

DAISHINKU CORP.

FINANCIAL RESULTS

Tokyo, May 14, 2026 - Daishinku Corp. today announced its Financial Results for the Year ended March 31, 2026.

1. Operating Results for the years ended March 31, 2025 and 2026

(1) Consolidated operating results

(Figures in % are a comparisons with the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Year ended March 31, 2026	39,551	2.4	1,133	23.9	734	78.1	420	47.1
Year ended March 31, 2025	38,620	(1.8)	915	(57.1)	412	(87.1)	285	(84.8)

Note: Comprehensive Income Year ended March 31, 2026 ; 3,945 Yen-million, Year ended March 31, 2025 ; (147) Yen-million

	Net income per share	Net income per share after adjustment with potential shares	Return on equity	Ordinary Profit to total assets	Operating Profit to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2026	13.21	-	1.1	0.8	2.9
Year ended March 31, 2025	8.87	-	0.8	0.5	2.4

ref. Investment Profit or Loss on Equity Method As of March 31, 2026 ; (25) Yen-million, As of March 31, 2025 ; -Yen-million

(2) Consolidated financial status

	Total assets	Net assets	Stockholders' equity ratio	Stockholders' equity per share
	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2026	98,809	47,950	39.5	1,226.94
As of March 31, 2025	89,890	45,219	41.2	1,166.11

ref. Stockholders' equity : As of March 31, 2026 ; 39,021 Yen-million, As of March 31, 2025 ; 37,054 Yen-million

(3) Consolidated statements of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalent at end
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Year ended March 31, 2026	(1,779)	(3,149)	1,249	15,979
Year ended March 31, 2025	2,296	(6,307)	(1,708)	18,502

2. Dividends

	Dividends per share					Total amount of dividends (Full Year)	Dividend payout ratio (Consolidated)	Dividend on net assets (Consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual			
(Results)	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
Year ended March 31, 2025	-	14.00	-	14.00	28.00	903	315.7	2.4
Year ended March 31, 2026	-	14.00	-	14.00	28.00	890	212.0	2.3
(Forecast)								
Year ending March 31, 2027	-	14.00	-	14.00	28.00		891.7	

3. Forecast for the fiscal year ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(Figures in % are a comparisons with the same period of the previous year.)

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Year ending March 31, 2027	41,000	3.7	1,400	23.5	780	6.2	100	(76.2)	3.14

※ Others

(1) Changes for important subsidiaries during this period : None

(2) Changes in accounting policies and changes or restatement of accounting estimates

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| 1. Changes in accounting policies related to accounting standard revisions | None |
| 2. Other changes in accounting policies | None |
| 3. Changes in accounting estimates | None |
| 4. Modified restatements | None |

(3) Outstanding shares (Common shares)

1. Number of shares outstanding (including treasury stock)

As of March 31, 2026 :	32,138,881 shares	As of March 31, 2025:	32,138,881 shares
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2. Number of treasury stock

As of March 31, 2026:	334,951 shares	As of March 31, 2025 :	362,270 shares
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3. Average number of shares during the period

Year ended March 31, 2026 :	31,797,280 shares	Year ended March 31, 2025 :	32,208,555 shares
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ref. Summary of Non-consolidated Financial Results

Non-consolidated Results for the years ended March 31, 2025 and 2026

(1) Non-consolidated operating results

(Figures in % are a comparisons with the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Year ended March 31, 2026	30,697	4.2	1,064	-	630	-	322	54.1
Year ended March 31, 2025	29,459	0.8	(845)	-	(757)	-	209	(76.0)

	Net income per share	Net income per share after adjustment with potential shares
	Yen	Yen
Year ended March 31, 2026	10.14	-
Year ended March 31, 2025	6.50	-

(2) Non-Consolidated financial status

	Total assets	Net assets	Stockholders' equity ratio	Stockholders' equity per share
	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2026	71,848	31,450	43.8	988.88
As of March 31, 2025	65,025	31,714	48.8	998.06

ref. Stockholders' equity : As of March 31, 2026 ; 31,450 Yen-million, As of March 31, 2025 ; 31,714 Yen-million

* The forecasts are based on assumptions of the future economic environment using the data available at the time of disclosure.
Actual earnings may differ from the forecasts, due to a range of factors.

