



First Half Results for the Fiscal Year Ending March 31, 2026

November 19, 2025
DKK Co., Ltd.

Today's Highlights



1H results

- ✓ In Telecommunication, Mobile Communications saw steady growth along with Defense
- ✓ Radio Frequency, while affected by curbs on production and capital spending in the auto-related sectors, advanced efforts to stimulate demand for maintenance services
- ✓ As a result, both sales and profits increased

Forecasts

- ✓ FY3/26 forecasts remain unchanged
- ✓ As current orders move into the execution phase, we need to reinforce our order execution structure while securing new orders for the next fiscal year

Progress of Medium-Term Business Plan

- ✓ The DKK-Plan2028 is progressing smoothly
- ✓ The Monitoring Meeting was newly established
- ✓ Radio Frequency promoted efforts to stimulate demand for maintenance services and expanded its approach to other industries

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1. 2Q FY3/2026 Consolidated Results

1-1. 2Q Consolidated Result Highlights

- Net sales increased by 13.8% YoY.
- Operating profitability was restored, driven by the impact of increased sales and profit margin improvement measures we have been implementing since the previous year.

(Millions of yen)	FY3/25 1H results	FY3/26 1H results	Increase/ decrease	YoY change
Net sales	13,108	14,914	1,806	13.8%
Operating income	-529	11	541	-
Ordinary income	-533	-61	472	-
Net income attributable to shareholders of parent company	-454	143	597	-

1-2. Net Sales and Operating Income

- Telecommunication enjoyed increased sales and profits, driven by steady growth in Mobile Communications along with Defense.
- Radio Frequency, while affected by curbs on production and capital spending in the auto-related sectors, secured increased sales during the 1H by executing orders and stimulating demand for maintenance services.

(Millions of yen)	FY3/25 1H results	FY3/26 1H results	Increase/ decrease	YoY change
Net sales	13,108	14,914	1,806	13.8%
Telecommunication	8,116	9,793	1,677	20.7%
Radio Frequency	4,934	5,062	127	2.6%
Operating income	-529	11	541	-
Operating margin ratio	-4.0%	0.1%	-	-
Telecommunication	-43	796	840	-
Radio Frequency	724	613	-110	-15.2%

*The operating incomes for Telecommunication and Radio Frequency are provided by segment.

1-3. Results by Segment - Telecommunication -

Net sales by segment

(Millions of yen)	FY3/25 1H results	FY3/26 1H results	Increase/decrease YoY change	
Mobile Communications	1,920	2,875	955 49.7%	In addition to increased demand for antennas and steel towers driven by capital spending to improve communication quality, we also secured maintenance-related orders.
Fixed Wireless	1,340	1,166	-174 -13.0%	With our emergency disaster prevention and mitigation bonds set to mature in FY3/26, we actively captured demand and ensured proper construction.
Defense	1,128	1,849	721 63.9%	The increased defense budget supported strong demand. We actively captured demand for equipment and defense facilities.
Broadcasting	1,158	1,287	128 11.1%	Demand for updating digital broadcasting facilities among broadcasters remained sluggish. However, we captured demand for maintenance services.
Solutions	152	125	-27 -17.9%	We built a track record in solutions such as human flow and traffic analysis, using AI image and wireless communication technologies.
Others	2,415	2,489	73 3.1%	We continued to secure demand for surface treatment of steel structures and LED aviation obstruction lights.

Under the Medium-Term Business Plan “DKK-Plan2028,” we redefined our business portfolio based on two evaluation axes: “market growth potential & attractiveness” and “business profitability.”

The nine segments were then classified into the following three groups, with tailored strategies implemented for each to enhance profitability.

■ Growth business group ■ Restructured business group ■ Introduction-phase business group

1-3. Results by Segment - Radio Frequency -

Net sales by segment

(Millions of yen)	FY3/25 1H results	FY3/26 1H results	Increase/decrease YoY change	
Induction Heating Equipment	3,488	3,517	29 0.8%	In addition to steadily executing orders received in the previous fiscal year, we actively stimulated demand for maintenance of existing facilities.
Contract Heat Treating Service	1,455	1,542	87 6.0%	In Japan, business progressed steadily at the same level as the previous fiscal year. We secured demand through the full-scale operation of our subsidiary in Mexico.
New Radio Frequency Areas	0	1	1 -	A paid prototyping service was expanded to generate demand for the use of superheated steam equipment in food and waste processing.

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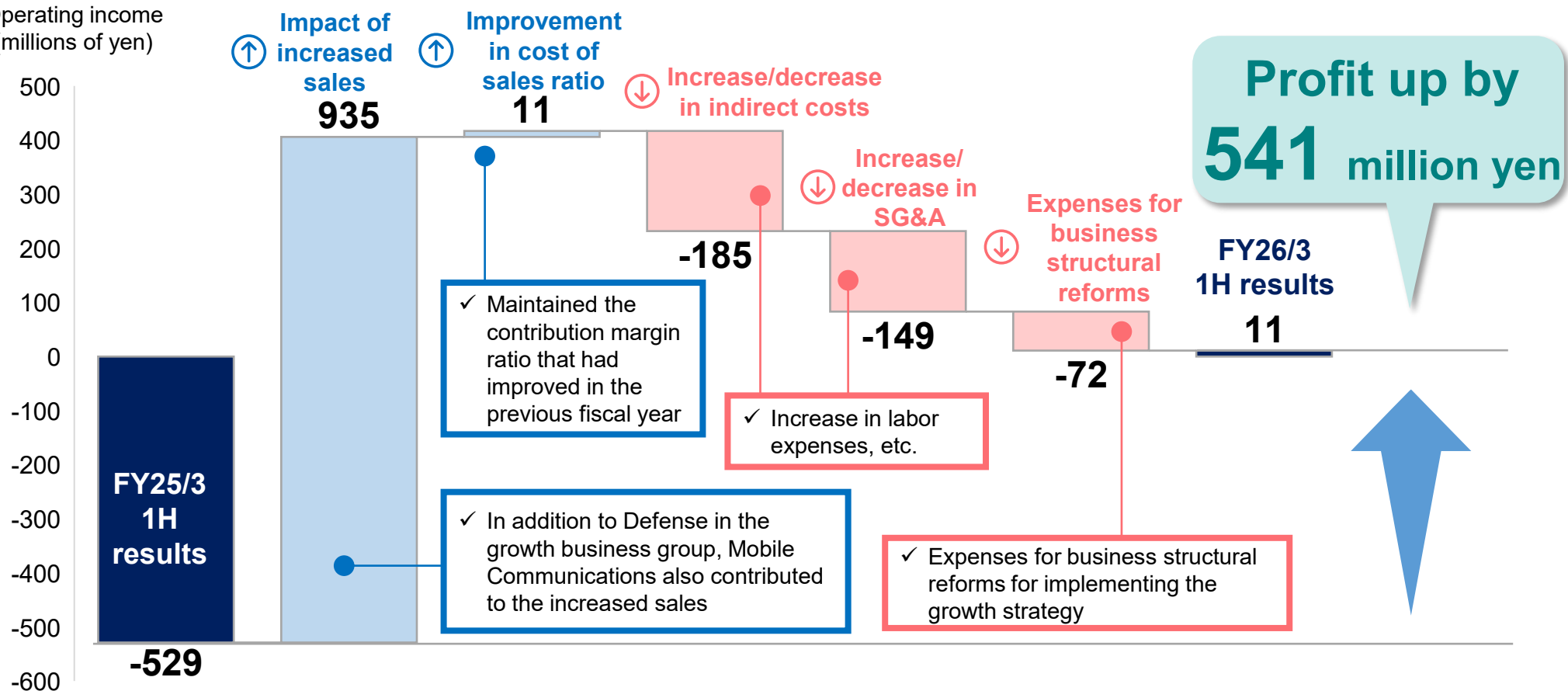
■ Growth business group ■ Restructured business group ■ Introduction-phase business group

