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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under IFRS)

May 13, 2026

TSUGAMI CORPORATION

Stock code: 6101

Representative: Nobuhiro Watabe, Representative Director and President

Contact: Tomohiro Yamaguchi, Senior Executive Officer, Accounting

Scheduled date of annual shareholders meeting: June 17, 2026

Scheduled date of commencement of dividend payments: May 27, 2026

Scheduled date of submission of securities report: June 16, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for securities analysts)

Listings: Tokyo Stock Exchange

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

Tel: +81-3-3808-1711

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2026	129,140	20.2	36,102	54.9	35,617	50.2	24,318	50.3
March 31, 2025	107,411	28.0	23,309	78.0	23,709	71.9	16,184	97.8

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Yen	Yen
Fiscal year ended						
March 31, 2026	16,745	53.6	35,004	140.6	361.20	356.47
March 31, 2025	10,901	102.8	14,550	13.4	231.55	228.55

	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit on revenue
	%	%	%
Fiscal year ended			
March 31, 2026	23.4	25.3	28.0
March 31, 2025	18.2	19.4	21.7

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Million yen	Million yen	Million yen	%	Yen
As of					
March 31, 2026	154,055	106,477	80,102	52.0[69.1]	1,719.40
March 31, 2025	127,306	84,114	62,897	49.4[66.1]	1,327.03

(Reference) The figures in parentheses are the ratios of total equity [sum of equity attributable to owners of parent and non-controlling interests].

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended				
March 31, 2026	28,602	(2,082)	(15,928)	42,180
March 31, 2025	8,855	(2,020)	(8,762)	27,729

2. State of dividends

	Annual Dividends per share					Total amount of dividends (Fiscal year)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	--	27.00	--	32.00	59.00	2,803	25.5	4.7
Fiscal year ended March 31, 2026	--	36.00	--	49.00	85.00	3,972	23.5	5.6
Fiscal year ending March 31, 2027 (Forecast)	--	49.00	--	49.00	98.00		26.5	

3. Consolidated financial results forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2026	75,000	24.9	19,500	28.2	9,000	26.0	196.01
Fiscal year ending March 31, 2027	145,000	12.3	36,500	1.1	17,000	1.5	370.28

* Notes

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

(2) Changes in accounting policies and changes in accounting estimates

- | | |
|--|--------|
| (i) Changes in accounting policies required by IFRS | : None |
| (ii) Changes in accounting policies due to other reasons | : None |
| (iii) Changes in accounting estimates | : None |

(3) Numbers of issued shares (common shares)

- | | | | | |
|---|-------------------|----------------------------------|-------------------|--|
| (i) Total number of issued shares at the end of the period (including treasury shares): | | | | |
| As of March 31, 2026 | 48,000,000 shares | As of March 31, 2025 | 48,000,000 shares | |
| (ii) Number of treasury shares at the end of the period: | | | | |
| As of March 31, 2026 | 1,412,422 shares | As of March 31, 2025 | 602,760 shares | |
| (iii) Average number of shares outstanding during the periods: | | | | |
| Fiscal year ended March 31, 2026 | 46,361,023 shares | Fiscal year ended March 31, 2025 | 47,081,576 shares | |

(Reference) Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2026	25,561	(6.1)	2,464	--	7,777	104.1	6,964	4.8
March 31, 2025	27,215	(5.0)	(77)	--	3,810	5.5	6,645	97.5

	Net income per share	Net income per share after residual equity adjustment
Fiscal year ended	Yen	Yen
March 31, 2026	148.28	--
March 31, 2025	139.72	139.39

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	38,970	26,031	66.8	558.76
March 31, 2025	36,466	23,278	63.8	491.14

(Reference): Equity As of March 31, 2026: 26,031 million yen As of March 31, 2025: 23,278 million yen

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

* Explanations for the appropriate use of financial results forecasts and other items warranting special mention

Forward-looking statements such as financial results forecasts shown in this document are based on information currently available to the Company and certain assumptions that the Company deems to be rational. These statements are not guarantees of future performance. Actual performance may differ materially from these statements due to a range of factors. For assumptions regarding financial results forecasts and notes on the use of financial results forecasts, please refer to [1. Overview of Operating Results (1) Overview of Operating Results in Fiscal Year Under Review (ii) Forecasts for the next fiscal year] on page 2 of the accompanying documents of this Consolidated Financial Results for the Fiscal Year Ended March 31, 2026.

