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Consolidated Financial Results for the Six Months Ended September 30, 2026 [Japanese GAAP]

November 5, 2026

Company name: DAIHEN Corporation
Stock exchange listing: Tokyo Stock Exchange, Fukuoka Stock Exchange
Stock exchange code: 6622
URL: https://www.daihen.co.jp/
Representative: Shoichiro Minomo, President
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Phone: +81-6-6390-5506
Scheduled date of filing semi-annual securities report: November 6, 2026
Scheduled date of commencing dividend payments: December 3, 2026
Availability of supplementary explanatory materials on financial results: Available
Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (April 1, 2026 – September 30, 2026)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2026	126,089	19.8	11,089	60.0	11,575	46.6	7,369	42.5
September 30, 2025	105,253	9.5	6,932	36.9	7,896	36.9	5,173	22.7

(Note) Comprehensive income: Six months ended September 30, 2026: 8,916 million yen [3.4%]
Six months ended September 30, 2025: 8,619 million yen [93.5%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	62.43	–
September 30, 2025	43.28	–

* The Company conducted a 5-for-1 share split of its common shares, effective October 1, 2026. Assuming that this share split had been effective at the beginning of the previous fiscal year, basic earnings per share have been calculated accordingly.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2026	325,488	177,220	49.1
As of March 31, 2026	320,175	170,746	48.1

(Reference) Equity: As of September 30, 2026: 159,948 million yen
As of March 31, 2026: 154,030 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	84.00	–	96.00	180.00
Fiscal year ending March 31, 2027	–	105.00			
Fiscal year ending March 31, 2027 (Forecast)			–	30.00	–

(Note) Revision to the forecast for dividends announced most recently: None

* The Company conducted a 5-for-1 share split of its common shares, effective October 1, 2026. The forecast year-end dividend per share for the fiscal year ending March 31, 2027 reflects the impact of this share split, with the total annual dividend indicated as "–." Excluding the impact of this share split, the year-end dividend would be 150.00 yen, and the total annual dividend would be 255.00 yen.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	300,000	26.2	30,000	59.8	30,500	51.7	20,000	41.8	169.42

(Note) Revision to the financial results forecast announced most recently: None

* The Company conducted a 5-for-1 share split of its common shares, effective October 1, 2026. In the consolidated financial results forecast for the fiscal year ending March 31, 2027, basic earnings per share for the full year is presented at the amount after the share split. Excluding the impact of this share split, basic earnings per share for the full year would be 847.11 yen.

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: – ( ), Excluded: – ( )

(2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):

As of September 30, 2026:	124,516,455 shares
As of March 31, 2026:	124,516,455 shares

2) Total number of treasury shares at the end of the period:

As of September 30, 2026:	6,465,425 shares
As of March 31, 2026:	6,482,385 shares

3) Average number of shares during the period:

Six months ended September 30, 2026:	118,045,642 shares
Six months ended September 30, 2025:	119,530,303 shares

* The total number of treasury shares at the end of the period includes 551,000 shares of the Company as of September 30, 2026 and 560,500 shares of the Company as of March 31, 2026 held by the employee stock benefit trust.
In addition, the treasury shares deducted for calculating the average number of shares during the period include shares of the Company held by the trust.

* The Company conducted a 5-for-1 share split of its common shares, effective October 1, 2026. Assuming that this share split had been effective at the beginning of the previous fiscal year, total number of issued shares at the end of the period, total number of treasury shares at the end of the period and average number of shares during the period have been calculated accordingly.

* These semi-annual consolidated financial results are outside the scope of review by certified public accountants or an audit firm.

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

The earnings forecasts and other forward-looking statements contained in this report are based on information available to the Company on the date of this report's release and certain premises that the Company deems to be reasonable. Actual financial results, etc. may differ significantly due to a wide range of factors.

Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	34,160	30,725
Notes and accounts receivable - trade	58,508	49,520
Merchandise and finished goods	39,094	38,735
Work in process	22,483	31,773
Raw materials and supplies	47,634	47,535
Other	7,998	10,579
Allowance for doubtful accounts	(51)	(47)
Total current assets	209,829	208,821
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,218	26,442
Machinery, equipment and vehicles, net	13,129	12,883
Tools, furniture and fixtures, net	2,789	2,826
Land	13,891	13,860
Leased assets, net	380	381
Construction in progress	3,782	7,113
Total property, plant and equipment	60,192	63,507
Intangible assets		
Goodwill	517	466
Software	2,319	2,604
Other	2,445	2,275
Total intangible assets	5,282	5,345
Investments and other assets		
Investment securities	17,676	20,516
Investments in capital	509	534
Long-term prepaid expenses	348	344
Retirement benefit asset	23,026	22,960
Deferred tax assets	1,527	1,486
Other	4,343	4,647
Allowance for doubtful accounts	(2,562)	(2,676)
Total investments and other assets	44,870	47,813
Total non-current assets	110,346	116,666
Total assets	320,175	325,488