1-4. Initiatives to Improve Profits

Improvements in operating income

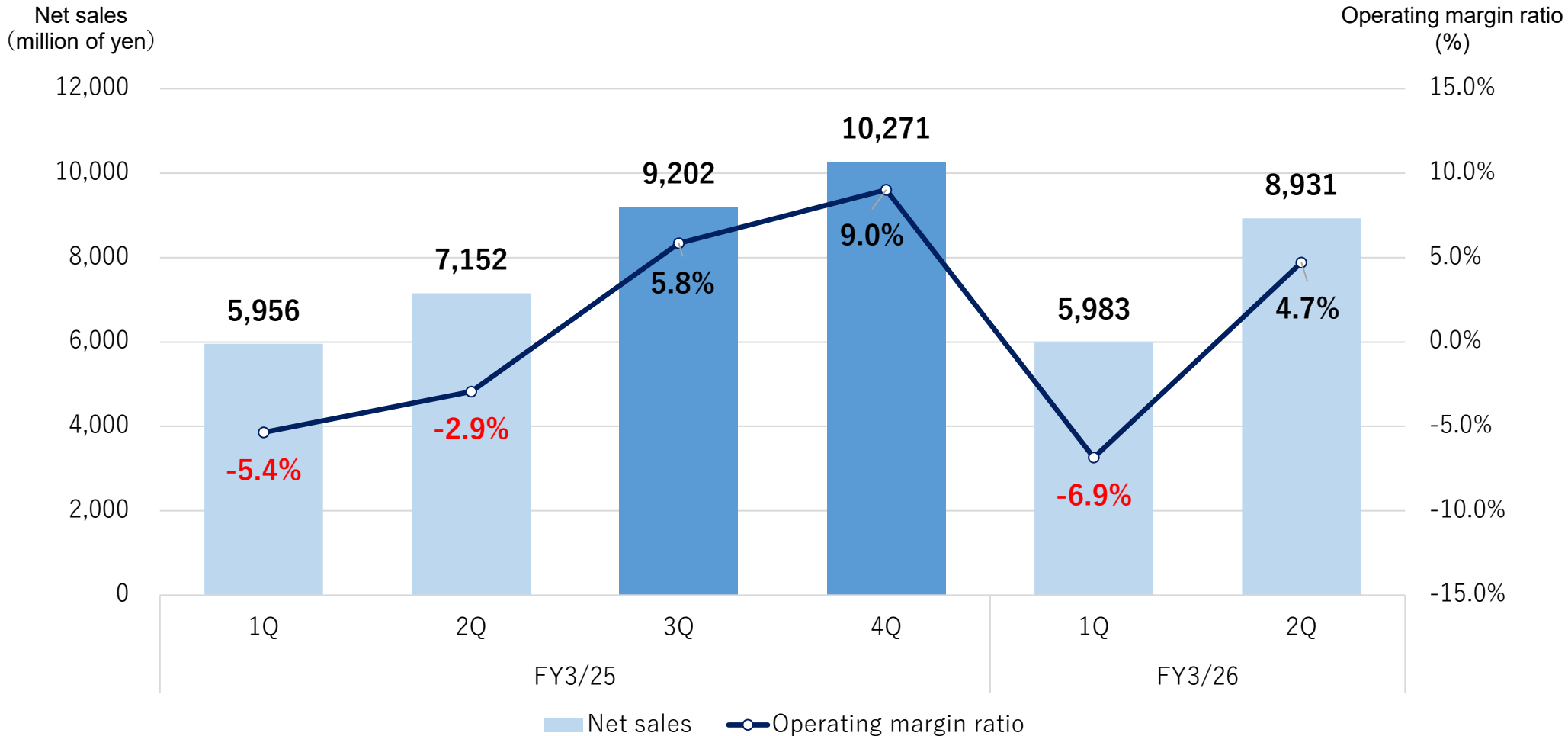
- In addition to profit growth driven by increased sales, the contribution margin ratio remained at the same level as the previous fiscal year.
- Higher fixed costs, including increased labor expenses, were absorbed, leading to a return to operating profitability in the 1H.

Operating income
(millions of yen)



1-5. Quarterly Performance Trends

- In FY3/26 as well, sales and profits are expected to remain concentrated in the 4Q.
- We are steadily executing orders received and advancing cost-reduction initiatives to secure profitability.



2. FY3/2026 Forecasts for Consolidated Results

2-1. Forecasts for Consolidated Results

- With orders and performance continuing to grow steadily, the full-year forecasts remain unchanged from the initial projection.

(Millions of yen)	FY3/25 Full-year results	FY3/26 Full-year forecasts	Increase/ decrease	YoY change
Net sales	32,582	33,000	418	1.3%
Operating income	935	700	-235	-25.2%
Ordinary income	1,024	800	-224	-21.9%
Net income attributable to shareholders of parent company	777	600	-177	-22.8%
ROE (%)	2.1	1.6%	-	-

2-2. Net Sales and Operating Income Forecasts

- Telecommunication is expected to enjoy increased sales and profits, driven by steady performance in Mobile Communications, as well as in Fixed Wireless and Defense.
- Radio Frequency is expected to see declines in both sales and profits due to the impact of curbs on capital spending in the auto-related sectors.

(Millions of yen)	FY3/25 Full-year results	FY3/26 Full-year forecasts	Increase/ decrease	YoY change
Net sales	32,582	33,000	418	1.3%
Telecommunication	22,067	23,600	1,532	6.9%
Radio Frequency	10,411	9,300	-1,111	-10.7%
Operating income	935	700	-235	-25.2%
Operating margin ratio	2.9%	2.1%	-	-
Telecommunication	1,917	2,350	432	22.5%
Radio Frequency	1,743	1,150	-593	-34.0%

*The operating incomes for Telecommunication and Radio Frequency are provided by segment.

2-3. Order status

- In FY3/26 as well, Telecommunication continued to accumulate orders, primarily in Defense and Fixed Wireless, resulting in a significant increase in the order backlog.
- In Radio Frequency, the order backlog declined due to weak capital spending demand toward the end of the previous fiscal year.

	FY3/25	FY3/26 1H				(Ref.)	
	Order backlog	Orders received	Net sales	Order backlog	Increase/decrease	FY3/25 1H	
(Millions of yen)	(1)	(2)	(3)	(4) = (1)+(2)-(3)	(4)-(1)	Orders received	Order backlog
Tele-communication	14,552	13,850	9,793	18,608	4,056	12,258	15,606
Radio Frequency	3,097	4,795	5,062	2,831	-266	4,571	3,525
Total	17,650	18,645	14,914	21,440	3,789	16,830	19,132

*The total net sales for FY3/26 include the net sales of 58 million yen for the "Others" segment.

