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February 5, 2026

Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 7609
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Scheduled date of annual general meeting of shareholders: March 30, 2026
 Scheduled date to commence dividend payments: March 31, 2026
 Scheduled date to file Annual Securities Report: March 27, 2026
 Preparation of supplementary materials for financial results: Yes
 Holding of a financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated operating results		(Percentages indicate year-on-year changes.)						
	Net sales	Operating income		Ordinary income		Net income attributable to owners of parent		
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	103,142	10.3	7,010	13.1	7,156	13.0	4,923	12.4
December 31, 2024	93,542	1.5	6,200	4.3	6,335	5.3	4,382	9.1

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥5,989 million [21.6%]
 For the fiscal year ended December 31, 2024: ¥4,925 million [3.4%]

	Basic net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets ratio	Operating margin
Fiscal year ended December 31, 2025	Yen 232.32	Yen –	% 14.4	% 9.4	% 6.8
December 31, 2024	197.30	–	14.0	9.0	6.6

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended December 31, 2025: ¥– million
 For the fiscal year ended December 31, 2024: ¥– million

Notes: 1. Diluted net income per share is not presented, as there are no potential shares.

2. The Company conducted a two-for-one stock split of its common shares effective January 1, 2026. Basic net income per share has been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of December 31, 2025	Millions of yen 79,295	Millions of yen 35,586	Millions of yen 44.8	Millions of yen 1,687.18
December 31, 2024	73,153	33,003	45.1	1,484.84

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)

As of December 31, 2025: ¥35,540 million As of December 31, 2024: ¥32,981 million

Note: The Company conducted a two-for-one stock split of its common shares effective January 1, 2026. Net assets per share have been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended December 31, 2025	Millions of yen 6,048	Millions of yen (1,465)	Millions of yen (3,593)	Millions of yen 20,644
December 31, 2024	10,013	(353)	(1,603)	19,541

2. Dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	Q1-end	Q2-end	Q3-end	Fiscal year-end	Total			
Fiscal year ended December 31, 2024	Yen –	Yen 55.00	Yen –	Yen 100.00	Yen 155.00	Millions of yen 1,721	% 39.3	% 5.5
Fiscal year ended December 31, 2025	–	70.00	–	120.00	190.00	2,001	40.9	6.0
Fiscal year ending December 31, 2026 (forecast)	–	40.00	–	55.00	95.00		40.4	

Note: The Company conducted a two-for-one stock split of its common shares effective January 1, 2026. For the fiscal years ended December 31, 2024 and December 31, 2025, the actual dividend amounts before the stock split are presented. For the fiscal year ending December 31, 2026 (forecast), the amounts after the stock split are presented. If the stock split were not taken into account, the forecast annual dividends per share for the fiscal year ending December 31, 2026 would be ¥190.00.

3. Consolidated earnings forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic net income per share
First half	Millions of yen 50,300	% 103.0	Millions of yen 3,260	% 87.6	Millions of yen 3,260	% 89.3	Millions of yen 2,200	% 86.1	Yen 104.44
Full year	103,400	100.3	7,200	102.7	7,200	100.6	4,950	100.5	234.98

Note: The Company conducted a two-for-one stock split of its common shares effective January 1, 2026. The amounts of "Basic net income per share" in the consolidated earnings forecasts for the fiscal year ending December 31, 2026 are presented after taking into account the impact of this stock split.

* Notes

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

(2) 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

(3) Number of issued shares (common shares)

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

As of December 31, 2025	21,266,698 shares
As of December 31, 2024	22,311,958 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	201,432 shares
As of December 31, 2024	99,694 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	21,192,985 shares
Fiscal year ended December 31, 2024	22,209,850 shares

Note: The Company conducted a two-for-one stock split of its common shares effective January 1, 2026. The total number of issued shares at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period have been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

Reference: Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	90,003	10.5	5,436	14.8	6,212	16.8	4,451	19.0
December 31, 2024	81,484	(2.3)	4,733	(8.3)	5,319	(8.0)	3,739	(7.8)

	Basic net income per share	Diluted net income per share
Fiscal year ended December 31, 2025	Yen 210.03	Yen
December 31, 2024	168.36	—

Notes: 1. Diluted net income per share is not presented, as there are no potential shares.

2. The Company conducted a two-for-one stock split of its common shares effective January 1, 2026. Basic net income per share has been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of December 31, 2025	Millions of yen 72,282	Millions of yen 30,594	% 42.3	Yen 1,452.38
December 31, 2024	66,440	28,962	43.6	1,303.89

Reference: Equity (Shareholders' equity + Valuation and translation adjustments)

As of December 31, 2025: ¥30,594 million As of December 31, 2024: ¥28,962 million

Note: The Company conducted a two-for-one stock split of its common shares effective January 1, 2026. Net assets per share have been calculated on the assumption that the stock split had taken place at the beginning of the previous fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Cautionary statement regarding forward-looking statements

Forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company, and are not intended as a commitment by the Company to achieve such results. Actual results may differ materially from these forecasts due to various factors. For the assumptions underlying the earnings forecasts and notes on the use of such forecasts, please refer to the attached materials on page 3, “1. Overview of Financial Performance (1) Operating Results (ii) Outlook.”

How to obtain supplementary materials for financial results and information on the financial results briefing

The Company plans to hold a hybrid financial results briefing, both in person and online, for institutional investors and analysts on Tuesday, February 17, 2026.

The presentation materials to be used on the day will be posted promptly on the Company’s website following the announcement of financial results.

