

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.



[Summary]

Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2026 [IFRS]

November 11, 2025

Company Name **Nihon Dempa Kogyo Co., Ltd.** Stock Exchange Listing: **Tokyo Stock Exchange, Prime Market**
 Code **6779** URL <https://www.ndk.com/en/index.html>
 Representative **Hiroshi Katoh, Representative Director and President**
 Contact person **Yuzuru Takeuchi, Director, Senior Corporate Officer and General Manager of Administration Division** Phone: **+81-3-5453-6711**
 Scheduled date to file semi-annual securities report: **November 11, 2025**
 Scheduled date to commence dividend payments: **December 15, 2025**
 Availability of supplementary material on financial results: **Yes**
 Holding of financial results briefing: **Yes (for securities analysts and institutional investors)**

(Figures less than a million yen are omitted)

1. Consolidated Financial Results for the Second Quarter of the Year Ending March 31, 2026 (April 1, 2025 - September 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Income before income tax		Net income for the period		Net income attributable to owners of the parent		Total comprehensive income for the period	
Six Months ended	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
September 30, 2025	26,686	1.4	1,431	(39.4)	1,040	(44.0)	802	(43.0)	802	(43.0)	1,205	(15.6)
September 30, 2024	26,308	6.7	2,363	26.7	1,856	30.8	1,407	18.3	1,407	18.3	1,427	(28.3)

	Basic earnings per share		Diluted earnings per share	
Six Months ended	Yen		Yen	
September 30, 2025	34.80		—	
September 30, 2024	61.04		—	

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
As at	Million Yen	Million Yen	Million Yen	%
September 30, 2025	72,526	29,994	29,994	41.4
March 31, 2025	71,522	29,170	29,170	40.8

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	15.00	—	15.00	30.00
Fiscal year ending March 31, 2026	—	15.00			
Fiscal year ending March 31, 2026 (Forecast)			—	15.00	30.00

(Note) Revision of dividends forecast from the latest announcement : **None**

3. Consolidated Financial Forecast for the Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% figures represent the changes from the same period of the previous year)

	Net sales		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Fiscal year ending March 31, 2026	53,400	0.6	3,200	(30.8)	2,300	(22.2)	1,700	(5.2)	1,700	(5.2)	73.76

(Note) Revision of consolidated financial forecast from the latest announcement : **Yes**

Notes

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

(2) Changes in accounting policies and accounting estimates

i) Changes in accounting policies required by IFRS : **None**

ii) Changes in accounting policies other than i) : **None**

iii) Changes in accounting estimates : **None**

(3) Number of issued shares (Ordinary shares)

(shares)

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

September 30, 2025	23,128,605	March 31, 2025	23,128,605
September 30, 2025	117,135	March 31, 2025	69,098
September 30, 2025	23,046,524	September 30, 2024	23,059,859

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

iii) Average number of shares outstanding for the period (year-to-date)

* This summary of the business results and the attached financial statements are unaudited.

* Explanation about appropriate use of consolidated financial forecast, other special notes

Forward-looking statements in this document about our future performance are based on the information that are available to us at the time of disclosure and certain assumptions deemed reasonable. Due to unforeseen circumstances, actual results may differ significantly from such estimates.

Table of Contents

1. Qualitative Information on the Financial Results for the Six Months ended September 30, 2025	
(1) Operating Environment and Results of Operations	2
(2) Financial Condition	2
(3) Consolidated Financial Forecasts for the Year Ending March 31, 2026	2
2. Notes to Summary Information	
(1) Significant Changes in the Scope of Consolidation During the Period	3
(2) Changes in Accounting Policies and Accounting Estimates	3
3. Condensed Quarterly Consolidated Financial Statements for the Six Months ended September 30, 2025	
(1) Condensed Quarterly Consolidated Statements of Financial Position	4
(2) Condensed Quarterly Consolidated Statements of Comprehensive Income	5
Six Months ended September 30, 2025	5
(3) Condensed Quarterly Consolidated Statements of Changes in Equity	6
(4) Condensed Quarterly Consolidated Statements of Cash Flows	8
(5) Notes to Condensed Quarterly Consolidated Financial Statements	9
(Going Concern Assumption)	9
(Segment Information)	9

1. Qualitative Information on the Financial Results for the Six Months ended September 30, 2025

(1) Operating Environment and Results of Operations

During the second quarter of the reporting period (April to September 2025), the U.S. introduced a new import restricting measures of higher tariffs in August 2025. Although interest rates were reduced in the U.S. in September 2025 for the first time in nine months to cope with the risk of economic slowdown, it still remains uncertain what influence the high-tariff measures will have on the world economy.