2-4. Forecasts by Segment - Telecommunication -

Net sales by segment

(Millions of yen)	FY3/25 Full-year results	FY3/26 Full-year forecasts	Increase/decrease YoY change	
Mobile Communications	5,971	6,600	628 10.5%	In addition to demand for antennas and steel towers, sales are expected to increase YoY in the 2H through the expansion of wireless equipment sales.
Fixed Wireless	4,358	4,800	441 10.1%	We ensure proper construction of administrative radio systems for disaster prevention use and expect to achieve planned outcomes.
Defense	2,818	3,900	1,081 38.4%	In addition to steadily executing existing orders, we continue to capture demand driven by increased defense budgets anticipating future performance improvement.
Broadcasting	3,270	2,900	-370 -11.3%	We will continue to capture demand from broadcasters for maintenance of digital broadcasting facilities.
Solutions	482	500	17 3.7%	We will continue to expand sales of established solutions, including human flow and traffic analysis.
Others	5,165	4,900	-265 -5.1%	We will work to capture further demand for surface treatment with the full-scale operation of zinc phosphate treatment equipment.

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2-4. Forecasts by Segment - Radio Frequency -

Net sales by segment

(Millions of yen)	FY3/25 Full-year results	FY3/26 Full-year forecasts	Increase/decrease YoY change	
Induction Heating Equipment	7,336	6,400	-936 -12.8%	Due to intensified competition from stagnant capital spending demand, sales are expected to decline YoY. In addition to existing areas, we will expand demand for maintenance services and pursue entry into non-automobile sectors.
Contract Heat Treating Service	3,065	2,800	-265 -8.7%	We will secure automobile production demand and work to improve productivity.
New Radio Frequency Areas	9	100	90 1001.5%	We will leverage our data and expertise in superheated steam equipment to generate new demand.

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2-5. Policy on Shareholder Returns

Status of share buybacks

- We completed share buybacks in September, acquiring a total of 479,300 shares for 999,819,300 yen.
- In line with our treasury shares cancellation policy, we decided to cancel 1 million treasury shares.

[News release on September 5, 2025 “Notice Concerning Completion and Progress of Repurchase of Treasury Shares”](#)

[News release on November 14, 2025 “Notice Regarding Cancellation of Treasury Shares and Reversal of General Reserve”](#)

Dividend per share

▶▶ The FY3/26 dividend remains unchanged from the prior announcement

(yen)	FY24/3	FY25/3	FY26/3 (forecasts)
Annual total	60	80	80
Mid-term	30	30	40
End of term	30	50	40

Policy on shareholder returns

- Deliver over 10 billion yen in total of shareholder returns from FY3/23 through FY3/27.
- Set a minimum **DOE** of approximately **2.0%**, in addition to the payout ratio of 40%.
- Purchase treasury stock to improve the capital efficiency and enhance the shareholder returns, in addition to delivering dividends.

※ The minimum DOE (consolidated dividend on equity) was raised to 2.0% from 1.5% in May 2025.

3. Progress of Our Medium-Term Business Plan “DKK-Plan2028”

3-1. Positioning of the DKK-Plan2028

Our Medium-Term Business Plan “DKK-Plan2028” announced in May 2025

Positioned as the second step toward realizing
our medium- to long-term vision for FY3/31;
establish a profit-generating structure and achieve growth



3-2. DKK-Plan2028 Policy

DKK-Plan2028 numerical targets and initiatives

DKK-Plan2028 Numerical Targets (FY3/28)

Basic Policy

Realizing growth by establishing a profit-generating structure

Operating income

2.0 billion yen

ROE **5.0%**

Priority Measures

1

Business structural reforms

- Enhancing business portfolio
- Promoting initiatives to improve profitability
- Sophistication of Business Management

2

Optimizing management resources

- Cultivating human resources who can “think and act for themselves” and optimally allocating them in line with business strategies
- Selection and consolidation of R&D
- Asset utilization through asset-light management & optimal capital allocation

3

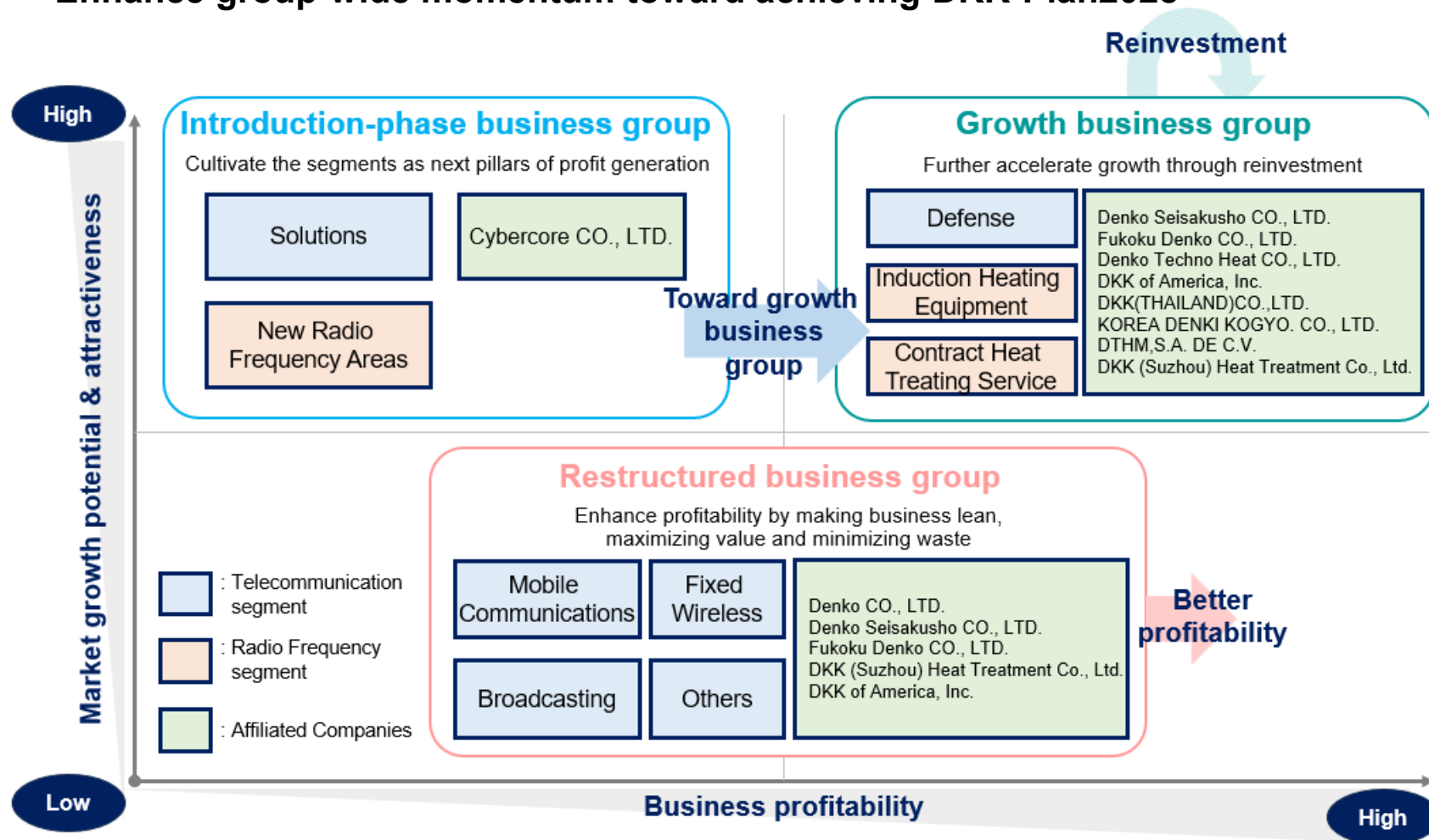
Advancing sustainability management

- Contributing to society through business
- Establishing sustainable supply chains
- Addressing to climate change

