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

May 13 2026

Company name: KOKUSAI ELECTRIC CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 6525
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Scheduled date of annual general meeting of shareholders: June 26, 2026
Scheduled date to commence dividend payments: June 29, 2026
Scheduled date to file annual securities report: June 25, 2026
Preparation of supplementary materials on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded to millions.)

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

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Income before income tax		Net income	
The fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	235,079	(1.6)	41,836	(18.5)	40,739	(19.8)	30,099	(16.4)
March 31, 2025	238,933	32.1	51,320	66.9	50,789	70.7	36,004	60.9

	Net income attributable to owners of the parent		Comprehensive income		Basic earnings per share	Diluted earnings per share
The fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2026	30,099	(16.4)	31,646	(7.1)	129.00	128.53
March 31, 2025	36,004	60.9	34,075	37.4	154.60	152.54

	Ratio of net income attributable to owners of the parent to total equity attributable to owners of the parent	Ratio of income before income taxes to total assets	Ratio of operating profit to revenue
The fiscal year ended	%	%	Yen
March 31, 2026	14.5	11.6	17.8
March 31, 2025	18.8	14.2	21.5

	Adjusted operating profit	Adjusted net income	Adjusted net income per share
The fiscal year ended	Millions of yen	Millions of yen	Yen
March 31, 2026	47,596	34,095	146.12
March 31, 2025	57,753	42,303	181.65

Notes
1. Adjusted operating profit is calculated as operating profit – other income + other expenses + purchase price allocation amortization + stand-alone related expenses + stock-based compensation (except for performance-linked stock compensation).
2. Adjusted net income is calculated as net income – other income + other expenses + purchase price allocation amortization + stand-alone related expenses + stock-based compensation (except for performance-linked stock compensation) – tax adjustments to total adjustments + extraordinary tax expenses.

(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 per share attributable to owners of parent
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2026	359,658	219,270	219,270	61.0	938.59
March 31, 2025	341,512	196,168	196,168	57.4	842.12

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
The fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	48,801	(16,954)	(21,514)	56,543
March 31, 2025	38,477	(27,706)	(58,106)	44,755

2. Cash dividends

	Annual dividends per share					Cash dividend (annual)	Payout ratio	Dividends on equity attributable to owners of parent (consolidated)
	1Q end	2Q end	3Q end	4Q end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
Fiscal year ended March 31, 2025	-	18.00	-	19.00	37.00	8,584	23.8	4.5
Fiscal year ended March 31, 2026	-	18.00	-	19.00	37.00	8,640	28.7	4.2
Fiscal year ending March 31, 2027 (Forecast)	-	23.00	-	24.00	47.00		28.3	

3. Forecasts of consolidated financial results 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		Income before income tax		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2Q(cumulative) ending September 30, 2026	152,300	29.9	32,500	43.1	31,900	43.9	22,900	47.2	22,900	47.2	98.02
Fiscal year ending March 31, 2027	280,000	19.1	54,500	30.3	53,400	31.1	38,800	28.9	38,800	28.9	166.08

	Adjusted operating profit		Adjusted net income		Adjusted net income per share
	Millions of yen	%	Millions of yen	%	Yen
2Q(cumulative) ending September 30, 2026	35,500	40.1	25,000	43.8	107.01
Fiscal year ending March 31, 2027	60,500	27.1	42,900	25.8	183.64

※ Notes

(1) Important 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: Yes

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at year end (including treasury shares)

As of March 31, 2026	238,115,614 shares
As of March 31, 2025	238,002,985 shares

(ii) Number of treasury shares at year end

As of March 31, 2026	4,500,158 shares
As of March 31, 2025	5,058,400 shares

(iii) Average number of shares outstanding during each of the following fiscal year (cumulative from the beginning of the fiscal year)

Year ended March 31, 2026	233,331,810 shares
Year ended March 31, 2025	232,886,851 shares

[Reference] Overview of non-consolidated financial results

1. 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.)

	Revenue		Operating profit		Income before income tax		Net income	
The fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	168,370	(10.8)	14,140	(52.7)	28,212	(32.8)	22,894	(24.7)
March 31, 2025	188,687	43.8	29,900	164.3	41,966	88.0	30,406	65.5

	Basic earnings per share	Diluted earnings per share
The fiscal year ended	Yen	Yen
March 31, 2026	98.12	97.77
March 31, 2025	130.56	128.82

(2) Non-consolidated financial position

	Total assets	Total equity	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	274,649	162,343	59.0	693.54
March 31, 2025	274,171	147,056	53.4	628.59

Reference: Equity

As of March 31, 2026: ¥162,022 million

As of March 31, 2025: ¥146,426 million

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

※ Proper use of earnings forecasts, and other special matters

The forward-looking statements herein are based on the Company's expectations, estimations, and forecasts deemed to be reasonable at the date of publication of this document. The forward-looking statements herein include the known and unknown risks, uncertainties and other factors and actual results may be materially different from those discussed or implied in the forward-looking statements. Accordingly, the forward-looking statements herein are inherently not guarantees of future performance and results.

