

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.



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

May 15, 2026

Listing: Tokyo Stock Exchange

Company name: DKK Co., Ltd.
 Securities code: 6706 URL: <https://denkikogyo.co.jp/>
 Representative: (Title) President & Representative Director (Name) Tadatoshi Kondo
 Inquiries: (Title) Managing Officer and Head of Finance Department (Name) Yoshiaki Tsuchisawa Phone: +81-3-3520-9870
 Scheduled date of annual general meeting of shareholders: June 26, 2026 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on financial results: : No
 Holding of financial results briefing: Yes (For institutional investors and analysts)

(Yen amounts are rounded down to millions)

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	35,446	8.8	1,199	28.2	1,196	16.7	1,889	143.1
March 31, 2025	32,582	12.9	935	—	1,024	—	777	—

Note: Comprehensive Fiscal year ended income March 31, 2026 1,949 Millions of yen (-%) Fiscal year ended March 31, 2025 (83) Millions of yen (-%)

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
March 31, 2026	214.12	—	5.2	2.3	3.4
March 31, 2025	83.36	—	2.1	1.9	2.9

(Reference) Equity in earnings of affiliates Fiscal year ended March 31, 2026 - Millions of yen Fiscal year ended March 31, 2025 -Millions of yen

(Note) Diluted net income per share is not provided as there are no dilutive shares.

(2) Consolidated financial position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	53,055	37,212	69.2	4,213.08
March 31, 2025	53,016	37,107	68.8	3,968.68

(Reference) Net asset excluding non-controlling interests Fiscal year ended March 31, 2026 36,728 Millions of yen Fiscal year ended March 31, 2025 36,471 Millions of yen

(3) Consolidated cash flows

	Cash flows from business 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
Fiscal year ended March 31, 2026	(2,471)	2,047	(2,165)	11,422
Fiscal year ended March 31, 2025	(1,823)	396	(2,097)	14,016

2. Dividends

	Annual dividends					Total dividends (Total)	Payout ratio (Consolidated)	Dividend on net asset (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total			
	yen	yen	yen	yen	yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	—	30.00	—	50.00	80.00	743	96.0	2.0
Fiscal year ended March 31, 2026	—	40.00	—	60.00	100.00	878	46.7	2.4
Fiscal year ending March 31, 2027 (forecast)	—	50.00	—	55.00	105.00		42.5	

3. Consolidated financial forecast 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	36,500	3.0	1,650	37.6	1,650	37.9	2,300	21.7	247.29

*Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly excluded: One company DKK Sino-Thai Engineering Co., Ltd.

Note: For details, refer to “3. Consolidated financial statements and major notes, (5) Notes to consolidated financial statements (Notes on changes in the scope of consolidation or the scope of application of the equity method)” on page 15 of the attached document.

(2) Changes in accounting policies and accounting estimates, and restatement

- (a) Changes in accounting policies due to revision of accounting standards, etc.: None
- (b) Changes in accounting policies other than (a): None
- (c) Changes in accounting estimates: None
- (d) Restatement: None

(3) Number of shares issued (common stock)

(a) Shares issued (including treasury shares) at the end of the period

Fiscal year ended March 31, 2026	9,900,000	shares	Fiscal year ended March 31, 2025	10,900,000	shares
Fiscal year ended March 31, 2026	1,182,343	shares	Fiscal year ended March 31, 2025	1,710,224	shares
Fiscal year ended March 31, 2026	8,826,290	shares	Fiscal year ended March 31, 2025	9,325,879	shares

(b) Treasury shares at the end of the period

(c) Average number of shares during the period

(Reference) Summary of non-consolidated financial results

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

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	27,233	10.5	475	(8.3)	1,007	(0.5)	1,703	190.3
Fiscal year ended March 31, 2025	24,649	19.3	518	—	1,012	—	586	(38.7)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	193.01	—
March 31, 2025	62.92	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
Fiscal year ended March 31, 2026	42,423	28,309	66.7	3,247.32
Fiscal year ended March 31, 2025	42,559	28,435	66.8	3,094.29

(Reference) Net asset excluding non-controlling interests

Fiscal year ended March 31, 2026 28,309 million yen

Fiscal year ended March 31, 2025 28,435 million yen

*This Consolidated Financial Results report is not subject to audit by certified public accountants or an auditing firm.

*Explanation of appropriate use of earnings forecast, and other special notes

The forecast and other future projections in this report are based on information currently available to the Company and certain assumptions the Company believes to be reasonable, and are not intended to be a promise by the Company that they will be achieved. Actual results may differ significantly due to various factors. Refer to "1. Summary of operating results, etc., (4) Business outlook" on page 4 of the attachment for the assumptions used in earnings forecast and notes on the use of earnings forecast.

The Company will have a live webcast of the financial results briefing for institutional investors and analysts on Wednesday, May 20, 2026. The financial results presentation materials to be used at this briefing will be posted on our website on the day of the event.

