



Supplementary Briefing Materials on Annual Financial Results for the Third Quarter Fiscal Year Ending March 31, 2026

February 13, 2026

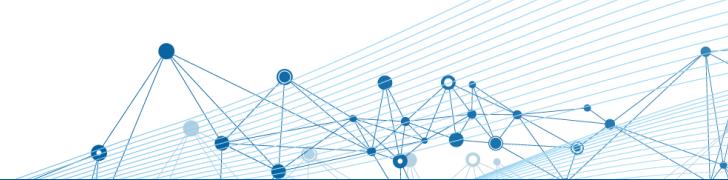
DKK Co., Ltd.

Securities code : 6706

Tokyo Stock Exchange, Prime

Overview of Financial Results

FY2026/3 Q3



Net sales

25,078
Million yen

Year on year

+2,767
Million yen
(+12.4%)

Operating income

886
Million yen

Year on year

+876
Million yen
(-)

Earnings Forecast FY2026/3

Modification
(Announced on
February 13, 2026)

Net sales **34,500** Million yen

Operating income **1,000** Million yen

Q3 Earnings Comment

■ Drivers of net sales growth

- In the Telecommunications segment, construction projects progressed steadily, alongside an increase in delivery-related projects.

■ Drivers of profit growth

- Higher revenue in the Telecommunications segment and initiatives to improve profitability absorbed the increased burden of fixed costs, including personnel expenses.

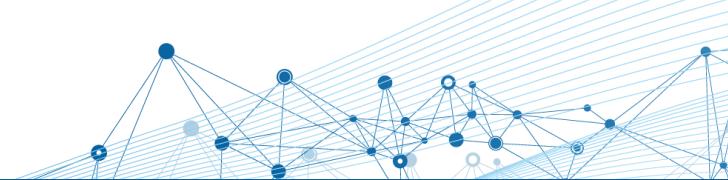
■ Efforts to improve profitability

- In parallel with building a processing system exceeding the previous fiscal year, we continued to implement order-taking activities focusing on profitability and operational efficiency improvements.

■ Full-year outlook

- Based on the current business environment and the execution of mid-term management plan measures, the full-year outlook for FY2026/3 has been revised upward.
(For more information P.11)

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1. FY2026/3 Q3 Consolidated Results

1-1. Q3 Consolidated Result Highlights

- In the third quarter of FY2026/3, both net sales and profits increased year on year.
- Net income rose significantly, mainly due to the absence of the extraordinary losses recorded in the previous fiscal year.

(Millions of yen)	FY2025/3 Q3 results	FY2026/3 Q3 results	Increase/ decrease	YoY change
Net sales	22,310	25,078	2,767	12.4%
Gross profit	4,425	5,352	926	20.9%
Operating income	9	886	876	-
Ordinary income	59	860	800	-
Net income attributable to shareholders of parent company	-1,015	743	1,758	-

1-2. Net Sales and Operating Income



- In the Telecommunications segment, net sales and profits increased year on year, driven by steady defense-related demand and a recovery in demand for Mobile Communications.
- In the Radio Frequency segment, net sales and profits decreased year on year, as sluggish capital investment demand since the end of the previous fiscal year continued to weigh on performance.

(Millions of yen)	FY2025/3 Q3 results	FY2026/3 Q3 results	Increase/ decrease	YoY change
Net sales	22,310	25,078	2,767	12.4%
Telecommunication	14,617	17,545	2,927	20.0%
Radio Frequency	7,614	7,454	-160	-2.1%
Operating income	9	886	876	-
Operating margin ratio	0.04%	3.5%	-	-
Telecommunication	627	1,862	1,235	197.1%
Radio Frequency	1,275	1,033	-242	-19.0%