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1. Overview of Operating Results

(1) Overview of Operating Results in Fiscal Year Under Review

(i) Operating results in fiscal year under review

Regarding the environment surrounding the Group in the fiscal year under review, amid growing uncertainty in the overall market, the Group steadily promoted its business in each of its locations, including the China and India markets, and as a result, revenue stood at ¥129,140 million (up 20.2% year on year), operating profit was ¥36,102 million (up 54.9% year on year), and profit attributable to owners of parent was ¥16,745 million (up 53.6% year on year), with both revenue and profit reaching historic highs.

Looking at revenue by machine type, revenue from our mainstay automatic lathes amounted to ¥108,621 million (up 20.3% year on year), grinding machines amounted to ¥5,505 million (up 7.1% year on year), and machining centers, thread and form rolling machines, and specialized machines amounted to ¥8,886 million (up 30.1% year on year).

Segment revenues are as follows:

- a. In Japan, revenue decreased 5.7% year on year, to ¥27,704 million, and segment profit grew 931.3% year on year, to ¥2,328 million.
- b. In China, revenue increased 22.7% year on year, to ¥111,039 million, and segment profit grew 39.2% year on year, to ¥31,155 million.
- c. In India, revenue increased 46.6% year on year, to ¥6,848 million, and segment profit came to ¥347 million, compared to segment loss of ¥310 million in the same period of the previous fiscal year.
- d. In South Korea, revenue decreased 17.3% year on year, to ¥1,317 million, and segment profit decreased 99.8% year on year, to ¥0 million.
- e. In other markets, revenue increased 143.8% year on year, to ¥1,274 million, and segment profit amounted to ¥31 million, compared to a segment loss of ¥36 million in the same period of the previous fiscal year.

Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

(ii) Forecasts for the next fiscal year

Considering trends in domestic and overseas markets and our current order situation, our consolidated financial results forecasts for the full fiscal year ending March 31, 2027 are as set out below.

Consolidated financial results forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Million yen, except per share data)

	Six months ending September 30, 2026	Fiscal year ending March 31, 2027
Revenue	75,000	145,000
Operating profit	19,500	36,500
Profit attributable to owners of parent	9,000	17,000
Basic earnings per share	196.01 yen	370.28 yen

(2) Overview of Financial Position in Fiscal Year Under Review

(i) State of assets, liabilities and equity

Assets totaled ¥154,055 million at the end of the fiscal year under review, increasing ¥26,749 million from the end of the previous fiscal year.

The result was mainly due to increases of ¥14,451 million in cash and cash equivalents, ¥9,625 million in trade and other receivables, and ¥1,304 million in other financial assets.

Liabilities totaled ¥47,578 million at the end of the fiscal year under review, increasing ¥4,386 million from the end of the previous fiscal year.

The result was mainly due to increases of ¥2,423 million in trade and other payables, ¥2,338 million in contract liabilities, and ¥1,628 million in deferred tax liabilities, despite a decrease of ¥2,513 million in borrowings.

Equity totaled ¥106,477 million at the end of the fiscal year under review, increasing ¥22,362 million from the end of the previous fiscal year.

The result was mainly due to the recording of ¥24,318 million in profit and ¥10,686 million in other comprehensive income, despite decreases of ¥2,002 million from the purchase of treasury shares, ¥5,781 million from dividends, and ¥4,972 million from capital transactions with non-controlling interests.

As a result of the above, the ratio of equity attributable to owners of the parent increased by 2.6 percentage points compared to the end of the previous fiscal year to 52.0%.

(ii) State of cash flows

The balance of cash and cash equivalents at the end of the fiscal year under review increased ¥14,451 million from the end of the previous fiscal year, to ¥42,180 million. The state of cash flows during the fiscal year under review is as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥28,602 million (cash generated of ¥8,855 million in the previous fiscal year).

The result principally reflected an increase in cash attributable to profit before tax of ¥35,617 million, depreciation and amortization of ¥2,182 million, a decrease in inventories of ¥2,167 million and an increase in contract liabilities of ¥2,083 million, which were partly offset by an increase in trade and other receivables of ¥4,220 million and income taxes paid of ¥10,644 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥2,082 million (cash used of ¥2,020 million in the previous fiscal year).

The cash outflow was primarily attributable to a decrease in cash for the purchase of property, plant and equipment of ¥1,211 million, retirement of property, plant and equipment of ¥227 million, and acquisition of right-of-use assets of ¥657 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥15,928 million (cash used of ¥8,762 million in the previous fiscal year).