3-3. Business structural reforms (i)

Enhancing business portfolio

- Further strengthen our group governance centered on the redefined business portfolio
- Enhance group-wide momentum toward achieving DKK-Plan2028



3-3. Business structural reforms (ii)

Promoting initiatives for better profitability

- Implement measures in each business group
- Start from priority business groups and segments

DKK-Plan2028 FY3/26

1H initiatives

Growth business

- Formulate a Radio Frequency segment strategy aligned with market conditions
- Visualize costs and set proper prices that reflect actual conditions
- Develop markets beyond the automobile sector

Restructured business

- Enhance sales capabilities and secure more orders
- Build a production system adaptable to demand fluctuations
- Implement concrete measures to improve profitability of group companies

Introduction phase business

- Strengthen PR efforts and raise business visibility
- Develop AI solution packages
- Improve responsiveness of our technologies and sales to customer needs

3-3. Business structural reforms (iii)

Growth business group

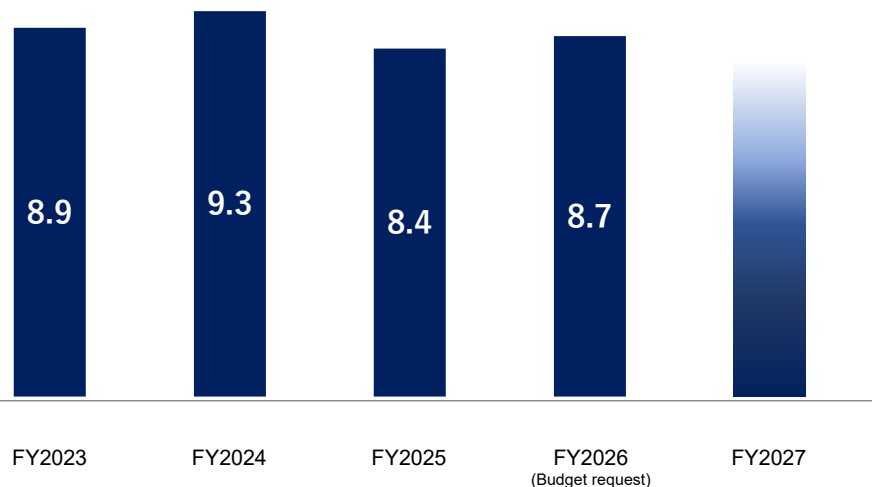
Defense

Defense budget (contract basis)

(Unit: Trillions of yen)

Total project cost: **43.5 trillion yen** over five years from FY2023

Of which, the budget for segments relevant to our group is approximately **10 trillion yen** over five years



Source: Prepared by DKK based on "Progress and Budget in Fundamental Reinforcement of Defense Capabilities—Overview of FY2026 Budget Request" (published August 29, 2025)

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Acquisition of key projects and development of execution structures

Strength

Technological capabilities in defense equipment and extensive know-how gained through past construction projects

1

Manufacturing and delivery of defense equipment

- Advanced expertise in antenna technology
- Long-standing collaboration with customers from development to delivery



Photo: the Japan Ground Self-Defense Force website

Achieve continuous order acquisition

2

Design consulting, construction, and maintenance of defense-related facilities

Acquisition of key projects and development of execution structures



Orders received
(1H FY3/26)

2.5 billion yen Up 63% YoY

3-3. Business structural reforms (iv)

Growth business group

Induction Heating Equipment

Contract Heat Treating Service

Segment strategy reform

Market

A temporary curb on capital spending due to U.S. tariff policy

Shift to a market-aligned segment strategy



Review target markets, products, and services



Expand into non-automobile sectors



Redefine sales KPIs

* Maintenance sales ratio within the Induction Heating Equipment segment

**Maintenance
sales ratio**
(1H FY3/26)

Up 8.1% YoY

Launch of profit improvement project

- Implement initiatives to improve profitability at Denko Techno Heat CO., LTD., our domestic group company engaged in contract heat treating service
- Aim for sustainable business operations and appropriate profit levels

Profit improvement project

Key goals

- Adjust pricing to reflect actual costs
- Improve efficiency by reviewing production processes

Establishment of a competitive production base via overseas locations

- Start manufacturing coils and oscillators at DKK (Suzhou) Heat Treatment Co., Ltd.
- Promote Asia-wide collaboration in production and procurement to maximize group profits



3-3. Business structural reforms (v)

Restructured business group

Mobile Communications

Fixed Wireless

Broadcasting

Others

Developing high value-added products and capturing demand

■ Mobile Communications

- Completed development of wireless equipment for 5G deployment in lower frequency bands (“platinum bands”) (see p.33)
- Secured demand for steel towers in addition to antennas

■ Fixed Wireless

- Secure orders related to demand from the emergency disaster prevention and mitigation bonds with a focus on profitability
- Secure resources and improve operation rates by leveling processes
- Continue to see demand for the renewal of regional satellite communication networks

Maximization of profit-generating capability in the surface treatment business

- Maximize profit-generating capability in the surface treatment business of Denko CO., LTD., a domestic group company
- Attract new customers through the new zinc phosphate treatment equipment that began operation in July 2025

Largest in Kanto region

Environmentally friendly

Surface treatment total service



Zinc phosphate treatment equipment

Restructured business group
Contribution margin ratio
(1H FY3/26)

Up **1.5%** YoY

Future initiatives

- Optimize production systems
- Strengthen proposal-based sales to new customers
- Pursue strategic order acquisition

3-3. Business structural reforms (vi)

Introduction-phase business group

Solutions

New Radio Frequency Areas

Accumulating and packaging achievements for horizontal deployment

- Our group launched the solutions business in April 2022 as a new business area at a full scale and has since promoted various initiatives
- In collaboration with our domestic group company Cybercore Co., Ltd., we have built a track record of diverse use cases and expertise
- We are now entering the phase of systematizing these achievements and deploying them as packaged solutions



Delivered human flow and traffic volume analysis solutions to more customers

New orders received in Fukushima, following Iwate and Kochi



Developed and launched a system that automatically generates evaluation profiles based on EQ (emotional intelligence quotient) test results provided by Japan Learning Co. Ltd.



Selected by the MIC for its Regional Community DX Promotion Package Project (AI Verification)



Our demonstration project using BehaveEye® to analyze customer behavior at duty-free shops in the Central Japan International Airport was adopted by Aichi Prefecture's digital innovation project



IT Solutions Department at DKK



Cybercore Co., Ltd.