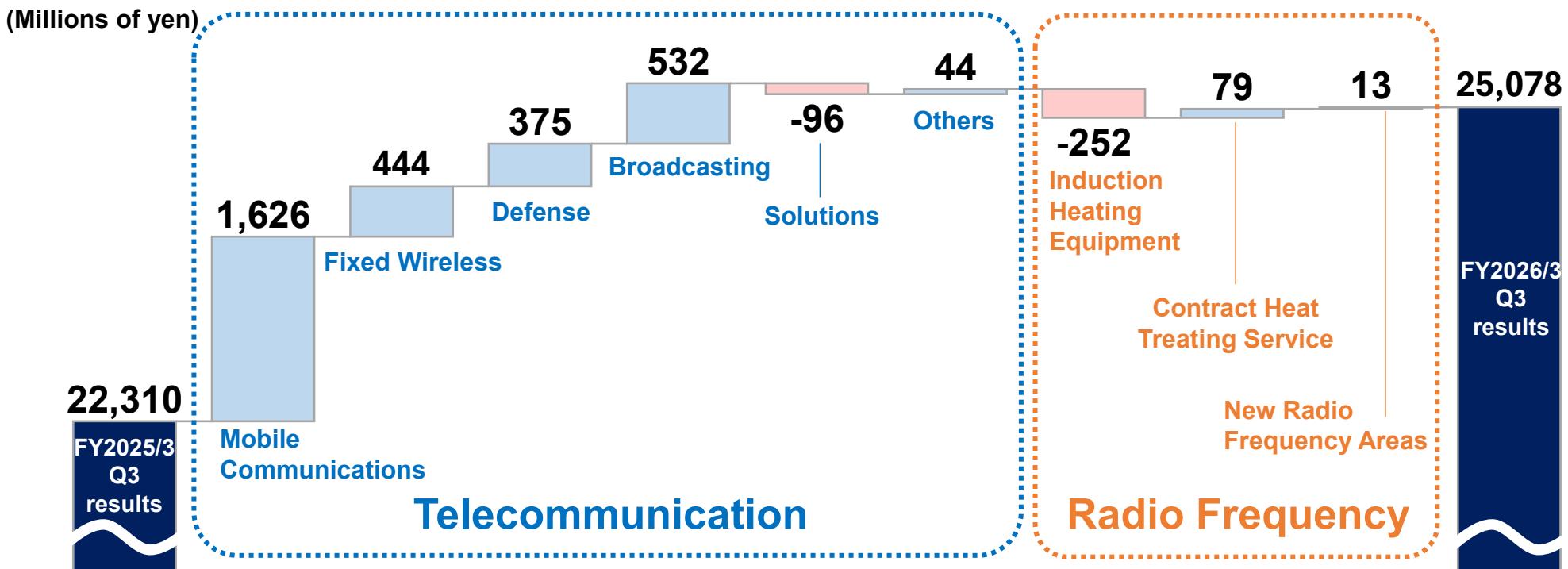
*The operating incomes for Telecommunication and Radio Frequency are provided by segment.

1-3. Results by Segment



(Millions of yen)	FY2025/3 Q3 results		FY2026/3 Q3 results		Increase/ decrease	Increase/ decrease rate
	Amount	Composition	Amount	Composition		
Net sales	22,310	100.0%	25,078	100.0%	2,767	12.4%
Telecommunication	14,617	65.5%	17,545	70.0%	2,927	20.0%
Mobile Communications	3,610	16.2%	5,237	20.9%	1,626	45.1%
Fixed Wireless	2,747	12.3%	3,192	12.7%	444	16.2%
Defense	2,013	9.0%	2,388	9.5%	375	18.7%
Broadcasting	2,118	9.5%	2,651	10.6%	532	25.1%
Solutions	277	1.2%	180	0.7%	-96	-34.9%
Others	3,849	17.3%	3,894	15.5%	44	1.1%
Radio Frequency	7,614	34.1%	7,454	29.7%	-160	-2.1%
Induction Heating Equipment	5,348	24.0%	5,096	20.3%	-252	-4.7%
Contract Heat Treating Service	2,275	10.2%	2,354	9.4%	79	3.5%
New Radio Frequency Areas	-9	-0.04%	3	0.01%	13	-

1-4. Factors of YoY Change in Net Sales



Mobile Communications (+1,626 Million yen)

Capital investment demand from certain customers for communication quality improvement remained steady. In addition to antennas, we also captured demand for radio equipment in the 700 MHz band.