Overview of Operating Results for the Fiscal Year ended Mar. 31, 2026

In the global economy during the consolidated fiscal year (April 1, 2025 to March 31, 2026), the Japanese domestic economy saw a moderate recovery, supported by robust capital investment and firm personal consumption backed by wage increases. Meanwhile, the U.S. economy remained sluggish, with personal consumption still lacking momentum and the pace of capital investment expansion continuing to slow. The Chinese economy decelerated due to stagnant domestic demand and persistent deflationary pressures. Furthermore, concerns over the supply of natural resources such as crude oil, gas, and helium due to escalating tensions in the Middle East, along with a sharp rise in memory semiconductor prices driven by increased demand for AI data centers, exerted downward pressure on the global economy, and the overall outlook remained uncertain.

In this environment, DAISHINKU CORP. and its affiliates saw that while demand in the telecommunications and consumer markets decreased due to the impact of sharply rising memory semiconductor prices, the automotive market showed steady performance, and the industrial market also shifted to a moderate recovery trend from sluggish capital investment. As a result, net sales were 39,551 million yen (up 2.4% year on year).

With regard to profits, operating profit reached 1,133 million yen (up 23.9% year on year), contributed by increased production and sales of high-value-added products and cost reductions. In addition, partly due to the recording of foreign exchange gains of 235 million yen as non-operating income and compensation expenses of 753 million yen as non-operating expenses, ordinary profit was 734 million yen (up 78.1% year on year) and profit attributable to owners of parent was 420 million yen (up 47.1% year on year).

Operating results by segment are as follows.

(Japan)

In Japan, net sales were 7,427 million yen, an increase of 456 million yen, or up 6.6% year on year, due to higher sales across all markets. Its segment profit was 1,053 million yen, an increase of 1,896 million yen from the previous year (segment loss of 842 million yen in the previous year).

(North America)

In North America, net sales were 2,701 million yen, an increase of 251 million yen, or up 10.2% year on year, mainly due to higher sales in the automotive market. Its segment profit was 67 million yen, an increase of 29 million yen, or up 75.2% year on year.

(Europe)

In Europe, net sales were 4,348 million yen, an increase of 448 million yen, or up 11.5% year on year, mainly due to higher sales in the automotive market. Its segment profit was 51 million yen, an increase of 19 million yen, or up 61.2% year on year.

(China)

In China, net sales were 12,928 million yen, an increase of 276 million yen, or up 2.2% year on year, due to higher sales across all market. However, due to the impact of reduced production operations, its segment loss was 49 million yen, a decrease of 58 million yen from the previous year (segment profit of 9 million yen in the previous year).

(Taiwan)

In Taiwan, net sales were 9,277 million yen, a decrease of 509 million yen, or down 5.2% year on year mainly due to lower net sales in the consumer and telecommunications markets as well as the impact of the appreciation of the New Taiwan dollar. In addition to the decline in sales, due to increases in labor costs, the segment profit was 160 million yen, a decrease of 1,399 million yen from the previous year, or down 89.7% year on year.

(Asia)

In Asia, net sales were 2,868 million yen, an increase of 7 million yen, or up 0.3% year on year mainly due to higher net sales in the automotive market. However, its segment loss was 148 million yen, a decrease of 234 million yen from the previous year (segment profit of 85 million yen in the previous year), mainly due to a deterioration in the product mix.

Overview of Cash Flows for the Current Fiscal Year

The status of consolidated cash flows for the fiscal year ended March 31, 2026 is as follows:

(Cash flows from operating activities)

Cash used as a result of operating activities amounted to 1,779 million yen. This is mainly due to an increase in inventories.

(Cash flows from investing activities)

Cash used as a result of investing activities amounted to 3,149 million yen. This is mainly due to the purchase of property, plant and equipment.

(Cash flows from financing activities)

Cash obtained as a result of financing activities amounted to 1,249 million yen. This is mainly due to proceeds from short-term borrowings.

As a result, cash and cash equivalents at the end of the fiscal year ended March 31, 2026 decreased by 2,523 million yen from the end of the fiscal year ended March 31, 2025 to 15,979 million yen.