○Table of Contents of Attachment

1. Explanation of operating results, etc.	2
(1) Explanation of operating results for the fiscal year	2
(2) Explanation of financial position for the fiscal year	3
(3) Explanation of cash flows for the fiscal year	3
(4) Business outlook	4
(5) Basic policy on profit distribution and dividends for the current and next fiscal years.....	5
(6) The Company's medium- to long-term management strategy	5
2. Our approach to the selection of accounting standards	5
3. Consolidated financial statements and major notes	6
(1) Consolidated balance sheet	6
(2) Consolidated statement of income and consolidated statement of comprehensive income	8
Consolidated statement of income	8
Consolidated statement of comprehensive income	10
(3) Consolidated statement of changes in equity	11
(4) Consolidated statement of cash flows	13
(5) Notes to consolidated financial statements	15
(Notes on going concern assumptions)	15
(Notes on changes in the scope of consolidation or the scope of application of the equity method)	15
(Notes on changes in method of presentation)	15
(Notes on additional information)	15
(Notes on segment information, etc.)	16
(Notes on per-share information)	21
(Notes on significant events after balance-sheet date)	22
4. Other Businesses	23
(1) Production, orders and sales	23

1. Explanation of operating results, etc.

(1) Explanation of operating results for the fiscal year

During the consolidated fiscal year under review, Japanese economy gradually recovered despite some weaknesses. Although production activities have been fluctuating, consumption, which had been stalling due to elevated prices, has been picking up, and capital investment remained resilient against the backdrop of high-level corporate income.

On the other hand, commodity prices remained high and labor costs continued to surge. There were exchange rate fluctuations, geopolitical risks, and, moreover, risks of surges in energy and raw material prices due to tensions in the Middle East situation. As a result, the future prospects of business environment remains uncertain.

In the telecommunications-related industry, where our group is involved, recovery in capital investment demands of some customers continued in the mobile communications-related field to enhance communication quality. In the fixed wireless communication-related field, demand for administrative radio systems for disaster prevention continued due to enhancement of disaster prevention systems by local governments. The defense-related field continued to remain solid, supported by increases in the defense budget. In the broadcasting-related field, demand for maintenance by broadcasters was recovering. In the applied high-frequency devices industry, impact of a slowdown in demand for capital investment in the automotive-related field was observed, stemming from U.S. tariff policies.

Amid this business environment, the Company promoted “Business structural reforms,” “Optimizing management resources,” and “Advancing sustainability management” as priority measures under “DKK-Plan2028,” its medium-term business plan with the fiscal year ending March 31, 2028 (fiscal year 2027) as its final year, aiming to achieve growth by establishing a profit-generating structure.

As a result, orders received increased 11.8% year on year to 38,873 million yen and net sales increased 8.8% year on year to 35,446 million yen.

As for income, operating profit increased 28.2% year on year to 1,199 million yen, ordinary profit increased 16.7% year on year to 1,196 million, and profit attributable owners of parent increased 143.1% to 1,889 million yen.

Results by segment are as follows. (Results of reportable segments, etc. include intersegment sales, etc.)

(Telecommunication Business)

In the mobile communications-related field, there were signs of demand recovery of some customers for steel towers and maintenance, in addition to antennas and wireless communication for 5G, reflecting capital investment demand to improve communication quality in response to increasing communication traffic. In the fixed wireless communication-related field, demand continued in administrative radio systems for disaster prevention to improve and digitalize disaster prevention system in local governments, in anticipation of maturity of emergency disaster prevention and reduction bonds. In addition, it was announced that the deadline for emergency disaster prevention and reduction bonds has been extended by five years. As a result, certain demand is expected in the next fiscal year and beyond. In terms of demand in the defense-related field, demand for defense equipment and various defense facilities remained on an increasing trend, supported by increase in defense budget. In the broadcasting-related field, maintenance demand from broadcasters has been improving, and there are also emerging signs of increased demand in certain areas for the renewal of digital broadcasting equipment.

In the solutions-related field, the Company is building a solid track record in solutions such as people flow and traffic analysis by combining the image AI technology of its subsidiary, Cybercore Co., Ltd., with the wireless communication technology it has developed over the years. Through these efforts, the Company is promoting businesses aimed at solving various social challenges. In other business areas, Denko Co., Ltd., a subsidiary, has installed new zinc phosphate treatment facilities to expand its operations in the surface treatment market for outdoor building steel frames and steel structures, and is working to secure additional demand. Under such business environment, we aggressively worked in this business field to capture demand in the growth business segment, improve productivity, and reduce fixed costs.

As a result, orders received increased 11.7% year on year to 28,092 million yen and net sales increased 15.0% year on year to 25,407 million yen. Segment profit (operating profit) increased 23.5% year on year to 2,367 million yen.

(Radio Frequency Business)

In this business, within the high-frequency induction heating equipment field, capital investment demand in the automotive-related industry remained generally sluggish due to trade policies, particularly in the United States. However, signs of recovery in demand have been observed among some customers. At the same time, profitability continued to be in tough conditions due to increasingly fierce competition over limited demand. Under such circumstances, we have carefully assessed the capital investment trends in the automotive industry and proactively expanded our business field to include demand arising from electrification of automobiles, while also uncovering demand for maintenance of existing facilities. Also in the field related to contract heat treating service, parts of production activities at various automakers felt some impacts, and we focused to securely obtain demand and worked to improve production systems both in and out of Japan. In the new radio frequency related field, we have advanced the superheated steam technology, participated in trade shows to raise awareness, and taken other measures, in a bid to create demand for treatment of food and waste using superheated steam equipment. As a result, we have won orders for superheated steam equipment for the first time in a new market called food-related field.

In such business environment, we have pursued profit growth in this business field through active order acquisition, productivity and quality improvements, and pricing reviews.

As a result, orders received increased 12.1% year on year to 10,781 million yen and net sales decreased 4.4% year on year to 9,952 million yen. Segment profit (operating profit) decreased 8.6% year on year to 1,592 million yen.