Looking at our sales by applications, industrial equipment sales increased at the pace surpassing the original expectation, thanks to the firm trends in the demand related to AI data centers. In the special equipment markets centering at products for defense purposes, sales posted a significant year-on-year increase. In contrast, sales of automotive electronics, which account for about half of total sales, remained flat year-on-year, sales of mobile communications, including smartphones, declined year-on-year. On a quarterly basis, however, sales to both automotive electronics and mobile communications in the second quarter proved to be greater than in the first quarter. As a result, net sales in the period under review on a consolidated basis totaled ¥26,686 million, up 1.4% year-on-year.

Regarding profits, operating income decreased 39.4% year-on-year to ¥1,431 million, and net income before taxes decreased 44.0% year-on-year to ¥1,040 million. Net income stood at ¥802 million, down 43.0% year-on-year. Aiming at realization of the “Vision 2030” targets, the Company is promoting upfront investment for the domains of human resources, DX and research and development, as part of our engagement in the portfolio reform (the “Five Pillars + One” concept) stated in the medium-term management plan and in dramatic increase in productivity. Such investment was the factor temporarily pushing down the profits in the current period. The average foreign exchange rate during the consolidated period was ¥146.64 to the U.S. dollar (¥152.30 in the same quarter of the previous year).

(2) Financial Condition

As at the second quarter-end (September 30, 2025), total assets stood at ¥72,526 million, a ¥1,003 million increase from the previous fiscal year-end, reflecting the following factors: an increase of ¥1,500 million in Time deposits, an increase of ¥948 million in Inventories, an increase of ¥505 million in Trade receivables, an increase of ¥412 million in Intangible assets, a decrease of ¥1,019 million in Cash and cash equivalents, a decrease of ¥1,315 million in Consumption taxes refund receivables included in Others of Current assets. Total liabilities amounted to ¥42,531 million, a ¥179 million increase from the previous fiscal year-end, owing mainly to a ¥675 million increase in Trade and other payables, a ¥118 million increase in Derivative liabilities, a ¥93 million increase in Long-term unearned revenue included in Others of non-current liabilities, a ¥744 million decrease in Loans and borrowings. Equity attributable to the Owners of the parent stood at ¥29,994 million, a ¥823 million increase from the year earlier, because of ¥1,205 million in Comprehensive income and ¥346 million in Dividends declared.

As a result, the ratio of equity attributable to the Owners of the parent was 41.4%, 0.6 percentage points higher than the previous fiscal year-end of 40.8%.

(3) Consolidated Financial Forecasts for the Year Ending March 31, 2026

The full-year consolidated financial forecast for the fiscal year ending March 2026 (April 1, 2025 - March 31, 2026), which was announced on May 13, 2025, has been revised. For details regarding this revision, please refer to 'Notice of Differences between Consolidated Financial Forecast and Actual Results for First Half Ending March 2026 and Revision to Full-Year Forecast' released today (November 11, 2025).

Forward-looking statements about our future performance are based on the information available to us at the time of disclosure and certain assumptions that are deemed to be reasonable. Due to unforeseen circumstances, actual results may differ significantly from such estimates.

2. Notes to Summary Information

(1) Significant Changes in the Scope of Consolidation During the Period

None

(2) Changes in Accounting Policies and Accounting Estimates

None

3. Condensed Quarterly Consolidated Financial Statements for the Six Months ended September 30, 2025**(1) Condensed Quarterly Consolidated Statements of Financial Position**

(Millions of yen)

	March 31, 2025	September 30, 2025
Assets		
Current assets:		
Cash and cash equivalents	15,881	14,862
Time deposits	—	1,500
Trade receivables	12,705	13,210
Inventories	10,480	11,428
Income taxes refundable	31	31
Others	4,383	2,984
Total current assets	43,482	44,017
Non-current assets:		
Property, plant and equipment	19,716	19,751
Intangible assets	2,280	2,693
Investments accounted for using the equity method	2,096	1,982
Other financial assets	1,462	1,664
Deferred tax assets	1,223	1,285
Others	1,261	1,130
Total non-current assets	28,039	28,508
Total assets	71,522	72,526
Liabilities		
Current liabilities:		
Loans and borrowings	803	1,211
Lease liabilities	768	758
Trade and other payables	9,469	10,145
Derivative liabilities	—	118
Provisions	—	18
Income taxes payable	345	386
Others	768	743
Total current liabilities	12,155	13,381
Non-current liabilities:		
Loans and borrowings	25,808	24,656
Lease liabilities	2,171	2,140
Deferred tax liabilities	18	24
Employee benefits	1,682	1,707
Provisions	484	484
Deferred government grants	8	15
Others	22	121
Total non-current liabilities	30,196	29,149
Total liabilities	42,351	42,531
Equity		
Equity attributable to Owners of the parent:		
Share capital	5,596	5,596
Share premium	3,290	3,256
Other components of equity	1,741	2,145
Retained earnings	18,541	18,997
Total equity attributable to Owners of the parent	29,170	29,994
Total equity	29,170	29,994
Total liabilities and equity	71,522	72,526

