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SAKAI
MASTERS OF COMPACTION

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

November 13, 2026

Company name	SAKAI HEAVY INDUSTRIES, LTD.			Stock exchange listings: Tokyo Prime
Securities code	6358	URL https://www.sakainet.co.jp/		
Representative	(Title)	President and Representing Director	(Name)Ichiro Sakai	
Inquiries	(Title)	Executive Officer, General Manager of Administration Division	(Name)Yasuyuki Fujikawa	Tel 03-3434-3401
Semi-annual statement filing date (as planned)		November 13, 2026	Dividend payable date (as planned)	December 10, 2026

Supplemental material of results : Yes
Convening briefing of results : Yes

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

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	13,633	5.0	654	(4.3)	627	(3.2)	427	(1.0)
September 30, 2025	12,980	(9.8)	684	(44.4)	648	(45.0)	431	(66.9)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	49.69	—
September 30, 2025	50.45	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	44,629	32,841	73.4
March 31, 2026	43,936	31,677	71.9

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	45.00	—	62.00	107.00
Fiscal year ending March 31, 2027	—	45.00			
Fiscal year ending March 31, 2027 (Forecast)			—	65.00	110.00

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2027	30,500	10.7	1,650	3.9	1,650	4.3	1,100	(37.6)	128.48

* Notes

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

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements : Yes

(3) 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

(4) Number of issued shares (common shares)

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

As of Sep 30, 2026	8,935,234 shares	As of March 31, 2026	8,890,434 shares

Number of treasury shares at the end of the period

As of Sep 30, 2026	315,500 shares	As of March 31, 2026	315,344 shares

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

Three months ended Sep 30, 2026	8,594,209 shares	Three months ended Sep 30, 2025	8,549,982 shares

Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	6,552,672	5,682,371
Notes and accounts receivable - trade	6,406,088	6,063,435
Electronically recorded monetary claims - operating	1,239,009	1,179,955
Merchandise and finished goods	4,797,586	5,320,975
Work in process	1,303,984	1,433,039
Raw materials and supplies	4,870,968	5,722,078
Other	2,375,501	1,475,559
Allowance for doubtful accounts	(675)	(1,270)
Total current assets	27,545,135	26,876,145
Non-current assets		
Property, plant and equipment	7,951,841	7,953,441
Intangible assets	528,179	577,279
Investments and other assets		
Investment securities	6,116,749	7,476,348
Other	1,794,402	1,746,117
Total investments and other assets	7,911,151	9,222,466
Total non-current assets	16,391,172	17,753,188
Total assets	43,936,308	44,629,333
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,247,082	1,673,840
Electronically recorded obligations - operating	1,316,195	986,673
Short-term borrowings	4,613,087	4,088,044
Income taxes payable	388,349	250,249
Provision for product warranties	403,764	389,352
Other	2,016,818	1,762,661
Total current liabilities	9,985,298	9,150,822
Non-current liabilities		
Long-term borrowings	78,848	65,818
Retirement benefit liability	255,984	266,859
Other	1,938,972	2,303,977
Total non-current liabilities	2,273,805	2,636,654
Total liabilities	12,259,103	11,787,476

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Net assets		
Shareholders' equity		
Share capital	3,425,058	3,471,337
Capital surplus	6,671,002	6,717,280
Retained earnings	15,297,436	15,192,859
Treasury shares	(412,617)	(412,952)
Total shareholders' equity	24,980,880	24,968,524
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,601,881	4,533,198
Foreign currency translation adjustment	3,027,499	3,273,552
Remeasurements of defined benefit plans	(15,328)	(18,280)
Total accumulated other comprehensive income	6,614,051	7,788,469
Non-controlling interests	82,272	84,862
Total net assets	31,677,204	32,841,856
Total liabilities and net assets	43,936,308	44,629,333

