

DAISHINKU CORP.

Summary of Financial Results for the First Half Ended September 30, 2025

Tokyo, Nov. 12, 2025 - Daishinku Corp. today announced its consolidated financial results for the first half ended September 30, 2025.

1. Operating Results for the First Half Ended September 30, 2025 (April 1, 2025 to September 30, 2025)

(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	%
Six months ended September 30, 2025	19,591	0.8	179	(59.5)	(91)	-	(320)	-
Six months ended September 30, 2024	19,438	0.5	443	(50.8)	(550)	-	(498)	-

Note: Comprehensive Income Six months ended September 30, 2025 ; 812 Yen-million, Six months ended September 30, 2024 ; (1,341) Yen-million

	Net Income per share	Net Income per share after adjustment with potential shares
	Yen	Yen
Six months ended September 30, 2025	(10.07)	-
Six months ended September 30, 2024	(15.44)	-

(2) Consolidated financial status

	Total Assets	Net Assets	Stockholders' equity ratio
	Millions of Yen	Millions of Yen	%
Six months ended September 30, 2025	90,158	45,320	40.9
Year ended March 31, 2025	89,890	45,219	41.2

ref. Stockholders' equity : As of September 30, 2025 ; 36,864 Yen-million, As of March 31, 2025 ; 37,054 Yen-million

2. Dividends

	Dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
(Results)	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	-	14.00	-	14.00	28.00
Year ending March 31, 2026	-	14.00			
(Forecast)					
Year ending March 31, 2026			-	14.00	28.00

3. Forecast for the fiscal year ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(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, 2026	40,000	3.6	1,000	9.3	500	21.2	300	5.0	9.44

Note: Revision of the fiscal year result forecast for during this period: Applicable

4. Notes

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

(2) Application of particular accounting procedures to preparation of
quarterly consolidated financial statements: Applicable

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

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

(4) Outstanding shares (Common shares)

1. Number of shares outstanding (including treasury stock)			
As of September 30, 2025 :	32,138,881 shares	As of March 31, 2025 :	32,138,881 shares
2. Number of treasury stock			
As of September 30, 2025 :	334,535 shares	As of March 31, 2025 :	362,270 shares
3. Average number of shares during the period			
April-September 2025 :	31,790,505 shares	April-September 2024 :	32,277,234 shares

* 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 First Half Ended September 30, 2025

In the global economy, during the first half of the current fiscal year (April 1, 2025 to September 30, 2025), domestic capital investment remained strong, and personal consumption stayed resilient, allowing for a gradual recovery in the economy. On the other hand, in the United States, economic recovery slowed down due to sluggish personal consumption, while in China, the economy decelerated due to stagnation in domestic demand. Overall, the pace of economic recovery generally slowed, and geopolitical risks and concerns over the changes in monetary policies across countries contributed to ongoing uncertainty.

In this environment, in the markets relevant to DAISHINKU CORP. and its affiliates, while there were impacts such as intensified price competition for certain products in the telecommunications market, ongoing inventory adjustments due to sluggish capital investment in the industrial market, and a sharp rise in the New Taiwan dollar against the US dollar, the automotive market performed steadily, contributing positively to our group. As a result, net sales amounted to 19,591 million yen (up 0.8% year on year). With regard to profits, the negative impact on earnings at our Taiwan subsidiary due to the aforementioned exchange rate effects was significant, resulting in an operating profit of 179 million yen (down 59.5% year on year). In addition, with the recognition of foreign exchange losses of 221 million yen in non-operating expenses, ordinary loss was 91 million yen (ordinary loss of 550 million yen in the same period of the previous year), and the loss attributable to owners of parent was 320 million yen (loss attributable to owners of parent of 498 million yen in the same period of the previous year).

Operating results by segment are as follows.

(Japan)

In Japan, net sales were 3,805 million yen, an increase of 352 million yen, or up 10.2% year on year, mainly due to higher net sales in the automotive and industrial markets. Its segment profit was 312 million yen, an increase of 815 million yen from the same period of the previous year (segment loss of 503 million yen in the same period of the previous year).

(North America)

In North America, net sales were 1,361 million yen, an increase of 96 million yen, or up 7.7% year on year, mainly due to higher net sales in the industrial market. However, due to an increase in labor costs, its segment profit was 25 million yen, a decrease of 9 million yen, or down 27.8%, year on year.

(Europe)

In Europe, net sales were 2,041 million yen, an increase of 39 million yen, or up 2.0% year on year, mainly due to higher net sales in the automotive market. However, due to an increase in labor costs, its segment profit was 36 million yen, a decrease of 5 million yen, or down 13.2%, year on year.

(China)

In China, net sales were 6,346 million yen, an increase of 245 million yen, or up 4.0% year on year, mainly due to higher net sales in the consumer and automotive markets. Its segment loss was 45 million yen, an improvement of 31 million yen from the same period of the previous year (segment loss of 77 million yen in the same period of the previous year).