(2) Condensed Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six Months ended September 30, 2024	Six Months ended September 30, 2025
Net sales	26,308	26,686
Cost of sales	18,277	19,159
Gross profit	8,030	7,527
Selling, general and administrative expenses	4,653	4,838
Research and development expenses	996	1,293
Other operating income	102	94
Other operating expenses	119	58
Operating income	2,363	1,431
Financial income	40	47
Financial expenses	482	323
Share of loss of investments accounted for using the equity method	(63)	(114)
Income before income tax	1,856	1,040
Income tax expenses	449	238
Net income for the period	1,407	802
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plan	108	—
Financial assets measured at fair value through other comprehensive income	(110)	192
Income tax relating to items that will not be reclassified	28	(55)
Subtotal	26	136
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(8)	270
Share of other comprehensive income of entities accounted for using equity method	1	0
Income tax relating to items that may be reclassified	—	(4)
Subtotal	(6)	266
Other comprehensive income for the period, net of income tax	20	403
Comprehensive income for the period	1,427	1,205
Net income attributable to:		
Owners of the parent	1,407	802
Comprehensive income attributable to:		
Owners of the parent	1,427	1,205
		(Yen)
Earnings per share:		
Basic earnings per share	61.04	34.80

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Six Months ended September 30, 2024

(Millions of yen)

	Share Capital	Share premium		
		Additional paid-in capital	Treasury shares	Total share premium
Balance as at April 1, 2024	5,596	3,386	(91)	3,294
Comprehensive income for the period				
Net income				—
Other comprehensive income				
Remeasurement of defined benefit plan				—
Net change in financial assets measured at fair value through other comprehensive income				—
Exchange differences on translation of foreign operations				—
Share of other comprehensive income of entities accounted for using equity method				—
Total comprehensive income for the period	—	—	—	—
Transactions with owners, recorded directly in equity				
Dividends declared				—
Share-based payment transactions		8		8
Purchase of treasury shares			(0)	(0)
Total transactions with owners	—	8	(0)	8
Balance as at September 30, 2024	5,596	3,394	(91)	3,302

	Other components of equity				Retained earnings	Attributable to owners of the parent	Total equity
	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share of other comprehensive income of entities accounted for using equity method	Total other components of equity			
Balance as at April 1, 2024	337	1,331	15	1,683	16,799	27,373	27,373
Comprehensive income for the period							
Net income				—	1,407	1,407	1,407
Other comprehensive income							
Remeasurement of defined benefit plan				—	108	108	108
Net change in financial assets measured at fair value through other comprehensive income	(81)			(81)		(81)	(81)
Exchange differences on translation of foreign operations		(8)		(8)		(8)	(8)
Share of other comprehensive income of entities accounted for using equity method			1	1		1	1
Total comprehensive income for the period	(81)	(8)	1	(87)	1,515	1,427	1,427
Transactions with owners, recorded directly in equity							
Dividends declared				—	(346)	(346)	(346)
Share-based payment transactions				—		8	8
Purchase of treasury shares				—		(0)	(0)
Total transactions with owners	—	—	—	—	(346)	(338)	(338)
Balance as at September 30, 2024	255	1,322	16	1,595	17,968	28,462	28,462

Six Months ended September 30, 2025

(Millions of yen)

	Share Capital	Share premium		
		Additional paid-in capital	Treasury shares	Total share premium
Balance as at April 1, 2025	5,596	3,383	(92)	3,290
Comprehensive income for the period				
Net income				—
Other comprehensive income				
Net change in financial assets measured at fair value through other comprehensive income				—
Exchange differences on translation of foreign operations				—
Share of other comprehensive income of entities accounted for using equity method				—
Total comprehensive income for the period	—	—	—	—
Transactions with owners, recorded directly in equity				
Dividends declared				—
Share-based payment transactions		7		7
Purchase of treasury shares			(44)	(44)
Disposal of treasury shares		(0)	3	2
Total transactions with owners	—	6	(41)	(34)
Balance as at September 30, 2025	5,596	3,389	(133)	3,256