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1. Overview of Financial Performance

(1) Overview of Operating Results

(i) Operating results

During the fiscal year ended December 31, 2025 (the “fiscal year under review”), the Japanese economy showed a moderate recovery, supported by improvements in employment and income conditions and an expansion in inbound tourism demand, despite the impact of rising prices. Corporate capital investment increased moderately against the backdrop of labor shortages, and production activity remained firm, although it was affected by persistently high prices for raw materials.

As for the global economy, while certain industries were affected by U.S. trade policies, overall conditions remained steady. However, heightened uncertainty persisted amid geopolitical risks, including the Ukraine conflict and tensions in the Middle East.

In the electronics industry in which the Group operates, demand for capital investment related to industrial machinery improved as inventory adjustments progressed, and demand for the AI and IoT fields remained strong. Accordingly, production activity for electronic components and manufacturing equipment was robust.

Under these circumstances, based on the basic policy of the 11th Medium-Term Business Plan (FY2024–FY2026), the Group worked to expand sales of original products, grow overseas business, and create new businesses that will serve as new earnings pillars.

As a result, for the fiscal year under review, the Group recorded net sales of ¥103,142 million (up 10.3% year on year), operating income of ¥7,010 million (up 13.1% year on year), ordinary income of ¥7,156 million (up 13.0% year on year), and net income attributable to owners of parent of ¥4,923 million (up 12.4% year on year).

Overview of segments is as follows.

Domestic Sales Business

In the electronic equipment & components business, sales increased for connectors in electronic components & assembly products used in semiconductor manufacturing equipment, cameras and lenses in automotive image-related equipment & components, and communication systems in information systems, while sales of analog ICs in semiconductors declined. In the manufacturing equipment business, sales increased for electronic component manufacturing equipment used primarily in the production of communications devices for data centers, while sales declined for semiconductor/flat panel display (FPD) manufacturing equipment used in the production of semiconductor materials. As a result of these factors, both net sales and profit increased compared with the previous fiscal year.

Consequently, net sales in this segment amounted to ¥71,834 million (up 10.2% year on year), and segment profit (operating income) was ¥4,060 million (up 8.0% year on year).

Domestic Manufacturing Business

In the Components Business Operation engaged in the electronic equipment & components business, sales of specialty connectors increased. In the Equipment Business Operation engaged in the manufacturing equipment business, sales of processing machines and inspection equipment for communications devices rose. As a result of these factors, both net sales and profit increased compared with the previous fiscal year.

Consequently, net sales in this segment, including intersegment sales, amounted to ¥13,039 million (up 13.5% year on year). Net sales to external customers were ¥4,443 million (up 14.3% year on year), and segment profit (operating income) was ¥1,202 million (up 59.3% year on year).

Global Business

In the electronic equipment & components business, sales increased for electronic components & assembly products in the Southeast Asian market and for image-related equipment & components in the U.S. and Chinese markets, while sales of image-related equipment & components declined in the South Korean market. In the manufacturing equipment business, sales increased for semiconductor/FPD manufacturing equipment in the U.S. and European markets and for electronic component manufacturing equipment in the Southeast Asian market, while sales decreased for semiconductor/FPD manufacturing equipment in the Southeast Asian and Chinese markets and for electronic component manufacturing equipment in the Chinese market. As a result of these factors, both net sales and profit exceeded the results for the previous fiscal year.

Consequently, net sales in this segment amounted to ¥26,864 million (up 9.8% year on year), and segment profit (operating income) was ¥1,899 million (up 3.3% year on year).

(ii) Outlook

Regarding the outlook, the business environment is expected to remain uncertain due to factors including the prolonged situation in Ukraine, escalating tensions in the Middle East, persistently high prices for resources and raw materials, sluggish domestic demand in China, and heightened policy uncertainty in the United States.

In the electronics industry, although inventory adjustments remain protracted in some areas, capital investment related to the AI and IoT fields, as well as the associated production activity for electronic components and manufacturing equipment, is expected to remain firm.

Under these circumstances, the Group expects full-year performance of net sales of ¥103,400 million, operating income of ¥7,200 million, ordinary income of ¥7,200 million, and net income attributable to owners of parent of ¥4,950 million.

The above outlook is based on information currently available to the Company and on judgments deemed reasonable at this time. Actual results may differ materially from these forecasts due to various factors in the future.

(2) Overview of Financial Position

(i) Assets, liabilities, and net assets

Assets

At the end of the fiscal year under review, current assets amounted to ¥70,877 million, an increase of ¥5,672 million compared with the end of the previous fiscal year. This was mainly attributable to increases of ¥2,242 million in cash and deposits and ¥2,584 million in accounts receivable – trade. Non-current assets amounted to ¥8,418 million, an increase of ¥469 million compared with the end of the previous fiscal year, mainly due to an increase of ¥526 million in investments and other assets.

As a result, total assets amounted to ¥79,295 million, an increase of ¥6,141 million compared with the end of the previous fiscal year.

Liabilities

At the end of the fiscal year under review, current liabilities amounted to ¥40,312 million, an increase of ¥3,958 million compared with the end of the previous fiscal year. This was mainly attributable to increases of ¥1,790 million in notes and accounts payable – trade and ¥2,044 million in electronically recorded obligations – operating. Non-current liabilities amounted to ¥3,397 million, a decrease of ¥399 million compared with the end of the previous fiscal year.

As a result, total liabilities amounted to ¥43,709 million, an increase of ¥3,559 million compared with the end of the previous fiscal year.

