net sales are based on the location of customers and classified into country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	Other region	Total
59,181	13,567	2,312	75,061

3. Information by major customer
   Information is omitted as there are no outside customers whose sales account for 10% or more of total net sales reported on the consolidated statements of income.

Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

1. Information by product and service
   Information is omitted because the same information is provided in “Segment information.”

2. Information by geographic area
(1) Net sales

(Millions of yen)

Japan	Asia	Other region	Total
235,342	61,256	29,596	326,194

Note: Net sales are based on the location of customers and classified into country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	Other region	Total
60,384	11,333	3,853	75,571

3. Information by major customer
   Information is omitted as there are no outside customers whose sales account for 10% or more of total net sales reported on the consolidated statements of income.

[Impairment loss of fixed assets by reportable segment]

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

Not applicable

Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Other	Corporate/ elimination	Total
Impairment loss	-	-	3,303	-	-	-	-	3,303

[Amortization and unamortized balance of goodwill by reportable segment]

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Other	Corporate/ elimination	Total
Amortization	697	2	-	-	-	-	-	699
Unamortized balance	1,411	17	-	-	-	-	-	1,428

Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Other	Corporate/ elimination	Total
Amortization	655	2	-	2	-	-	1	661
Unamortized balance	749	16	-	-	-	-	9	775

[Gain on negative goodwill by reportable segment]

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

In the Field Service Engineering Business, we recognized a gain on negative goodwill due to the acquisition of KESENNUMA KANKYOKANRI CORPORATION as a consolidated subsidiary. The amount of gain on negative goodwill recorded as a result of this item is ¥19 million. Gain on negative goodwill is not included in segment income because it is included in extraordinary income.

Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

Not applicable

(Per Share Information)

	Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Net assets per share	3,059.10	3,855.25
Net income per share	407.51	520.78

(Notes) 1. Diluted net income per share is not stated because there are no dilutive shares.
2. The basis for calculation of net income per share is shown below.

	Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Net income (loss) attributable to owners of the parent (millions of yen)	18,487	23,625
Amount not attributable to common shareholders (millions of yen)	-	-
Net income (loss) attributable to owners of the parent attributable to common shares (millions of yen)	18,487	23,625
Average number of common shares during the fiscal year (thousands)	45,365	45,364

(Important Subsequent Events)

Not applicable

4. Non-Consolidated Financial Statements and Notes

(1) Balance Sheets

	As of March 31, 2025 millions of yen	As of March 31, 2026 millions of yen
Assets		
Current assets		
Cash and time deposits	9,261	6,497
Notes and accounts receivable-trade, and contract assets	75,780	90,898
Electronically recorded monetary claims-operating	6,487	5,059
Finished goods	3,112	2,284
Work in process	34,952	33,473
Raw materials and supplies	800	810
Other current assets	9,631	12,747
Allowance for doubtful accounts	(300)	(1,010)
Total current assets	139,727	150,761
Fixed assets		
Property, plant and equipment		
Buildings	28,294	28,941
Structures	1,563	1,630
Machinery and equipment	5,923	7,078
Vehicles	88	126
Tools, furniture and fixtures	1,581	1,847
Land	11,325	10,687
Construction in progress	3,634	3,777
Total property, plant and equipment	52,412	54,089
Intangible assets		
Software	3,981	3,780
Goodwill	324	288
Other	82	88
Total intangible assets	4,388	4,157
Investments and other assets		
Investment securities	23,221	36,869
Shares of subsidiaries and associates	25,040	20,946
Long-term loans receivable	1,935	2,143
Deferred tax assets	9,952	6,844
Other assets	1,991	2,894
Allowance for doubtful accounts	(27)	(723)
Total investments and other assets	62,113	68,975
Total fixed assets	118,914	127,222
Total assets	258,641	277,984

