

May 14, 2026

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



Company name: Kawai Musical Instruments Manufacturing Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7952
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 Scheduled date of annual general meeting of shareholders: June 24, 2026
 Scheduled date to commence dividend payments: June 25, 2026
 Scheduled date to file annual securities report: June 23, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(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.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	72,049	(1.2)	113	(64.2)	952	100.6	1,141	181.7
March 31, 2025	72,918	(9.1)	316	(90.3)	474	(88.7)	405	(85.4)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥3,016 million [23.9%]
 For the fiscal year ended March 31, 2025: ¥2,435 million [(55.0)%]

Fiscal year ended	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
	Yen	Yen	%	%	%
March 31, 2026	132.73	-	2.5	1.2	0.2
March 31, 2025	47.13	-	0.9	0.6	0.4

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	78,879	46,745	59.3	5,434.02
March 31, 2025	73,991	44,541	60.2	5,179.62

Reference: Equity
 As of March 31, 2026: ¥46,745 million
 As of March 31, 2025: ¥44,541 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	(761)	(3,491)	1,548	10,029
March 31, 2025	(1,698)	(2,291)	(1,033)	12,466

2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	95.00	95.00	820	202.5	1.9
Fiscal year ended March 31, 2026	-	0.00	-	95.00	95.00	820	71.6	1.8
Fiscal year ending March 31, 2027 (Forecast)		0.00		95.00	95.00		51.1	

Note: Revision from the most recently published dividend forecast: None

3. Forecast of consolidated financial results 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
Fiscal year ending March 31, 2027	80,000	11.0	1,800	-	1,900	99.4	1,600	40.1	186.02

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of March 31, 2026	9,011,560 shares
As of March 31, 2025	9,011,560 shares

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

As of March 31, 2026	409,141 shares
As of March 31, 2025	412,141 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	8,601,419 shares
Fiscal year ended March 31, 2025	8,599,493 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	55,214	7.0	(874)	-	103	-	569	-
March 31, 2025	51,579	(10.1)	(1,823)	-	(1,418)	-	(540)	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	66.17	-
March 31, 2025	(62.85)	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	54,015	20,347	37.7	2,365.28
March 31, 2025	47,594	19,941	41.9	2,318.88

Reference: Equity

As of March 31, 2026: ¥20,347 million

As of March 31, 2025: ¥19,941 million

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	13,300	10,758
Notes receivable - trade	338	356
Accounts receivable - trade	10,267	12,680
Merchandise and finished goods	11,324	12,526
Work in process	2,318	2,373
Raw materials and supplies	5,609	5,644
Other	5,550	4,108
Allowance for doubtful accounts	(191)	(124)
Total current assets	48,518	48,324
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,519	19,983
Accumulated depreciation	(15,440)	(15,760)
Buildings and structures, net	4,079	4,223
Machinery, equipment and vehicles	15,101	15,545
Accumulated depreciation	(13,291)	(13,646)
Machinery, equipment and vehicles, net	1,810	1,898
Land	6,426	6,395
Construction in progress	537	2,595
Other	9,282	10,375
Accumulated depreciation	(7,127)	(7,919)
Other, net	2,154	2,455
Total property, plant and equipment	15,008	17,568
Intangible assets	492	624
Investments and other assets		
Investment securities	7,232	9,884
Deferred tax assets	1,180	808
Other	1,748	1,826
Allowance for doubtful accounts	(189)	(155)
Total investments and other assets	9,972	12,362
Total non-current assets	25,472	30,555
Total assets	73,991	78,879

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,876	5,280
Short-term borrowings	5,562	7,625
Accounts payable - other	2,166	2,144
Income taxes payable	135	546
Provision for bonuses	858	812
Provision for product warranties	175	153
Other	3,700	3,653
Total current liabilities	17,475	20,215
Non-current liabilities		
Long-term borrowings	2,884	3,684
Deferred tax liabilities	1	15
Provision for environmental measures	5	4
Provision for share-based payments	34	39
Retirement benefit liability	7,457	6,548
Asset retirement obligations	580	587
Other	1,009	1,037
Total non-current liabilities	11,973	11,918
Total liabilities	29,449	32,134
Net assets		
Shareholders' equity		
Share capital	7,122	7,122
Capital surplus	1,294	1,294
Retained earnings	29,556	29,877
Treasury shares	(976)	(967)
Total shareholders' equity	36,997	37,326
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,733	2,487
Foreign currency translation adjustment	5,759	6,378
Remeasurements of defined benefit plans	51	553
Total accumulated other comprehensive income	7,544	9,419
Total net assets	44,541	46,745
Total liabilities and net assets	73,991	78,879