The results largely reflected a decrease in cash due to a decrease of ¥2,446 million in short-term borrowings, payments for acquisition of interests in subsidiaries from non-controlling interests of ¥5,448 million, purchase of treasury shares of ¥2,005 million, dividends paid of ¥3,206 million, and dividends paid to non-controlling interests of ¥2,575 million.

(3) Basic policy relating to profit distribution, and dividends for the fiscal year under review and the following fiscal year

The Group adopts a basic policy of increasing its collective capabilities and returning profits to shareholders by sustaining aggressive investment in development projects in response to changing social demands and continuing its efforts to enhance competitiveness and streamline management. Based on this policy, the Group is united in its commitment to strengthening its business structure and achieving stable dividends.

The Group will also deal appropriately with the acquisition of treasury stock for the flexible enforcement of capital policies and other purposes as part of its measures for returning profits to shareholders, based on a comprehensive assessment of factors, including need, financial conditions and share price trends.

For the consolidated fiscal year ended March 31, 2026, the Company has decided to pay annual dividends of 85 yen per share, including interim dividends of 36 yen per share and year-end dividends of 49 yen per share.

For the consolidated fiscal year ending March 31, 2027, the Company plans to pay annual dividends of 98 yen per share, including interim dividends of 49 yen per share and year-end dividends of 49 yen per share.

2. Basic Policy on Selection of Accounting Standards

The Group has been applying the International Accounting Standards since the Fiscal year ended March 31, 2019, to enhance convenience and the international comparability of financial information in the capital market.

3. Consolidated Financial Statements and Significant Notes

(1) Consolidated Statement of Financial Position

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	27,729	42,180
Trade and other receivables	40,695	50,321
Other financial assets	80	62
Inventories	32,629	32,724
Other current assets	1,663	1,206
Total current assets	<u>102,799</u>	<u>126,496</u>
Non-current assets		
Property, plant and equipment	16,540	17,440
Right-of-use assets	1,999	2,816
Intangible assets	166	142
Retirement benefit asset	0	2
Other financial assets	4,859	6,182
Deferred tax assets	619	635
Other non-current assets	322	341
Total non-current assets	<u>24,507</u>	<u>27,559</u>
Total assets	<u>127,306</u>	<u>154,055</u>

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	17,649	20,073
Borrowings	11,524	9,010
Other financial liabilities	199	206
Income taxes payable, etc.	3,414	3,794
Provisions	469	652
Contract liabilities	4,069	6,407
Other current liabilities	988	941
Total current liabilities	38,317	41,086
Non-current liabilities		
Other financial liabilities	163	158
Retirement benefit liability	967	931
Provisions	5	5
Deferred tax liabilities	3,123	4,752
Other non-current liabilities	614	644
Total non-current liabilities	4,874	6,492
Total liabilities	43,192	47,578
Equity		
Share capital	12,345	12,345
Capital surplus	2,878	706
Treasury shares	(861)	(2,767)
Other components of equity	8,712	16,412
Retained earnings	39,822	53,405
Total equity attributable to owners of parent	62,897	80,102
Non-controlling interests	21,217	26,374
Total equity	84,114	106,477
Total liabilities and equity	127,306	154,055

(2) Consolidated Statements of Profit or Loss and Comprehensive Income
(Consolidated Statement of Profit or Loss)

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Revenue	107,411	129,140
Cost of sales	<u>(71,056)</u>	<u>(81,168)</u>
Gross profit	36,355	47,971
Selling, general and administrative expenses	(14,302)	(13,979)
Other income	1,305	2,245
Other expenses	<u>(48)</u>	<u>(135)</u>
Operating profit	23,309	36,102
Finance income	741	574
Finance costs	<u>(341)</u>	<u>(1,060)</u>
Profit before tax	23,709	35,617
Income tax expense	<u>(7,525)</u>	<u>(11,298)</u>
Profit	<u>16,184</u>	<u>24,318</u>
Profit attributable to:		
Owners of parent	10,901	16,745
Non-controlling interests	<u>5,282</u>	<u>7,572</u>
Profit	<u>16,184</u>	<u>24,318</u>
Earnings per share		
Basic earnings per share (yen)	231.55	361.20
Diluted earnings per share (yen)	228.55	356.47

(Consolidated Statement of Comprehensive Income)