(Reference) Changes in cash-flow-related indicators

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Equity ratio	40.7%	42.9%	42.5%	41.2%	39.5%
Market-value-based equity ratio	48.0%	28.1%	28.4%	19.9%	18.7%
Cash flow to interest- bearing debt ratio	3.2 years	5.3 years	4.1 years	14.7 years	-
Interest coverage ratio	66.7	28.0	28.0	7.3	-

Future Outlook

The economic environment continues to face an uncertain outlook. However, the crystal device market is expected to see further growth due to the expanding demand for semiconductors driven by the advancement of digitalization. In particular, the increasing number of AI data centers requiring high-speed computing for AI development, along with the widespread adoption of optical transceivers and edge AI, will heighten the demand for increased communication data volume and stability, thereby further boosting the demand for differential output oscillators, which are high-frequency devices. Furthermore, the expansion of the wearable device market, such as smart glasses, is creating a need for thinner and lighter crystal devices than ever before. However, in response to these growing market needs, the crystal device industry faces structural challenges, including increased manufacturing costs associated with the demand for miniaturization and higher performance, limitations in production efficiency stemming from conventional "1-by-1 manufacturing," and environmental impact considerations. To address these challenges and solidify our next-generation growth strategy, the Company positions the innovative "Ark Series," based on its original "Ark Series" products developed from advanced crystal growing/processing technology, as its most critical management strategy and is promoting it as a Company-wide initiative. This Ark Concept is poised to bring about a paradigm shift in the crystal device industry through technological innovation, a transformation of market strategy, and a revolution in the production system.

The Ark Series adopts photolithography technology and WLP (Wafer-Level Package) technology, which are also used in semiconductor manufacturing processes, eliminating the need for conductive adhesives and externally procured materials such as ceramic packages. In particular, Arkh.3G is the world's thinnest product, embodying the ideal of "smaller and lighter means cheaper," and aims for IC integration in the future. Furthermore, due to batch processing at the wafer level, it achieves 5 to 7 times the output per unit area compared to conventional methods, establishing overwhelming cost superiority and productivity. By curbing large-scale investment associated with new factory construction and suppressing CO₂ emissions, it contributes to reducing environmental impact and improving profitability.

Expanding the product lineup is also a crucial element in the development of the Ark Series. We have developed the "Arkh.2G" crystal oscillator, which incorporates Arkh Series crystal resonators along with ICs into a ceramic package. This product has the same appearance and size as conventional products, making it easy for customers to adopt without resistance. Its design also allows for the utilization of existing production facilities for conventional products, which contributes to curbing investment and achieves excellent cost performance.

Furthermore, by positioning competitors as strategic partners and supplying Arkh Series crystal resonators as "embedded crystal resonator" for crystal oscillators, we will promote industry standardization.

Strengthening supply chains is also an important issue. Compared to conventional products, the Arkh Series is a product highly resilient to geopolitical risks, as it uses less heavy oil and no helium, significantly contributing to stable supply. Going forward, we will establish an overwhelming competitive advantage that

is difficult to replicate through continuous technological innovation, including further miniaturization of product sizes and the promotion of larger crystal wafers as our core technology. We will also develop fully automated production by promoting DX (Digital Transformation) and introducing automated guided vehicles (AGVs), thereby realizing a "future factory" that attracts talented young workers to skilled veterans in an era of declining working population, and pursuing a sustainable corporate model that balances "employee well-being" with business growth.

This fiscal year marks the seventh year of the Company's 10-year long-term business plan, the "OCEAN+2" strategy. The Arkh Concept is not merely product development; it is a grand challenge that rewrites the history of crystal devices and transforms the industry structure itself, serving as a compass for enhancing our corporate value.

