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February 10, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)



Company name: Harmonic Drive Systems Inc.

Listing: Tokyo Stock Exchange

Securities code: 6324

URL: <https://www.hds.co.jp/>

Representative: Akira Maruyama

President and Representative Director

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Executive Officer

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2025	42,183	4.5	1,191	-	1,257	-	769	-
December 31, 2024	40,363	(3.7)	(336)	-	(78)	-	(354)	-

Note: Comprehensive income For the nine months ended December 31, 2025: ¥ 1,258 million [205.4%]
For the nine months ended December 31, 2024: ¥ 411 million [(90.8)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2025	8.13	-
December 31, 2024	(3.73)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
December 31, 2025	109,146	77,570	71.1
March 31, 2025	113,621	78,943	69.5

Reference: Equity

As of December 31, 2025: ¥ 77,570 million

As of March 31, 2025: ¥ 78,943 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	10.00	-	10.00	20.00
Fiscal year ending March 31, 2026	-	10.00	-		
Fiscal year ending March 31, 2026 (Forecast)				10.00	20.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts 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
Full year	57,000	2.4	1,500	-	1,500	892.1	1,300	(62.6)	13.73

Note: Revisions to the financial result forecast most recently announced: None

* 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: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - Changes in accounting policies due to other reasons: None
 - Changes in accounting estimates: None
 - Restatement: None

(4) 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	96,315,400 shares
As of March 31, 2025	96,315,400 shares

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

As of December 31, 2025	1,648,611 shares
As of March 31, 2025	1,411,891 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	94,682,504 shares
Nine months ended December 31, 2024	94,985,684 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

* Explanation of the proper use of financial results forecasts and other notes

The financial results forecasts and other forward-looking statements contained herein are based on information currently available to the Company and certain assumptions deemed reasonable by the Company. These statements do not represent a guarantee from the Company that it will achieve such results. The actual financial results may differ significantly due to various factors. Refer to "1. Qualitative Information on Quarterly Financial Results.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	24,900,137	20,470,220
Notes receivable - trade	3,591,560	4,098,111
Accounts receivable - trade	9,544,240	8,936,457
Securities	52,789	99,435
Merchandise and finished goods	2,026,216	2,220,769
Work in process	4,115,787	4,329,959
Raw materials and supplies	6,362,096	6,417,752
Other	2,606,529	1,857,014
Allowance for doubtful accounts	(34,577)	(23,366)
Total current assets	53,164,779	48,406,355
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,323,983	17,423,288
Machinery, equipment and vehicles, net	13,806,937	13,183,253
Tools, furniture and fixtures, net	1,471,354	1,386,485
Other, net	12,357,478	13,773,237
Total property, plant and equipment	45,959,753	45,766,263
Intangible assets		
Software	810,422	757,964
Customer related assets	8,856,669	9,442,963
Technical assets	2,365,486	2,522,077
Other	126,357	221,833
Total intangible assets	12,158,936	12,944,839
Investments and other assets		
Investment securities	409,931	197,056
Shares of subsidiaries and associates	20,228	5,768
Investments in capital of subsidiaries and associates	89,507	78,190
Long-term loans receivable from subsidiaries and associates	270,000	270,000
Retirement benefit asset	1,275,214	1,317,426
Deferred tax assets	165,301	47,496
Other	113,630	118,365
Allowance for doubtful accounts	(5,600)	(5,600)
Total investments and other assets	2,338,213	2,028,704
Total non-current assets	60,456,902	60,739,808
Total assets	113,621,682	109,146,163

(Thousands of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,184,623	2,797,102
Short-term borrowings	2,701,653	2,202,851
Current portion of long-term borrowings	1,890,516	1,890,516
Lease liabilities	741,555	783,349
Income taxes payable	1,284,547	210,638
Provision for bonuses	1,030,221	610,174
Provision for bonuses for directors (and other officers)	84,564	92,325
Provision for loss on compensation for after-care of products	37,409	112,040
Other	2,941,610	3,574,429
Total current liabilities	13,896,702	12,273,427
Non-current liabilities		
Long-term borrowings	11,015,584	9,597,697
Lease liabilities	4,390,974	4,012,013
Deferred tax liabilities	3,715,935	4,054,428
Provision for retirement benefits for directors (and other officers)	26,400	30,740
Other provisions	126,374	146,973
Retirement benefit liability	954,909	976,543
Other	551,735	483,635
Total non-current liabilities	20,781,914	19,302,030
Total liabilities	34,678,616	31,575,458
Net assets		
Shareholders' equity		
Share capital	7,100,036	7,100,036
Capital surplus	22,786,269	22,753,025
Retained earnings	39,052,598	37,926,511
Treasury shares	(5,633,171)	(6,334,767)
Total shareholders' equity	63,305,732	61,444,805
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	146,568	26,069
Foreign currency translation adjustment	15,532,687	16,187,433
Remeasurements of defined benefit plans	(41,922)	(87,603)
Total accumulated other comprehensive income	15,637,333	16,125,899
Total net assets	78,943,066	77,570,705
Total liabilities and net assets	113,621,682	109,146,163

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income
For the Nine-Month Period

(Thousands of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	40,363,285	42,183,760
Cost of sales	29,746,509	29,710,638
Gross profit	10,616,775	12,473,122
Selling, general and administrative expenses	10,953,435	11,282,035
Operating profit (loss)	(336,659)	1,191,086
Non-operating income		
Interest income	199,842	152,951
Dividend income	133,883	4,199
Foreign exchange gains	-	36,793
Other	252,839	185,912
Total non-operating income	586,565	379,856
Non-operating expenses		
Interest expenses	163,802	186,559
Share of loss of entities accounted for using equity method	21,830	25,776
Foreign exchange losses	14,638	-
Other	128,624	101,190
Total non-operating expenses	328,896	313,527
Ordinary profit (loss)	(78,990)	1,257,416
Extraordinary income		
Gain on sale of non-current assets	1,033	2,060
Gain on sale of investment securities	-	85,674
Subsidy income	2,000	-
Total extraordinary income	3,033	87,735
Extraordinary losses		
Loss on sale of non-current assets	3,830	5
Loss on retirement of non-current assets	43,428	11,617
Loss on tax purpose reduction entry of non-current assets	2,000	-
Total extraordinary losses	49,258	11,623
Profit (loss) before income taxes	(125,215)	1,333,528
Income taxes - current	316,182	538,994
Income taxes - deferred	(87,205)	24,916
Total income taxes	228,977	563,911
Profit (loss)	(354,193)	769,616
Profit attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	(354,193)	769,616

Quarterly Consolidated Statement of Comprehensive Income
For the Nine-Month Period

(Thousands of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit (loss)	(354,193)	769,616
Other comprehensive income		
Valuation difference on available-for-sale securities	524,482	(120,499)
Foreign currency translation adjustment	313,404	654,746
Remeasurements of defined benefit plans, net of tax	(71,729)	(45,680)
Total other comprehensive income	766,156	488,566
Comprehensive income	411,963	1,258,182
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	411,963	1,258,182
Comprehensive income attributable to non-controlling interests	-	-