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	16,184	24,318
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(183)	898
Remeasurements of defined benefit plans	(118)	38
Total of items that will not be reclassified to profit or loss	(301)	936
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1,331)	9,749
Total of items that may be reclassified to profit or loss	(1,331)	9,749
Total other comprehensive income	(1,633)	10,686
Comprehensive income	14,550	35,004
Comprehensive income attributable to:		
Owners of parent	9,954	24,260
Non-controlling interests	4,596	10,744
Comprehensive income	14,550	35,004

(3) Consolidated Statement of Changes in Equity
Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2024	12,345	2,885	(3,008)	7,771	2,545
Profit					
Other comprehensive income				(645)	(183)
Total comprehensive income	--	--	--	(645)	(183)
Purchase of treasury shares			(966)		
Disposal of treasury shares		12	653		
Cancellation of treasury shares		(64)	2,459		
Dividends					
Transfer to retained earnings					(22)
Capital transactions with non-controlling interests		45		(752)	
Total transactions with owners	--	(6)	2,146	(752)	(22)
Balance As of March 31, 2025	12,345	2,878	(861)	6,372	2,339

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total
	Remeasurements of defined benefit plans	Total	Retained earnings			
Balance as of April 1, 2024	--	10,316	34,065	56,605	15,756	72,361
Profit		--	10,901	10,901	5,282	16,184
Other comprehensive income	(118)	(947)		(947)	(686)	(1,633)
Total comprehensive income	(118)	(947)	10,901	9,954	4,596	14,550
Purchase of treasury shares		--		(966)		(966)
Disposal of treasury shares		--	(225)	440		440
Cancellation of treasury shares		--	(2,394)	--		--
Dividends		--	(2,428)	(2,428)	(2,135)	(4,564)
Transfer to retained earnings	118	96	(96)	--		--
Capital transactions with non-controlling interests		(752)		(707)	3,000	2,293
Total transactions with owners	118	(656)	(5,144)	(3,662)	864	(2,797)
Balance As of March 31, 2025	--	8,712	39,822	62,897	21,217	84,114

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2025	12,345	2,878	(861)	6,372	2,339
Profit					
Other comprehensive income				6,578	898
Total comprehensive income	--	--	--	6,578	898
Purchase of treasury shares			(2,002)		
Disposal of treasury shares		13	97		
Dividends					
Transfer to retained earnings					
Capital transactions with non-controlling interests		(2,185)		224	
Total transactions with owners	--	(2,172)	(1,905)	224	--
Balance As of March 31, 2026	12,345	706	(2,767)	13,175	3,237

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total
	Remeasurements of defined benefit plans	Total	Retained earnings			
Balance as of April 1, 2025	--	8,712	39,822	62,897	21,217	84,114
Profit		--	16,745	16,745	7,572	24,318
Other comprehensive income	38	7,514		7,514	3,171	10,686
Total comprehensive income	38	7,514	16,745	24,260	10,744	35,004
Purchase of treasury shares		--		(2,002)		(2,002)
Disposal of treasury shares		--	4	115		115
Dividends		--	(3,206)	(3,206)	(2,575)	(5,781)
Transfer to retained earnings	(38)	(38)	38	--		--
Capital transactions with non-controlling interests		224		(1,961)	(3,011)	(4,972)
Total transactions with owners	(38)	185	(3,163)	(7,054)	(5,586)	(12,641)
Balance As of March 31, 2026	--	16,412	53,405	80,102	26,374	106,477

(4) Consolidated Statements of Cash Flows

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before tax	23,709	35,617
Depreciation and amortization	2,214	2,182
Finance income	(656)	(574)
Finance costs	240	195
Loss on retirement of fixed assets	7	47
Loss (gain) on sale of fixed assets	(1)	(3)
Government grant income	(1,162)	(1,952)
Insurance claim income	(42)	(48)
Decrease (increase) in inventories	(530)	2,167
Decrease (increase) in trade and other receivables	(13,569)	(4,220)
Increase (decrease) in trade and other payables	605	236
Increase (decrease) in contract liabilities	1,658	2,083
Increase or decrease in retirement benefit asset or liability	55	1
Increase (decrease) in provisions	63	144
Other	792	551
Subtotal	13,384	36,427
Interest and dividends received	629	551
Interest paid	(240)	(195)
Government grant received	1,162	1,952
Insurance received	42	48
Income taxes paid	(6,602)	(10,644)
Income taxes refund	479	462
Net cash provided by (used in) operating activities	8,855	28,602
Cash flows from investing activities		
Payments into time deposits	(266)	(81)
Proceeds from withdrawal of time deposits	317	102
Purchase of property, plant and equipment	(2,026)	(1,211)
Proceeds from sale of property, plant and equipment	15	36
Payments for retirement of property, plant and equipment	--	(227)
Purchase of intangible assets	(72)	(23)
Purchase of right-of-use assets	--	(657)
Purchase of investment securities	(2)	(2)
Proceeds from sale of investment securities	43	--
Payments for investments in capital	(20)	--
Other	(8)	(16)
Net cash provided by (used in) investing activities	(2,020)	(2,082)