Net assets

At the end of the fiscal year under review, total net assets amounted to ¥35,586 million, an increase of ¥2,582 million compared with the end of the previous fiscal year. This was mainly attributable to the recognition of ¥4,923 million in net income attributable to owners of parent, partially offset by decreases of ¥1,847 million due to dividends of surplus and ¥1,586 million due to the purchase of treasury shares.

As a result, the equity ratio came in at 44.8%, representing a decrease of 0.3 percentage points compared with the end of the previous fiscal year.

(ii) Cash flows

At the end of the fiscal year under review, cash and cash equivalents ("net cash") amounted to ¥20,644 million, an increase of ¥1,103 million compared with the end of the previous fiscal year.

The status of cash flows for the fiscal year under review and the main contributing factors are as follows.

Cash flows from operating activities

Net cash provided by operating activities amounted to ¥6,048 million (compared with ¥10,013 million provided in the previous fiscal year). Major factors contributing to an increase in net cash included the recognition of income before income taxes of ¥7,158 million, a decrease of ¥1,665 million in advance payments to suppliers, and an increase of ¥3,791 million in trade payables, partially offset by an increase of ¥3,126 million in trade receivables and contract assets, an increase of ¥1,705 million in inventories, and income taxes paid of ¥1,976 million.

Cash flows from investing activities

Net cash used in investing activities amounted to ¥1,465 million (compared with ¥353 million used in the previous fiscal year). The main factor contributing to a decrease in net cash was payments into time deposits of ¥1,097 million.

Cash flows from financing activities

Net cash used in financing activities amounted to ¥3,593 million (compared with ¥1,603 million used in the previous fiscal year). The main factors contributing to a decrease in net cash were purchase of treasury shares of ¥1,586 million and dividends paid of ¥1,846 million.

(Reference) Changes in cash flow-related indicators

	FY2021	FY2022	FY2023	FY2024	FY2025
Equity ratio (%)	38.4	41.1	43.4	45.1	44.8
Equity ratio based on market value (%)	40.7	40.1	45.9	41.7	64.5
Cash flow to interest-bearing debt ratio (years)	0.2	–	2.4	0.1	0.1
Interest coverage ratio (times)	490.3	–	8.4	298.4	230.3

Equity ratio: Equity / Total assets

Equity ratio based on market value: Market capitalization / Total assets

Cash flow to interest-bearing debt ratio: Interest-bearing debt / Cash flow

Interest coverage ratio: Cash flow / Interest paid

Notes: 1. All figures are calculated on a consolidated basis.

2. Market capitalization is calculated based on the number of issued shares excluding treasury shares.
3. Cash flow refers to net cash provided by operating activities. Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet that bear interest.
4. For the fiscal year ended December 31, 2022 (FY2022), the cash flow to interest-bearing debt ratio and the interest coverage ratio are not presented because the Company recorded a negative operating cash flow.

2. Status of the Corporate Group

The Company's corporate group consists of the Company (the M&S Company, the D&P Company, and the Global Business Division) and 12 consolidated subsidiaries (including 11 overseas subsidiaries). The Group's principal businesses include the sale, manufacture, and import/export of electronic equipment & components (electronic components & assembly products, semiconductors, embedded (board) systems, power supply equipment, image-related equipment & components, information systems, and other electronic equipment and components), manufacturing equipment (optical device manufacturing equipment, LSI manufacturing equipment, FPD manufacturing equipment, electronic materials manufacturing equipment, and energy device manufacturing equipment), and other electronics products.

(1) Domestic Sales Business segment

This segment consists of the various divisions of the Company's M&S Company.

The M&S Company procures the above-mentioned electronic equipment & components and manufacturing equipment from domestic and overseas manufacturers and from the Domestic Manufacturing Business segment, and sells them mainly to customers and subsidiaries in Japan.

(2) Domestic Manufacturing Business segment

This segment consists of the various operations of the Company's D&P Company and one consolidated subsidiary.

The Equipment Business Operation of the D&P Company engages in the development, manufacture, and sale of manufacturing equipment, including optical device manufacturing equipment, FPD manufacturing equipment, and electronic materials manufacturing equipment.

The Components Business Operation of the D&P Company engages in the design, manufacture, and sale of electronic equipment & components, including harnesses, pressure-resistant waterproof connectors, power supply equipment, and other electronic equipment and components.

Daito-Tec Co., Ltd. engages in the assembly and processing of electronic equipment & components, including harnesses.

(3) Global Business segment

This segment consists of the Company's Global Business Division and 11 overseas subsidiaries.

The Global Business Division engages in the sale, procurement, and import/export of electronic equipment & components and manufacturing equipment.

Daitron Inc. engages in the manufacture, sale, and import/export of electronic equipment & components, as well as the sale and import/export of manufacturing equipment, primarily in the North American market.

Daitron (Malaysia) Sdn. Bhd. engages in the sale and import/export of electronic equipment & components and manufacturing equipment, primarily in Malaysia and the Southeast Asian market.

Daitron (H.K.) Co., Ltd. engages in the sale, procurement, and import/export of electronic equipment & components, primarily in Hong Kong and the South China market.

Daitron (Shanghai) Co., Ltd. engages in the sale and import/export of electronic equipment & components and manufacturing equipment in the Chinese market.

Daitron (Korea) Co., Ltd. engages in the sale, procurement, and import/export of electronic equipment & components, primarily in South Korea and the East Asian market.

Daitron (Thailand) Co., Ltd. engages in the sale and import/export of electronic equipment & components and manufacturing equipment, primarily in Thailand and the Southeast Asian market.