Regarding the consolidated performance outlook for the fiscal year ending March 2027, we forecast net sales of 41,000 million yen, operating profit of 1,400 million yen, ordinary profit of 780 million yen and profit attributable to owners of parent of 100 million yen. The assumed exchange rate is 1 USD = 150 yen.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Thousands of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Assets		
Current assets		
Cash and deposits	18,707,732	16,346,653
Notes and accounts receivable - trade	9,039,881	10,192,914
Contract assets	30,799	4,711
Merchandise and finished goods	5,180,147	5,623,468
Work in process	6,353,313	6,994,907
Raw materials and supplies	6,492,699	11,980,434
Other	3,141,882	2,301,103
Allowance for doubtful accounts	(12,081)	(19,047)
Total current assets	48,934,375	53,425,145
Non-current assets		
Property, plant and equipment		
Buildings and structures	28,040,197	30,557,416
Accumulated depreciation	(18,242,057)	(19,523,918)
Buildings and structures, net	9,798,139	11,033,498
Machinery, equipment and vehicles	61,908,843	66,183,396
Accumulated depreciation	(50,173,881)	(54,822,940)
Machinery, equipment and vehicles, net	11,734,961	11,360,456
Tools, furniture and fixtures	7,335,890	8,010,386
Accumulated depreciation	(6,088,096)	(6,668,215)
Tools, furniture and fixtures, net	1,247,794	1,342,170
Land	5,962,024	6,069,627
Leased assets	940,238	529,779
Accumulated depreciation	(577,668)	(221,233)
Leased assets, net	362,570	308,545
Construction in progress	5,787,115	8,285,234
Total property, plant and equipment	34,892,605	38,399,532
Intangible assets	990,070	803,098
Investments and other assets		
Investment securities	2,759,028	3,485,597
Long-term loans receivable	899	775
Retirement benefit asset	1,461,200	1,738,028
Deferred tax assets	531,987	651,468
Other	348,327	333,961
Allowance for doubtful accounts	(27,800)	(27,800)
Total investments and other assets	5,073,644	6,182,031
Total non-current assets	40,956,320	45,384,662
Total assets	89,890,695	98,809,807

(Unit: Thousands of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,378,663	4,098,411
Short-term borrowings	8,455,985	15,020,616
Current portion of long-term borrowings	8,485,282	7,545,372
Lease liabilities	116,168	114,667
Accounts payable - other	2,056,325	3,622,927
Income taxes payable	473,468	304,382
Contract liabilities	330	475
Provision for bonuses	710,743	582,678
Provision for compensation expenses	—	222,603
Other	1,197,570	1,432,225
Total current liabilities	24,874,535	32,944,360
Non-current liabilities		
Long-term borrowings	16,335,798	14,123,027
Lease liabilities	254,074	208,637
Deferred tax liabilities	1,809,276	2,168,050
Retirement benefit liability	1,150,031	1,126,516
Asset retirement obligations	27,518	23,094
Other	219,466	265,838
Total non-current liabilities	19,796,165	17,915,164
Total liabilities	44,670,701	50,859,524
Net assets		
Shareholders' equity		
Share capital	19,344,883	19,344,883
Capital surplus	5,795,140	5,807,277
Retained earnings	6,185,572	5,701,457
Treasury shares	(182,714)	(168,980)
Total shareholders' equity	31,142,881	30,684,638
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	502,670	590,496
Foreign currency translation adjustment	4,733,023	6,893,719
Remeasurements of defined benefit plans	676,331	852,593
Total accumulated other comprehensive income	5,912,025	8,336,810
Non-controlling interests	8,165,086	8,928,834
Total net assets	45,219,993	47,950,283
Total liabilities and net assets	89,890,695	98,809,807

(2) Consolidated Statements of Income

(Unit: Thousands of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Net sales	38,620,931	39,551,717
Cost of sales	29,295,873	30,367,404
Gross profit	9,325,057	9,184,313
Selling, general and administrative expenses	8,410,034	8,050,645
Operating profit	915,023	1,133,668
Non-operating income		
Interest income	222,422	241,284
Dividend income	61,480	50,676
Foreign exchange gains	-	235,596
Other	256,960	342,020
Total non-operating income	540,863	869,577
Non-operating expenses		
Interest expenses	315,538	381,902
Share of loss of entities accounted for using equity method	-	25,041
Compensation expenses	18,749	753,371
Foreign exchange losses	348,008	-
Other	361,105	108,130
Total non-operating expenses	1,043,401	1,268,446
Ordinary profit	412,485	734,799
Extraordinary income		
Gain on sale of non-current assets	16,125	2,872
Gain on sale of investment securities	1,239,134	345,815
Insurance claim income	569,607	-
Gain on reversal of impairment loss	-	1,345
Total extraordinary income	1,824,868	350,034
Extraordinary losses		
Loss on sale of non-current assets	3,048	11,127
Loss on retirement of non-current assets	196	3,159
Impairment losses	60,310	-
Compensation expenses	571,104	-
Total extraordinary losses	634,660	14,287
Profit before income taxes	1,602,693	1,070,546
Income taxes - current	484,567	395,161
Income taxes for prior periods	44,611	97,391
Income taxes - deferred	102,038	(41,656)
Total income taxes	631,218	450,896
Profit	971,474	619,649
Profit attributable to non-controlling interests	685,886	199,610
Profit attributable to owners of parent	285,588	420,038