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	72,918	72,049
Cost of sales	54,621	53,307
Gross profit	18,296	18,742
Selling, general and administrative expenses		
Transportation and storage costs	2,995	2,838
Provision of allowance for doubtful accounts	(11)	15
Salaries, allowances and bonuses	6,035	6,375
Provision for bonuses	427	411
Retirement benefit expenses	366	350
Other	8,167	8,636
Total selling, general and administrative expenses	17,980	18,629
Operating profit	316	113
Non-operating income		
Interest income	126	156
Dividend income	97	122
Rental income from non-current assets	86	67
Foreign exchange gains	140	791
Other	102	58
Total non-operating income	553	1,196
Non-operating expenses		
Interest expenses	83	150
Loss on sale of notes receivable - trade	14	8
Compensation expenses	79	-
Donations	46	43
Litigation expenses	-	21
Rental expenses on non-current assets	75	59
Other	95	74
Total non-operating expenses	394	356
Ordinary profit	474	952
Extraordinary income		
Gain on sale of non-current assets	6	7
Gain on sale of investment securities	-	41
Gain on redemption of investment securities	-	655
Compensation income	2	25
Total extraordinary income	8	730
Extraordinary losses		
Loss on sale of non-current assets	1	46
Loss on retirement of non-current assets	33	21
Copyright usage settlement fee	99	-
Total extraordinary losses	134	68
Profit before income taxes	349	1,614
Income taxes - current	501	600
Income taxes - deferred	(560)	(127)
Total income taxes	(59)	472
Profit	408	1,141
Profit attributable to non-controlling interests	3	-
Profit attributable to owners of parent	405	1,141

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	408	1,141
Other comprehensive income		
Valuation difference on available-for-sale securities	45	754
Foreign currency translation adjustment	1,866	619
Remeasurements of defined benefit plans, net of tax	110	501
Share of other comprehensive income of entities accounted for using equity method	3	-
Total other comprehensive income	2,026	1,874
Comprehensive income	2,435	3,016
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,408	3,016
Comprehensive income attributable to non-controlling interests	26	-

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,122	1,282	29,971	(985)	37,392
Changes during period					
Dividends of surplus			(820)		(820)
Profit attributable to owners of parent			405		405
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				9	9
Purchase of shares of consolidated subsidiaries		11			11
Net changes in items other than shareholders' equity					-
Total changes during period	-	11	(415)	9	(394)
Balance at end of period	7,122	1,294	29,556	(976)	36,997

	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	1,687	3,906	(59)	5,534	214	43,141
Changes during period						
Dividends of surplus						(820)
Profit attributable to owners of parent						405
Purchase of treasury shares						(0)
Disposal of treasury shares						9
Purchase of shares of consolidated subsidiaries						11
Net changes in items other than shareholders' equity	45	1,852	111	2,009	(214)	1,795
Total changes during period	45	1,852	111	2,009	(214)	1,400
Balance at end of period	1,733	5,759	51	7,544	-	44,541

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,122	1,294	29,556	(976)	36,997
Changes during period					
Dividends of surplus			(820)		(820)
Profit attributable to owners of parent			1,141		1,141
Purchase of treasury shares					-
Disposal of treasury shares				8	8
Purchase of shares of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					-
Total changes during period			320	8	329
Balance at end of period	7,122	1,294	29,877	(967)	37,326

	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	1,733	5,759	51	7,544	-	44,541
Changes during period						
Dividends of surplus						(820)
Profit attributable to owners of parent						1,141
Purchase of treasury shares						-
Disposal of treasury shares						8
Purchase of shares of consolidated subsidiaries						-
Net changes in items other than shareholders' equity	754	619	501	1,874		1,874
Total changes during period	754	619	501	1,874	-	2,204
Balance at end of period	2,487	6,378	553	9,419	-	46,745

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	349	1,614
Depreciation	1,833	2,035
Amortization of long-term prepaid expenses	15	14
Increase (decrease) in allowance for doubtful accounts	(14)	(100)
Increase (decrease) in retirement benefit liability	(327)	(405)
Interest and dividend income	(223)	(278)
Interest expenses	83	150
Loss (gain) on sale of property, plant and equipment	(4)	38
Loss on retirement of non-current assets	33	21
Loss (gain) on sale of investment securities	-	(41)
Loss (gain) on redemption of investment securities	-	(655)
Decrease (increase) in trade receivables	(870)	(1,863)
Decrease (increase) in inventories	757	(842)
Decrease (increase) in accounts receivable - other	(442)	34
Increase (decrease) in trade payables	(1,125)	(149)
Increase (decrease) in accounts unpaid retirement allowance	(120)	(139)
Other, net	(423)	(391)
Subtotal	(479)	(957)
Income taxes refund (paid)	(1,219)	196
Net cash provided by (used in) operating activities	(1,698)	(761)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Decrease (increase) in time deposits	422	120
Purchase of property, plant and equipment	(1,529)	(2,789)
Proceeds from sale of property, plant and equipment	6	28
Purchase of intangible assets	(43)	(136)
Payments for retirement of property, plant and equipment	(31)	(29)
Prepayment for Land Use Rights	(1,244)	-
Purchase of investment securities	-	(3,610)
Proceeds from sale and redemption of investment securities	40	2,745
Interest and dividends received	169	278
Purchase of long-term prepaid expenses	(47)	(37)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(135)
Other, net	(33)	76
Net cash provided by (used in) investing activities	(2,291)	(3,491)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	465	1,600
Proceeds from long-term borrowings	650	1,950
Repayments of long-term borrowings	(787)	(687)
Dividends paid	(818)	(817)
Dividends paid to non-controlling interests	(143)	-
Repayments of lease liabilities	(227)	(337)
Purchase of treasury shares	(0)	-
Interest paid	(82)	(147)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(75)	-
Other, net	(12)	(11)
Net cash provided by (used in) financing activities	(1,033)	1,548
Effect of exchange rate change on cash and cash equivalents	396	266
Net increase (decrease) in cash and cash equivalents	(4,626)	(2,437)
Cash and cash equivalents at beginning of period	17,064	12,466
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	29	-
Cash and cash equivalents at end of period	12,466	10,029