KOKUSAI ELECTRIC CORPORATION

Consolidated statement of financial position

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	**44,755**	**56,543**
Trade and other receivables	**42,835**	**37,941**
Inventories	**83,200**	**88,890**
Other current assets	**2,062**	**2,465**
Total current assets	**172,852**	**185,839**
Non-current Assets		
Property, plant and equipment	**46,904**	**53,975**
Right-of-use assets	**2,093**	**3,246**
Goodwill	**59,065**	**59,065**
Intangible assets	**54,139**	**50,900**
Other financial assets	**1,706**	**1,582**
Deferred tax assets	**1,703**	**2,190**
Other non-current assets	**3,050**	**2,861**
Total non-current assets	**168,660**	**173,819**
Total assets	**341,512**	**359,658**

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Loans payable	**11,349**	**11,514**
Lease obligations	**579**	**859**
Trade and other payables	**23,606**	**25,354**
Accrued expenses	**12,512**	**13,089**
Other financial liabilities	**319**	**143**
Income tax payable	**9,622**	**3,367**
Provisions	**1,708**	**1,290**
Contract liabilities	**22,455**	**34,840**
Other current liabilities	**521**	**273**
Total current liabilities	**82,671**	**90,729**
Non-current liabilities		
Loans payable	**46,863**	**35,306**
Lease obligations	**1,393**	**2,186**
Retirement and severance benefits	**2,927**	**2,802**
Provisions	**206**	**307**
Deferred tax liabilities	**11,186**	**8,848**
Other non-current liabilities	**98**	**210**
Total non-current liabilities	**62,673**	**49,659**
Total liabilities	**145,344**	**140,388**
Equity		
Common stock	**14,086**	**14,139**
Capital surplus	**25,134**	**23,605**
Treasury stock	**(18,000)**	**(16,014)**
Retained earnings	**170,526**	**191,455**
Other components of equity	**4,422**	**6,085**
Total equity attributable to owners of the parent	**196,168**	**219,270**
Total equity	**196,168**	**219,270**
Total liabilities and equity	**341,512**	**359,658**

KOKUSAI ELECTRIC CORPORATION

Consolidated statement of profit or loss

(Millions of yen)

	Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Revenues	**238,933**	**235,079**
Cost of sales	**(137,190)**	**(138,269)**
Gross profit	**101,743**	**96,810**
Selling, general and administrative expenses	**(50,518)**	**(55,114)**
Other income	**348**	**508**
Other expenses	**(253)**	**(368)**
Operating profit	**51,320**	**41,836**
Financial income	**908**	**353**
Financial expenses	**(1,439)**	**(1,450)**
Income before income tax	**50,789**	**40,739**
Income tax expenses	**(14,785)**	**(10,640)**
Net income	**36,004**	**30,099**
Net income attributable to:		
Owners of the parent	**36,004**	**30,099**
Net income per share		
Basic (yen)	**154.60**	**129.00**
Diluted (yen)	**152.54**	**128.53**

KOKUSAI ELECTRIC CORPORATION

Consolidated statement of comprehensive income

(Millions of yen)

	Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Net income	**36,004**	**30,099**
Other comprehensive income (OCI)		
Items that will not be reclassified into net income		
Remeasurements of defined benefit plans	**(407)**	**(408)**
Total of items that will not be reclassified into net income	**(407)**	**(408)**
Items that may be reclassified into net income		
Cash flow hedges	**(15)**	**10**
Foreign currency translation adjustments	**(1,507)**	**1,945**
Total of items that may be reclassified into net income	**(1,522)**	**1,955**
Total other comprehensive income	**(1,929)**	**1,547**
Comprehensive income	**34,075**	**31,646**
Comprehensive income attributable to:		
Owners of the parent	**34,075**	**31,646**

KOKUSAI ELECTRIC CORPORATION

Consolidated statement of cash flows

(Millions of yen)

	Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Net income	**36,004**	**30,099**
Depreciation and amortization	**12,625**	**14,279**
Income tax expense	**14,785**	**10,640**
Financial income	**(908)**	**(353)**
Financial expenses	**1,439**	**1,450**
Decrease (increase) in inventories	**3,299**	**(4,512)**
Decrease (increase) in trade and other receivables	**(11,604)**	**5,781**
Increase (decrease) in trade and other payables	**(2,512)**	**1,651**
Other	**(3,366)**	**9,077**
Subtotal	**49,762**	**68,112**
Interest and dividends received	**229**	**279**
Interest paid	**(1,102)**	**(679)**
Income taxes paid	**(10,412)**	**(18,911)**
Net cash provided by operating activities	**38,477**	**48,801**
Cash flows from investing activities		
Purchase of property, plant and equipment	**(25,482)**	**(13,744)**
Purchase of intangible assets	**(2,190)**	**(3,275)**
Other	**(34)**	**65**
Net cash used in investing activities	**(27,706)**	**(16,954)**
Cash flows from financing activities		
Proceeds from long-term borrowings	**60,000**	**-**
Repayment of Loans payable	**(91,500)**	**(12,000)**
Repayment of lease obligations	**(710)**	**(819)**
Dividends paid	**(6,711)**	**(8,617)**
Purchase of treasury shares	**(18,518)**	**-**
Other	**(667)**	**(78)**
Net cash used in financing activities	**(58,106)**	**(21,514)**
Effect of exchange rate changes on cash and cash equivalents	**(529)**	**1,455**
Net increase (decrease) in cash and cash equivalents	**(47,864)**	**11,788**
Cash and cash equivalents at beginning of the year	**92,619**	**44,755**
Cash and cash equivalents at end of the year	**44,755**	**56,543**