Strengthening PR efforts to raise business visibility

■ Solutions

Opened in
July 2025

New dedicated website



- Introduce use cases and proposals
- Achieve greater visibility of the business

* [DKK IT Solutions](#)

Greater recognition through media exposure

Human flow and traffic volume analysis solutions in Kochi

- “Jichitai Tsushin” newsletter Vol.68 (Sept. 2025 issue)
- BS TV Tokyo information documentary program “Future of Work: Co-creation of Humans and AI” (aired on Sept. 27, 2025) (See p.30)

Road deterioration detection solution in Iwate

- Featured on the Iwate Broadcasting news program (aired on Oct. 28, 2025)

■ New Radio Frequency Areas

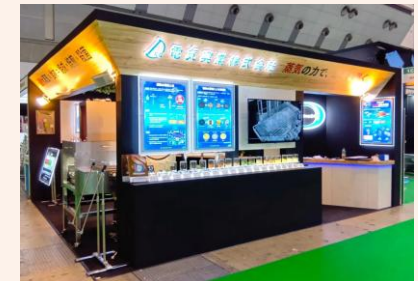
- Exhibited at **FOOMA JAPAN** for the first time (at Tokyo Big Sight, June 10–13, 2025)

(FOOMA JAPAN is one of the world's largest showcases for food machinery and related technologies, offering a firsthand experience of the forefront of food manufacturing)

Number of visitors to our booth

901 in 4 days

➡ **We will exhibit at FOOMA JAPAN 2026**



DKK booth at FOOMA JAPAN 2025

3-3. Business structural reforms (vii)

Sophistication of Business Management

- Newly established the Performance Monitoring Meeting in April 2025 to build a PDCA-based framework for improving profitability

Monitoring Meeting

Visualize performance and analyze/manage budget and cost variances

9 → 29

Subdivide segments

By location
By product
By construction project
By customer

Visualize costs from multiple angles

Visualize sales phases

Check

Action

Plan

Do

Improve

- Make early adjustments
- Review initiatives
- Enhance progress management

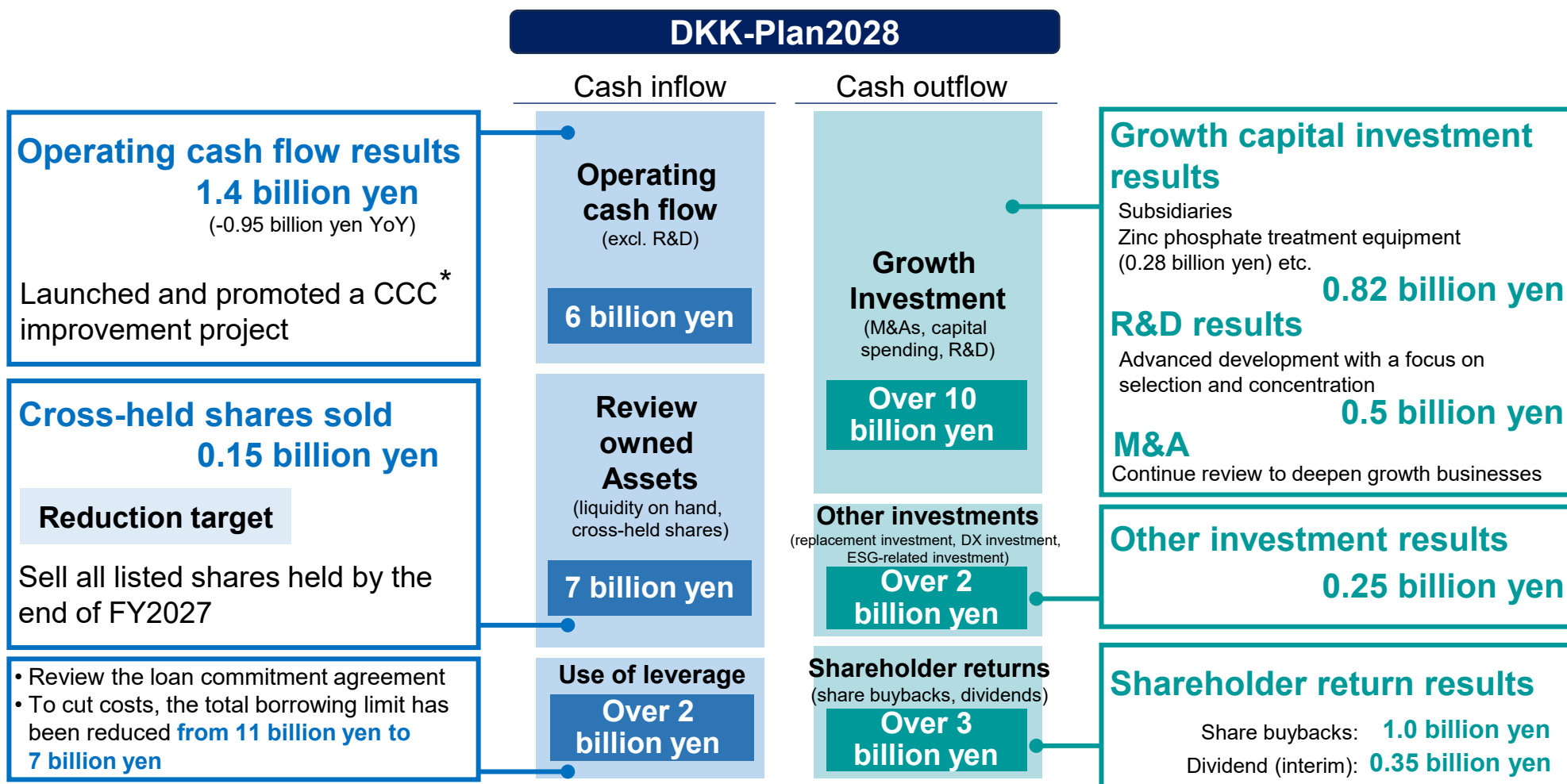
Promote

- Continue and accelerate
- Deploy across the group

3-4. Optimizing management resources (i)

Asset utilization through asset-light management & optimal capital allocation







- Allocate funds gained through operating cash flow and asset reviews to growth investments, reinforcing sustainable cash-flow generation



* Cash Conversion Cycle (CCC) is a metric that represents the number of days it takes for a company to recover cash it invested for procurement.

3-4. Optimizing management resources (ii)

■ Selection and consolidation of R&D

		Progress in 1H FY3/26	Medium- to long-term targets
01	 IT Solutions	Developed a road patrol inspection system using drive recorders based on the StreetEye®* technology	Evolve into data business through big data accumulation and analysis technologies
02	 Wireless Power Transfer	Promoted research on 5.7/24 GHz wireless power transfer (WPT) (see p.34)	Realize integrated radio base stations supporting both Beyond 5G/6G communications and wireless power transfer
03	 Defense	Developed equipment for enhanced functionality	Further expand advanced antenna system application areas
04	 Induction Heating Equipment / New Radio Frequency Areas	Promoted development related to device energy saving, including reduced energy consumption	Improve durability Continuously advance energy- and labor-saving technologies
05	 New Radio Frequency Areas	Commercialized deodorization equipment and produced demonstration units (see p.35)	Expand application areas for radio frequency induction heating technology
06	 Beyond5G/6G, ITS	Continued R&D for practical 6G applications in the sub-terahertz band	Develop “ultra-high-speed,” “wideband” and “low-latency” wireless devices

* StreetEye®: A road deterioration detection solution developed by Cybercore Co., Ltd. A demonstration project for automatic road damage data collection using StreetEye® has been selected as a target project for Morioka City's digital technology demonstration program. (https://cybercore.co.jp/news_jp/2025/2253/)

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3-4. Optimizing management resources (iii)

Cultivating human resources who can “think and act for themselves” and optimally allocating them in line with business strategies