Daitron (Shenzhen) Co., Ltd. engages in the sale and import/export of electronic equipment & components, primarily in the South China market.

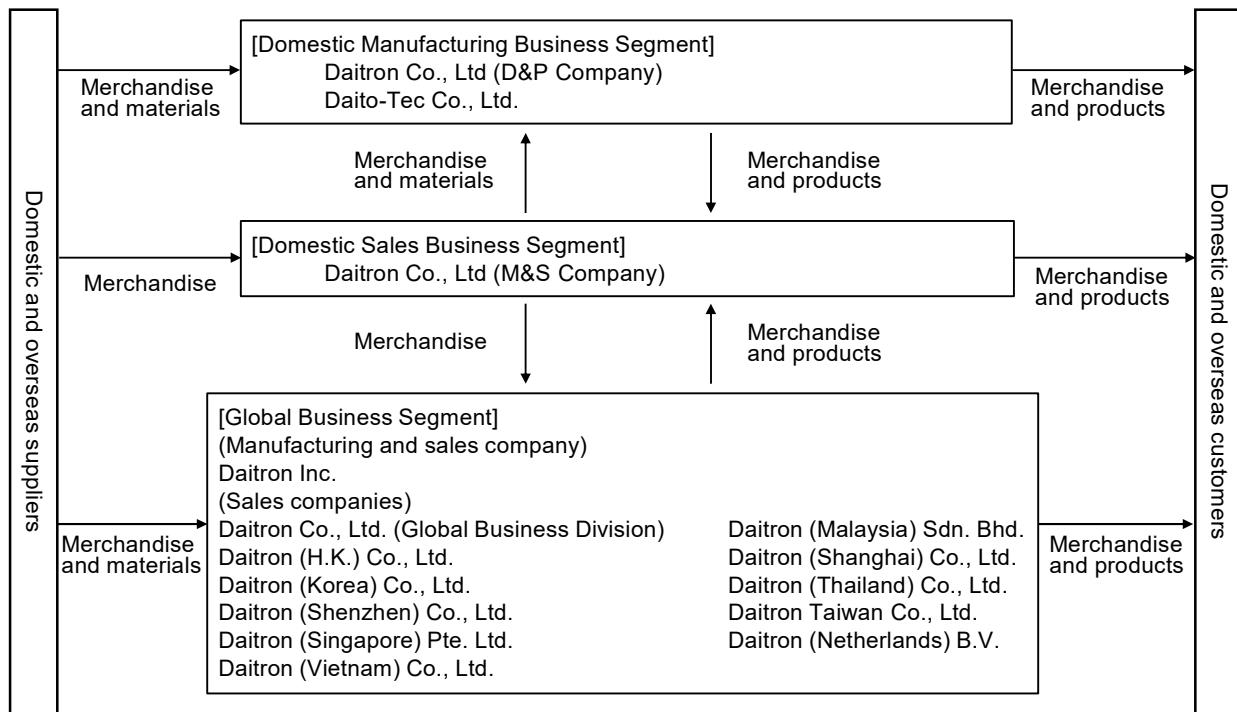
Daitron Taiwan Co., Ltd. engages in the sale and import/export of electronic equipment & components and manufacturing equipment in the Taiwan market.

Daitron (Singapore) Pte. Ltd. engages in the sale and import/export of electronic equipment & components and manufacturing equipment, primarily in Singapore and the Southeast Asian market.

Daitron (Netherlands) B.V. engages in the sale and import/export of electronic equipment & components and manufacturing equipment in the European market.

Daitron (Vietnam) Co., Ltd. engages in the sale and import/export of electronic equipment & components and manufacturing equipment, primarily in Vietnam and the Southeast Asian market.

The business flow chart is shown below.



3. Basic Policy on the Selection of Accounting Standards

The Group prepares its consolidated financial statements in accordance with Japanese GAAP for the time being, taking into consideration time-series comparability and cross-sectional comparability of the consolidated financial statements.

With regard to the application of International Financial Reporting Standards (IFRS), the Group will respond appropriately after considering developments in domestic and international circumstances.

4. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	19,561,035	21,803,877
Notes receivable – trade	395,855	164,475
Accounts receivable – trade	16,593,395	19,178,029
Electronically recorded monetary claims – operating	9,313,715	10,122,209
Merchandise and finished goods	6,905,581	8,369,145
Work in process	4,287,982	4,340,498
Raw materials	915,426	1,109,377
Advance payments to suppliers	6,946,003	5,277,487
Other	288,009	513,816
Allowance for doubtful accounts	(2,098)	(1,825)
Total current assets	65,204,907	70,877,091
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,824,376	5,878,534
Accumulated depreciation	(3,834,335)	(4,007,877)
Buildings and structures, net	1,990,041	1,870,657
Machinery, equipment and vehicles	669,122	710,956
Accumulated depreciation	(553,215)	(593,674)
Machinery, equipment and vehicles, net	115,907	117,281
Land	2,102,118	2,102,118
Other	1,079,552	1,203,304
Accumulated depreciation	(877,669)	(937,461)
Other, net	201,882	265,843
Total property, plant and equipment	4,409,949	4,355,900
Intangible assets		
Other	412,687	409,513
Total intangible assets	412,687	409,513
Investments and other assets		
Investment securities	2,190,980	3,074,336
Deferred tax assets	452,332	75,090
Other	490,080	512,308
Allowance for doubtful accounts	(7,607)	(8,986)
Total investments and other assets	3,125,785	3,652,748
Total non-current assets	7,948,423	8,418,162
Total assets	73,153,331	79,295,253