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,251)	(2,446)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(1,309)	(5,448)
Proceeds from sale of treasury shares	0	--
Purchase of treasury shares	(968)	(2,005)
Dividends paid	(2,428)	(3,206)
Payment of dividends to non-controlling interests	(2,135)	(2,575)
Repayments of lease obligations	(280)	(245)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	3,610	--
Net cash provided by (used in) financing activities	<u>(8,762)</u>	<u>(15,928)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(838)</u>	<u>3,858</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,765)</u>	<u>14,451</u>
Cash and cash equivalents at the beginning of the period	<u>30,495</u>	<u>27,729</u>
Cash and cash equivalents at the end of the period	<u><u>27,729</u></u>	<u><u>42,180</u></u>

(5) Notes Related to Consolidated Financial Statements

(Notes relating to the going concern assumption)

Not applicable.

(Segment information)

(1) Summary of reportable segments

The Group's reportable segments are those Group's constituent units for which separate financial information is obtainable, and which the Board of Directors subjects to periodic reviews in order to decide the allocation of management resources and evaluate business results. Meanwhile, these operating segments are not aggregated.

The Group manufactures and sells machine tools in Japan and abroad. The Group consists of geographic segments based on its manufacturing and sales organizations. The Company's reportable segments are Japan, China, India, South Korea and Other which are the areas where Group companies are located.

(2) Segment revenues and operating results

Amounts of transactions of parts and materials for value with subsidiaries are included in intersegment revenues. Intersegment revenues are based on market prices.

Revenues and operating results of the Group's reportable segments are as follows.

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment						Adjustment	Consolidated
	Japan	China	India	South Korea	Other	Total		
Revenue								
Revenue from external customers	19,956	80,881	4,671	1,568	333	107,411	--	107,411
Intersegment revenue	9,416	9,599	1	23	189	19,230	(19,230)	--
Total	29,373	90,480	4,672	1,592	522	126,641	(19,230)	107,411
Segment profit (loss)	225	22,384	(310)	50	(36)	22,314	(261)	22,052
Other income and expenses, net	--	--	--	--	--	--	--	1,256
Operating profit	--	--	--	--	--	--	--	23,309
Finance income and costs, net	--	--	--	--	--	--	--	399
Profit before tax	--	--	--	--	--	--	--	23,709
Other items								
Depreciation and amortization	697	1,292	176	48	4	2,219	(5)	2,214
Segment assets	28,770	89,432	8,757	1,629	633	129,222	(1,916)	127,306
Capital expenditure	314	944	1,212	21	14	2,508	(28)	2,479

(Notes) 1. Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

2. "Adjustment" of segment profit of ¥(261) million is the adjustment of unrealized profit., etc.

3. "Adjustment" items of ¥(5) million in depreciation and amortization are adjustments for unrealized profit., etc.

4. "Adjustment" of segment assets of ¥(1,916) million includes Company-wide assets of ¥7,833 million and the effect of intersegment adjustments of ¥(9,749) million.

5. "Adjustment" items of ¥(28) million in capital expenditure are adjustments for unrealized profit., etc.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Reportable segment						Adjustment	Consolidated
	Japan	China	India	South Korea	Other	Total		
Revenue								
Revenue from external customers	16,439	103,476	6,819	1,286	1,118	129,140	--	129,140
Intersegment revenue	11,264	7,562	29	30	156	19,043	(19,043)	--
Total	27,704	111,039	6,848	1,317	1,274	148,184	(19,043)	129,140
Segment profit (loss)	2,328	31,155	347	0	31	33,862	129	33,992
Other income and expenses, net	--	--	--	--	--	--	--	2,110
Operating profit	--	--	--	--	--	--	--	36,102
Finance income and costs, net	--	--	--	--	--	--	--	(485)
Profit before tax	--	--	--	--	--	--	--	35,617
Other items								
Depreciation and amortization	636	1,341	162	40	11	2,192	(10)	2,182
Segment assets	27,856	115,777	9,179	1,648	1,348	155,810	(1,754)	154,055
Capital expenditure	447	1,216	731	62	2	2,459	(20)	2,439

(Notes) 1. Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

2. "Adjustment" of segment profit of ¥129 million is the adjustment of unrealized profit., etc.

