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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

August 8, 2025

Company name SAKAI HEAVY INDUSTRIES,LTD. Stock exchange listings: Tokyo Prime
Securities code 6358 URL <https://www.sakainet.co.jp/>
Representative (Title) President and Representing Director (Name)Ichiro Sakai
Executive Officer, General
Inquiries (Title) Manager of Administration (Name)Yasuyuki Fujikawa Tel 03-3434-3401
Division
Dividend payable date (as planned) —
Supplemental material of results : Yes
Convening briefing of results : None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	5,749	(14.3)	149	(66.7)	154	(69.3)	91	(86.7)
June 30, 2024	6,706	(10.9)	449	(18.5)	503	(27.2)	690	46.3

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	10.72	—
June 30, 2024	81.18	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	40,758	29,280	71.7
March 31, 2025	42,624	30,130	70.5

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	85.00	—	60.50	—
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		45.00	—	60.00	105.00

3. Consolidated financial forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Six months ending September 30, 2025	13,700	(4.8)	550	(55.3)	550	(53.3)	400	(69.3)	46.94
Fiscal year ending March 31, 2026	30,000	7.7	1,250	(21.1)	1,250	(16.4)	900	(37.3)	105.61

* Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : None

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	8,845,634 shares	As of March 31, 2025	8,845,634 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	314,784 shares	As of March 31, 2025	314,718 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	8,530,867 shares	Three months ended June 30, 2024	8,501,342 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	7,668,034	5,941,290
Notes and accounts receivable - trade	5,339,465	4,940,435
Electronically recorded monetary claims - operating	736,827	1,279,848
Merchandise and finished goods	5,267,680	5,283,643
Work in process	1,146,451	1,364,651
Raw materials and supplies	5,123,865	4,666,304
Other	1,329,016	987,756
Allowance for doubtful accounts	(58)	(54)
Total current assets	26,611,283	24,463,877
Non-current assets		
Property, plant and equipment	7,884,830	7,870,189
Intangible assets	518,753	575,935
Investments and other assets		
Investment securities	5,661,936	5,892,738
Other	1,947,798	1,955,482
Total investments and other assets	7,609,734	7,848,221
Total non-current assets	16,013,317	16,294,346
Total assets	42,624,601	40,758,224
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,590,956	1,191,369
Electronically recorded obligations - operating	1,884,375	1,843,284
Short-term borrowings	4,804,492	4,232,966
Income taxes payable	159,941	168,163
Provisions	387,684	349,166
Other	1,602,257	1,447,267
Total current liabilities	10,429,707	9,232,216
Non-current liabilities		
Long-term borrowings	117,260	107,657
Retirement benefit liability	246,770	241,694
Other	1,700,358	1,896,487
Total non-current liabilities	2,064,388	2,245,838
Total liabilities	12,494,096	11,478,055

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	3,381,692	3,381,692
Capital surplus	6,627,635	6,627,635
Retained earnings	14,436,335	14,011,678
Treasury shares	(411,297)	(411,432)
Total shareholders' equity	24,034,365	23,609,574
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,181,536	3,350,196
Foreign currency translation adjustment	2,846,230	2,255,948
Remeasurements of defined benefit plans	(11,325)	(11,463)
Total accumulated other comprehensive income	6,016,440	5,594,681
Non-controlling interests	79,697	75,912
Total net assets	30,130,504	29,280,168
Total liabilities and net assets	42,624,601	40,758,224

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	6,706,798	5,749,017
Cost of sales	4,684,181	4,133,478
Gross profit	2,022,617	1,615,539
Selling, general and administrative expenses		
Transportation costs	85,690	79,282
Salaries and bonuses	726,649	677,807
Technical research expenses	240,214	241,764
Other	520,954	467,004
Total selling, general and administrative expenses	1,573,509	1,465,858
Operating profit	449,108	149,680
Non-operating income		
Interest income	5,989	2,978
Dividend income	105,990	137,147
Foreign exchange gains	9,573	—
Other	6,585	2,163
Total non-operating income	128,139	142,289
Non-operating expenses		
Interest expenses	51,073	56,994
bank charge	18,135	16,198
Foreign exchange losses	—	59,968
Other	4,056	3,861
Total non-operating expenses	73,265	137,023
Ordinary profit	503,981	154,946
Extraordinary income		
Gain on sale of investment securities	288,407	35,227
Total extraordinary income	288,407	35,227
Profit before income taxes	792,389	190,173
Income taxes	101,821	98,288
Profit	690,567	91,885
Profit attributable to non-controlling interests	456	420
Profit attributable to owners of parent	690,111	91,464

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	690,567	91,885
Other comprehensive income		
Valuation difference on available-for-sale securities	(40,589)	168,660
Foreign currency translation adjustment	693,348	(594,487)
Remeasurements of defined benefit plans, net of tax	(2,305)	(137)
Total other comprehensive income	650,453	(425,965)
Comprehensive income	1,341,021	(334,080)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,336,016	(330,293)
Comprehensive income attributable to non-controlling interests	5,004	(3,786)