

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

DAISHINKU CORP.

Summary of Financial Results for the First Three Quarters Ended December 31, 2025

Tokyo, February 10, 2026 - Daishinku Corp. today announced its consolidated financial results for the first three quarters ended December 31, 2025.

1. Operating Results for the First Three Quarters Ended December 31, 2025 (April 1, 2025 to December 31, 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 %			
Nine months ended December 31, 2025	29,546 (0.0)	524 (29.1)	527 5.2	105 533.7
Nine months ended December 31, 2024	29,549 (0.5)	740 (50.2)	501 (73.0)	16 (98.6)

Note: Comprehensive income: Nine months ended December 31, 2025; 3,163 Yen-million, Nine months ended December 31, 2024; 1,751 Yen-million

	Net income per share	Net income per share after adjustment with potential shares
	Yen	Yen
Nine months ended December 31, 2025	3.32	-
Nine months ended December 31, 2024	0.52	-

(2) Consolidated financial status

	Total assets	Net assets	Stockholders' equity ratio
	Millions of Yen	Millions of Yen	%
Nine months ended December 31, 2025	94,765	47,230	40.3
Year ended March 31, 2025	89,890	45,219	41.2

ref. Stockholders' equity: As of December 31, 2025; 38,205 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

Note: Revision of dividend forecast for during this period: None

3. Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to 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 %	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: None

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 December 31, 2025 : 32,138,881 shares	As of March 31, 2025 : 32,138,881 shares
2. Number of treasury stock	
As of December 31, 2025 : 334,827 shares	As of March 31, 2025 : 362,270 shares
3. Average number of shares during the period	
April-December 2025 : 31,795,056 shares	April-December 2024 : 32,277,152 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 Three Quarters Ended Dec. 31, 2025

In the global economy, during the first three quarters of the current fiscal year (April 1, 2025 to December 31, 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, although signs of recovery were observed in capital investment, the economic recovery slowed down due to continued sluggish personal consumption. In China, the economy decelerated as stagnation in domestic demand and deflationary pressure continued, and exports also showed a decelerating trend. 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, the automotive market performed steadily, and the industrial market showed a recovery trend despite remaining weak. On the other hand, in the telecommunications market, price competition for certain products continued, and additionally, the consumer market performed sluggishly during the third quarter. As a result, net sales amounted to 29,546 million yen (net sales of 29,549 million yen in the same period of the previous year). With regard to profits, the negative impact on earnings at our Taiwan subsidiary due to the sharp rise of the New Taiwan dollar against the US dollar that occurred in the first quarter was significant, resulting in an operating profit of 524 million yen (down 29.1% year on year). In addition, with the recognition of foreign exchange gains of 104 million yen in non-operating income, ordinary profit was 527 million yen (up 5.2% year on year), and the profit attributable to owners of parent was 105 million yen (up 533.7% year on year).

Operating results by segment are as follows.

(Japan)

In Japan, net sales were 5,678 million yen, an increase of 312 million yen, or up 5.8% year on year, mainly due to higher net sales in the automotive and industrial markets. Its segment profit was 604 million yen, an increase of 1,277 million yen from the same period of the previous year (segment loss of 673 million yen in the same period of the previous year).

(North America)

In North America, net sales were 1,980 million yen, an increase of 138 million yen, or up 7.5% year on year, mainly due to higher net sales in the industrial market. Its segment profit was 53 million yen, an increase of 9 million yen or up 20.5% year on year.

(Europe)

In Europe, net sales were 3,049 million yen, an increase of 171 million yen, or up 6.0% year on year mainly due to higher net sales in the automotive market. Its segment profit was 46 million yen, an increase of 7 million yen, or up 18.6% year on year.

(China)

In China, net sales were 9,670 million yen, an increase of 58 million yen, or up 0.6% year on year, mainly due to higher net sales in the consumer and automotive markets. However, due to the impact of reduced operations, its segment loss was 57 million yen, a decrease of 38 million yen from the same period of the previous year (segment loss of 19 million yen in the same period of the previous year).

(Taiwan)

In Taiwan, net sales were 7,111 million yen, a decrease of 572 million yen, or down 7.5% 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 126 million yen, a decrease of 1,177 million yen from the same period of the previous year, or down 90.3% year on year.

(Asia)

In other Asia, net sales were 2,055 million yen, a decrease of 111 million yen, or down 5.2% year on year, mainly due to lower net sales in the consumer and industrial markets. Its segment loss was 245 million yen, a decrease of 271 million yen from the same period of the previous year (segment profit of 26 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	Nine months ended December 31, 2025
Assets		
Current assets		
Cash and deposits	18,707,732	16,678,926
Notes and accounts receivable - trade, and contract assets	9,070,680	10,119,705
Merchandise and finished goods	5,180,147	5,512,132
Work in process	6,353,313	7,222,244
Raw materials and supplies	6,492,699	10,392,822
Other	3,141,882	2,559,863
Allowance for doubtful accounts	(12,081)	(13,699)
Total current assets	48,934,375	52,471,995
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,798,139	11,197,670
Machinery, equipment and vehicles, net	11,734,961	11,835,060
Tools, furniture and fixtures, net	1,247,794	1,419,253
Land	5,962,024	6,082,179
Leased assets, net	362,570	292,316
Construction in progress	5,787,115	4,829,006
Total property, plant and equipment	34,892,605	35,655,486
Intangible assets	990,070	836,433
Investments and other assets		
Investment securities	2,759,028	3,484,293
Long-term loans receivable	899	934
Retirement benefit asset	1,461,200	1,467,905
Deferred tax assets	531,987	535,226
Other	348,327	340,619
Allowance for doubtful accounts	(27,800)	(27,800)
Total investments and other assets	5,073,644	5,801,179
Total non-current assets	40,956,320	42,293,099
Total assets	89,890,695	94,765,094