	As of March 31, 2025	As of March 31, 2026
	millions of yen	millions of yen
Liabilities		
Current liabilities		
Notes payable-trade	180	214
Electronically recorded obligations-operating	1,452	3,606
Accounts payable-trade	25,048	24,447
Short-term borrowings	6,250	6,480
Commercial paper	6,000	5,000
Accounts payable-other	4,632	2,313
Accrued income taxes	904	2,680
Contract liabilities	13,369	14,432
Deposits received	26,908	26,366
Accrued bonuses for employees	5,507	5,751
Provision for product warranties	980	2,364
Provision for loss on orders	463	316
Other current liabilities	8,683	8,106
Total current liabilities	100,381	102,079
Long-term liabilities		
Long-term debt	23,990	22,060
Provision for retirement benefits	36,003	36,352
Provision for loss on guarantees	-	1,984
Provision for environmental measures	79	32
Other long-term liabilities	2,388	2,297
Total long-term liabilities	62,462	62,726
Total liabilities	162,843	164,806
Net assets		
Shareholders' equity		
Common stock	17,070	17,070
Capital surplus		
Legal capital surplus	5,000	5,000
Other capital surplus	4,381	4,381
Total capital surplus	9,381	9,381
Retained earnings		
Legal retained earnings	3,296	3,296
Other retained earnings		
Reserve for tax purpose reduction entry of fixed assets	136	136
General reserve	8,263	8,263
Retained earnings brought forward	46,822	54,809
Total retained earnings	58,519	66,506
Treasury stock	(260)	(268)
Total shareholders' equity	84,711	92,689
Valuation and translation adjustments		
Unrealized gains on available-for-sale securities	11,087	20,487
Total valuation and translation adjustments	11,087	20,487
Total net assets	95,798	113,177
Total liabilities and net assets	258,641	277,984

(2) Statements of Income

	Year ended March 31, 2025	Year ended March 31, 2026
	millions of yen	millions of yen
Net sales	181,573	196,960
Cost of sales	141,737	151,047
Gross profit	39,836	45,912
Selling, general and administrative expenses	38,547	41,776
Operating income (loss)	1,288	4,136
Non-operating income		
Interest income	88	131
Dividend income	6,263	14,038
Other	1,282	2,700
Total non-operating income	7,634	16,870
Non-operating expenses		
Interest expenses	400	603
Other	3,444	3,958
Total non-operating expenses	3,844	4,562
Ordinary income (loss)	5,078	16,445
Extraordinary income		
Gain on sales of fixed assets	-	5,391
Gain on sales of investment securities	1,274	967
Gain on liquidation of subsidiaries and associates	-	196
Total extraordinary income	1,274	6,555
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	-	4,468
Provision for loss on guarantees	-	1,984
Provision of allowance for doubtful accounts	-	1,690
Total extraordinary loss	-	8,143
Income (loss) before income taxes	6,352	14,857
Income taxes		
Current	(172)	1,959
Deferred	(1,129)	(1,213)
Total income taxes	(1,301)	745
Net income (loss)	7,654	14,111

(3) Statements of Changes in Net Assets

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(millions of yen)

	Shareholders' equity								
	Common stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total Retained earnings
						Reserve for tax purpose reduction entry of fixed assets	General reserve	Retained earnings brought forward	
Balance at beginning of term	17,070	5,000	4,381	9,381	3,296	139	8,263	43,021	54,721
Changes during term									
Cash dividends								(3,856)	(3,856)
Net income (loss)								7,654	7,654
Purchase of treasury stock									
Net changes in other than shareholders' equity						(2)		2	
Total changes during term	-	-	-	-	-	(2)	-	3,800	3,798
Balance at end of term	17,070	5,000	4,381	9,381	3,296	136	8,263	46,822	58,519

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gains on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of term	(254)	80,917	13,303	13,303	94,221
Changes during term					
Cash dividends		(3,856)			(3,856)
Net income (loss)		7,654			7,654
Purchase of treasury stock	(5)	(5)			(5)
Net changes in other than shareholders' equity			(2,215)	(2,215)	(2,215)
Total changes during term	(5)	3,793	(2,215)	(2,215)	1,577
Balance at end of term	(260)	84,711	11,087	11,087	95,798

Year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(millions of yen)

	Shareholders' equity								
	Common stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total Retained earnings
						Reserve for tax purpose reduction entry of fixed assets	General reserve	Retained earnings brought forward	
Balance at beginning of term	17,070	5,000	4,381	9,381	3,296	136	8,263	46,822	58,519
Changes during term									
Cash dividends								(6,124)	(6,124)
Net income (loss)								14,111	14,111
Purchase of treasury stock									
Net changes in other than shareholders' equity									
Total changes during term	-	-	-	-	-	-	-	7,987	7,987
Balance at end of term	17,070	5,000	4,381	9,381	3,296	136	8,263	54,809	66,506

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gains on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of term	(260)	84,711	11,087	11,087	95,798
Changes during term					
Cash dividends		(6,124)			(6,124)
Net income (loss)		14,111			14,111
Purchase of treasury stock	(8)	(8)			(8)
Net changes in other than shareholders' equity			9,400	9,400	9,400
Total changes during term	(8)	7,978	9,400	9,400	17,379
Balance at end of term	(268)	92,689	20,487	20,487	113,177

(4) Notes on Non-Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

5. Others

Changes in Officers

For details regarding changes in officers, please refer to the “Notice Regarding Change of Representative Directors and Nomination of Director Candidates” disclosed on May 14, 2026.