(3) Consolidated Statement of Comprehensive Income

(Unit: Thousands of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Profit	971,474	619,649
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,106,228)	(111,714)
Foreign currency translation adjustment	(224,418)	3,018,110
Remeasurements of defined benefit plans, net of tax	211,802	419,077
Total other comprehensive income	(1,118,844)	3,325,473
Comprehensive income	(147,369)	3,945,123
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(450,811)	3,119,989
Comprehensive income attributable to non-controlling interests	303,441	825,134

(4) Consolidated Statement of Cash Flows

(Unit: Thousands of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	1,602,693	1,070,546
Depreciation	3,986,907	4,240,115
Amortization of long-term prepaid expenses	76,167	45,500
Impairment losses	60,310	-
Increase (decrease) in allowance for doubtful accounts	(1,648)	5,477
Increase (decrease) in provision for bonuses	(3,046)	(128,068)
Increase (decrease) in the provision for compensation expenses	-	222,603
Decrease (increase) in retirement benefit asset	(326,659)	(200,780)
Increase (decrease) in retirement benefit liability	232,944	60,160
Interest and dividend income	(283,903)	(291,961)
Interest expenses	315,538	381,902
Foreign exchange losses (gains)	(75,806)	(24,121)
Share of loss (profit) of entities accounted for using equity method	-	25,041
Loss (gain) on sale of investment securities	(1,239,134)	(345,815)
Loss (gain) on sale of property, plant and equipment	(13,076)	8,255
Loss on retirement of property, plant and equipment	196	3,159
Decrease (increase) in trade receivables	452,649	(177,030)
Decrease (increase) in inventories	(1,892,176)	(5,566,258)
Increase (decrease) in trade payables	982,337	110,280
Other, net	(1,150,217)	(330,133)
Subtotal	2,724,075	(891,126)
Interest and dividends received	283,903	291,961
Interest paid	(311,074)	(384,044)
Income taxes paid	(400,178)	(796,462)
Net cash provided by (used in) operating activities	2,296,726	(1,779,673)
Cash flows from investing activities		
Payments into time deposits	(1,067,418)	(949,250)
Proceeds from withdrawal of time deposits	1,035,412	817,229
Purchase of property, plant and equipment	(6,887,869)	(3,043,057)
Proceeds from sale of property, plant and equipment	36,643	113,350
Purchase of intangible assets	(32,471)	(97,053)
Purchase of investment securities	(989,200)	(634,783)
Proceeds from sale of investment securities	1,527,083	395,327
Loan advances	(370)	(1,100)
Proceeds from collection of loans receivable	625	1,331
Subsidies received	-	232,893
Other, net	70,394	15,154
Net cash provided by (used in) investing activities	(6,307,171)	(3,149,958)

(Unit: Thousands of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,116,809	6,445,056
Proceeds from long-term borrowings	5,380,000	4,993,900
Repayments of long-term borrowings	(11,554,271)	(8,693,151)
Repayments of lease liabilities	(150,379)	(132,194)
Dividends paid	(900,433)	(887,778)
Dividends paid to non-controlling interests	(300,967)	(476,160)
Proceeds from sale of treasury shares	-	40
Purchase of treasury shares	(298,945)	(327)
Net cash provided by (used in) financing activities	(1,708,187)	1,249,384
Effect of exchange rate change on cash and cash equivalents	(134,071)	1,156,972
Net increase (decrease) in cash and cash equivalents	(5,852,703)	(2,523,274)
Cash and cash equivalents at beginning of period	24,355,138	18,502,435
Cash and cash equivalents at end of period	18,502,435	15,979,160

Segment Information

1. Information on the amount of net sales, profit or loss and disaggregation of revenue by reportable segments

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

(Unit: Thousands of yen)