(Taiwan)

In Taiwan, net sales were 4,673 million yen, a decrease of 538 million yen, or down 10.3% 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, the segment loss was 17 million yen, a decrease of 885 million yen from the same period of the previous year (segment profit of 867 million yen in the same period of the previous year), due to increases in labor costs and the impact of reduced operations.

(Asia)

In other Asia, net sales were 1,361 million yen, a decrease of 42 million yen, or down 3.1% year on year, mainly due to lower net sales in the telecommunications and industrial markets. In addition to the decline in sales, the impact of reduced operations resulted in a segment loss of 184 million yen, a decrease of 190 million yen from the same period of the previous year (segment profit of 6 million yen in the same period of the previous year).

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Thousands of yen)

	Year ended March 31, 2025	Six months ended September 30, 2025
Assets		
Current assets		
Cash and deposits	18,707,732	16,247,758
Notes and accounts receivable - trade, and contract assets	9,070,680	9,969,488
Merchandise and finished goods	5,180,147	4,977,249
Work in process	6,353,313	6,873,725
Raw materials and supplies	6,492,699	8,868,796
Other	3,141,882	2,075,928
Allowance for doubtful accounts	(12,081)	(13,063)
Total current assets	48,934,375	48,999,884
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,798,139	9,608,619
Machinery, equipment and vehicles, net	11,734,961	10,903,777
Tools, furniture and fixtures, net	1,247,794	1,214,151
Land	5,962,024	6,003,918
Leased assets, net	362,570	298,199
Construction in progress	5,787,115	6,630,260
Total property, plant and equipment	34,892,605	34,658,927
Intangible assets	990,070	874,368
Investments and other assets		
Investment securities	2,759,028	3,330,695
Long-term loans receivable	899	894
Retirement benefit asset	1,461,200	1,494,311
Deferred tax assets	531,987	507,511
Other	348,327	320,010
Allowance for doubtful accounts	(27,800)	(27,800)
Total investments and other assets	5,073,644	5,625,623
Total non-current assets	40,956,320	41,158,919
Total assets	89,890,695	90,158,803

(Unit: Thousands of yen)

	Year ended March 31, 2025	Six months ended September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,378,663	3,727,160
Short-term borrowings	8,455,985	12,221,804
Current portion of long-term borrowings	8,485,282	7,762,880
Lease liabilities	116,168	85,168
Accounts payable - other	2,056,325	1,376,613
Income taxes payable	473,468	147,199
Contract liabilities	330	369
Provision for bonuses	710,743	341,187
Other	1,197,570	1,416,225
Total current liabilities	24,874,535	27,078,609
Non-current liabilities		
Long-term borrowings	16,335,798	14,195,189
Lease liabilities	254,074	215,285
Deferred tax liabilities	1,809,276	1,992,376
Retirement benefit liability	1,150,031	1,112,943
Asset retirement obligations	27,518	22,850
Other	219,466	221,014
Total non-current liabilities	19,796,165	17,759,660
Total liabilities	44,670,701	44,838,269
Net assets		
Shareholders' equity		
Share capital	19,344,883	19,344,883
Capital surplus	5,795,140	5,799,186
Retained earnings	6,185,572	5,406,442
Treasury shares	(182,714)	(168,738)
Total shareholders' equity	31,142,881	30,381,773
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	502,670	609,771
Foreign currency translation adjustment	4,733,023	5,225,542
Remeasurements of defined benefit plans	676,331	647,499
Total accumulated other comprehensive income	5,912,025	6,482,813
Non-controlling interests	8,165,086	8,455,946
Total net assets	45,219,993	45,320,533
Total liabilities and net assets	89,890,695	90,158,803

(2) Consolidated Statements of Income

(Unit: Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	19,438,358	19,591,066
Cost of sales	14,905,579	15,439,835
Gross profit	4,532,778	4,151,231
Selling, general and administrative expenses	4,088,821	3,971,261
Operating profit	443,957	179,969
Non-operating income		
Interest income	113,014	138,112
Dividend income	39,770	34,843
Other	92,190	152,506
Total non-operating income	244,975	325,462
Non-operating expenses		
Interest expenses	149,490	179,335
Foreign exchange losses	865,664	221,918
Compensation expenses	2,046	140,170
Other	222,637	55,505
Total non-operating expenses	1,239,839	596,930
Ordinary loss	(550,906)	(91,498)
Extraordinary income		
Gain on sale of non-current assets	3,144	894
Gain on sale of investment securities	569,372	-
Total extraordinary income	572,516	894
Extraordinary losses		
Loss on sale of non-current assets	2,033	11,127
Loss on retirement of non-current assets	1	201
Total extraordinary losses	2,035	11,329
Profit (loss) before income taxes	19,574	(101,933)
Income taxes - current	260,941	212,692
Income taxes - deferred	(134,936)	99,066
Total income taxes	126,005	311,758
Loss	(106,431)	(413,692)
Profit (loss) attributable to non-controlling interests	392,079	(93,455)
Loss attributable to owners of parent	(498,511)	(320,237)