(2) Explanation of financial position for the fiscal year

Total assets at the end of the current consolidated fiscal year increased 39 million yen from a year earlier to 53,055 million yen. Current assets increased 128 million yen from the end of the previous fiscal year to 38,472 million yen. The main factors were increases of 2,969 million yen in accounts receivable including notes receivable, 894 million yen in inventories, and 630 million yen in accounts receivable included in other of current assets, 170 million yen in advances paid included in other of current assets, despite a decrease of 4,535 million yen in cash and deposits.

Non-current assets decreased 89 million yen from the end of the previous fiscal year to 14,583 million yen. The main factors were decreases of 626 million yen in investment securities and 363 million yen in deferred tax assets and 411 million yen in saving-type insurance premiums included in other of investments and other assets, despite an increase of 749 million yen in property, and 575 million yen in retirement benefit asset.

Current liabilities increased 1,640 million yen from the end of the previous fiscal year to 12,993 million yen. The main factors were increases of 500 million yen in short-term borrowings, 386 million in income taxes payable, 275 million yen in contract liabilities, 1,771 million yen in unearned revenue, despite decreases of 389 million yen in trade payables including notes payable-trade and 1,068 million yen in current portion of long-term borrowings.

Non-current liabilities decreased 1,706 million yen from the end of the previous fiscal year to 2,849 million yen. The main factor was a decrease of 1,776 million yen in long-term unearned revenue, despite an increase of 492 million yen in long-term borrowings and 429 million yen in retirement benefit liabilities.

Net assets increased 105 million yen from the end of the previous fiscal year to 37,212 million yen. The main factors were a decrease of 1,252 million yen in treasury shares due to purchase and cancellation of treasury shares and other factors, which increased net assets, while retained earnings increased by 1,164 million yen.

(3) Explanation of cash flows for the fiscal year

Cash and cash equivalents (hereinafter, "Funds") at the end of the current consolidated fiscal year decreased 2,594 million yen from a year earlier to 11,422 million yen.

Cash flow situations and factors behind them in the current consolidated fiscal year are as follows.

(Cash flows from business activities)

Funds used for business activities totaled 2,471 million yen (1,823 million yen used a year earlier). This is mainly due to decrease factors such as increases of 2,952 million yen in notes and accounts receivable-trade, gain on investments in investment partnerships of 879 million yen, and gain on sales of investment securities of 862 million yen and 804 million yen in inventories, which were more than increase factors such as profit before income taxes of 3,086 million yen.

(Cash flows from investing activities)

Funds provided by investing activities totaled 2,047 million yen (396 million yen provided a year earlier). This is mainly due to decrease factors such as payments into time deposits of 11,382 million yen, purchase of property, plant and equipment and intangible assets of 1,595 million yen, which was less than increase factors such as proceeds from withdrawal of time deposits of 13,335 million yen and proceeds from distributions from investment partnerships of 1,086 million yen, proceeds from sale of investment securities of 677 million yen.

(Cash flows from financing activities)

Funds used for financing activities totaled 2,165 million yen (2,097 million yen used a year earlier). This is mainly due to decrease factors such as repayment of long-term borrowings of 1,076 million yen and purchase of treasury shares of 1,001 million yen.

(4) Business outlook

Japanese economy is gradually recovering, but the business environment surrounding our Group is expected to remain in balance due to geopolitical risks including the Middle East situation in addition to the changing business environment and severer price competition.

Under such circumstances, we will further promote our efforts to achieve growth by establishing a profit-generating structure in the second year of the Medium-Term Business Plan (DKK-Plan2028), to ensure the steady improvement of the Group's performance.

Among the telecommunication business, in the mobile communications-related field, we will focus on expanding the sales of wireless devices in addition to antennas for mobile communication base stations, to meet the capital investment demand for improving communication quality. In the fixed wireless communication-related field, we will work to proactively uncover demand for disaster prevention administrative radio systems for local governments, though it is expected that the cycle of demand arising from the emergency disaster prevention and reduction bonds will come to an end. In the defense-related field, we will work to secure orders through the stable supply of equipment and proactive proposals for maintenance and inspections of existing facilities in response to the increase in demand accompanying the increase in defense budget. In the broadcasting-related field, we will actively work to capture demand for the renewal of digital broadcasting equipment, along with maintenance demand. In the solutions-related field, we will perform organizational restructuring aimed at strengthening our proposal and development capacity to solve social issues through AI solutions. In addition, we will work to receive more orders through the collaboration with Cybercore Co., Ltd., which became our subsidiary.

In the high-frequency-related business, in the high-frequency induction heating equipment field, we will closely monitor capital investment trends in the automotive-related industry while working to expand orders by leveraging the newly established prototype facility and by exploring maintenance demand for existing equipment. In the contract heat-treatment processing field, we will also strive to steadily capture demand and build production systems both domestically and overseas.

As we enter the second year of our medium-term management plan "DKK-Plan 2028," we will further accelerate our initiatives aimed at achieving growth by establishing a sustainable earnings generation structure, which we have been promoting during the current fiscal year.

Under these circumstances, for the next consolidated fiscal year, we forecast net sales of 36.5 billion yen (up 3.0% year on year), operating profit of 1.65 billion yen (up 37.6% year on year), ordinary profit of 1.65 billion yen (up 37.9% year on year), and profit attributable to owners of parent of 2.3 billion yen (up 21.7% year on year).