Defense (+375 Million yen)

Demand for defense equipment and various defense facilities continued, due to the increase in the defense budget.

Broadcasting (+532 Million yen)

Along with an improvement in maintenance demand, we captured demand for equipment replacement and upgrades.

Induction Heating Equipment (▲252 Million yen)

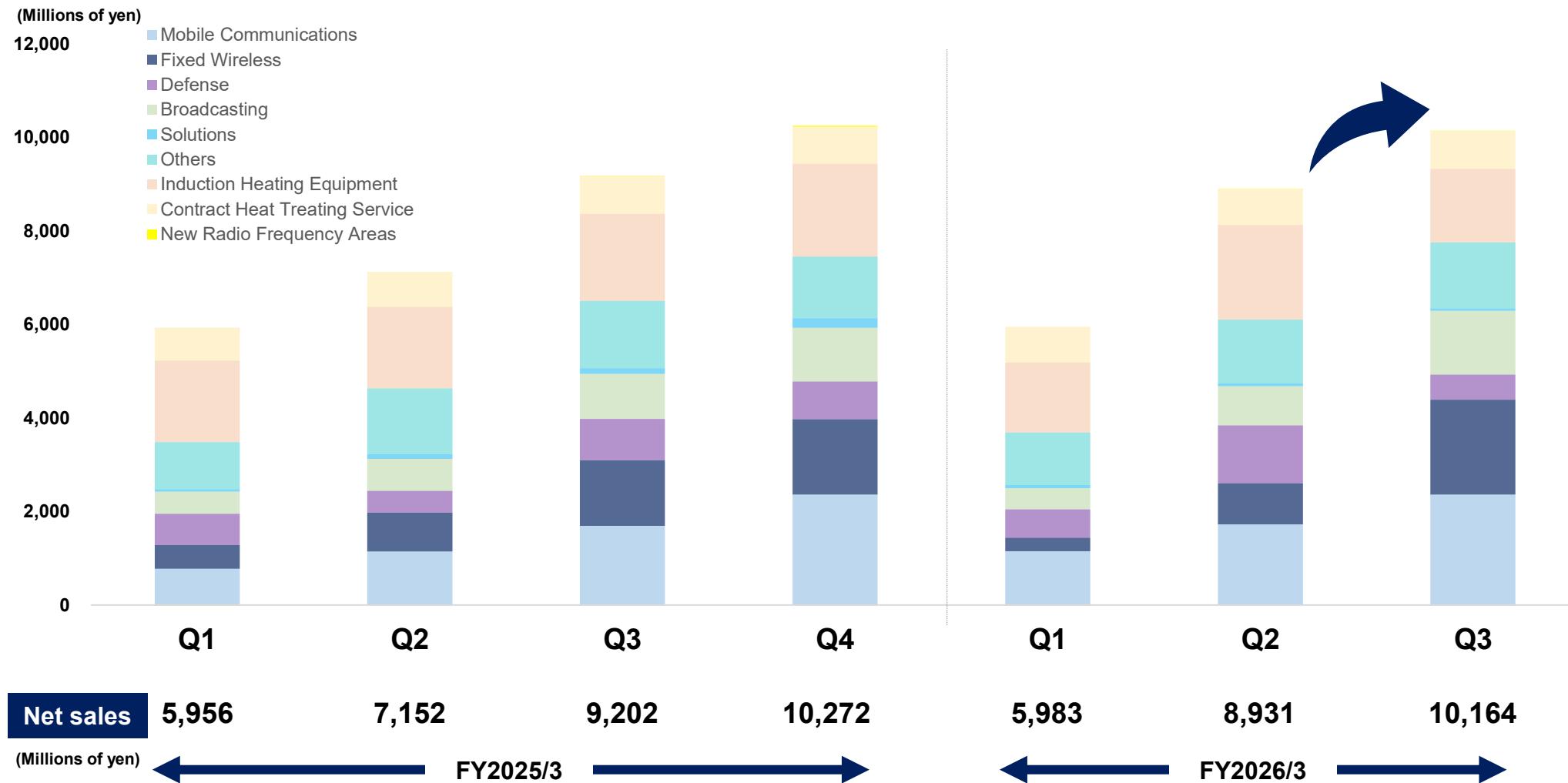
Although capital investment demand in the automotive-related industry remained sluggish, we proactively captured maintenance demand for existing equipment.