	Other components of equity				Retained earnings	Attributable to owners of the parent	Total equity
	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share of other comprehensive income of entities accounted for using equity method	Total other components of equity			
Balance as at April 1, 2025	393	1,333	14	1,741	18,541	29,170	29,170
Comprehensive income for the period							
Net income				—	802	802	802
Other comprehensive income							
Net change in financial assets measured at fair value through other comprehensive income	136			136		136	136
Exchange differences on translation of foreign operations		266		266		266	266
Share of other comprehensive income of entities accounted for using equity method			0	0		0	0
Total comprehensive income for the period	136	266	0	403	802	1,205	1,205
Transactions with owners, recorded directly in equity							
Dividends declared				—	(346)	(346)	(346)
Share-based payment transactions				—		7	7
Purchase of treasury shares				—		(44)	(44)
Disposal of treasury shares				—		2	2
Total transactions with owners	—	—	—	—	(346)	(381)	(381)
Balance as at September 30, 2025	530	1,600	14	2,145	18,997	29,994	29,994

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Six Months ended September 30, 2024	Six Months ended September 30, 2025
Operating activities:		
Income before income tax	1,856	1,040
Depreciation and amortisation	1,703	1,772
Gain on sales of property, plant and equipment	(17)	(1)
Share of loss of investments accounted for using equity method	63	114
Decrease/(increase) in trade receivables	126	(409)
Decrease/(increase) in inventories	(91)	(834)
Decrease/(increase) in consumption tax/value-added tax receivables	750	1,266
Increase/(decrease) in trade payables	(131)	655
Increase/(decrease) in accounts payable - other	351	(248)
Decrease/(increase) in derivative assets	(316)	58
Increase/(decrease) in derivative liabilities	(240)	118
Increase/(decrease) in provisions	—	18
Interest and dividend income	(37)	(30)
Interest expense	264	252
Interest and dividends received	37	29
Interest paid	(222)	(220)
Income tax refunded/(paid), net	(411)	(386)
Other, net	298	254
Net cash provided by/(used in) operating activities	3,985	3,449
Investing activities:		
Purchase of property, plant and equipment	(2,779)	(1,089)
Purchase of intangible assets	(570)	(492)
Purchase of other financial assets	(1)	—
Proceeds from sales of property, plant and equipment	104	31
Proceeds from sales of other financial assets	62	110
Payments into time deposits	—	(1,500)
Other, net	(4)	(1)
Net cash provided by/(used in) investing activities	(3,188)	(2,941)
Financing activities:		
Repayment of long-term loans and borrowings	(662)	(792)
Net increase/(decrease) in short-term loans and borrowings	(1,666)	—
Repayments of lease liabilities	(365)	(436)
Dividends paid	(345)	(346)
Purchase of treasury shares	(0)	(44)
Proceeds from disposal of treasury shares	—	3
Net cash provided by/(used in) by financing activities	(3,040)	(1,617)
Net increase/(decrease) in cash and cash equivalents	(2,243)	(1,109)
Cash and cash equivalents at beginning of year	12,303	15,881
Net effect of currency translation on cash and cash equivalents	(12)	89
Cash and cash equivalents at end of period	10,048	14,862

(5) Notes to Condensed Quarterly Consolidated Financial Statements

(Going Concern Assumption)

None

(Segment Information)

(a) General information

The main activities of the Group are the integrated manufacture and sale of crystal related products, such as crystal units, crystal oscillators, other crystal devices, ultrasonic transducers, synthetic quartz crystals, and crystal elements, and there are no separate operating segments. Therefore, the Group has a single reportable segment.

(b) Information about products and services

Net sales by type of products are as follows.

(Millions of yen)

	Six Months ended September 30, 2024		Six Months ended September 30, 2025		Increase/(decrease)	
	Amount	Composition (%)	Amount	Composition (%)	Amount	Change (%)
Quartz crystal units	19,885	75.6	19,565	73.3	(319)	(1.6)
Crystal oscillators	4,098	15.6	4,217	15.8	118	2.9
Others	2,324	8.8	2,904	10.9	580	25.0
Total	26,308	100.0	26,686	100.0	378	1.4