	Reportable segments							Adjustments (Note 1)	Carrying amount on consolidated financial statements (Note 2)
	Japan	North America (Note 3)	Europe (Note 3)	China	Taiwan	Asia (Note 3)	Total		
Net Sales									
Sales to external customers	6,971,172	2,450,263	3,899,816	12,652,201	9,786,778	2,860,698	38,620,931	-	38,620,931
Intersegment sales or transfers	22,487,484	52,637	4,366	3,568,732	4,029,525	7,053,300	37,196,047	(37,196,047)	-
Total	29,458,657	2,502,901	3,904,182	16,220,934	13,816,304	9,913,998	75,816,978	(37,196,047)	38,620,931
Segment profit (loss)	(842,757)	38,813	31,683	9,261	1,559,979	85,441	882,422	32,601	915,023
Segment assets	53,509,974	1,087,802	1,380,407	10,988,858	27,529,799	7,426,727	101,923,570	(12,032,875)	89,890,695
Other items									
Depreciation	1,314,939	18,216	12,226	186,868	1,297,180	797,561	3,626,992	(12,025)	3,614,966
Impairment loss	-	-	-	-	60,310	-	60,310	-	60,310
Increase in property, plant and equipment and intangible assets	6,189,595	18,394	11,832	30,301	924,439	222,773	7,397,337	-	7,397,337

Note1: Adjustments are as follows

1) The adjustment in segment profit (loss) of 32,601 thousand yen includes intersegment transactions eliminations of 16,357 thousand yen and other adjustments of 16,243 thousand yen.

2) The adjustment of segment assets of (12,032,875) thousand yen includes offset elimination of inter-segment receivables and payables of (11,571,832) thousand yen and other adjustments of (461,042) thousand yen.

3) The adjustment for depreciation is primarily due to the elimination of unrealized gains.

Note2: Segment profit (loss) is adjusted to operating profit in the consolidated statements of income.

Note3: The breakdown of the main countries or regions belonging to each segment other than Japan, China, and Taiwan is as follows.

1) North America - United States

2) Europe - Germany

3) Asia - Indonesia, Singapore and Thailand

2. Information on the amount of net sales, profit or loss and disaggregation of revenue by reportable segments

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

(Unit: Thousands of yen)

	Reportable segments							Adjustments (Note 1)	Carrying amount on consolidated financial statements (Note 2)
	Japan	North America (Note 3)	Europe (Note 3)	China	Taiwan	Asia (Note 3)	Total		
Net Sales									
Sales to external customers	7,427,904	2,701,319	4,348,613	12,928,515	9,277,359	2,868,005	39,551,717	-	39,551,717
Intersegment sales or transfers	23,267,647	61,177	7,029	3,381,421	4,650,024	6,913,197	38,280,498	(38,280,498)	-
Total	30,695,552	2,762,497	4,355,642	16,309,937	13,927,383	9,781,203	77,832,216	(38,280,498)	39,551,717
Segment profit (loss)	1,053,288	67,985	51,086	(49,247)	160,821	(148,755)	1,135,179	(1,511)	1,133,668
Segment assets	60,638,950	1,561,464	2,189,266	12,996,034	28,914,489	9,128,770	115,428,977	(16,619,169)	98,809,807
Other items									
Depreciation	1,687,492	20,574	7,308	201,969	1,381,661	603,606	3,902,612	(5,707)	3,896,905
Impairment loss	-	-	-	-	-	-	-	-	-
Increase in property, plant and equipment and intangible assets	5,448,513	9,375	1,071	109,721	624,035	263,333	6,456,051	(22,370)	6,433,680

Note1: Adjustments are as follows

1) The adjustment in segment profit (loss) of (1,511) thousand yen includes intersegment transactions eliminations of 15,990 thousand yen and other adjustments of (17,501) thousand yen.

2) The adjustment of segment assets of (16,619,169) thousand yen includes offset elimination of inter-segment receivables and payables of (8,212,859) thousand yen and other adjustments of (8,406,309) thousand yen.

3) The adjustment for depreciation is primarily due to the elimination of unrealized gains.

Note2: Segment profit (loss) is adjusted to operating profit in the consolidated statements of income.

Note3: The breakdown of the main countries or regions belonging to each segment other than Japan, China, and Taiwan is as follows.

1) North America - United States

2) Europe - Germany

3) Asia - Indonesia, Singapore and Thailand