Contract Heat Treating Service (+79 Million yen)

While production activity in the automotive industry was flat, we steadily captured demand by enhancing our production structure both in Japan and overseas.

1-5. Quarterly Sales Trends

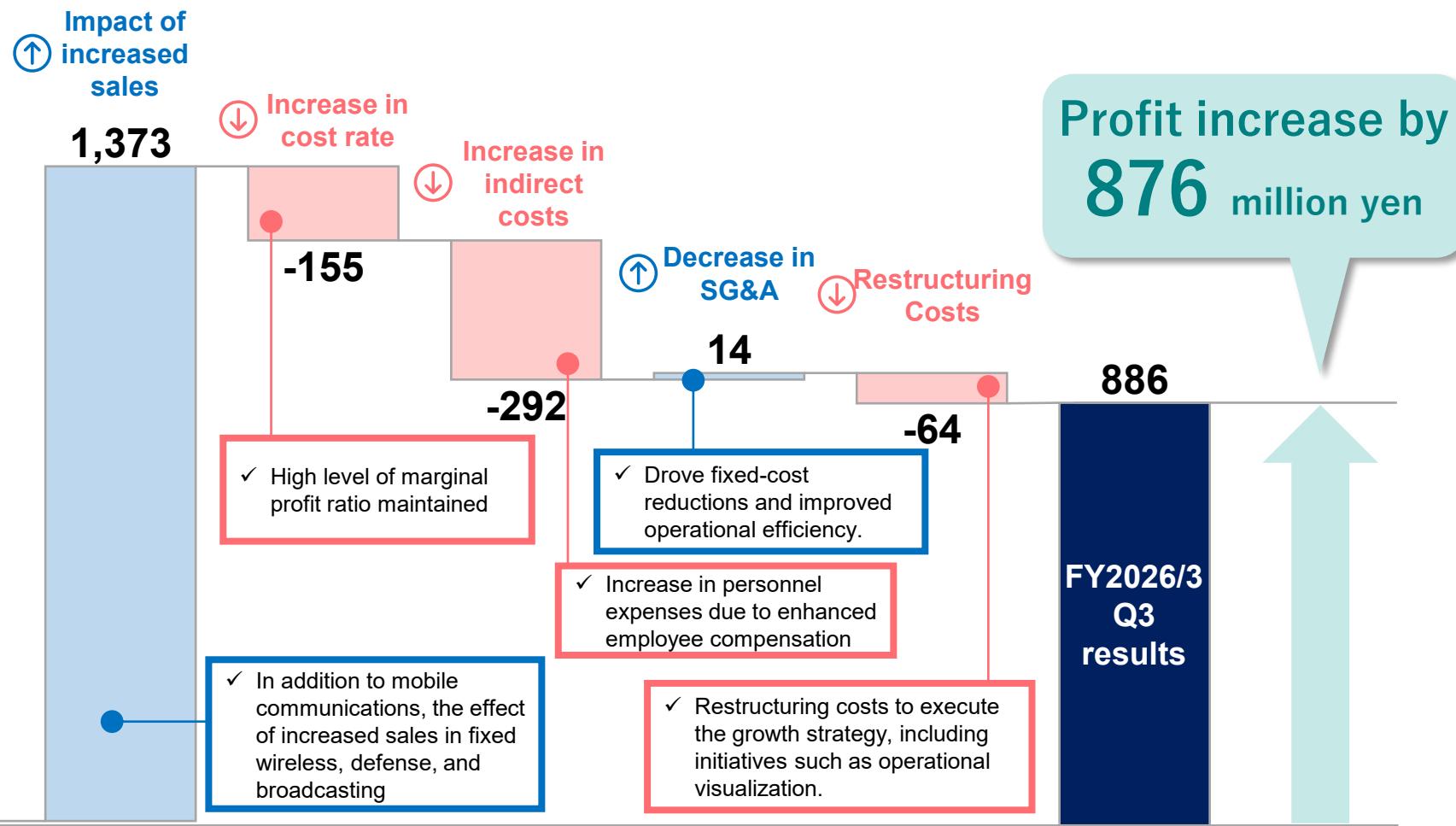
- In the third quarter as well, we maintained a level above that of the same period in the previous fiscal year.
- In addition to deliveries in the Telecommunications segment, construction projects progressed steadily. A robust execution structure for processing orders will also be established in the fourth quarter.