Human resources and skills required for business strategies

Factors that drive growth

Key 1H results



New personnel system fully implemented

Implement re-training

Qualifications obtained in line with career plans

84

Participants of tier-based training in this fiscal year

81

DX literacy training participants

33

16 in the last fiscal year, total 49

Promoted flexible work styles across the whole company

Strengthened recruitment of global human capital

Conducted engagement surveys

Human resource-based

- People who can sense stakeholders' needs and take action
- People who can proactively drive unconventional proposals and operational reforms
- People with a positive presence and influence

Organizational culture-based

- An organization promptly responsive to environmental changes
- An organization that supports and recognizes employees who embrace challenges
- An organization with openness and transparency

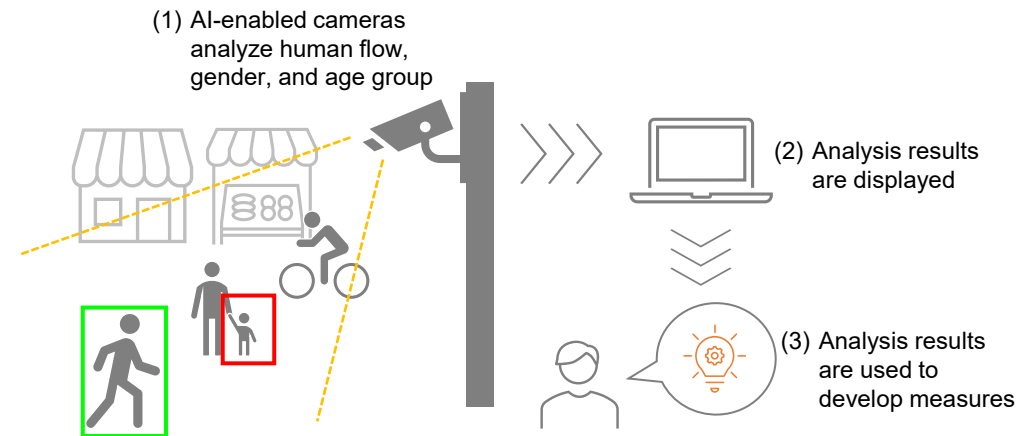
3-5. Advancing sustainability management (i)

Contributing to society through business

Human flow analysis through AI-enabled cameras on a shopping street in Kochi

- **Constantly measured and visualized human flow using AI-enabled cameras** on the shopping street in Kochi City, Kochi Prefecture
- Collected data on trends such as weekday morning commuter/student inflows and increases in younger visitors during events to **present it for examining specific actions such as adjusting business hours and sales promotions**

**Contributed to the revitalization
of the shopping street**



This initiative was featured in the following media:

- ◆ **BS TV Tokyo information documentary program “Future of Work: Co-creation of Humans and AI” (aired on September 27, 2025)**

Watch on the official BS TV Tokyo YouTube channel (video available until around the end of December 2025)

Broadcast version: <https://www.youtube.com/watch?v=s53NNzovds0>

Director's cut version: <https://www.youtube.com/watch?v=P-bqmevYnP4>

- ◆ **Local government-focused media “Jichitai Tsushin Online” and its print edition “Jichitai Tsushin” newsletter Vol.68 (September 2025 issue)**

Jichitai Tsushin Online: “Using human flow data from AI-enabled cameras to formulate revitalization plans of shopping streets”

https://www.jt-tsushin.jp/articles/case/jt68_denkikogyo

3-5. Advancing sustainability management (ii)

Establishing sustainable supply chains

Internal trainings on supply chains

Target	DKK, domestic group companies, and overseas group companies (dispatched employees such as managers)
1H initiatives	Provided e-learning on the importance of sustainability in the supply chains and the roles of each segment, accompanied by comprehension tests.
Future plans	Aggregate training results and continue follow-up to achieve a 100% participation rate and improve overall comprehension.

Supplier surveys

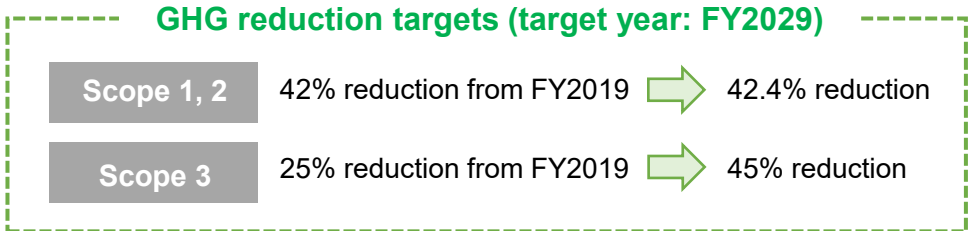
Target	DKK and domestic group companies
1H initiatives	Conducted a survey of major suppliers regarding our Sustainability Guidelines in the Supply Chains. (Response rate: 82.3%)
Future plans	Provide feedback, such as information sharing based on response analysis, and engage in dialogue with selected suppliers.

Addressing to climate change

Acquisition of SBT (Science Based Targets) certification



- **Acquired SBT certification*** from an international climate change initiative. Our Group's greenhouse gas (GHG) reduction targets have been certified as scientifically aligned with the levels set in the Paris Agreement.
- Our GHG **reduction targets have been revised to targets** consistent with the Paris Agreement.



[News release on October 30, 2025](#)
[“Notice Concerning Acquisition of SBT \(Science Based Targets\) Certification”](#)

※ SBT certification: A system in which companies set GHG emission reduction targets aligned with the Paris Agreement and are validated by the Science Based Targets initiative (SBTi). The Paris Agreement aims to hold the increase in global average temperatures well below 2° C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5° C above pre-industrial levels.

4. Topics

4-1. Expansion of Wireless Equipment Lineup

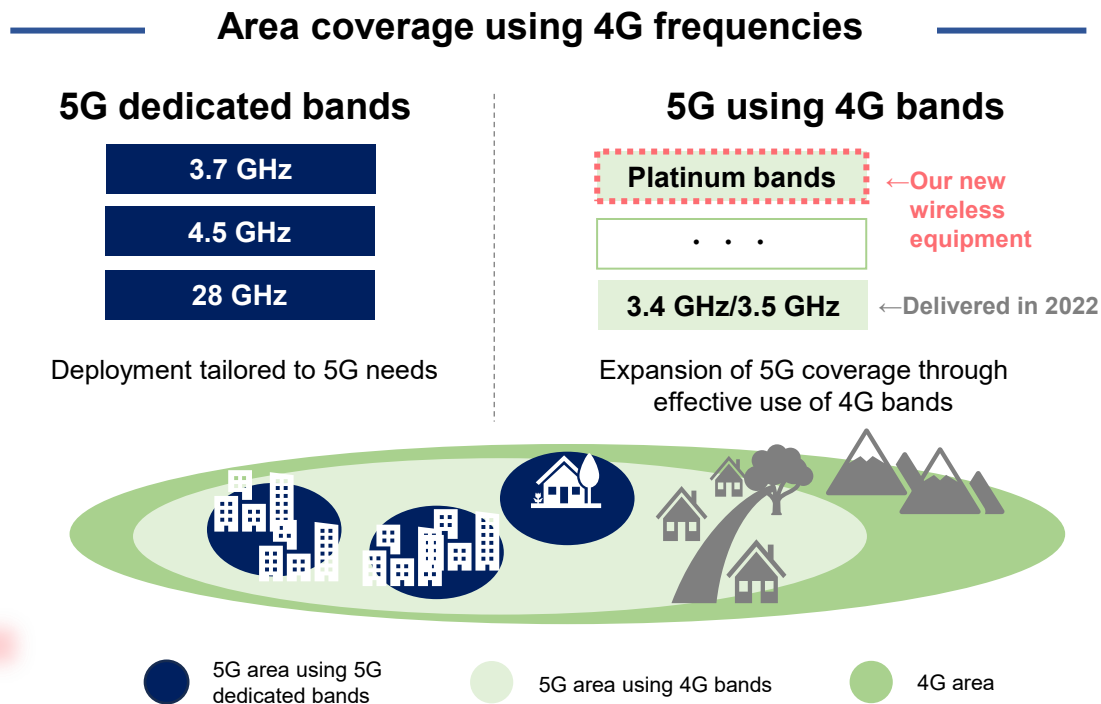
Completed development of wireless equipment for macrocell 5G commercial services