(Thousands of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable – trade	9,812,606	11,602,737
Electronically recorded obligations – operating	9,358,270	11,403,054
Short-term borrowings	348,375	258,408
Lease liabilities	80,385	85,855
Income taxes payable	955,311	1,157,001
Provision for bonuses	136,233	188,469
Provision for product warranties	92,170	63,614
Contract liabilities	14,010,523	13,674,944
Other	1,559,422	1,878,006
Total current liabilities	<hr/> 36,353,299	40,312,094
Non-current liabilities		
Lease liabilities	190,403	133,843
Deferred tax liabilities	594	9,972
Retirement benefit liability	3,542,214	3,199,932
Asset retirement obligations	52,540	53,408
Other	10,700	–
Total non-current liabilities	<hr/> 3,796,452	3,397,158
Total liabilities	<hr/> 40,149,751	43,709,253
Net assets		
Shareholders' equity		
Share capital	2,200,708	2,200,708
Capital surplus	2,585,554	2,487,450
Retained earnings	26,113,412	27,946,289
Treasury shares	(37,176)	(258,496)
Total shareholders' equity	<hr/> 30,862,498	32,375,952
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,010,443	1,594,441
Deferred gains or losses on hedges	(7,211)	–
Foreign currency translation adjustment	954,708	1,042,779
Remeasurements of defined benefit plans	161,224	527,806
Total accumulated other comprehensive income	<hr/> 2,119,165	3,165,027
Non-controlling interests	21,914	45,020
Total net assets	<hr/> 33,003,579	35,586,000
Total liabilities and net assets	<hr/> 73,153,331	79,295,253

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	93,542,920	103,142,476
Cost of sales	74,674,471	82,163,809
Gross profit	18,868,448	20,978,666
Selling, general and administrative expenses		
Salaries and bonuses	6,351,945	7,290,791
Retirement benefit expenses	289,936	309,933
Provision for bonuses	121,579	166,188
Provision of allowance for doubtful accounts	233	992
Provision for product warranties	48,013	(28,555)
Depreciation	297,153	310,030
Other	5,559,486	5,918,381
Total selling, general and administrative expenses	12,668,346	13,967,763
Operating income	6,200,101	7,010,903
Non-operating income		
Interest income	5,343	17,868
Dividend income	49,739	58,980
Subsidy income	14,335	43,788
Gain on sale of scraps	4,467	19,291
Foreign exchange gains	54,773	–
Miscellaneous income	48,444	47,127
Total non-operating income	177,103	187,057
Non-operating expenses		
Interest expenses	33,560	26,263
Loss on sale of notes receivable – trade	3,910	2,624
Foreign exchange losses	–	1,694
Miscellaneous losses	4,078	10,393
Total non-operating expenses	41,549	40,976
Ordinary income	6,335,656	7,156,984
Extraordinary income		
Gain on sale of non-current assets	184	1,764
Gain on sale of investment securities	8	–
Subsidy income	11,250	–
Total extraordinary income	11,443	1,764
Extraordinary losses		
Loss on sale and retirement of non-current assets	1,169	429
Loss on tax purpose reduction entry of non-current assets	11,250	–
Total extraordinary losses	12,419	429
Income before income taxes	6,334,679	7,158,319
Income taxes – current	2,153,562	2,158,034
Income taxes – deferred	(197,860)	56,877
Total income taxes	1,955,702	2,214,912
Net income	4,378,977	4,943,407
Net income (loss) attributable to non-controlling interests	(3,052)	19,939
Net income attributable to owners of parent	4,382,030	4,923,468

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net income	4,378,977	4,943,407
Other comprehensive income		
Valuation difference on available-for-sale securities	137,334	583,997
Deferred gains or losses on hedges	(7,211)	7,211
Foreign currency translation adjustment	426,604	88,070
Remeasurements of defined benefit plans	(10,238)	366,581
Total other comprehensive income	546,489	1,045,861
Comprehensive income	4,925,467	5,989,269
Comprehensive income attributable to:		
Owners of parent	4,925,948	5,966,163
Non-controlling interests	(481)	23,105

(3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,200,708	2,575,877	23,119,455	(39,781)	27,856,259
Changes during period					
Dividends of surplus			(1,388,073)		(1,388,073)
Net income attributable to owners of parent			4,382,030		4,382,030
Purchase of treasury shares				(101)	(101)
Disposal of treasury shares		9,677		2,706	12,384
Net changes in items other than shareholders' equity					
Total changes during period	–	9,677	2,993,956	2,605	3,006,239
Balance at end of period	2,200,708	2,585,554	26,113,412	(37,176)	30,862,498

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	873,109	–	528,103	171,463	1,572,676	22,395	29,451,331
Changes during period							
Dividends of surplus							(1,388,073)
Net income attributable to owners of parent							4,382,030
Purchase of treasury shares							(101)
Disposal of treasury shares							12,384
Net changes in items other than shareholders' equity	137,334	(7,211)	426,604	(10,238)	546,489	(481)	546,008
Total changes during period	137,334	(7,211)	426,604	(10,238)	546,489	(481)	3,552,247
Balance at end of period	1,010,443	(7,211)	954,708	161,224	2,119,165	21,914	33,003,579