(5) Basic policy on profit distribution and dividends for the current and next fiscal years

With regard to profit distribution, we position the efficiency of shareholders' equity and the return of profits to shareholders as important management matters, and our basic policy is to continue to pay dividends to our shareholders through solid management of the Company. Regarding our dividend policy, our policy had been to link the consolidated dividend payout ratio to the operating results of the relevant fiscal year, aiming for a ratio of 40%, and to set the minimum consolidated dividends on equity (DOE) ratio of 2.0%. However, as a measure to strengthen shareholder returns, we have raised the minimum target for DOE to 2.5%. While we work on establishing a profit-generating structure, we also consider promptly strengthening shareholder returns.

In line with the above basic policy, we plan to pay out a year-end dividend of 60 yen per share, increasing the amount from the interim dividend of 40 yen per share paid previously. The annual dividends for the fiscal year under review therefore total to 100 yen per share, an increase of 20 yen per share compared to the previous year. As for dividends for the next fiscal year, we calculated the annual dividend in accordance with the consolidated dividend payout ratio based on the profit outlook, and plan annual dividends of 105 yen, paid as an interim dividend of 50 yen per share and year-end dividend of 55 yen per share.

In addition, as part of our shareholder return initiatives and efforts to improve capital efficiency, we implemented the acquisition and cancellation of treasury stock during the current fiscal year. Going forward, we will continue to enhance returns to shareholders through our dividend policy and share repurchase programs.

(6) The Company's medium- to long-term management strategy

The Company has the basic principles of responding quickly to changes in the management environment, seeking to ensure continuity of business and stable revenue, and ensuring increase of corporate value by undertaking initiatives for continuous improvement in corporate governance. Under our medium- to long-term management strategy, as described in the Medium- and Long-Term Management Strategy disclosed in March 2021, we are working toward the goal of achieving the Group's ideal of "Pioneering the Future" by actively contributing to society, improving corporate value, and achieving growth, in order to achieve permanent development and growth of the Group.

In addition, as part of our second step in realizing the vision of the Medium- and Long-Term Management Strategy mentioned above, we have formulated the Medium-Term Business Plan (DKK-Plan2028) as goals and measures for the three years from fiscal year ended March 31, 2026. Building on the management foundation established through DKK-Plan2025, our previous medium-term business plan established in March 2022, the DKK-Plan2028 is a business plan designed to drive and accelerate the next stage of growth. DKK-Plan2028 has the basic policy of "Achieving growth through the establishment of a profit-generating structure," and lays out the priority measures of "Business structural reforms," "Optimization of management resources," and "Enhancement of sustainability management."

Our business environment is undergoing significant changes due to soaring energy and component prices, surging labor costs, and the growing complexity of social structures. In such environment, we will establish a profit generating structure and integrate our business, human capital, R&D, and sustainability strategies to realize a sustainable society and enhance corporate value.

2. Our approach to the selection of accounting standards

In consideration of periodic comparability and intercompany comparability of consolidated financial statements, the Group has decided to adopt the Japanese GAAP. With regard to the possibility of adopting IFRS (International Financial Reporting Standards), the Company will monitor future trends and take appropriate responses, taking into consideration various domestic and international circumstances.

3. Consolidated financial statements and major notes

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	16,180	11,644
Notes receivable - trade	106	244
Electronically recorded monetary claims - operating	2,120	1,457
Accounts receivable from completed construction contracts	4,727	8,488
Accounts receivable - trade	4,222	4,166
Contract assets	3,228	3,018
Costs on construction contracts in progress	81	156
Other inventories	6,714	7,533
Other	982	1,785
Allowance for doubtful accounts	(20)	(23)
Total current assets	38,343	38,472
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,439	10,682
Machinery, equipment and vehicles	9,557	9,909
Tools, furniture and fixtures	6,259	6,146
Land	2,272	2,273
Leased assets	371	436
Construction in progress	914	1,331
Accumulated depreciation	(23,526)	(23,744)
Total property, plant and equipment	6,287	7,036
Intangible assets		
Goodwill	13	11
Other	385	309
Total intangible assets	399	321
Investments and other assets		
Investment securities	2,988	2,361
Long-term loans receivable	1	2
Retirement benefit asset	1,461	2,037
Long-term time deposits	1,000	1,000
Deferred tax assets	1,165	801
Other	1,416	1,068
Allowance for doubtful accounts	(46)	(46)
Total investments and other assets	7,986	7,225
Total non-current assets	14,672	14,583
Total assets	53,016	53,055

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	3,214	2,824
Short-term borrowings	4,400	4,900
Current portion of long-term borrowings	1,076	7
Lease liabilities	55	74
Income taxes payable	519	906
Contract liabilities	269	544
Provision for warranties for completed construction	50	14
Provision for product warranties	29	24
Provision for bonuses	486	640
Provision for bonuses for directors (and other officers)	42	76
Provision for loss on construction contracts	18	7
Provision for loss on liquidation of subsidiaries and associates	12	1
Provision for environmental measures and other	—	50
Unearned revenue	—	1,771
Other	1,178	1,149
Total current liabilities	11,353	12,993
Non-current liabilities		
Long-term borrowings	33	525
Lease liabilities	164	210
Provision for product warranties	1	0
Provision for share awards for directors (and other officers)	115	121
Provision for environmental measures and other	46	—
Retirement benefit liability	2,352	1,922
Asset retirement obligations	40	40
Long-term unearned revenue	1,776	—
Deferred tax liabilities	6	5
Other	18	22
Total non-current liabilities	4,555	2,849
Total liabilities	15,908	15,842
Net assets		
Shareholders' equity		
Share capital	8,774	8,774
Capital surplus	9,688	9,688
Retained earnings	19,775	18,611
Treasury shares	(3,911)	(2,658)
Total shareholders' equity	34,327	34,415
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	599	575
Foreign currency translation adjustment	1,018	964
Remeasurements of defined benefit plans	525	772
Total accumulated other comprehensive income	2,144	2,312
Non-controlling interests	636	484
Total net assets	37,107	37,212
Total liabilities and net assets	53,016	53,055