1-6. Factors of YoY Change in Operating Income

- Operating income increased significantly on the back of higher revenue in the Telecommunications segment. Despite the impact of strengthening our execution structure, the marginal profit ratio remained high.
- We absorbed higher fixed costs, including personnel expenses, and profit increased by 876-million-yen year on year.

Operating income
(million yen)



2. FY2026/3 Forecasts for Consolidated Results

2-1. Revised Company Forecasts for FY2026/3

- Based on the Q3 results and the outlook, we have revised the earnings forecast announced on May 15, 2025.

Factors

- In addition to a recovery in capital investment demand in the mobile communications market, various construction projects in the Telecommunications segment progressed steadily.
- For Induction Heating Equipment segment, demand for maintenance remained solid, and capital investment demand from certain customers showed signs of recovery.
- Operating income and ordinary income increased due to the positive impact of higher net sales. In addition, net income is also expected to increase, supported by the anticipated recognition of extraordinary gains.

(Millions of yen)	FY2026/3				FY2025/3
	Previous forecast (A)	Revised forecast (B)	Increase/decrease (B-A)	Increase/decrease rate	Results (Ref.)
Net sales	33,000	34,500	1,500	4.5%	32,582
Operating income	700	1,000	300	42.9%	935
Ordinary income	800	1,050	250	31.3%	1,024
Net income attributable to shareholders of parent company	600	1,400	800	133.3%	777

2-2. Forecasts for Consolidated Results



- In the Telecommunications segment, in addition to Fixed Wireless and Defense, Mobile Communications remained solid, and we expect net sales and profit to increase compared with the previous fiscal year.
- In the Radio Frequency segment, the impact of restrained capital investment in the automotive-related industries has recently shown signs of improvement.

(Millions of yen)	FY2025/3 Full-year results	FY2026/3 Full-year forecasts (May 15, 2025)	FY2026/3 Full-year forecasts (November 14, 2025)	FY2026/3 Full-year forecasts (February 13, 2026)	YoY change		Percentage of November 14 forecast	
					Increase/ decrease	Increase/ decrease rate	Increase/ decrease	Increase/ decrease rate
Net sales	32,582	33,000	33,000	34,500	1,917	5.9%	1,500	4.5%
Telecommunication	22,067	23,400	23,600	24,700	2,632	11.9%	1,100	4.7%
Radio Frequency	10,411	9,500	9,300	9,700	-711	-6.8%	400	4.3%
Operating income	935	700	700	1,000	64	6.9%	300	42.9%
Operating margin ratio	2.9%	2.1%	2.1%	2.9%	-	-	-	-
Telecommunication	1,917	2,300	2,350	2,600	682	35.6%	250	10.6%
Operating margin ratio	8.7%	9.8%	10.0%	10.5%	-	-	-	-
Radio Frequency	1,743	1,200	1,150	1,250	-493	-28.3%	100	8.7%
Operating margin ratio	16.7%	12.6%	12.4%	12.9%	-	-	-	-
Ordinary income	1,024	800	800	1,050	25	2.5%	250	31.3%
Ordinary income margin	3.1%	2.4%	2.4%	3.0%	-	-	-	-
Net income attributable to shareholders of parent company	777	600	600	1,400	622	80.1%	800	133.3%
ROE (%)	2.1%	1.6%	1.6%	3.9%	-	-	-	-

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

*Net sales of the "Others" segment omitted.