Fiscal year ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,200,708	2,585,554	26,113,412	(37,176)	30,862,498
Changes during period					
Dividends of surplus			(1,847,911)		(1,847,911)
Net income attributable to owners of parent			4,923,468		4,923,468
Purchase of treasury shares				(1,586,472)	(1,586,472)
Disposal of treasury shares		4,554		19,814	24,368
Cancellation of treasury shares		(102,658)	(1,242,679)	1,345,337	–
Net changes in items other than shareholders' equity					
Total changes during period	–	(98,104)	1,832,877	(221,320)	1,513,453
Balance at end of period	2,200,708	2,487,450	27,946,289	(258,496)	32,375,952

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,010,443	(7,211)	954,708	161,224	2,119,165	21,914	33,003,579
Changes during period							
Dividends of surplus							(1,847,911)
Net income attributable to owners of parent							4,923,468
Purchase of treasury shares							(1,586,472)
Disposal of treasury shares							24,368
Cancellation of treasury shares							–
Net changes in items other than shareholders' equity	583,997	7,211	88,070	366,581	1,045,861	23,105	1,068,967
Total changes during period	583,997	7,211	88,070	366,581	1,045,861	23,105	2,582,420
Balance at end of period	1,594,441	–	1,042,779	527,806	3,165,027	45,020	35,586,000

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Income before income taxes	6,334,679	7,158,319
Depreciation	454,973	470,688
Interest and dividend income	(55,082)	(76,849)
Interest expenses	33,560	26,263
Loss (gain) on sale and retirement of non-current assets	984	(1,334)
Loss (gain) on sale of investment securities	(8)	–
Subsidy income	(11,250)	–
Loss on tax purpose reduction entry of non-current assets	11,250	–
Decrease (increase) in trade receivables and contract assets	2,260,753	(3,126,431)
Decrease (increase) in inventories	1,847,191	(1,705,711)
Decrease (increase) in advance payments to suppliers	(385,405)	1,665,204
Increase (decrease) in trade payables	(2,200,464)	3,791,697
Increase (decrease) in contract liabilities	4,406,271	(337,139)
Other, net	(355,731)	121,188
Subtotal	12,341,722	7,985,895
Interest and dividends received	54,747	64,707
Interest paid	(33,560)	(26,263)
Income taxes paid	(2,349,605)	(1,976,189)
Net cash provided by (used in) operating activities	10,013,304	6,048,150
Cash flows from investing activities		
Payments into time deposits	–	(1,097,660)
Purchase of property, plant and equipment	(222,745)	(206,830)
Proceeds from sale of property, plant and equipment	564	2,178
Purchase of investment securities	(37,459)	(41,332)
Proceeds from sale of investment securities	9	–
Other, net	(93,687)	(121,554)
Net cash provided by (used in) investing activities	(353,317)	(1,465,199)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(138,283)	(81,649)
Purchase of treasury shares	(101)	(1,586,472)
Dividends paid	(1,387,611)	(1,846,199)
Other, net	(77,482)	(79,618)
Net cash provided by (used in) financing activities	(1,603,479)	(3,593,939)
Effect of exchange rate change on cash and cash equivalents	259,896	114,590
Net increase (decrease) in cash and cash equivalents	8,316,403	1,103,602
Cash and cash equivalents at beginning of period	11,224,631	19,541,035
Cash and cash equivalents at end of period	19,541,035	20,644,637

(5) Notes to Consolidated Financial Statements

Going concern assumption

Not applicable

Significant accounting policies for preparation of consolidated financial statements

As there have been no material changes from the information disclosed in the most recent Annual Securities Report (filed on March 31, 2025), the related disclosure is omitted.

Changes in presentation

Consolidated Statements of Income

“Purchase discounts,” which were separately presented under “Non-operating income” in the previous fiscal year, have been included in “Miscellaneous income” under “Non-operating income” for the fiscal year under review, as they accounted for less than 10% of total non-operating income. “Gain on sale of scraps,” which was previously included in “Miscellaneous income” under “Non-operating income,” has been separately presented from the fiscal year under review, since it exceeded 10% of total non-operating income. To reflect these changes in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

Accordingly, ¥5,164 thousand of “Purchase discounts” and ¥47,748 thousand of “Miscellaneous income,” which were presented under “Non-operating income” in the consolidated statements of income for the previous fiscal year, have been reclassified as ¥4,467 thousand of “Gain on sale of scraps” and ¥48,444 thousand of “Miscellaneous income.”

Consolidated Statements of Cash Flows

“Purchase of treasury shares,” which was included in “Other, net” under “Cash flows from financing activities” in the previous fiscal year, has been separately presented from the fiscal year under review, as the amount has become material. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

Accordingly, minus ¥77,584 thousand previously presented as “Other, net” under “Cash flows from financing activities” in the consolidated statements of cash flows for the previous fiscal year has been reclassified as minus ¥101 thousand of “Purchase of treasury shares” and minus ¥77,482 thousand of “Other, net.”

Segment information etc.

a. Segment information

1. Overview of reportable segments

The Group's reportable segments are those components of the Group for which discrete financial information is available and which are regularly reviewed by the Board of Directors for the purposes of deciding on the allocation of management resources and evaluating business performance.

Each company within the Group operates as an independent management unit, and decisions regarding the allocation of management resources and the evaluation of performance are made by the respective boards of directors of each company. In addition, in Japan, functions are divided between manufacturing and sales, and the Board of Directors determines the allocation of management resources and evaluates performance for each function.

Accordingly, as the Group is composed of segments based on the above geographic locations and functional classifications, the Group has designated three reportable segments: Domestic Sales Business, Domestic Manufacturing Business, and Global Business.

The major merchandise and products handled and the business activities of each segment are as follows.