(2) Consolidated statement of income and consolidated statement of comprehensive income
(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	12,265	14,220
Net sales of finished goods	20,212	21,120
Sales in other businesses	103	105
Total net sales	32,582	35,446
Cost of sales		
Cost of sales of completed construction contracts	9,939	11,233
Cost of finished goods sold	15,586	16,987
Cost of sales in other businesses	41	47
Total cost of sales	25,567	28,268
Gross profit		
Gross profit on completed construction contracts	2,326	2,986
Gross profit - finished goods	4,626	4,133
Gross profit - other business	61	58
Total gross profit	7,014	7,177
Selling, general and administrative expenses	6,079	5,978
Operating profit	935	1,199
Non-operating income		
Interest income	23	49
Interest on securities	11	11
Dividend income	113	69
Insurance claim income	75	—
Other	137	154
Total non-operating income	361	284
Non-operating expenses		
Interest expenses	66	89
Commitment fees	30	88
Foreign exchange losses	82	—
Loss on investments in investment partnerships	47	77
Other	43	32
Total non-operating expenses	272	287
Ordinary profit	1,024	1,196
Extraordinary income		
Gain on sale of investment securities	1,793	862
Gain on investments in investment partnerships	—	879
Reversal of foreign currency translation adjustments	—	149
Total extraordinary income	1,793	1,890

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary losses		
Loss on sale of investment securities	10	—
Impairment losses	1,765	—
Total extraordinary losses	1,775	—
Profit before income taxes	1,042	3,086
Income taxes - current	578	900
Income taxes - deferred	(33)	270
Total income taxes	545	1,170
Profit	497	1,916
Profit (loss) attributable to non-controlling interests	(280)	26
Profit attributable to owners of parent	777	1,889

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	497	1,916
Other comprehensive income		
Valuation difference on available-for-sale securities	(616)	(24)
Foreign currency translation adjustment	187	(189)
Remeasurements of defined benefit plans, net of tax	(151)	246
Total other comprehensive income	(580)	33
Comprehensive income	(83)	1,949
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	158	2,058
Comprehensive income attributable to non-controlling interests	(242)	(108)

(3) Consolidated statement of changes in equity

Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share capital
Balance at beginning of period	8,774	9,693	19,570	(2,919)	35,119
Changes during period					
Dividends of surplus			(572)		(572)
Profit attributable to owners of parent			777		777
Purchase of treasury shares				(992)	(992)
Disposal of treasury shares			(0)	0	0
Change in ownership interest of parent due to transactions with non-controlling interests		(5)			(5)
Net changes in items other than shareholders' equity					
Total changes during period	—	(5)	205	(992)	(792)
Balance at end of period	8,774	9,688	19,775	(3,911)	34,327

	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	1,216	870	677	2,763	840	38,723
Changes during period						
Dividends of surplus						(572)
Profit attributable to owners of parent						777
Purchase of treasury shares						(992)
Disposal of treasury shares						0
Change in ownership interest of parent due to transactions with non-controlling interests						(5)
Net changes in items other than shareholders' equity	(616)	148	(151)	(619)	(203)	(823)
Total changes during period	(616)	148	(151)	(619)	(203)	(1,615)
Balance at end of period	599	1,018	525	2,144	636	37,107

Current consolidated fiscal year (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Share capital	Share capital	Share capital	Share capital
Balance at beginning of period	8,774	9,688	19,775	(3,911)	34,327
Changes during period					
Dividends of surplus			(823)		(823)
Profit (loss) attributable to owners of parent			1,889		1,889
Purchase of treasury shares				(1,001)	(1,001)
Cancellation of treasury shares		(0)	(2,234)	2,234	—
Disposal of treasury shares		0		19	19
Change in scope of consolidation			4		4
Net changes in items other than shareholders' equity					
Total changes during period	—	—	(1,164)	1,252	88
Balance at end of period	8,774	9,688	18,611	(2,658)	34,415

	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	599	1,018	525	2,144	636	37,107
Changes during period						
Dividends of surplus						(823)
Profit (loss) attributable to owners of parent						1,889
Purchase of treasury shares						(1,001)
Cancellation of treasury shares						—
Disposal of treasury shares						19
Change in scope of consolidation						4
Net changes in items other than shareholders' equity	(24)	(54)	246	168	(151)	16
Total changes during period	(24)	(54)	246	168	(151)	105
Balance at end of period	575	964	772	2,312	484	37,212