- Developed wireless equipment for 5G deployment in lower frequency “platinum bands,” following the 5G-compatible wireless equipment for the 3.4/3.5 GHz bands (delivered since 2022)
- Contributed to improved communication quality by expanding 5G coverage through efficient use of 4G frequencies

Features of the new wireless equipment

- **Enable wide-area 5G deployment by leveraging LTE band characteristics**
- Compact, lightweight design with low power consumption
- Compliant with O-RAN fronthaul interface specifications*

Generate demand for 5G in LTE bands



By integrating our antenna technology and wireless equipment development capabilities, we will continue to deliver products that meet diverse needs

* O-RAN fronthaul interface specifications:

4-2. Progress in WPT R&D

Our original research to commercialize the wireless power transfer (WPT) system

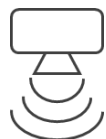
- The use of WPT systems in three frequency bands (920 MHz, 2.4 GHz, and 5.7 GHz) was institutionalized in 2022

R&D status

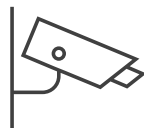
Development of equipment for 5.7 GHz band underway

- Promoted R&D for integrated use with our products
- Plan to obtain a commercial license in FY2025 and establish an in-house demonstration environment at the Kanuma Plant

Aim to launch sales for trial use in FY2026



Sensor devices

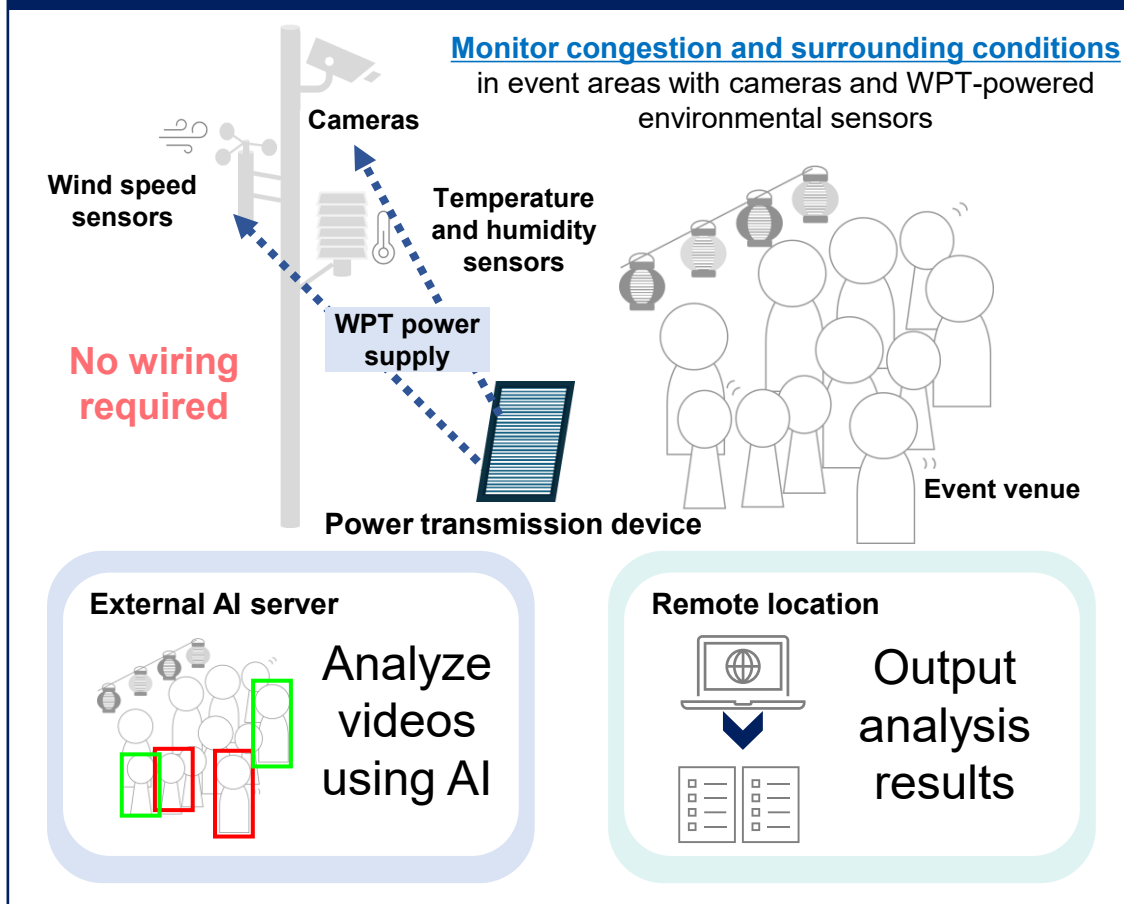


Compact cameras

Supply power to these devices

Use case example

—Camera-based human flow analysis and data collection using sensors—

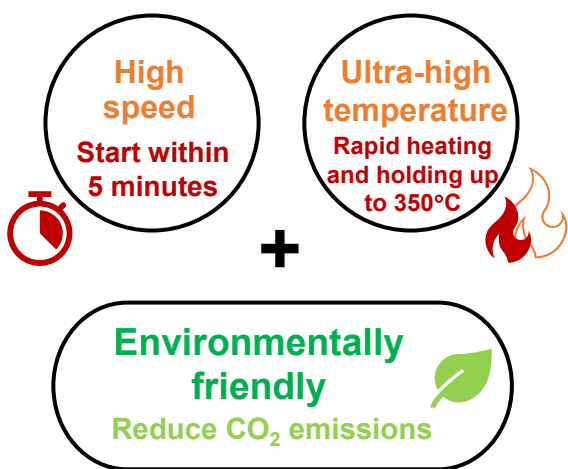


4-3. Development of Rapid-DEODORIZER™

Development of Rapid-DEODORIZER™ and launch of on-site demonstrations

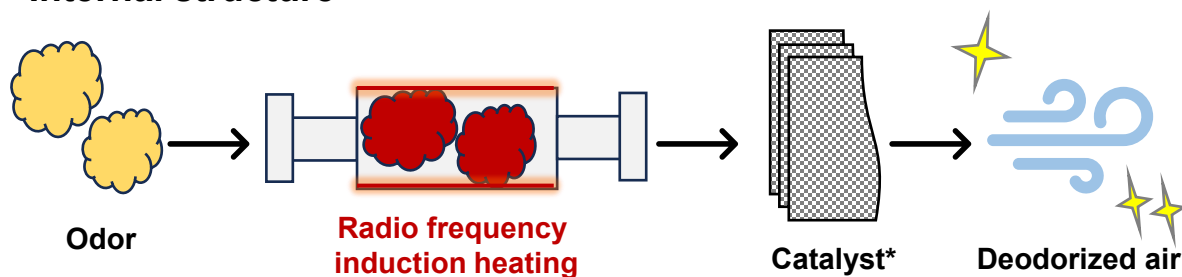
- Developed Rapid-DEODORIZER™ equipment for facilities such as food factories and waste disposal centers
- Launched on-site demonstration services at customers' factories and facilities

Rapid-DEODORIZER™ Features



Rapid-DEODORIZER™ (on-site demo unit)

<Internal structure>



* Catalyst (combustion catalyst): A filter that exhibits deodorizing effects when heated to around 200°C.