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	12,980,135	13,633,227
Cost of sales	9,264,399	9,722,520
Gross profit	3,715,735	3,910,707
Selling, general and administrative expenses		
Transportation costs	168,178	179,402
Salaries and bonuses	1,365,384	1,485,417
Technical research expenses	476,097	479,483
Other	1,021,782	1,111,754
Total selling, general and administrative expenses	3,031,443	3,256,058
Operating profit	684,292	654,649
Non-operating income		
Interest income	5,172	7,617
Dividend income	140,367	150,674
Other	15,025	38,020
Total non-operating income	160,565	196,312
Non-operating expenses		
Interest expenses	111,079	84,514
bank charge	37,356	43,695
Foreign exchange losses	34,251	94,870
Other	14,140	762
Total non-operating expenses	196,827	223,843
Ordinary profit	648,029	627,118
Extraordinary income		
Gain on sale of non-current assets	2,284	—
Gain on receipt of donated non-current assets	—	21,153
Gain on sale of investment securities	35,227	443
Total extraordinary income	37,511	21,597
Extraordinary losses		
Loss on sale of non-current assets	—	272
Loss on retirement of non-current assets	60	—
Total extraordinary losses	60	272
Profit before income taxes	685,480	648,443
Income taxes	251,272	218,924
Profit	434,208	429,518
Profit attributable to non-controlling interests	2,893	2,441
Profit attributable to owners of parent	431,314	427,077

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	434,208	429,518
Other comprehensive income		
Valuation difference on available-for-sale securities	737,093	931,316
Foreign currency translation adjustment	(751,774)	248,807
Remeasurements of defined benefit plans, net of tax	(467)	(2,951)
Total other comprehensive income	(15,148)	1,177,172
Comprehensive income	419,059	1,606,691
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	422,673	1,601,525
Comprehensive income attributable to non-controlling interests	(3,613)	5,165

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	685,480	648,443
Depreciation	359,351	385,916
Increase (decrease) in allowance for doubtful accounts	57	613
Increase (decrease) in provision for product warranties	(14,156)	(14,412)
Increase (decrease) in retirement benefit liability	18,679	5,708
Interest and dividend income	(145,540)	(158,291)
Interest expenses	111,079	84,514
Loss (gain) on sale of investment securities	(35,227)	(443)
Loss (gain) on sale of non-current assets	(2,284)	272
Gain on receipt of donated non-current assets	—	(21,153)
Loss on retirement of non-current assets	60	—
Decrease (increase) in trade receivables	(1,014,371)	434,702
Decrease (increase) in inventories	143,206	(1,335,815)
Decrease (increase) in prepaid expenses	17,174	(99,062)
Decrease (increase) in accounts receivable - other	244,391	(964)
Increase (decrease) in trade payables	449,281	91,338
Increase (decrease) in accrued expenses	(78,535)	(352,385)
Other, net	309,950	96,607
Subtotal	1,048,598	(234,413)
Interest and dividends received	147,205	161,086
Interest paid	(111,234)	(94,264)
Income taxes paid	(192,821)	(373,748)
Net cash provided by (used in) operating activities	891,748	(541,339)
Cash flows from investing activities		
Purchase of property, plant and equipment	(414,692)	(188,475)
Proceeds from sale of property, plant and equipment	6,975	168
Purchase of intangible assets	(9,444)	(31,349)
Proceeds from sale of investment securities	40,584	1,104,482
Proceeds from collection of loans receivable	295	150
Net cash provided by (used in) investing activities	(376,280)	884,975
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	160,981	(458,095)
Proceeds from long-term borrowings	100,000	—
Repayments of long-term borrowings	(119,206)	(119,206)
Purchase of treasury shares	(669)	(335)
Dividends paid	(516,120)	(531,655)
Dividends paid to non-controlling interests	(1,632)	(2,605)
Other, net	(98,641)	(116,484)
Net cash provided by (used in) financing activities	(475,288)	(1,228,381)
Effect of exchange rate change on cash and cash equivalents	(177,162)	14,397
Net increase (decrease) in cash and cash equivalents	(136,982)	(870,347)
Cash and cash equivalents at beginning of period	7,599,293	6,492,851
Cash and cash equivalents at end of period	7,462,311	5,622,503