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,417	22,268
Electronically recorded obligations - operating	8,759	11,120
Short-term borrowings	39,939	22,687
Current portion of long-term borrowings	8,057	9,296
Lease liabilities	129	140
Income taxes payable	5,699	3,506
Provision for bonuses	5,459	4,046
Provision for bonuses for directors (and other officers)	151	37
Provision for loss on construction contracts	160	118
Asset retirement obligations	0	66
Other	13,051	17,446
Total current liabilities	101,828	90,735
Non-current liabilities		
Long-term borrowings	36,652	46,545
Lease liabilities	263	253
Deferred tax liabilities	4,516	5,070
Provision for retirement benefits for directors (and other officers)	88	73
Provision for share awards	476	627
Provision for construction expenses related to earthquake resistance renovation	282	282
Retirement benefit liability	2,885	2,853
Asset retirement obligations	179	178
Other	2,254	1,648
Total non-current liabilities	47,599	57,532
Total liabilities	149,428	148,267
Net assets		
Shareholders' equity		
Share capital	10,596	10,596
Capital surplus	10,074	10,104
Retained earnings	110,610	115,703
Treasury shares	(6,995)	(6,977)
Total shareholders' equity	124,286	129,426
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,572	9,429
Foreign currency translation adjustment	14,516	13,880
Remeasurements of defined benefit plans	7,654	7,211
Total accumulated other comprehensive income	29,743	30,521
Non-controlling interests	16,716	17,272
Total net assets	170,746	177,220
Total liabilities and net assets	320,175	325,488

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

(Million yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	105,253	126,089
Cost of sales	74,906	89,350
Gross profit	30,346	36,739
Selling, general and administrative expenses	23,414	25,650
Operating profit	6,932	11,089
Non-operating income		
Interest and dividend income	685	632
Foreign exchange gains	290	–
Subsidy income	209	347
Other	582	653
Total non-operating income	1,769	1,633
Non-operating expenses		
Interest expenses	480	546
Foreign exchange losses	–	283
Other	324	317
Total non-operating expenses	805	1,147
Ordinary profit	7,896	11,575
Extraordinary income		
Reversal of allowance for doubtful accounts	–	18
Gain on sale of investment securities	375	–
Reversal of provision for loss on guarantees	613	–
Total extraordinary income	989	18
Extraordinary losses		
Provision of allowance for doubtful accounts	757	133
Loss on liquidation of subsidiaries and associates	–	118
Lump-sum payments for employment transfer	–	51
Extra payments for early retirements	48	–
Total extraordinary losses	805	303
Profit before income taxes	8,080	11,290
Income taxes	2,293	3,242
Profit	5,787	8,048
Profit attributable to non-controlling interests	613	678
Profit attributable to owners of parent	5,173	7,369

Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	5,787	8,048
Other comprehensive income		
Valuation difference on available-for-sale securities	1,399	1,970
Foreign currency translation adjustment	1,677	(627)
Remeasurements of defined benefit plans, net of tax	(248)	(472)
Share of other comprehensive income of entities accounted for using equity method	4	(1)
Total other comprehensive income	2,832	868
Comprehensive income	8,619	8,916
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,896	8,147
Comprehensive income attributable to non-controlling interests	723	769

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	8,080	11,290
Depreciation	3,113	3,795
Amortization of goodwill	35	38
Loss (gain) on liquidation of subsidiaries and associates	–	118
Increase (decrease) in allowance for doubtful accounts	756	114
Increase (decrease) in provision for bonuses	(1,490)	(1,402)
Increase (decrease) in provision for loss on construction contracts	(17)	(41)
Increase (decrease) in provision for loss on guarantees	(613)	–
Increase (decrease) in provision for construction expenses related to earthquake resistance renovation	(70)	(0)
Increase (decrease) in retirement benefit liability	(375)	(80)
Decrease (increase) in retirement benefit asset	366	130
Interest and dividend income	(685)	(632)
Interest expenses	480	546
Loss (gain) on sale of investment securities	(375)	–
Subsidy income	(209)	(347)
Decrease (increase) in trade receivables	9,891	8,877
Decrease (increase) in inventories	(6,914)	(9,175)
Increase (decrease) in trade payables	(3,990)	4,749
Other, net	(765)	(1,821)
Subtotal	7,215	16,159
Interest and dividends received	668	613
Interest paid	(479)	(541)
Subsidies received	209	347
Income taxes paid	(3,395)	(5,366)
Net cash provided by (used in) operating activities	4,218	11,212
Cash flows from investing activities		
Net decrease (increase) in time deposits	338	(56)
Purchase of property, plant and equipment	(6,436)	(5,243)
Proceeds from sale of property, plant and equipment	23	250
Purchase of intangible assets	(345)	(420)
Proceeds from sale of investment securities	493	–
Net decrease (increase) in short-term loans receivable	(163)	(468)
Long-term loan advances	(1,309)	(275)
Other, net	(9)	(81)
Net cash provided by (used in) investing activities	(7,410)	(6,296)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,645	(17,120)
Proceeds from long-term borrowings	6,011	15,000
Repayments of long-term borrowings	(2,528)	(3,848)
Purchase of treasury shares	(5)	(10)
Dividends paid	(1,973)	(2,273)
Other, net	(108)	(155)
Net cash provided by (used in) financing activities	3,040	(8,407)
Effect of exchange rate change on cash and cash equivalents	296	(14)
Net increase (decrease) in cash and cash equivalents	145	(3,506)
Cash and cash equivalents at beginning of period	28,855	32,626
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	108	–
Cash and cash equivalents at end of period	29,108	29,120