(4) 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	1,042	3,086
Depreciation	801	812
Amortization of goodwill	128	2
Impairment losses	1,765	—
Increase (decrease) in provision for bonuses	(43)	153
Increase (decrease) in provision for bonuses for directors (and other officers)	31	33
Increase (decrease) in retirement benefit liability	(186)	(239)
Increase (decrease) in provision for share awards for directors (and other officers)	26	25
Increase (decrease) in allowance for doubtful accounts	(40)	3
Increase (decrease) in provision for loss on construction contracts	(8)	(10)
Increase (decrease) in provision for product warranties	(17)	(5)
Increase (decrease) in provision for loss on liquidation of subsidiaries and associates	(1)	(10)
Increase (decrease) in provision for environmental measures and other	(153)	4
Interest and dividend income	(148)	(130)
Interest expenses	66	89
Insurance claim income	(75)	—
Foreign exchange losses (gains)	31	19
Loss on investments in investment partnerships	—	77
Loss (gain) on sale of investment securities	(1,782)	(862)
Gain on investments in investment partnerships	—	(879)
Loss (gain) on reversal of foreign currency translation adjustments	—	(149)
Decrease (increase) in trade receivables	(2,347)	(2,952)
Decrease (increase) in costs on construction contracts in progress	(42)	(75)
Decrease (increase) in inventories	(309)	(804)
Decrease (increase) in other assets	(398)	(281)
Increase (decrease) in trade payables	(188)	(403)
Increase (decrease) in contract liabilities	56	275
Increase (decrease) in accrued consumption taxes	136	141
Increase (decrease) in other liabilities	(123)	136
Other, net	48	10
Subtotal	(1,732)	(1,932)
Interest and dividends received	144	129
Interest paid	(57)	(77)
Proceeds from insurance income	75	—
Income taxes paid	(253)	(590)
Net cash provided by (used in) operating activities	(1,823)	(2,471)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(7,422)	(11,382)
Proceeds from withdrawal of time deposits	7,010	13,315
Purchase of property, plant and equipment and intangible assets	(1,903)	(1,595)
Proceeds from sale of property, plant and equipment and intangible assets	200	4
Purchase of investment securities	(234)	(0)
Proceeds from sale of investment securities	2,216	677
Proceeds from redemption of investment securities	400	—
Payments for investment in investment partnerships	(44)	(140)
Proceeds from distributions from investment partnerships	91	1,086
Proceeds from purchase of shares of subsidiaries and others resulting in change in scope of consolidation	118	—
Other, net	(36)	83
Net cash provided by (used in) investing activities	396	2,047
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	500
Proceeds from long-term borrowings	—	500
Repayments of long-term borrowings	(321)	(1,076)
Repayments of lease liabilities	(66)	(78)
Purchase of treasury shares	(992)	(1,001)
Purchase of treasury shares of subsidiaries	(45)	—
Purchase of shares of subsidiaries not resulting in change in scope of consolidation, etc	(69)	—
Dividends paid	(571)	(814)
Dividends paid to non-controlling interests	(29)	(18)
Repayments to non-controlling shareholders	—	(176)
Other, net	0	0
Net cash provided by (used in) financing activities	(2,097)	(2,165)
Effect of exchange rate change on cash and cash equivalents	210	(5)
Net increase (decrease) in cash and cash equivalents	(3,313)	(2,594)
Cash and cash equivalents at beginning of period	17,330	14,016
Cash and cash equivalents at end of period	14,016	11,422

(5) Notes to consolidated financial statements

(Notes on going concern assumptions)

There are no matters to be noted.

(Notes on changes in the scope of consolidation or the scope of application of the equity method)

DKK Sino-Thai Engineering Co., Ltd., one of the subsidiaries of the Company was in the middle of the liquidation proceedings as a result of the resolution made by the board of directors meeting held on March 24, 2023. As of June 2025, the distribution of residual assets of the company and the substantive liquidation procedures have been completed. For this reason, the company was excluded from the scope of consolidation since of the fiscal year ended March 31, 2026.

(Notes on changes in method of presentation)

(Consolidated statement of income)

“Dividend income from life insurance” under “non-operating income,” which had been separately presented in the previous fiscal year, was included in “other” in the current fiscal year, as it became insignificant in terms of amount. We rearranged the financial statements of the previous consolidated fiscal year to reflect this change in presentation. As a result, 39 million yen presented as “dividend income from life insurance” under “non-operating income” in the consolidated statement of income for the previous fiscal year was reclassified as “other.”

(Notes on additional information)

There are no matters to be noted.

(Notes on segment information, etc.)

[Segment information]

1 Overview of reportable segments

The Company's reporting segments are those units of the Company for which separate financial information is available and which the Board of Directors regularly conducts reviews to decide allocation of management resources and assess business performance.

The Company has operational units assigned with specific products and services. Each of them, including Group companies, designs comprehensive strategies for their respective products and services and operates business.

Therefore, the Company has set telecommunication business and radio frequency business as reportable segments based on types of their products and services, ways of providing them, product markets, etc., with these operational units as the basis.

Key business areas of the respective segments are as shown in the below table.

Reportable segment	Main business areas
Telecommunication Business	Manufacture, construction, and sale of antennas, reflectors, steel towers, steel structures, etc. Plating work on telecommunication equipment, steel building framework, etc. Construction work for telecommunication facilities, etc. Production and sales of solution systems
Radio Frequency Business	Manufacture and sale of high-frequency induction heating equipment and related equipment Manufacture and sale of high-frequency power source devices for plasma, etc. Contract high-frequency heat treating service

2 Methods for calculating amounts of net sales, profit/loss, assets, liabilities, etc. by reportable segment

The accounting methods of reported business segments are the same as those described in "Important matters that form basis for preparation of consolidated financial statements."

Profit in the reportable segments is based on operating income. Intersegment revenues and transfers are calculated using prevailing market prices.