Major merchandise and products

(i) Electronic equipment & components....	Electronic components & assembly products, semiconductors, embedded (boards) systems, power supply equipment, image-related equipment & components, information systems, and other electronic equipment and components
(ii) Manufacturing equipment.....	Optical device manufacturing equipment, LSI manufacturing equipment, flat panel display (FPD) manufacturing equipment, electronic materials manufacturing equipment, and energy device manufacturing equipment

Business activities by segment

(i) Domestic Sales Business.....	With respect to all of the major products handled above, this segment procures products from within the Group and from domestic and overseas suppliers, and sells them mainly to customers in Japan and within the Group.
(ii) Domestic Manufacturing Business....	Among the major products handled above, this segment develops, manufactures, and sells electronic components & assembly products, power supply equipment, and image-related equipment & components within electronic equipment & components, as well as optical device manufacturing equipment, FPD manufacturing equipment, electronic materials manufacturing equipment, and other manufacturing equipment, mainly to customers in Japan and within the Group.
(iii) Global Business.....	With respect to all of the major products handled above, this segment engages in sales and import/export activities targeting overseas markets in each region, and also manufactures and sells electronic components & assembly products within electronic equipment & components.

2. Basis for calculating net sales, profit or loss, assets, and other items by reportable segment

The accounting policies applied to the reported business segments are the same as those described in Notes – Significant accounting policies for preparation of consolidated financial statements.”

Segment profit is measured based on operating income.

Intersegment revenues and transfers are calculated based on prevailing market prices.

3. Information on net sales, profit or loss, assets, and other items by reportable segment

For the fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

	Reportable segment				Adjustments (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Domestic Sales Business	Domestic Manufacturing Business	Global Business	Total		
Net sales						
Electronic equipment & components	53,006,784	3,816,199	11,955,415	68,778,400	–	68,778,400
Manufacturing equipment	12,177,351	72,132	12,515,035	24,764,520	–	24,764,520
Revenue from contracts with customers	65,184,135	3,888,332	24,470,451	93,542,920	–	93,542,920
Other revenues	–	–	–	–	–	–
Net sales to external customers	65,184,135	3,888,332	24,470,451	93,542,920	–	93,542,920
Intersegment sales and transfers	2,739,098	7,596,394	194,286	10,529,779	(10,529,779)	–
Total	67,923,233	11,484,727	24,664,738	104,072,699	(10,529,779)	93,542,920
Segment profit	3,760,697	755,037	1,838,128	6,353,863	(153,762)	6,200,101
Segment assets	26,932,025	9,434,398	16,376,336	52,742,759	20,410,571	73,153,331
Other items						
Depreciation	36,448	194,150	58,473	289,072	165,900	454,973
Increases in property, plant and equipment and intangible assets	37,985	57,250	55,089	150,325	153,592	303,918

(Notes) 1. The details of the adjustments are as follows:

- (1) The adjustment to segment profit of minus ¥153,762 thousand includes elimination of intersegment transactions of minus ¥4,926 thousand and corporate expenses of minus ¥148,835 thousand that are not allocated to any reportable segment. Corporate expenses mainly consist of selling, general and administrative expenses that are not attributable to the reportable segments.
- (2) The adjustment to segment assets of ¥20,410,571 thousand includes elimination of intersegment transactions of minus ¥101,193 thousand and corporate assets of ¥20,511,765 thousand that are not allocated to any reportable segment. Corporate assets mainly consist of surplus funds under management (such as cash and deposits), long-term investment funds (such as investment securities), and assets related to administrative departments, none of which are attributable to the reportable segments.
- (3) The adjustment to depreciation of ¥165,900 thousand represents depreciation related to corporate assets.
- (4) The adjustment to increases in property, plant and equipment and intangible assets of ¥153,592 thousand represents increases in corporate assets.

2. Segment profit is reconciled with operating income in the consolidated statement of income.

For the fiscal year ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Reportable segment				Adjustments (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Domestic Sales Business	Domestic Manufacturing Business	Global Business	Total		
Net sales						
Electronic equipment & components	58,235,232	4,402,567	12,833,732	75,471,532	–	75,471,532
Manufacturing equipment	13,598,930	41,053	14,030,960	27,670,943	–	27,670,943
Revenue from contracts with customers	71,834,162	4,443,621	26,864,692	103,142,476	–	103,142,476
Other revenues	–	–	–	–	–	–
Net sales to external customers	71,834,162	4,443,621	26,864,692	103,142,476	–	103,142,476
Intersegment sales and transfers	3,074,151	8,595,441	203,737	11,873,330	(11,873,330)	–
Total	74,908,314	13,039,062	27,068,429	115,015,807	(11,873,330)	103,142,476
Segment profit	4,060,742	1,202,562	1,899,349	7,162,654	(151,750)	7,010,903
Segment assets	31,857,924	10,160,487	14,766,022	56,784,433	22,510,819	79,295,253
Other items						
Depreciation	34,825	198,390	69,126	302,342	168,346	470,688
Increases in property, plant and equipment and intangible assets	24,803	141,017	66,669	232,490	181,435	413,926

(Notes) 1. The details of the adjustments are as follows:

- (1) The adjustment to segment profit of minus ¥151,750 thousand includes elimination of intersegment transactions of ¥10,509 thousand and corporate expenses of minus ¥162,260 thousand that are not allocated to any reportable segment. Corporate expenses mainly consist of selling, general and administrative expenses that are not attributable to the reportable segments.
- (2) The adjustment to segment assets of ¥22,510,819 thousand includes elimination of intersegment transactions of minus ¥123,069 thousand and corporate assets of ¥22,633,889 thousand that are not allocated to any reportable segment. Corporate assets mainly consist of surplus funds under management (such as cash and deposits), long-term investment funds (such as investment securities), and assets related to administrative departments, none of which are attributable to the reportable segments.
- (3) The adjustment to depreciation of ¥168,346 thousand represents depreciation related to corporate assets.
- (4) The adjustment to increases in property, plant and equipment and intangible assets of ¥181,435 thousand represents increases in corporate assets.