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2-3. Forecasts by Segment



(Millions of yen)	FY2025/3 Full-year results	FY2026/3 Full-year forecasts (May 15, 2025)	FY2026/3 Full-year forecasts (November 14, 2025)	FY2026/3 Full-year forecasts (February 13, 2026)	YoY change		Percentage of November 14 forecast	
					Increase/ decrease	Increase/ decrease rate	Increase/ decrease	Increase/ decrease rate
Net sales	32,582	33,000	33,000	34,500	1,917	5.9%	1,500	4.5%
Telecommunication	22,067	23,400	23,600	24,700	2,632	11.9%	1,100	4.7%
Mobile Communications	5,971	6,100	6,600	7,300	1,328	22.2%	700	10.6%
Fixed Wireless	4,358	4,800	4,800	4,800	441	10.1%	0	0.0%
Defense	2,818	3,900	3,900	3,900	1,081	38.4%	0	0.0%
Broadcasting	3,270	2,900	2,900	3,200	-70	-2.2%	300	10.3%
Solutions	482	600	500	400	-82	-17.1%	-100	-20.0%
Others	5,165	5,100	4,900	5,100	-65	-1.3%	200	4.1%
Radio Frequency	10,411	9,500	9,300	9,700	-711	-6.8%	400	4.3%
Induction Heating Equipment	7,336	6,600	6,400	6,800	-536	-7.3%	400	6.3%
Contract Heat Treating Service	3,065	2,800	2,800	2,900	-165	-5.4%	100	3.6%
New Radio Frequency Areas	9	100	100	0	-9	-100.0%	-100	-100.0%

2-4. Order Status

- In the Telecommunications segment, we steadily accumulated orders mainly for Defense and Fixed Wireless, resulting in a significant increase in order backlog.
- In the Radio Frequency segment, the order backlog decreased compared to the end of the same period last year due to stagnant capital investment demand since the end of the previous fiscal year; however, demand has recently shown signs of recovery.

	FY2025/3 Order backlog (Millions of yen)	FY2026/3 Q3			Increase/ decrease (4)-(1)	(Ref.)	
		Orders received	Net sales	Order backlog (4)=(1)+(2)-(3)		FY2025/3 Q3 Orders received	Order backlog
Tele- communication	14,552	23,080	17,545	19,993	5,441	17,754	14,601
Radio Frequency	3,097	7,537	7,454	3,180	82	7,629	3,902
Total	17,650	30,617	25,078	23,173	5,523	25,384	18,504

*The total net sales for FY2026/3 Q3 include the net sales of 78 million yen for the "Others" segment.