3. "Adjustment" items of ¥(10) million in depreciation and amortization are adjustments for unrealized profit., etc.

4. "Adjustment" of segment assets of ¥(1,754) million includes Company-wide assets of ¥10,855 million and the effect of intersegment adjustments of ¥(12,610) million.

5. "Adjustment" items of ¥(20) million in capital expenditure are adjustments for unrealized profit., etc.

(3) Information on geographical segments

The table below shows a breakdown of non-current assets by geographical segment.

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Japan	2,309	2,099
China	12,952	14,395
India	3,637	4,103
South Korea	103	119
Other	24	21
Total	19,028	20,740

(Notes) The non-current assets are classified according to their locations. Assets related to financial instruments, deferred tax assets, and retirement benefits are not included.

(Per Share information)

(1) Basis for calculation of basic earnings per share

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (million yen)	10,901	16,745
Profit not attributable to common shareholders of the parent (million yen)	--	--
Profit used to calculate basic earnings per share (million yen)	10,901	16,745
Weighted average number of common shares (thousand shares)	47,081	46,361
Basic earnings per share (yen)	231.55	361.20

(2) Basis for calculation of diluted earnings per share

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit used to calculate basic earnings per share (million yen)	10,901	16,745
Adjustment on profit (million yen)	--	--
Profit used to calculate diluted earnings per share (million yen)	10,901	16,745
Weighted average number of common shares (thousand shares)	47,081	46,361
Increase in common shares		
Share acquisition rights as stock option (thousand shares)	113	--
Common shares as restricted stock compensation (thousand shares)	504	615
Weighted average number of diluted common shares (thousand shares)	47,700	46,976
Diluted earnings per share (yen)	228.55	356.47

(Important subsequent events)
Not applicable.

4. Supplementary Information

(1) Overseas Revenue

(Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
China	80,488	103,185
Asia	11,251	12,223
America	4,190	4,274
Europe	3,635	2,819
Overseas revenue	99,566	122,502
Consolidated revenue	107,411	129,140
Ratio of overseas revenue to consolidated revenue (%)	92.7	94.9

(Note) Revenue is categorized by country or region based on the locations of the customers.

(2) Revenue by Machinery Category

The relationship between the disaggregation of revenue based on major product lines and reportable segments is as follows.

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment					Total
	Japan	China	India	South Korea	Other	
Main product lines						
Automatic lathes	14,998	69,245	4,459	1,383	213	90,299
Grinding machines	748	4,304	--	90	--	5,142
Machining centers, thread and form rolling machines, and specialized machines	1,533	5,249	46	--	--	6,829
Other	2,677	2,081	165	95	119	5,139
Total	19,956	80,881	4,671	1,568	333	107,411

(Note) "Other" in main product lines include components and services.

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Reportable segment					Total
	Japan	China	India	South Korea	Other	
Main product lines						
Automatic lathes	11,911	88,393	6,253	1,125	937	108,621
Grinding machines	684	4,685	101	33	--	5,505
Machining centers, thread and form rolling machines, and specialized machines	1,004	7,645	219	10	5	8,886
Other	2,839	2,751	243	117	175	6,127
Total	16,439	103,476	6,819	1,286	1,118	129,140

(Note) "Other" in main product lines include components and services.

(3) Changes in Officers (scheduled to take effect on June 17, 2026)

(i) Reason for changes

Expiration of the term of office.

(ii) Candidate for new Director

At a meeting of the Board of Directors held on May 13, 2026, an unofficial decision was made for the newly appointed Director as follows.

• Director

Wang Xiaokun

(Current Chairman and CEO of Precision Tsugami (China) Corporation Limited)

(Current Director of Precision Tsugami (Hong Kong) Limited)

(Current Chairman and General Manager of Precision Tsugami (China) Corporation)

(iii) Retiring Directors

• Director

Shoichiro Haga

Plans to retire as Director at the end of the term of office and assume the position of Advisor of the Company.

He will continue to perform his duties as Executive Director (CFO) of Precision Tsugami (China) Corporation Limited and Director of Precision Tsugami (Hong Kong) Limited.

• Director

Donglei Tang

Plans to retire as Director at the end of the term of office.