(3) Consolidated Statement of Comprehensive Income

(Unit: Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Loss	(106,431)	(413,692)
Other comprehensive income		
Valuation difference on available-for-sale securities	(740,328)	91,744
Foreign currency translation adjustment	(482,421)	887,283
Remeasurements of defined benefit plans, net of tax	(12,365)	247,650
Total other comprehensive income	(1,235,114)	1,226,678
Comprehensive income	(1,341,546)	812,986
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,439,586)	525,716
Comprehensive income attributable to non-controlling interests	98,040	287,270

(4) Consolidated Statement of Cash Flows

(Unit: Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	19,574	(101,933)
Depreciation	1,978,608	2,006,071
Amortization of long-term prepaid expenses	38,083	38,083
Increase (decrease) in allowance for doubtful accounts	(1,899)	277
Increase (decrease) in provision for bonuses	46,299	(370,113)
Decrease (increase) in retirement benefit asset	(45,143)	(33,110)
Increase (decrease) in retirement benefit liability	63,566	(74,801)
Interest and dividend income	(152,784)	(172,955)
Interest expenses	149,490	179,335
Foreign exchange losses (gains)	449,949	22,469
Loss (gain) on sale of investment securities	(569,372)	-
Loss (gain) on sale of property, plant and equipment	(1,110)	10,233
Loss on retirement of property, plant and equipment	1	201
Decrease (increase) in trade receivables	(100,708)	(542,440)
Decrease (increase) in inventories	(867,271)	(2,413,638)
Increase (decrease) in trade payables	981,021	150,393
Other, net	(740)	418,784
Subtotal	1,987,565	(883,144)
Interest and dividends received	152,784	172,955
Interest paid	(149,922)	(172,070)
Income taxes refund (paid)	(253,820)	(638,158)
Net cash provided by (used in) operating activities	1,736,607	(1,520,417)
Cash flows from investing activities		
Decrease (increase) in time deposits	183,671	74,165
Purchase of property, plant and equipment	(6,377,508)	(721,197)
Proceeds from sale of property, plant and equipment	11,048	23,619
Purchase of intangible assets	(12,480)	(19,767)
Purchase of investment securities	(6,180)	(311,536)
Proceeds from sale of investment securities	645,194	-
Proceeds from collection of loans receivable	309	287
Subsidies received	-	232,893
Other, net	(340,077)	14,785
Net cash provided by (used in) investing activities	(5,896,024)	(706,750)

(Unit: Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,529,210	872,774
Proceeds from long-term borrowings	3,972,000	982,000
Repayments of long-term borrowings	(6,557,083)	(1,416,726)
Repayments of lease liabilities	(93,610)	(96,751)
Dividends paid	(450,307)	(443,002)
Dividends paid to non-controlling interests	(300,967)	(476,160)
Proceeds from sale of treasury shares	-	40
Purchase of treasury shares	(365)	(85)
Net cash provided by (used in) financing activities	98,876	(577,911)
Effect of exchange rate change on cash and cash equivalents	(639,841)	402,665
Net increase (decrease) in cash and cash equivalents	(4,700,381)	(2,402,413)
Cash and cash equivalents at beginning of period	24,355,138	18,502,435
Cash and cash equivalents at end of period	19,654,757	16,100,021

Segment Information

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

The first half ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(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	3,453,668	1,264,809	2,001,688	6,101,575	5,211,847	1,404,769	19,438,358	—	19,438,358
Intersegment sales or transfers	11,067,834	29,583	334	1,796,260	1,904,631	3,465,565	18,264,210	(18,264,210)	—
Total	14,521,503	1,294,392	2,002,023	7,897,835	7,116,478	4,870,334	37,702,569	(18,264,210)	19,438,358
Segment profit (loss)	(503,231)	35,799	41,502	(77,739)	867,649	6,085	370,065	73,891	443,957

Note1: The adjustment in segment profit (loss) of 73,891 thousand yen includes intersegment transactions eliminations of 5,510 thousand yen and other adjustments of 68,381 thousand yen.

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

The first half ended September 30, 2025 (April 1, 2025 to September 30, 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	3,805,792	1,361,622	2,041,234	6,346,966	4,673,552	1,361,898	19,591,066	—	19,591,066
Intersegment sales or transfers	11,278,403	14,765	1,170	1,741,877	2,195,956	3,256,066	18,488,239	(18,488,239)	—
Total	15,084,195	1,376,388	2,042,404	8,088,844	6,869,508	4,617,964	38,079,306	(18,488,239)	19,591,066
Segment profit (loss)	312,305	25,842	36,015	(45,970)	(17,908)	(184,455)	125,828	54,140	179,969

Note1: The adjustment in segment profit (loss) of 54,140 thousand yen includes intersegment transactions eliminations of 4,425 thousand yen and other adjustments of 49,715 thousand yen.

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