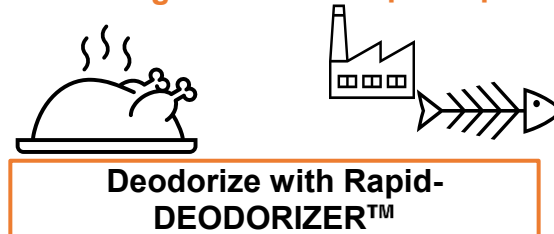
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Measurement of the deodorizer's effectiveness

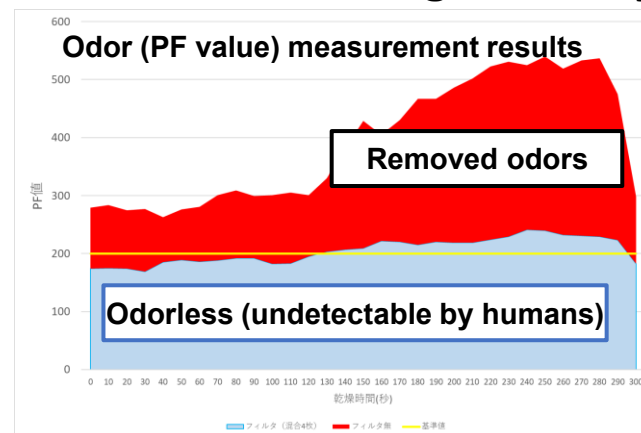
Conducted deodorization tests under various scenarios

Cooking

Waste disposal process



Odor reduced significantly



(Effects are calculated based on odor values measured by DKK) 35

4-4. 1H FY3/26 Topics

R&D, demonstration tests, new tech

- [DKK Selected by the MIC for Its Regional Community DX Promotion Package Project \(AI Verification\)](#)
- [DKK Starts Accepting Requests for On-Site Demo for Rapid-DEODORIZER™](#)
- [DKK Develops a Low-Loss, Energy-Saving Radio Frequency Oscillator](#)



Rapid-DEODORIZER™



TRSW radio frequency oscillator

Growth investment

- [Denko Starts Operation of Zinc Phosphate Treatment Equipment](#)

* Denko CO., LTD. is our group company.
Headquarters: Kawagoe City, Saitama Prefecture



Zinc phosphate treatment equipment

Sustainability

- [Review of Materiality](#)

* With the formulation of “DKK-Plan2028,” we reviewed our materiality.



- [Development of the Human Rights Roadmap](#)
- [Disclosure of “Sustainability Report 2025”](#)



Sustainability Report 2025

Others

- [DKK Celebrates Its 75th Anniversary on June 1, 2025](#)
- [DKK Relocates HQ Functions to Toyosu Office \(from Chiyoda-ku to Koto-ku\)](#)



Appendix

2Q FY3/26 Consolidated Results



(Millions of yen)	FY3/25 1H results	FY3/26 1H results	YoY change	
			Increase/ decrease	Increase/ decrease rate
Net sales	13,108	14,914	1,806	13.8%
Cost of sales	10,781	11,826	1,045	9.7%
Gross profit	2,326	3,087	760	32.7%
Selling, general, and administrative expenses	2,856	3,076	219	7.7%
Operating income	-529	11	541	-
Operating margin ratio	-4.0%	0.1%	-	-
Ordinary income	-533	-61	472	-
Ordinary income margin	-4.1%	-0.4%	-	-
Net income attributable to shareholders of parent company	-454	143	597	-

FY3/26 Forecasts for consolidated results

(Millions of yen)	FY3/25 Full-year results	FY3/26 Full-year forecasts (May 15, 2025)	FY3/26 Full-year forecasts (November 14, 2025)	YoY change		Percentage of May 15 forecast	
				Increase/ decrease	Increase/ decrease rate	Increase/ decrease	Increase/ decrease rate
Net sales	32,582	33,000	33,000	418	1.3%	0	0.0%
Telecommunication	22,067	23,400	23,600	1,532	6.9%	200	0.9%
Radio Frequency	10,411	9,500	9,300	-1,111	-10.7%	-200	-2.1%
Operating income	935	700	700	-235	-25.2%	0	0.0%
Operating margin ratio	2.9%	2.1%	2.1%	-	-	-	-
Telecommunication	1,917	2,300	2,350	432	22.5%	50	2.2%
Operating margin ratio	8.7%	9.8%	10.0%	-	-	-	-
Radio Frequency	1,743	1,200	1,150	-593	-34.0%	-50	-4.2%
Operating margin ratio	16.7%	12.6%	12.4%	-	-	-	-
Ordinary income	1,024	800	800	-224	-21.9%	0	0.0%
Ordinary income margin	3.1%	2.4%	2.4%	-	-	-	-
Net income attributable to shareholders of parent company	777	600	600	-177	-22.8%	0	0.0%
ROE (%)	2.1%	1.6%	1.6%	-	-	-	-

*The operating incomes for Telecommunication and Radio Frequency are provided by segment.

*Net sales of the "Others" segment omitted.

FY3/26 Forecasts by segment



(Millions of yen)	FY3/25 Full-year results	FY3/26 Full-year forecasts (May 15, 2025)	FY3/26 Full-year forecasts (November 14, 2025)	YoY change		Percentage of May 15 forecast	
				Increase/ decrease	Increase/ decrease rate	Increase/ decrease	Increase/ decrease rate
Net sales	32,582	33,000	33,000	418	1.3%	0	0.0%
Telecommunication	22,067	23,400	23,600	1,532	6.9%	200	0.9%
Mobile Communications	5,971	6,100	6,600	628	10.5%	500	8.2%
Fixed Wireless	4,358	4,800	4,800	441	10.1%	0	0.0%
Defense	2,818	3,900	3,900	1,081	38.4%	0	0.0%
Broadcasting	3,270	2,900	2,900	-370	-11.3%	0	0.0%
Solutions	482	600	500	17	3.7%	-100	-16.7%
Others	5,165	5,100	4,900	-265	-5.1%	-200	-3.9%
Radio Frequency	10,411	9,500	9,300	-1,111	-10.7%	-200	-2.1%
Induction Heating Equipment	7,336	6,600	6,400	-936	-12.8%	-200	-3.0%
Contract Heat Treating Service	3,065	2,800	2,800	-265	-8.7%	0	0.0%
New Radio Frequency Areas	9	100	100	90	1001.5%	0	0.0%



DKK Co., Ltd.

Figures included in this document that are related to descriptions, including plans and policies and not past facts, are forecasts regarding future earnings. They are all calculated based on management assumptions and views based on information grasped by the company at the time of writing.

Therefore, these forecasts include risks and uncertain factors, and actual results may differ from them due to a variety of factors.

Such potential risks and uncertain factors include changes in economic situations and product demand levels in major markets, fluctuations in the exchange rate, changes in regulations in Japan and overseas, and accounting standards and practices.

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