3 Information on amounts of net sales, profit/loss, assets, liabilities, etc. by reportable segment
Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Other	Total	Reconciling items	Per consolidated financial statements
	Telecommunication	Radio Frequency	Reportable segments				
Sales							
Revenues from external customers	22,067	10,411	32,478	103	32,582	—	32,582
Transactions with other segments	29	—	29	158	188	(188)	—
Net sales	22,097	10,411	32,508	262	32,771	(188)	32,582
Operating profit	1,917	1,743	3,660	126	3,787	(2,852)	935
Assets	23,944	10,963	34,908	557	35,465	17,550	53,016
Other items							
Depreciation	328	284	612	58	671	130	801
Amortization of goodwill	128	—	128	—	128	—	128
Goodwill	13	—	13	—	13	—	13
Increase in property, plant and equipment and intangible assets	1,224	518	1,742	3	1,746	179	1,926

(Notes) 1 The “Others” segment, which is not included in reportable segments, includes equipment leasing and electric power sales businesses.

2 Details of adjustments are as follows.

- (1) The segment income adjustment of (2,852) million yen includes (66) million yen in elimination of intersegment transactions and (2,785) million yen in corporate expenses that are not allocated to any reportable segment. Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.
- (2) Adjustment to segment assets is a corporate asset that is not allocated to reportable segments. Corporate assets are primarily the Company’s cash and deposits, etc. of the headquarters that are not allocated to reportable segments.
- (3) Adjustment to depreciation is a corporate expense that is not allocated to reportable segments. Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.
- (4) Adjustment to increase in property, plant, and equipment and intangible assets is the amount of capital expenditures of the corporate assets that is not allocated to reportable segments. Corporate assets are mainly capital expenditures at the headquarters that are not attributable to any reportable segments.

3 Adjustments are made to reconcile segment income (loss) with operating loss in the consolidated statement of income.

Current consolidated fiscal year (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments			Other	Total	Reconciling items	Per consolidated financial statements
	Telecommunication	Radio Frequency	Reportable segments				
Sales							
Revenues from external customers	25,387	9,952	35,340	105	35,446	—	35,446
Transactions with other segments	20	—	20	253	273	(273)	—
Net sales	25,407	9,952	35,360	358	35,719	(273)	35,446
Operating profit (loss)	2,367	1,592	3,960	189	4,150	(2,951)	1,199
Assets	27,360	12,022	39,383	650	40,033	13,022	53,055
Other items							
Depreciation	259	331	590	63	654	158	812
Amortization of goodwill	2	—	2	—	2	—	2
Goodwill	11	—	11	—	11	—	11
Increase in property, plant and equipment and intangible assets	981	231	1,212	147	1,360	71	1,431

(Notes) 1 The “Others” segment, which is not included in reportable segments, includes equipment leasing and electric power sales businesses.

2 Details of adjustments are as follows.

- (1) The segment income adjustment of (2,951) million yen includes (130) million yen in elimination of intersegment transactions and (2,820) million yen in corporate expenses that are not allocated to any reportable segment. Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.
- (2) Adjustment to segment assets is a corporate asset that is not allocated to reportable segments. Corporate assets are primarily the Company’s cash and deposits, etc. of the headquarters that are not allocated to reportable segments.
- (3) Adjustment to depreciation is a corporate expense that is not allocated to reportable segments. Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segments.
- (4) Adjustment to increase in property, plant, and equipment and intangible assets is the amount of capital expenditures of the corporate assets that is not allocated to reportable segments. Corporate assets are mainly capital expenditures at the headquarters that are not attributable to any reportable segments.

3 Adjustments are made to reconcile segment income with operating loss in the consolidated statement of income.

[Related information]

Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)

1 Information by product/service

This information is omitted because similar information is shown in “Segment information.”

2 Information by region

(1) Net sales

(Millions of yen)

Japan	Asia	North America	Europe	Others	Total
27,938	2,502	1,210	43	887	32,582

Note: Net sales are classified by country or region based on locations of customers.

(2) Property, plant, and equipment

This information is omitted because the amount of property, plant, and equipment in Japan exceeds 90% of the amount of property, plant, and equipment on the consolidated balance sheet.

3 Information by major customer

This information is omitted because there are no external customers that account for 10% or more of sales in the consolidated statement of income.

Current consolidated fiscal year (from April 1, 2025 to March 31, 2026)

1 Information by product/service

This information is omitted because similar information is shown in “Segment information.”

2 Information by region

(1) Net sales

This information has been omitted because sales to external customers in Japan account for more than 90% of the revenue reported in the consolidated statement of income.

(2) Property, plant, and equipment

This information is omitted because the amount of property, plant, and equipment in Japan exceeds 90% of the amount of property, plant, and equipment on the consolidated balance sheet.

3 Information by major customer

(Millions of yen)

Customer Name	Net sales	Related segment
NTT DOCOMO, INC.	4,782	Telecommunication Business

[Information on impairment losses on non-current assets by reportable segment]

Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Telecommunication Business	Radio Frequency Business	Others	Entire Company / Cancellation	Total
Impairment losses	1,765	—	—	—	1,765

Current consolidated fiscal year (from April 1, 2024 to March 31, 2025)

This information has been omitted due to its lack of significance.

[Information on amortization of goodwill and unamortized balances by reportable segment]

Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)

This information is omitted because similar information is shown in “Segment information.”

Current consolidated fiscal year (from April 1, 2025 to March 31, 2026)

This information is omitted because similar information is shown in “Segment information.”

[Information on gains on negative goodwill by reportable segment]

There are no matters to be noted.

(Notes on per-share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	3,968.68 yen	4,213.08 yen
Net income (loss) per share	83.36 yen	214.12 yen

(Notes) 1. Diluted net income per share for the current consolidated fiscal year is not provided as there are no dilutive shares.