2-5. Policy on Shareholder Returns



Changes in shareholder return policy

Review of dividend policy

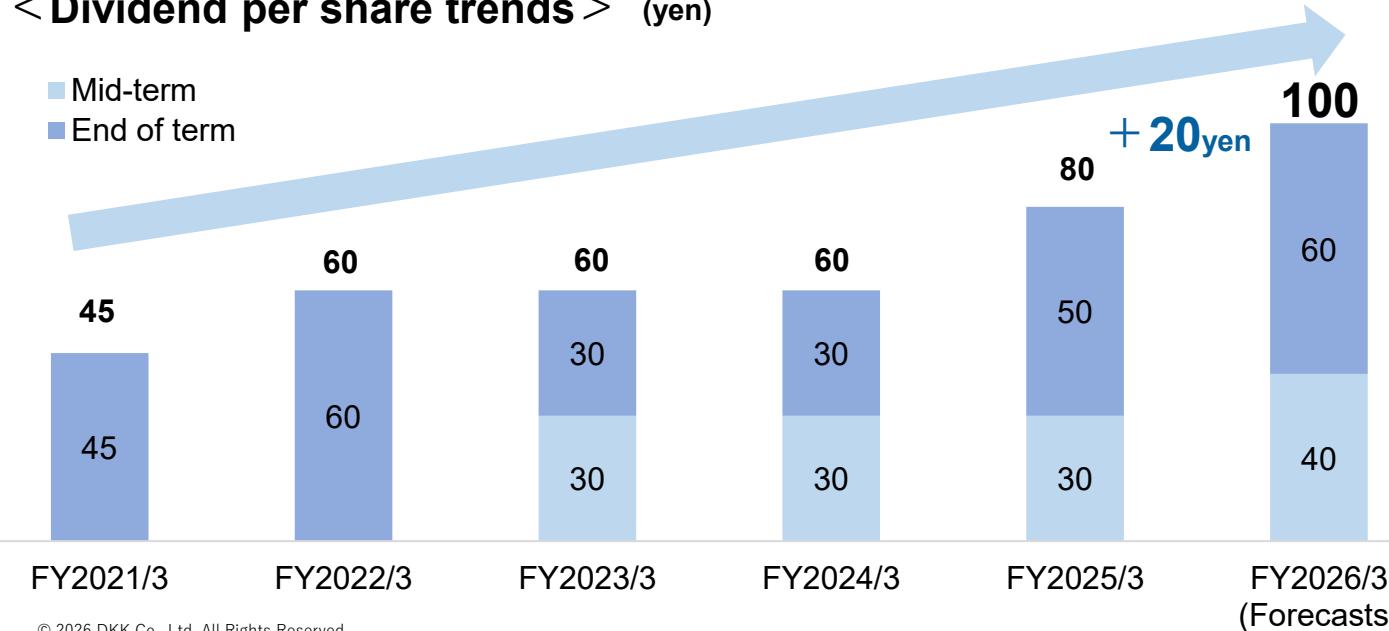
- The target consolidated payout ratio is set at 40%, with a minimum **DOE of approximately 2.5%**

The minimum DOE (consolidated dividend on equity) has been raised to 2.5% from the previous ratio of 2.0%.

▶ Due to the change in DOE level, the annual dividend forecast for FY2026/3 has been increased from **80 yen/share** to **100 yen/share (+20 yen/share)**

<Dividend per share trends> (yen)

- Mid-term
- End of term



Stable returns to our shareholders will continue

- Under DKK-Plan2028, we formulated a capital strategy focused on business investments for growth and shareholder returns.
- Regarding share repurchases, we will continue to implement them flexibly and opportunistically.

Appendix

For Reference: Disclosure Information



Adoption of new products and new services

- 2025/11/21 [Started providing portable service for AI pedestrian flow and traffic analysis system](#)
- 2025/12/26 [Started Delivery of 700MHz Band 5G Wireless Equipment for NTT DOCOMO](#)

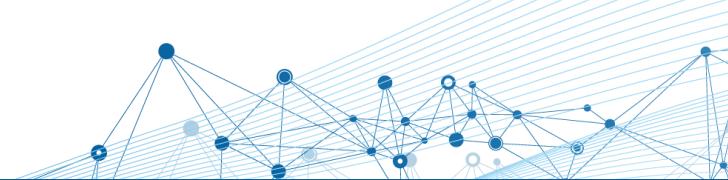
R & D

- 2025/12/25 [Report on WPT Demonstration Evaluation Test](#)

Other services

- 2025/12/3 [Exhibited at 「MWE2025」](#) (MWE : Microwave Workshops and Exhibition)
- 2025/12/12 [Standard Radio Wave JJY Recognized as an IEEE Milestone](#)
- 2026/1/5 [Article on Ministry of Internal Affairs and Communications Commissioned Research \(Spatial Transmission WPT\) Published in 「Denpa Times」](#)

Notes on Forecasts



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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