(Unit: Thousands of yen)

	Year ended March 31, 2025	Nine months ended December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,378,663	4,199,958
Short-term borrowings	8,455,985	13,515,648
Current portion of long-term borrowings	8,485,282	8,112,053
Lease liabilities	116,168	97,806
Accounts payable - other	2,056,325	2,006,865
Income taxes payable	473,468	155,320
Contract liabilities	330	474
Provision for bonuses	710,743	432,267
Other	1,197,570	1,561,654
Total current liabilities	24,874,535	30,082,049
Non-current liabilities		
Long-term borrowings	16,335,798	13,779,807
Lease liabilities	254,074	206,771
Deferred tax liabilities	1,809,276	2,081,818
Retirement benefit liability	1,150,031	1,140,753
Asset retirement obligations	27,518	22,972
Other	219,466	219,987
Total non-current liabilities	19,796,165	17,452,110
Total liabilities	44,670,701	47,534,160
Net assets		
Shareholders' equity		
Share capital	19,344,883	19,344,883
Capital surplus	5,795,140	5,803,232
Retained earnings	6,185,572	5,386,942
Treasury shares	(182,714)	(168,907)
Total shareholders' equity	31,142,881	30,366,150
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	502,670	660,235
Foreign currency translation adjustment	4,733,023	6,546,578
Remeasurements of defined benefit plans	676,331	632,818
Total accumulated other comprehensive income	5,912,025	7,839,632
Non-controlling interests	8,165,086	9,025,151
Total net assets	45,219,993	47,230,934
Total liabilities and net assets	89,890,695	94,765,094

(2) Consolidated Statements of Income

(Unit: Thousands of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	29,549,671	29,546,268
Cost of sales	22,524,103	22,974,758
Gross profit	7,025,567	6,571,510
Selling, general and administrative expenses	6,285,350	6,046,869
Operating profit	740,217	524,640
Non-operating income		
Interest income	173,729	192,205
Dividend income	61,541	50,602
Foreign exchange gains	13,987	104,513
Other	117,318	185,666
Total non-operating income	366,576	532,988
Non-operating expenses		
Interest expenses	226,822	276,306
Compensation expenses	13,073	177,228
Other	365,227	76,541
Total non-operating expenses	605,123	530,076
Ordinary profit	501,671	527,552
Extraordinary income		
Gain on sale of non-current assets	6,149	1,665
Gain on sale of investment securities	569,372	—
Gain on reversal of impairment loss	—	1,340
Total extraordinary income	575,521	3,005
Extraordinary losses		
Loss on sale of non-current assets	2,345	11,127
Loss on retirement of non-current assets	181	925
Impairment losses	60,567	—
Total extraordinary losses	63,095	12,053
Profit before income taxes	1,014,097	518,504
Income taxes - current	398,841	296,789
Income taxes - deferred	39,095	119,244
Total income taxes	437,937	416,034
Profit	576,160	102,470
Profit (loss) attributable to non-controlling interests	559,508	(3,054)
Profit attributable to owners of parent	16,651	105,524

(3) Consolidated Statement of Comprehensive Income

(Unit: Thousands of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	576,160	102,470
Other comprehensive income		
Valuation difference on available-for-sale securities	(558,323)	115,209
Foreign currency translation adjustment	1,768,461	2,712,611
Remeasurements of defined benefit plans, net of tax	(35,156)	233,272
Total other comprehensive income	1,174,981	3,061,093
Comprehensive income	<u>1,751,141</u>	<u>3,163,564</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	454,657	2,308,296
Comprehensive income attributable to non-controlling interests	1,296,484	855,267

Segment Information

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

The first three quarters ended December 31, 2024 (April 1, 2024 to December 31, 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	5,366,730	1,841,176	2,877,536	9,612,685	7,684,272	2,167,269	29,549,671	—	29,549,671
Intersegment sales or transfers	16,855,518	44,408	3,039	2,641,948	2,927,914	5,282,024	27,754,852	(27,754,852)	—
Total	22,222,249	1,885,585	2,880,576	12,254,633	10,612,186	7,449,293	57,304,524	(27,754,852)	29,549,671
Segment profit (loss)	(673,267)	44,033	38,863	(19,335)	1,304,560	26,194	721,048	19,168	740,217

Note1: The adjustment in segment profit (loss) of 19,168 thousand yen includes intersegment transactions eliminations of 7,782 thousand yen and other adjustments of 11,386 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 three quarters ended December 31, 2025 (April 1, 2025 to December 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	5,678,906	1,980,128	3,049,354	9,670,993	7,111,503	2,055,383	29,546,268	—	29,546,268
Intersegment sales or transfers	17,336,692	39,390	5,045	2,588,759	3,503,963	5,163,245	28,637,097	(28,637,097)	—
Total	23,015,598	2,019,518	3,054,399	12,259,752	10,615,467	7,218,629	58,183,365	(28,637,097)	29,546,268
Segment profit (loss)	604,029	53,065	46,110	(57,752)	126,602	(245,187)	526,866	(2,226)	524,640

Note1: The adjustment in segment profit (loss) of (2,226) thousand yen includes intersegment transactions eliminations of 7,329 thousand yen and other adjustments of (9,556) 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