2. Although there are dilutive shares in the previous consolidated fiscal year, figures for the diluted net income per share are not provided because the diluted net income per share is net loss per share.

3. Data used in calculating the net income (loss) per share are as follows.

Item	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net income (loss) attributable to shareholders of parent company (millions of yen)	777	1,889
Amount not attributable to common shareholders (millions of yen)	—	—
Net income (loss) attributable to shareholders of parent pertaining to common stock (millions of yen)	777	1,889
Average number of shares during the period	9,325,879	8,826,290
Overview of potential stocks not included in the calculation of diluted net income per share due to the absence of dilutive effects	(Consolidated subsidiary) Cybercore Co., Ltd. 1st Stock Options 700 shares of common stock 2nd Stock Options 350 shares of common stock 3rd Stock Options 2,650 shares of common stock 4th Stock Options 100 shares of common stock 5th Stock Options 600 shares of common stock 6th Stock Options 4,570 shares of common stock	(Consolidated subsidiary) Cybercore Co., Ltd. 1st Stock Options 700 shares of common stock 2nd Stock Options 300 shares of common stock 3rd Stock Options 2,550 shares of common stock 4th Stock Options 100 shares of common stock 5th Stock Options 600 shares of common stock 6th Stock Options 4,260 shares of common stock

4. We included the Company's shares held in the trust account of Custody Bank of Japan, Ltd. as trust assets for the share-based compensation scheme for directors in the treasury stock deducted in the calculation of the average number of shares over the period in calculating net income per share (74,745 shares in the previous consolidated fiscal year and 69,524 shares in the current consolidated fiscal year).

5. Data used in calculating the net assets per share are as follows.

Item	As of March 31, 2025	As of March 31, 2026
Total net assets (millions of yen)	37,107	37,212
Amount deducted from total net assets (millions of yen)	636	484
(Including non-controlling interests of:)	(636)	(484)
Net assets related to common stock at end of fiscal year (millions of yen)	36,471	36,728
Number of common shares at end of fiscal year used in calculating net assets per share	9,189,776	8,717,657

6. We included the Company's shares held in the trust account of Custody Bank of Japan, Ltd. as trust assets for the share-based compensation scheme for directors in the treasury stock deducted in the calculation of the number of shares at the end of the fiscal year in calculating net asset per share (74,688 shares in the previous consolidated fiscal year and 66,743 shares in the current consolidated fiscal year).

(Notes on significant events after balance-sheet date)

(Transition to a Defined Contribution Pension Plan)

As the Company transitioned part of its defined benefit corporate pension plan to a defined contribution pension plan on April 1, 2026, we are applying “Accounting Treatment for Transitions Between Retirement Benefit Plans” (Corporate Accounting Standards Application Guideline No. 1, December 16, 2016) and “Practical Treatment of Accounting for Transitions Between Retirement Benefit Plans” (Practical Response Report No. 2, February 7, 2007), and will account for the portion transferred to the defined contribution pension plan as a partial termination of the retirement benefit plan. We plan to record the resulting impact as extraordinary income in the next fiscal year, but we are currently in the process of calculating the amount.

4. Other Businesses

(1) Production, orders and sales

(a) Production results

Reportable segment	Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)		Current consolidated fiscal year (from April 1, 2025 to March 31, 2026)		Change	
	Amount (millions of yen)	Constituent ratio (%)	Amount (millions of yen)	Constituent ratio (%)	Amount (millions of yen)	Ratio (%)
Telecommunication Business	9,965	48.9	11,676	53.8	1,711	17.2
Radio Frequency Business	10,407	51.1	10,032	46.2	(374)	(3.6)
Total	20,372	100.0	21,709	100.0	1,336	6.6

(Notes) 1 Amounts are based on sales prices, and intersegment transactions have been offset.

- 2 In the Telecommunication Business, production results related to construction projects are excluded from the above production results due to difficulty in defining the results.

(b) Results of orders received

Reportable segment	Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)		Current consolidated fiscal year (from April 1, 2025 to March 31, 2026)		Change	
	Orders received (Millions of yen)	Order backlog (Millions of yen)	Orders received (Millions of yen)	Order backlog (Millions of yen)	Orders received (Millions of yen)	Order backlog (Millions of yen)
Telecommunication Business	25,155	14,552	28,092	17,257	2,937	2,704
Radio Frequency Business	9,620	3,097	10,781	3,926	1,160	828
Total	34,776	17,650	38,873	21,183	4,097	3,533

(c) Sales results

Reportable segment	Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)		Current consolidated fiscal year (from April 1, 2025 to March 31, 2026)		Change	
	Amount (millions of yen)	Constituent ratio (%)	Amount (millions of yen)	Constituent ratio (%)	Amount (millions of yen)	Ratio (%)
Telecommunication Business						
Construction work	12,265	37.6	14,220	40.1	1,954	15.9
Equipment and materials sales	9,801	30.1	11,167	31.5	1,365	13.9
Subtotal of Telecommunication Business	22,067	67.7	25,387	71.6	3,320	15.0
Radio Frequency Business	10,411	32.0	9,952	28.1	(458)	(4.4)
Total of reportable segments	32,478	99.7	35,340	99.7	2,861	8.8
Others	103	0.3	105	0.3	1	1.6
Total	32,582	100.0	35,446	100.0	2,863	8.8

(Notes) 1 Intersegment transactions have been offset.

- 2 The "Others" segment, which is not included in reportable segments, includes equipment leasing and electric power sales businesses.