2. Segment profit is reconciled with operating income in the consolidated statement of income.

b. Related information

For the fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

1. Information by product and service

(Thousands of yen)

	Electronic equipment & components	Manufacturing equipment	Total
Net sales to external customers	68,778,400	24,764,520	93,542,920

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	North America	Europe	Asia		Total
			China	Other	
68,932,429	5,566,402	750,399	10,459,976	7,833,712	93,542,920

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

(2) Property, plant and equipment

As the amount of property, plant and equipment located in Japan accounts for more than 90% of the total amount of property, plant and equipment recorded in the consolidated balance sheet, the related disclosure is omitted.

3. Information by major customer

As there is no single external customer that accounts for 10% or more of net sales reported in the consolidated statement of income, the related disclosure is omitted.

For the fiscal year ended December 31, 2025 (January 1, 2025 to December 31, 2025)

1. Information by product and service

(Thousands of yen)

	Electronic equipment & components	Manufacturing equipment	Total
Net sales to external customers	75,471,532	27,670,943	103,142,476

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	North America	Europe	Asia		Total
			China	Other	
76,111,032	7,054,571	2,045,379	10,048,196	7,883,297	103,142,476

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

(2) Property, plant and equipment

As the amount of property, plant and equipment located in Japan accounts for more than 90% of the total amount of property, plant and equipment recorded in the consolidated balance sheet, the related disclosure is omitted.

3. Information by major customer

As there is no single external customer that accounts for 10% or more of net sales reported in the consolidated statement of income, the related disclosure is omitted.

c. Information on impairment losses on non-current assets by reportable segment
Not applicable.

d. Information on amortization and unamortized balance of goodwill by reportable segment
Not applicable.

e. Information on gain on bargain purchase by reportable segment
Not applicable.

Per share information

Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net assets per share	¥1,484.84
Basic net income per share	¥197.30

Notes 1. Diluted net income per share is not presented, as there are no potential shares.

2. The Company conducted a two-for-one stock split of its common share effective January 1, 2026. Net assets per share and basic net income per share have been calculated on the assumption that the stock split had taken place at the beginning of the fiscal year ended December 31, 2024.

3. The basis for the calculation of basic net income per share is as follows.

(Thousands of yen, unless otherwise noted)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net income attributable to owners of parent	4,382,030	4,923,468
Amount not attributed to common shareholders	–	–
Net income attributable to common shareholders of parent	4,382,030	4,923,468
Average number of common shares during the period (thousand shares)	22,209	21,192

Subsequent events

Stock split and ensuing partial amendment to the Articles of Incorporation

In accordance with a resolution of the Board of Directors held on November 4, 2025, the Company conducted a stock split and made a partial amendment to the Articles of Incorporation in conjunction with this split effective January 1, 2026.

1. Regarding stock split

(1) Purpose of the stock split

The aim of the stock split is to lower the investment unit price of common shares, thereby creating an environment where investors can more easily invest in our stock. This aims to enhance the liquidity of common shares and broaden the investor base.

(2) Overview of the stock split

(i) Method of stock split

With a record date of Wednesday, December 31, 2025 (as the same day is a holiday for the shareholder registry administrator, the effective date was Tuesday, December 30, 2025), each common share held by shareholders listed or recorded in the final shareholder register as of that date was split at a ratio of two shares for each share held.

(ii) Number of shares to be increased by the stock split

Total number of shares issued before the stock split	10,633,349 shares
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Number of shares to be increased by the stock split	10,633,349 shares
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Total number of shares issued after the stock split	21,266,698 shares
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Total number of authorized shares after the stock split	80,000,000 shares
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(iii) Schedule

Public notice of record date	Monday, December 8, 2025
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Record date	Wednesday, December 31, 2025
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Effective date	Thursday, January 1, 2026
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(iv) Impact on per-share information

The impact on per-share information is described in the relevant section.

(v) Other

The stock split does not result in any change in the Company's share capital

2. Partial amendment of the Articles of Incorporation due to stock split

(1) Reason for the amendment

In conjunction with this stock split, based on the provisions of Article 184, Paragraph 2 of the Companies Act, the total number of authorized shares for issuance as stipulated in Article 6 of our Articles of Incorporation was amended effective Thursday, January 1, 2026.

(2) Amendment to the Articles of Incorporation

Amendment details are as follows.

(The underlined portions indicate the changes.)

Current Articles of Incorporation	Amended Articles of Incorporation
(Total Number of Authorized Shares)	(Total Number of Authorized Shares)
Article 6	Article 6
The total number of authorized shares of the Company shall be <u>40,000,000</u> shares.	The total number of authorized shares of the Company shall be <u>80,000,000</u> shares.

(3) Schedule

Effective date: Thursday, January 1, 2026

3. Year-end dividend

As the effective date of this stock split is Thursday, January 1, 2026, the year-end dividend for the fiscal year ended December 31, 2025, which has a record date of Wednesday, December 31, 2025, will be paid based on the number of shares before the stock split.